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Årsredovisning

för

E.ON Energiinfrastruktur AB

556146-1814

Räkenskapsåret

2022–01–01 – 2022–12–31

Fastställelseintyg

Undertecknad verkställande direktör i E.ON Energiinfrastruktur AB intygar att resultaträkningen och balansräkningen i årsredovisningen har fastställts på årsstämma 21 juni 2023. Årsstämman beslutade att godkänna styrelsens förslag till resultatdisposition.

Jag intygar också att innehållet i årsredovisningen och revisionsberättelsen stämmer överens med originalen.

Malmö 22/6 2023

Anette Blücher

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Förvaltningsberättelse

Styrelsen och verkställande direktören för E.ON Energiinfrastruktur AB, med säte i Malmö, får härmed avge årsredovisning för räkenskapsåret 2022–01–01 – 2022–12–31.

Om inte särskilt anges, redovisas alla belopp i tusental kronor (Tkr). Uppgifter inom parentes avser föregående år.

Verksamhet

E.ON Energiinfrastruktur AB med säte i Malmö, är ett helägt dotterbolag till E.ON Sverige AB, organisationsnummer 556006-8420, Malmö.

E.ON Energiinfrastruktur AB är en av de största aktörerna på den svenska fjärrvärmemarknaden och levererar cirka 6 TWh (6 TWh) energi.

Nettoomsättningen 2022 var högre än föregående år. En ny modell för prissättning av fjärrvärme infördes 1 januari 2022 med vilken nettoomsättningen är mindre känslig för temperaturskillnader under vintersäsongen. Nettoomsättningen under 2022 har också ökat då försäljningen av solceller och laddinfrastruktur flyttade in i bolaget under senare delen av 2021. Slutligen bidrar också höga spotpriser på el till intäktsökningen 2022.

Årets resultat är högre 2022 jämfört med 2021. Övriga rörelsekostnader påverkas i hög grad negativt av överflyttningen av tillgångar och skulder till Navirum Energi AB. Överföringen gjordes till skattemässigt värde på tillgångar och skulder, och värdet i överföringen skiljde sig mycket gentemot tillgångarnas och skuldernas bokförda värden. Detta orsakade en realisationsförlust. Överavskrivningar har återförts för beskattning som ett resultat av överföringen av anläggningstillgångar till Navirum.

Bolaget har under året bedrivit verksamhet i ett tiotal nät från Malmö i söder till Stockholm i norr. Fjärrvärmeleveranserna uppgick under året till 4,1 TWh. Förutom värme producerades under året cirka 0,5 TWh el från kraftvärmeverk och 0,5 TWh ånga. Leveranserna av kyla uppgick till 45 GWh. Fyra nät i Norrköping och Örebro flyttades den 1 december 2022 till bolaget Navirum Energi AB, vilket har viss negativ påverkan på de volymer som redovisas i bolaget 2022.

Bolaget är certifierat enligt ISO 45001 (arbetsmiljö) och ISO 14001 (miljö).

Flerårsöversikt (Mkr)	**2022**	**2021**	**2020**	**2019**	**2018**
Nettoomsättning	5 285	4 889	3 695	3 758	3 780
Resultat efter finansiella poster	-2 462	443	744	843	767
Balansomslutning	10 896	13 649	13 005	12 630	11 671
Antal anställda	613	624	0	0	0

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Förändring av eget kapital (Tkr)

	Aktie-kapital	Uppskriv-ningsfond	Reserv-fond	Utvecklings-fond	Balanserat resultat	Årets resultat
Belopp vid årets ingång	11 814	9 733	81 410	84 353	2 915 173	27
Disposition enligt beslut av årsstämman:					27	-27
Utvecklingsfond				11 357	-11 357	
Försäljning mark		-9 733				
Fusion					147	
Årets resultat						271
Belopp vid årets utgång	**11 814**	**0**	**81 410**	**95 710**	**2 903 990**	**271**

Väsentliga händelser under räkenskapsåret

E.ON utreder möjligheten att avyttra fjärrvärmeverksamheterna i Norrköping och Örebro. Som en del i detta genomfördes den 1 december en överföring av tillgångar och skulder till Navirum Energi AB, 559383-5621. De balansposter som fördes över är företrädesvis följande:

- Anläggningstillgångar i verksamheterna i Norrköping och Örebro
- Lager av bränsle och reservdelar
- Anslutningsavgifter samt andra förutbetalda intäkter
- Statliga bidrag som redovisas som förutbetalda intäkter
- Personalrelaterade balansposter
- Förutbetalda kostnader

Balansposter relaterade till verksamheterna i Norrköping och Örebro såsom kundfordringar och leverantörsskulder släcks ut i E.ON Energiinfrastruktur genom in- och utbetalningar.

Ca 280 personer bytte anställning från E.ON Energiinfrastruktur AB till Navirum Energi AB.

En apportemission och en kvittningsemission i Navirum Energi AB utgjorde ersättning för tillgångarna och skulderna som överfördes enligt ovan. Genom en andra apportemission blev dotterbolaget E.ON Energi HoldCo AB, 556400-7465, moderbolag till Navirum Energi AB.

Omstruktureringen av verksamheten i Stockholmsområdet tog ny fart 2022. I december förvärvades resterande 90,1 % i Täby Fjärrvärme AB.

I månadsskiftet november-december 2022 skrevs ett avtal mellan E.ON Energiinfrastruktur AB och Svenska kraftnät om att Heleneholmsverket i Malmö vid behov ska producera el fram tills månadsskiftet mars-april 2023. Viss produktion av el har skett under vintern 2022/2023.

Dotterbolaget Improbed AB fusionerades med E.ON Energiinfrastruktur AB i början av 2022.

Bolagets systematiska arbetsmiljöarbete har under 2022 fortsatt med fokus på att bygga struktur parallellt med att förbättra säkerhetskulturen hos chefer och medarbetare. För att öka närvaron i vår produktion och ute i fält har vi fortsatt med Go, See & Talk (Safety Walks). Entreprenörer är fortsatt de som i större utsträckning råkar ut för olyckor. Ett tydligt arbete med "safety"-dialoger med våra entreprenörer och en uppdaterad contract management-process har stärkt vårt samarbete och målbild att tillsammans med entreprenörerna uppnå noll olyckor. Glädjande nog har det uthålliga och systematiska arbetet inom Safety resulterat i att vårt nyckeltal TRIF (antal rapporterade incidenter per en miljon arbetade timmar) sjönk betydligt ner till 4,8 för 2022 jämfört med 8,1 året innan. Verksamheterna i

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Norrköping och Örebro ingår endast i beräkningen av nyckeltalet för perioden januari-november 2022.

Under året 2022 har det varit stor påverkan på hela bränsleförsörjningen. Rysslands krigsinvasion i Ukraina har lett till en gaskris i Europa med priser som nått historiskt höga nivåer. Detta har tvingat fram förändringar i energisystemet och ökat konkurrensen och efterfrågan på andra bränslen och energislag. Ryssland och Belarus har dessutom varit stora leverantörer av biobränslen till Finland och de baltiska länderna, detta flöde har upphört i och med kriget och stora omsvängningar av kvarvarande flöden har skapat prisuppgångar och signaler om knapphet på material.

I september 2022 kommunicerade E.ON Energiinfrastruktur AB en prishöjning för 2023 på fjärrvärme i Malmö och Burlöv på 20 procent till flerfamiljshus och företagskunder. I övriga fjärrvärmenät aviserades en höjning med 13 procent. Beslutet att genomföra en så kraftig prishöjning fattades i ett exceptionellt ansträngt läge med stor osäkerhet om tillgången på gas på den europeiska energimarknaden, stor volatilitet, rekordhöga energi- och bränslepriser samt ett överhängande hot om akut gasbrist i Malmös fjärrvärmenät. För att säkerställa en stabil värmeförsörjning, även i händelse av en kall vinter, genomfördes kostsamma åtgärder i form av inköp av reservbränsle samt förberedelser för idrifttagande av reservanläggningar. Sedan dess har läget på gasmarknaden förbättrats och i februari 2023 beslutades om en ny justering av fjärrvärmepriset för flerfamiljs- och företagskunder i Malmö och Burlöv. Istället för 20 procent blir ökningen 13 procent jämfört med vad som kommunicerades 2022, från och med den 1 mars. Osäkerheten på energimarknaden kvarstår dock och fortsatta investeringar i beredskap för kommande vinter pågår.

Den kraftiga inflationen, högt elpris och omsvängningen på räntemarknaden har lett till lägre konsumtion, mindre byggande, och därmed har avfallsflödena minskat kraftigt. Detta medförde sänkta gate fee-nivåer på avfall.

Under 2023 förväntas lågkonjunkturen hålla i sig, med fortsatt låga gate fees och svår tillgänglighet. Biobränslepriserna förväntas vara fortsatt höga även under 2023. Gaspriserna verkar dock ha stabiliserats under första månaderna av 2023.

2022 blev ett rekordår för nya anslutningar till E.ONs fjärrvärmenät. 198 företag och flerfamiljshus anslöt sig under 2022, att jämföra med 170 nya anslutningar året innan, eller 192 nya anslutningar det tidigare rekordåret 2017. Malmö sticker ut med 103 nya anslutningar ifjol, jämfört med 70 året innan.

Nyförsäljning av fjärrvärme och fjärrkyla under 2022 uppgick till 114,7 GWh varav kylleveranser på 1 GWh. Bedömningen framåt är att Stockholm och Malmö fortsatt kommer ha en hög tillväxttakt, där framför allt exploateringen av Barkabyområdet i Stockholm och Bunkeflo i Malmö står för stora andelar.

Efterfrågan på solceller för konsumenter och företag ökade kraftigt under 2022, mycket drivet av höga elpriser och fördelaktigt skatteincitament. För 2023 ser vi fortsatt en väldigt hög efterfrågan på solceller. Elpriserna ligger fortsatt relativt högt samt att avdraget för grön teknik höjts från 15 % till 20 % från årsskiftet. För att möta den ökade efterfrågan på solceller, förvärvades samtliga aktier i installationsbolaget Idola Solkraft AB. Under året har satsningen på solcellsparker även tagit fart där flertalet solcellsparker förväntas realiseras under 2023, framför allt i elområde 3 och 4.

Risker och riskhantering

Den enskilda risk som har störst påverkan på bolagets ekonomiska resultat är variationer i utomhustemperaturen, vilka påverkar volymen levererad värme avsevärt. Denna volymrisk kan falla ut såväl positivt som negativt. De övriga två större riskerna är båda kopplade till produktionsanläggningarna, och utgörs av haveririsk samt avvikande tillgänglighet. Den förstnämnda av dessa båda risker reduceras genom försäkringslösningar. Den sistnämnda kan även ha ett visst positivt utfall då viss otillgänglighet antas i planeringen.

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Bolaget är även exponerat för prisrisker i olika insatsvaror såsom bränsle. Detta kan medföra väsentlig volatilitet i resultatet och hanteras av bolaget genom finansiella säkringar med hjälp av olika derivat, bl a terminskontrakt, så att risken kan reduceras till en acceptabel nivå i enlighet med de mandat som fastställts i styrelsen. Verksamhetens riskpolicy har sin utgångspunkt i E.ON SE koncernens globala riktlinjer för finansiell riskhantering. Derivatinstrument värderas löpande enligt lägsta värdets princip (LVP). Detta innebär att orealiserade negativa marknadsvärden för derivat redovisas som orealiserad förlust i resultaträkningen samt som skuld i balansräkningen, se not 1. Det orealiserade negativa marknadsvärdet (brutto) för bolaget utestående derivatkontrakt uppgick till per balansdagen till -249 (-375) MSEK.

Priset på utsläppsrätter har fortsatt öka under 2022. Bolaget köper utsläppsrätter i enlighet med koncernens riktlinjer enligt ovan.

Andra risker är kreditrisker kopplat till större kunder. Bolaget bedriver en aktiv kreditbevakning i enlighet med E.ON-koncernens riktlinjer för kredithantering.

Bolaget har en väl utvecklad modell för riskhantering i projekt, vilket används för alla investeringsprojekt. Större investeringsprojekt följer ett koncerngemensamt regelverk. För alla investeringsprojekt görs också efterkalkyler i ett lärande syfte.

Forskning och utveckling (F&U)

F&U inom E.ON Energiinfrastruktur AB har under 2022 deltagit i projekt tillsammans med samarbetspartners och inom ramen för branschgemensamma program, exempelvis Smart Energi, FutureHeat, Energiforsk, Biokraft (Energimyndigheten), Avfall Sverige, KME (Konsortiet för Materialfrågor i Energiprocesser), HTC (HögtemperaturKorrosionsCentrum), Chalmers, Ragnsells och RISE. F&U-aktiviteter har därutöver bedrivits i egen regi på bolagets produktionsanläggningar och distributionsnät. Fokusområden under året har varit utfasning av fossila bränslen (gummi, plast och torv), bränslekvalitet, förbränningsoptimering, korrosion/erosion, emissionsminskning, nyttiggörande av askor och restprodukter samt geotermi. Vidare har steg tagits mot ökad digitalisering och användning av kunddata vilket på sikt möjliggör optimering av systemen för fjärrvärme och fjärrkyla. Även produkt- och konceptutveckling avseende såväl nya som befintliga kundsegment har genomförts. Under året har en satsning på teknikutveckling för koldioxidinfångning startats, både med hjälp av CCS och biokolsproduktion. Genom CCS finns potential att neutralisera fossila utsläpp från plastandelen i energiåtervinningsbränslen, och att fånga in biogena utsläpp som antingen kan säljas som kolkrediter eller användas för att kompensera för E.ONs övriga utsläpp.

Miljöpåverkan

Fjärrvärmeverksamheterna inom bolaget är de som har störst miljöpåverkan. Fjärrvärmen har producerats och levererats i ett tiotal nät, varav merparten är certifierade enligt REKO. Av bolagets produktionsanläggningar, inklusive fjärrkylaanläggningar, är 29 tillstånds- eller anmälningspliktiga verksamheter enligt miljöbalken och miljöprövningsförordningen. 1 december övertog Navirum Energi AB fyra nät och 17 tillstånds- eller anmälningspliktiga verksamheter.

Miljöpåverkan sker huvudsakligen genom utsläpp av klimatpåverkande och försurande gaser samt stoft till luft. Övrig påverkan är utsläpp till vatten och mark samt genom avfall och buller. Under 2022 uppgick de direkta utsläppen (scope 1) från både el- och värmeproduktion till cirka 452 000 ton

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koldioxidekvivalenter, cirka 589 ton kväveoxider, cirka 156 ton svaveldioxider och cirka 15 ton stoft.

Utsläppen är beräknade för perioden november 2021 till oktober 2022 och omfattar därmed samtliga nät som bolaget hade före överföringen till Navirum Energi AB.,

Utsläppet av växthusgaser ökade med 5,6 % jämfört med 2021, däremot har produktionen av energi med fossila bränslen minskat. Ökningen i absoluta tal (utsläpp av växthusgaser) beror främst på att branschspecifika emissionsfaktorer för avfall och biobränslen har ökats.

Vad gäller jämförelse mellan 2022 och 2021 för övriga utsläpp (kg) kan det konstateras att utsläpp av kväveoxider minskade med 8 %, utsläpps av stoft minskade med 25 % och utsläpp av svaveldioxid är oförändrat. Minskningen av utsläppen för NOx- och stoft i absoluta tal beror främst på varmare väder för 2002 jämfört med 2021.

I övrigt har det under 2022 varit fortsatt stort fokus på förbättringsarbete gällande miljöriskhantering och lärande av miljöincidenter.

Förväntad framtida utveckling samt väsentliga risker och osäkerhetsfaktorer

Totalt sett bedöms bolagets underliggande ekonomiska utveckling som fortsatt stabil om än inte opåverkad av omvärldsfaktorer och volatila bränsle och elpriser. Stora svängningar i priset på gas har föranlett hög säkringsnivå för en mer förutsägbar produktionskostnad. Under det gångna året har verksamheterna i Örebro och Norrköping avyttrats från bolaget och ombildats i ny legal enhet vilket minskat den naturliga balansen mellan elproduktion och elkonsumtion.

E.ON har fokus på nettonoll 2035. Det innebär att fullt fokus ligger på att minska våra faktiska fossila utsläpp, oavsett om de kommer från återvunnen energi eller fossila bränslen. Även om energiåtervinning är viktig ur ett resursperspektiv, är det ännu viktigare att vi nu lägger all kraft på att få bort de utsläpp som den ger upphov till. Vi gör det genom att minska andelen plast och annat fossilt innehåll i avfallet, men också genom att arbeta med olika lösningar för att fånga in koldioxid. Vi ser också ett snabbt ökande fokus för hållbarhetsfrågor inom energiproduktionen. Ambitionen att fasa ut fossila bränslen och råvaror har ytterligare höjts i samhället under året. För att minska fossila utsläpp har beslut tagits att accelerera utfasning av torv och gummi, och likaså har mål om minskad plastförbränning satts. Dessa åtgärder minskar behovet av utsläppsrätter och gör fjärrvärmen mer attraktiv. Det finns också en ambition att skapa negativa kolkrediter (kolsänkor), med framtida potential för en ny intäktström. Affärsutveckling pågår.

Konkurrensen om restprodukter från skogsindustrin ökar, inte minst i drivmedelssektorn. Det finns risk för större prisökningar på biobränslen om ny lagstiftning stipulerar kraftigt begränsat uttag från skogen. Fortsatta barkborreangrepp håller nere prisökningar. Övriga omvärldsfaktorer bedöms ha begränsad påverkan på priserna.

Rysslands angrepp på Ukraina och det upptrappade säkerhetsläget i Europa har gett en ökad volatilitet på energimarknaden. Vid sidan av det mänskliga lidandet leder det geopolitiska läget även till att Europa drabbas av en osäkerhet kring framtida tillgång på naturgas, med stigande efterfrågan på el som konsekvens. Som en följd får de länder som har stor andel gas i sin energimix ett stort behov att importera el från exempelvis Norden. När efterfrågan stiger går också priset på el upp. Sverige har en mycket begränsad gasanvändning men vi är en del av den europeiska elmarknaden och påverkas av stigande elpriser när efterfrågan går upp. E.ON bevakar läget noga och som alltid arbetar vi löpande, tillsammans med ansvariga myndigheter, för att säkra den svenska energiförsörjningen framåt.

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Väsentliga händelser efter räkenskapsårets slut

1 mars avslutades projektet att omstrukturera verksamheten i Stockholmsområdet då aktierna i Täby Fjärrvärme AB såldes till Täby Miljövärme AB, 556758-1573. Samtidigt köpte E.ON Energiinfrastruktur AB 47,5 % av aktierna i Täby Miljövärme AB, där verksamhet nu bedrivs i samarbete med Stockholm Exergi AB.

Förslag till vinstdisposition

Till årsstämmans förfogande står följande vinstmedel (kronor):

balanserad vinst	2 903 990 145
årets vinst	271 312 323
	3 175 302 468

Styrelsen föreslår att vinstmedlen disponeras så att:

i ny räkning överföres	3 175 302 468

Vad beträffar resultat och ställning i övrigt, hänvisas till efterföljnade resultat- och balansräkning med tillhörande noter.

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Resultaträkning Tkr

	Not	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
	1, 2		
Rörelsens intäkter			
Nettoomsättning		5 284 718	4 888 823
Aktiverat arbete för egen räkning		35 432	9 631
Övriga rörelseintäkter	3	398 817	108 538
		5 718 967	**5 006 993**
Rörelsens kostnader			
Råvaror och förnödenheter		-2 494 095	-2 135 032
Övriga externa kostnader	4	-1 256 572	-995 030
Personalkostnader	5	-576 501	-158 489
Avskrivningar och nedskrivningar av materiella och immateriella anläggningstillgångar	6	-771 243	-763 386
Övriga rörelsekostnader	7	-3 086 460	-481 611
		-8 184 871	**-4 533 548**
Rörelseresultat	8	**-2 465 904**	**473 445**
Resultat från finansiella poster			
Resultat från andelar i koncernföretag	9	29 506	-8 672
Resultat från övriga värdepapper och fordringar som är anläggningstillgångar	10	7 092	-5 360
Övriga ränteintäkter och liknande resultatposter	11	7 436	4 097
Räntekostnader och liknande resultatposter	12	-40 112	-20 822
		3 922	**-30 757**
Resultat efter finansiella poster		**-2 461 982**	**442 688**
Bokslutsdispositioner	13	2 783 282	-438 653
Resultat före skatt		**321 299**	**4 035**
Skatt på årets resultat	14	-49 987	-4 008
ÅRETS RESULTAT		**271 312**	**27**

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Balansräkning Tkr

	Not	2022-12-31	2021-12-31
	1, 2		
TILLGÅNGAR			
Anläggningstillgångar			
Immateriella anläggningstillgångar			
Balanserade utgifter för utvecklingsarbeten och liknande arbeten	15, 16	163 264	147 562
Hyresrätter och liknande rättigheter	17	2 306	2 327
Goodwill	18	0	0
Pågående utvecklingsarbeten och förskott avseende immateriella anläggningstillgångar	19, 20	155 295	166 757
		320 865	**316 646**
Materiella anläggningstillgångar			
Byggnader och mark	21, 22	821 719	1 170 047
Maskiner och andra tekniska anläggningar	23	3 863 066	8 066 669
Inventarier, verktyg och installationer	24	309 536	426 719
Pågående nyanläggningar och förskott avseende materiella anläggningstillgångar	25	801 141	1 185 899
		5 795 462	**10 849 333**
Finansiella anläggningstillgångar			
Andelar i koncernföretag	26, 27	2 964 438	149 974
Andra långfristiga värdepappersinnehav	28	296	20 038
Uppskjuten skattefordran	29	56 148	92 817
Andra långfristiga fordringar	30	3 664	2 135
		3 024 545	**264 963**
Summa anläggningstillgångar		**9 140 872**	**11 430 942**
Omsättningstillgångar			
Varulager m m	31		
Råvaror och förnödenheter		286 212	366 492
Kortfristiga fordringar			
Kundfordringar		450 548	512 519
Fordringar hos koncernföretag		369 963	408 732
Fordringar hos intresseföretag och gemensamt styrda företag		0	4 435
Övriga fordringar		72 459	72 286
Förutbetalda kostnader och upplupna intäkter	32	575 810	853 775
		1 468 780	**1 851 747**
Summa omsättningstillgångar		**1 754 992**	**2 218 238**
SUMMA TILLGÅNGAR		**10 895 864**	**13 649 180**

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Balansräkning Tkr

	Not	2022-12-31	2021-12-31
	1, 2		
EGET KAPITAL OCH SKULDER			
Eget kapital	33, 34		
Bundet eget kapital			
Aktiekapital		11 814	11 814
Uppskrivningsfond	35	0	9 733
Reservfond		81 410	81 410
Fond för utvecklingsutgifter		95 710	84 353
		188 934	**187 309**
Fritt eget kapital			
Balanserad vinst eller förlust		2 903 990	2 915 173
Årets resultat		271 312	27
		3 175 302	**2 915 200**
Summa eget kapital		**3 364 236**	**3 102 509**
Skulder			
Obeskattade reserver	36	**2 940 858**	**5 824 140**
Avsättningar			
Övriga avsättningar	37	40 974	36 444
Långfristiga skulder	38, 39		
Skulder till koncernföretag	40	46 990	41 484
Övriga skulder	41	220 690	366 326
		267 680	**407 809**
Kortfristiga skulder	39		
Leverantörsskulder		615 436	661 684
Skulder till koncernföretag	40	3 344 775	3 048 243
Skulder till intresseföretag och gemensamt styrda företag		0	6 053
Aktuella skatteskulder		12 486	66 890
Övriga skulder	41	130 051	210 642
Upplupna kostnader och förutbetalda intäkter	42	179 367	284 766
		4 282 116	**4 278 277**
Summa skulder		**7 531 628**	**10 546 671**
SUMMA EGET KAPITAL OCH SKULDER		**10 895 864**	**13 649 180**

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Kassaflödesanalys Tkr

	Not	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
	1, 2		
Den löpande verksamheten			
Rörelseresultat		-2 465 904	473 445
Justeringar för poster som inte ingår i kassaflödet	43	2 781 485	58 129
Avskrivningar		771 243	763 386
Erhållen ränta		986	38
Erhållen utdelning		792	940
Erlagd ränta		-27 812	-28 648
Betald inkomstskatt		-67 733	-885
Kassaflöde från den löpande verksamheten före förändring av rörelsekapital		**993 057**	**1 266 405**
Kassaflöde från förändring av rörelsekapitalet			
Förändring av varulager		-249 985	60 808
Förändring av kundfordringar		61 971	-416 173
Förändring av övriga fordringar		271 678	65 973
Förändring av leverantörsskulder		-60 578	116 149
Förändring av kortfristiga skulder		138 853	24 575
Förändring av långfristiga skulder		27 063	57 008
Reglering avsättning		-9 450	-7 126
Kassaflöde från den löpande verksamheten		**1 172 609**	**1 167 619**
Investeringsverksamheten			
Investeringar i immateriella anläggningstillgångar		-67 559	-255 099
Försäljning av immateriella anläggningstillgångar		1 158	0
Investeringar i materiella anläggningstillgångar		-942 728	-844 938
Försäljning av materiella anläggningstillgångar		378	75 968
Förvärv av dotterföretag		-252 501	-73 748
Försäljning av dotterföretag		57 333	0
Förändring av finansiella tillgångar		-1 529	30 108
Kassaflöde från investeringsverksamheten		**-1 205 448**	**-1 067 709**
Finansieringsverksamheten			
Upptagna lån		0	2 100
Amortering av skuld		-11	-10
Erhållit koncernbidrag		46 600	0
Lämnat koncernbidrag		-13 750	-102 000
Kassaflöde från finansieringsverksamheten		**32 839**	**-99 910**
Likvida medel vid årets början		0	0
Likvida medel vid årets slut		**0**	**0**

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Noter

Not 1 Redovisnings- och värderingsprinciper

Allmänna upplysningar
Årsredovisningen är upprättad i enlighet med årsredovisningslagen och BFNAR 2012:1 Årsredovisning och koncernredovisning (K3).

Redovisningsprinciperna är oförändrade jämfört med föregående år.

Övriga tillgångar och skulder har upptagits till anskaffningsvärden där inget annat anges.

Uppgift om moderföretaget
E.ON Energiinfrastruktur AB, 556146-1814, bedriver verksamhet i associationsformen aktiebolag och har sitt säte i Malmö i Sverige. Bolaget ägs av E.ON Sverige AB, 556006-8420, Malmö. Moderbolag i koncernen där E.ON Energiinfrastuktur AB är dotterföretag och koncernredovisning upprättas är E.ON SE, registreringsnummer HRB28196, Essen, Tyskland. Årsredovisning för E.ON SE återfinns på www.eon.com.

Koncernredovisning
E.ON Energiinfrastruktur AB upprättar ingen koncernredovisning, med hänvisning till ÅRL 7:2. Företaget och samtliga dotterföretag omfattas av koncernredovisning som upprättas av E.ON SE, registrerings- nummer HRB28196, Essen, Tyskland.

Fordringar och skulder i utländska valuta
Monetära fordringar och skulder i utländsk valuta värderas till balansdagens kurs. Valutakursvinster och förluster som uppkommer vid omvärdering av kundfordringar och leverantörskulder redovisas i posterna *Övriga rörelseintäkter* och *Övriga rörelsekostnader*. Övriga valutakursvinster och förluster redovisas under rubriken *Resultat från finansiella poster*.

Intäktsredovisning
Rörelsens intäkter redovisas vid leveranstidpunkten och exklusive energi- och mervärdeskatter. Nettoomsättningen har inte fördelats på verksamhetsgrenar enligt ÅRL 5 Kap § 5 på grund av att bolaget endast har en väsentlig verksamhetsgren.

Från och med 2013 intäktsförs anslutningsavgifterna periodiserat över den anslutna anläggningens nyttjandeperiod. Förändringen innebär en ändrad bedömning varvid intäktsförda anslutningsavgifter från 2012 och tidigare inte berörs.

Enligt gällande branschpraxis intäktsfördes anslutningsavgifterna mellan åren 2010-2012.
Under åren 2006 till 2009 periodiserades de debiterade anslutningsavgifterna över en tidsperiod på 25 år och under åren 2011 till 2019 är tidsperioden 40 år. Från år 2020 är tidsperioden 50 år då underliggande anläggningar har fått ändrad bedömd nyttjandeperiod.

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Offentliga bidrag

Offentliga bidrag intäktsredovisas när bolaget har uppfyllt de villkor som är förknippade med bidraget och det föreligger rimlig säkerhet att bidraget kommer att erhållas. Bidrag som bolaget erhållit men där alla villkor ännu inte är uppfyllda redovisas som skuld.

Bidraget som erhållits för förvärv av en anläggningstillgång reducerar anläggningstillgångens redovisade anskaffningsvärde. Övriga offentliga bidrag redovisas i posten *Övriga rörelseintäkter*.

Låneutgifter

Samtliga låneutgifter kostnadsförs i den period som de hänförs till och redovisas i posten *Räntekostnader och liknande resultatposter*.

Leasingavtal

Samtliga leasingavtal där bolaget är leasetagare redovisas som operationell leasing, oavsett om avtalen är finansiella eller operationella. Leasingavgiften redovisas som en kostnad linjärt över leasingperioden. Bolaget disponerar tillgångar via leasingavtal endast i liten omfattning och till kostnader som icke är väsentliga för bolaget.
Leasingavtal där bolaget är leasegivare redovisas som operationell leasing. Intäkterna från leasingen redovisas över tid i linje med tillhandahållandet till kund.

Inkomstskatter

Inkomstskatter utgörs av aktuell skatt och uppskjuten skatt. Inkomstskatt redovisas i resultaträkningen utom då den underliggande transaktionen redovisas i eget kapital varvid även tillhörande skatteeffekt redovisas i eget kapital. Aktuella skattefordringar och skatteskulder samt uppskjutna skattefordringar och skatteskulder kvittas om det finns en legal rätt till kvittning.

Aktuell skatt är inkomstskatt för innevarande räkenskapsår som avser årets skattepliktiga resultat och den del av tidigare räkenskapsårs inkomstskatt som ännu inte har redovisats. Aktuell skatt värderas till det sannolika beloppet enligt de skattesatser och skatteregler som gäller per balansdagen och nuvärdesberäknas inte.

Uppskjuten skatt är inkomstskatt för skattepliktiga resultat avseende framtida räkenskapsår till följd av tidigare transaktioner eller händelser. Uppskjuten skatt beräknas på samtliga temporära skillnader dvs. skillnaden mellan de redovisade värdena för tillgångar och skulder och deras skattemässiga värden samt skattemässiga underskott. På grund av sambandet mellan redovisning och beskattning redovisas den uppskjutna skatteskulden på obeskattade reserver som en del av de obeskattade reserverna. Förändringar i uppskjuten skatteskuld eller uppskjuten skattefordran redovisas i resultaträkningen om inte förändringen är hänförlig till en post som redovisas i eget kapital.

Uppskjuten skatteskuld och uppskjuten skattefordran värderas enligt de skattesatser och skatteregler som är beslutade före balansdagen. Uppskjuten skattefordran värderas till högst det belopp som sannolikt kommer att återvinnas baserat på innevarande och framtida skattepliktiga resultat. Värderingen omprövas per varje balansdag för att återspegla aktuell bedömning av framtida skattemässiga resultat.

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Immateriella anläggningstillgångar

Immateriella anläggningstillgångar redovisas till anskaffningsvärde minskat med ackumulerade avskrivningar och nedskrivningar.

Immateriell anläggningstillgång tas bort från balansräkningen vid utrangering eller avyttring eller när inte framtida ekonomiska fördelar väntas från användning, utrangering eller avyttring av tillgången.

Aktiveringsmodellen tillämpas för internt upparbetade immateriella tillgångar. Det innebär att samtliga utgifter för forskningsarbete kostnadsförs fram till den tidpunkt som företaget har definierat som forskningsfas. Samtliga utgifter under utvecklingsfasen redovisas som immateriell anläggningstillgång i balansräkningen, om det är sannolikt att framtida ekonomiska fördelar som är förknippade med tillgången sannolikt kommer att tillfalla bolaget och anskaffningsvärdet kan mätas på ett tillförlitligt sätt.

Avskrivningar görs linjärt över den bedömda nyttjandeperioden. Avskrivningstiden för internt upparbetade immateriella anläggningstillgångar uppgår till fem år.

Goodwill skrivs av linjärt över den beräknade nyttjandeperioden.

Balanserade utgifter för utvecklingsarbeten	3-15 år
Nyttjanderätter	10-15 år
Goodwill	10 år

Materiella anläggningstillgångar

Materiella anläggningstillgångar redovisas som tillgång i balansräkningen om det är sannolikt att framtida ekonomiska fördelar som är förknippade med tillgången sannolikt kommer att tillfalla bolaget och anskaffningsvärdet kan mätas på ett tillförlitligt sätt. Materiella anläggningstillgångar värderas till anskaffningsvärdet med avdrag för ackumulerade av- och nedskrivningar.

I anskaffningsvärdet ingår inköpspriset och utgifter som är direkt hänförbara till inköpet och syftar till att bringa tillgången på plats och i skick för att utnyttjas i enlighet med företagsledningens avsikt med förvärvet. Som direkt hänförbara utgifter hänförs utgifter för leverans, hantering, installation och montering, lagfarter och konsulttjänster. Låneutgifter ingår inte i anskaffningsvärdet. Anskaffningsvärdet reduceras med offentliga bidrag som erhållits för förvärv av anläggningstillgångar.

Tillkommande utgifter aktiveras endast om det är sannolikt att de framtida ekonomiska fördelar som är förknippade med tillgången kommer att komma bolaget till del och anskaffningsvärdet kan beräknas på ett tillförlitligt sätt. Utbyte av komponenter räknas in i tillgångens redovisade värde. Om inte kostnadsförs utgifter under det räkenskapsåret som de uppkommer. Eventuella oavskrivna redovisade värden på utbytta komponenter, eller delar av komponenter, utrangeras och kostnadsförs i samband med utbytet. Även i de fall ny komponent skapats läggs utgiften till anskaffningsvärdet.

Tillkommande utgifter som avser tillgångar som inte delas upp i komponenter läggs till anskaffningsvärdet till den del tillgångens prestanda ökar i förhållande till tillgångens värde vid anskaffningstidpunkten.

Reparationer och underhåll kostnadsförs löpande.

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Materiella anläggningstillgångar skrivs av systematiskt över tillgångens bedömda nyttjandeperiod. Bedömningen av nyttjandeperioden för bolagets disrtibutionsnät förlängdes räkenskapsåret 2020 från 40 till 50 år.

Följande avskrivningstider tillämpas:

Byggnader	25-50 år
Markanläggningar	20 år
Fjärrvärmeanläggningar	10-50 år
Kraftvärmeanläggningar	7-25 år
Övrigt	5 år

Mark skrivs inte av.

Nedskrivningar av materiella och immateriella anläggningstillgångarna
När det finns en indikation på att en tillgångs värde minskat, görs en prövning av nedskrivningsbehov. Har tillgången ett återvinningsvärde som är lägre än det redovisade värdet, skrivs den ned till återvinningsvärdet.

För tillgångar, andra än goodwill, som tidigare skrivits ner görs per varje balansdag en prövning av om återföring bör göras. En tidigare nedskrivning återförs när det har skett en förändring i de antaganden som vid nedskrivningstillfället låg till grund för att fastställa tillgångens återvinningsvärde. Det återförda beloppet ökar tillgången redovisade värde, dock högst till det värde tillgången skulle ha haft (efter avdrag för normala avskrivningar) om ingen nedskrivning gjorts.

Likvida medel
Bolagets banktillgodohavande ingår i moderbolaget E.ON Sveriges AB koncernbankkonto. Bolagets andel av koncernbankkontot klassificeras som fordringar/skulder hos koncernföretag i balansräkningen.

Finansiella instrument
Allmänna principer
Finansiella instrument som redovisas i balansräkningen inkluderar *värdepapper, kundfordringar och övriga fordringar, leverantörsskulder, låneskulder och derivatinstrument*. En finansiell tillgång eller finansiell skuld redovisas i balansräkningen när bolaget blir part enligt instrumentets avtalsenliga villkor. Bolagets finansiella instrument värderas och redovisas utifrån anskaffningsvärden i enlighet med K3 kapitel 11. Finansiella instrument redovisas initialt till anskaffningsvärde vilket motsvarar instrumentets verkliga värde med tillägg för transaktionskostnader.

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Kundfordringar och liknande fordringar
Kundfordringar och liknande fordringar är finansiella tillgångar med fasta betalningar eller betalningar som går att fastställa med belopp. Fordringar redovisas som omsättningstillgångar med undantag för poster med förfallodag mer än 12 månader, vilka klassificeras som anläggningstillgångar. Fordringar värderas till det värde som beräknas inflyta, det vill säga med avdrag för osäkra fordringar. Nedskrivning av kundfordringar redovisas i posten *Övriga externa kostnader*.

Låneskulder och leverantörsskulder
Låneskulder och leverantörsskulder redovisas initialt till anskaffningsvärde efter avdrag för transaktionskostnader. Skiljer sig det redovisade beloppet från det belopp som ska återbetalas vid förfallotidpunkten periodiseras mellanskillnaden som räntekostnad över lånets löptid med hjälp av instrumentets effektivränta. Härigenom överensstämmer vid förfallotidpunkten det redovisade beloppet och det belopp som ska återbetalas. Leverantörsskulder som har kort förväntat löptid värderas till nominellt belopp.

Derivatinstrument
Bolaget använder olika typer av derivatinstrument (*terminskontrakt och swappar*) för att säkra olika finansiella risker och då framförallt *valutarisker och råvaruprisrisker*.

Derivatinstrument där kriterier för säkringsredovisning inte är uppfyllda
Bolaget innehar och genomför derivattransaktioner enbart i syfte att hantera risk genom ekonomisk säkring med hjälp av följande kategorier standardiserade derivatinstrument *valutaderivat, oljeswappar, utsläppsrättderivat, elcertifikatderivat, gasderivat och elderivat.*

Bolagets innehav och transaktioner med valutaderivat sker enbart i syfte att hantera risk och handlas på en aktiv marknad med standardiserade instrument. De redovisas och värderas därför konsekvent i en värdepappersportfölj i enlighet med K3.

För råvaruderivaten utgör E.ON Sverige AB direkt motpart. Transaktioner med valutaderivat sker via E.ON Sverige ABs Finansavdelning som motpart och som i sin tur agerar med E.ON SEs Treasuryavdelning som motpart. Det är enbart E.ON SE och E.ON Sverige AB som utför affärstransaktionerna mot finansmarknaderna.

Råvaruderivat med positivt värde värderas löpande i enlighet med lägsta värdets princip (LVP), råvaruderivat med negativt värde värderas till det negativa värdet. Valutaderivat värderas också i enlighet med lägsta värdets princip, men värderingen sker i en värdepappersportfölj som helhet. Det innebär att vid prövning av lägsta värdets princip avräknas orealiserade förluster mot orealiserade vinster inom portföljen. Bolaget redovisar negativa derivat till verkligt värde enligt officiella marknadspriser.

De värdeförändringar som uppkommer vid LVP för positioner med negativa värden redovisas i resultaträkningen som en orealiserad förlust (*Övrig rörelsekostnad*) eller orealiserad intäkt (*Övrig rörelseintäkt*). Värdeförändringar på orealiserade negativa derivat redovisas som kort respektive lång Övrig skuld i balansräkningen.

För respektive kategori av bolagets derivatinnehav redovisas dessas verkliga värde per balansdagen vid noten för orealiserade negativa derivat (Not 40, 41).

Kvittning av finansiell fordran och finansiell skuld
En finansiell tillgång och en finansiell skuld kvittas och redovisas med ett nettobelopp i balansräkningen endast där legal kvittningsrätt föreligger samt då en reglering med ett nettobelopp avses ske eller då en samtida reglering av tillgången och reglering av skulden avses ske.

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Nedskrivningar av finansiella anläggningstillgångarna
Per varje balansdag görs en bedömning av om det finns någon indikation på att en eller flera finansiella anläggningstillgångar har minskat i värde. Om en sådan indikation finns beräknas tillgångens återvinningsvärde. Har tillgången ett återvinningsvärde som är lägre än det redovisade värdet, skrivs den ned till återvinningsvärdet

Nedskrivning av finansiella anläggningstillgångar återförs om de skäl som låg till grund för nedskrivningen har förändrats.

Varulager
Bränslelagret utgörs huvudsakligen av biobränsle och olja. Varulagret värderas enligt lägsta värdets princip och genomsnittsmetoden. Detta innebär att varulagret tas upp till det lägsta av anskaffningsmetoden enligt genomsnittsmetoden och nettoförsäljningsvärdet.

Avsättning
Avsättningar redovisas när bolaget har en legal eller informell förpliktelse till följd av inträffade händelser, det är mer sannolikt att ett utflöde av resurser krävs för att reglera åtagandet än att så inte sker, och beloppet har kunnat beräknas på ett tillförlitligt sätt.

Om det finns ett antal liknande åtaganden, bedöms sannolikheten för att det kommer att krävas ett utflöde av resurser vid regleringen sammantaget för hela denna grupp av åtaganden. En avsättning redovisas även om sannolikheten för ett utflöde avseende en speciell post i denna grupp av åtaganden är ringa.

Pensioner
Bolaget redovisar förmånsbestämda pensionsplaner i enlighet med K3s förenklingsregel. Det innebär att förmånsbestämda planer redovisas som avgiftbestämda när pensionspremien betalas. De pensionsförpliktelser vars värde är beroende av värdet på en kapitalförsäkring, redovisas till kapitalförsäkringens redovisade värde.

Miljöavsättningar
Avsättningar avseende miljöskulder redovisas då ett åtagande, som följd av en inträffad händelse, uppkommer då myndigheterna ställer krav på utförande av efterbehandling av ett förorenat område. Ett åtagande som motiverar en avsättning föreligger också då bolaget självt beslutar att en efterbehandling av ett område skall genomföras, dvs då efterbehandlingåtgärden inte är initierad av ett krav från myndigheterna.

Kassaflödesanalys
Kassaflödesanalysen upprättas enligt indirekt metod. Det redovisade kassaflödet omfattar endast transaktioner som medför in- eller utbetalningar.

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Not 2 Uppskattningar och bedömningar

Bolaget har betydande belopp redovisade i resultaträkningen avseende upplupna värmeintäkter. Anledningen är att december månads intäkter beräknats utifrån uppskattade mätvärden eftersom dessa mätvärden ännu inte erhållits. I övrigt har företagsledningen i sedvanlig omfattning tillämpat interna bedömningar och prognoser om energimarknadens utveckling, vilket i begränsad omfattning påverkat redovisat resultat och ställning.

Not 3 Operationell leasing, leasegivare

Summan av framtida minimileasingavgifter avseende icke uppsägningsbara avtal:

	2022-01-01 -2022-12-31	**2021-01-01 -2021-12-31**
Inom ett år	5 317	2 324
Senare än ett år men inom fem år	21 269	21 269
Senare än fem år	175 256	180 573
	201 842	**204 166**

Summan av variabla avgifter som ingår i räkenskaps årets resultat 399 (0) tkr.

E.ON Energiinfrastruktur AB hyr ut maskiner och tillhörande infrastruktur till en kund. Leasingavtalet sträcker sig fram till 2064 men kan sägas upp före dess. Avgiften är dels fast med indexuppräkning enligt KPI samt variabel där den är produktionsberoende

Not 4 Arvode till revisorer

	2022-01-01 -2022-12-31	**2021-01-01 -2021-12-31**
KPMG AB		
Revisionsuppdrag	779	961
Revisionsverksamhet utöver revisionsuppdraget	43	380
	822	**1 341**

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Not 5 Anställda och personalkostnader

	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Medelantalet anställda		
Kvinnor	136	140
Män	477	484
	613	**624**
Löner och andra ersättningar		
Styrelse och verkställande direktör	6 062	1 120
Övriga anställda	377 663	105 797
	383 725	**106 917**
Sociala kostnader		
Pensionskostnader för styrelse och verkställande direktör	1 059	1 019
Pensionskostnader för övriga anställda	63 929	17 159
Sociala kostnader för styrelse och verkställande direktör	1 905	352
Sociala kostnader för övriga anställda	116 591	31 755
	183 484	**50 285**
Övriga personalkostnader	9 292	1 287
Totala löner, ersättningar, sociala kostnader och pensionskostnader	**576 501**	**158 489**
Pensionsförpliktelser		
Nuvarande styrelse och verkställande direktör		0
Tidigare styrelse och verkställande direktör	2 052	2 052
	2 052	**2 052**

Den totala ersättningen för personerna med ledande befattningar består av grundlön samt rörliga lönedelar; STI (Short Term Incentive) och LTI (Long Term Incentive). STI programmet löper på årsbasis och bygger på ett individuellt satt belopp där målnivå respektive maxnivå är tydligt definierade. Maxnivå är 219 procent av målnivån.

LTI programmet är ett E.ON-gemensamt, globalt program för befattningshavare på en viss nivå. Programmet löper över en 4-års period och utfallet beror dels på E.ON SE-aktiens utveckling, dels utvecklingen av branschindex. Företaget avsätter en andel virtuella aktier årligen som bygger på ett individuellt belopp. Varje person har därmed en individuell målnivå.

Könsfördelning bland ledande befattningshavare		
Andel kvinnor i styrelsen	43 %	43 %
Andel män i styrelsen	57 %	57 %
Andel kvinnor bland VD och övriga ledande befattningshavare	33 %	42 %
Andel män bland VD och övriga ledande befattningshavare	67 %	58 %

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Avtal om avgångsvederlag
Med VD har avtal träffats om avgångsvederlag motsvarande 6 gånger den fasta månadslönen.

Not 6 Avskrivningar och nedskrivningar av materiella och immateriella anläggningstillgångar

	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Balanserade utgifter för forskning- och utvecklingsarbete	52 931	39 473
Byggnader och mark	67 608	53 851
Maskiner och andra tekniska anläggningar	606 605	633 275
Inventarier, verktyg och installationer	44 099	36 787
	771 243	**763 386**

Not 7 Övriga rörelsekostnader

	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Förlust vid avyttring av immateriella och materiella anläggningstillgångar	-2 773 535	-50 357
Valutaförluster av rörelsekaraktär	-15 187	-7 328
Realiserade derivat	-268 173	-130 000
Värdeförändring orealiserade negativa derivat	-29 565	-293 926
	-3 086 460	**-481 611**

Not 8 Inköp och försäljning mellan koncernföretag

	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Andel av årets totala inköp som skett från andra företag i koncernen	41 %	35 %
Andel av årets totala försäljningar som skett till andra företag i koncernen	18 %	62 %

Vid inköp och försäljning mellan koncernföretag tillämpas samma princip för prissättning som vid transaktioner med externa parter.

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Not 9 Resultat från andelar i koncernföretag

	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Resultat vid avyttringar	29 506	0
Nedskrivningar	0	-8 672
	29 506	**-8 672**

Not 10 Resultat från övriga värdepapper och fordringar som är anläggningstillgångar

	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Erhållna utdelningar	792	940
Nedskrivningar	0	-6 300
Återföring av nedskrivningar	6 300	0
	7 092	**-5 360**

Not 11 Övriga ränteintäkter och liknande resultatposter

	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Ränteintäkter från koncernföretag	534	23
Kursdifferenser	6 450	4 059
Övriga ränteintäkter	452	15
	7 436	**4 097**

Not 12 Räntekostnader och liknande resultatposter

	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Räntekostnader till koncernföretag	-22 018	-16 814
Övriga räntekostnader	-5 794	-929
Kursdifferenser	-12 300	-3 079
	-40 112	**-20 822**

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Not 13 Bokslutsdispositioner

	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Förändring av avskrivning utöver plan	2 883 282	-469 954
Lämnat koncernbidrag	-111 500	-15 299
Erhållit koncernbidrag	11 500	46 600
	2 783 282	**-438 653**

Not 14 Aktuell och uppskjuten skatt

	2022-01-01 -2022-12-31	2021-01-01 -2021-12-31
Skatt på årets resultat		
Aktuell skatt	-13 318	-66 860
Uppskjuten skatt	-36 669	62 852
Totalt redovisad skatt	**-49 987**	**-4 008**

Avstämning av effektiv skatt

	2022-01-01 -2022-12-31		2021-01-01 -2021-12-31	
	Procent	**Belopp**	**Procent**	**Belopp**
Redovisat resultat före skatt		321 299		4 035
Skatt enligt gällande skattesats	20,60	-66 188	20,60	-831
Ej avdragsgilla kostnader		-5 990		-316
Ej skattepliktiga intäkter		23		0
Ej avdragsgill aktienedskrivning		0		-3 084
Ej skattepliktig utdelning		163		194
Ej skattepliktig aktieförsäljning		6 078		0
Ej skattepliktig aktieuppskrivning		1 298		0
Skatt avseende tidigare år		-8		29
Skattereduktion inventarier 3,9%		14 637		0
Redovisad effektiv skatt	**15,56**	**-49 987**	**99,34**	**-4 008**

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Not 15 Balanserade utgifter för utvecklingsarbeten och liknande arbeten - egenutvecklade

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	55 954	23 413
Inköp	-20	39 012
Försäljningar/utrangeringar	-2 003	-10 805
Omklassificeringar	9 684	4 334
Utgående ackumulerade anskaffningsvärden	**63 615**	**55 954**
Ingående avskrivningar	-7 076	-8 214
Försäljningar/utrangeringar	2 003	7 615
Årets avskrivningar	-6 274	-6 477
Utgående ackumulerade avskrivningar	**-11 347**	**-7 076**
Utgående redovisat värde	**52 268**	**48 878**

Not 16 Balanserade utgifter för utvecklingsarbeten och liknande arbeten - förvärvade

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	131 652	32 265
Inköp	15 782	90 785
Försäljningar/utrangeringar	-4 678	-2 510
Omklassificeringar	43 187	11 112
Utgående ackumulerade anskaffningsvärden	**185 943**	**131 652**
Ingående avskrivningar	-32 968	-21 174
Försäljningar/utrangeringar	4 678	2 337
Omklassificeringar	0	115
Årets avskrivningar	-46 657	-14 246
Utgående ackumulerade avskrivningar	**-74 947**	**-32 968**
Utgående redovisat värde	**110 996**	**98 684**

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Not 17 Hyresrätter och liknande rättigheter

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	120 824	119 024
Inköp	51	0
Försäljningar/utrangeringar	-604	0
Omklassificeringar	532	1 800
Utgående ackumulerade anskaffningsvärden	**120 803**	**120 824**
Ingående avskrivningar	-118 497	-99 747
Årets avskrivningar	0	-18 750
Utgående ackumulerade avskrivningar	**-118 497**	**-118 497**
Utgående redovisat värde	**2 306**	**2 327**

Not 18 Goodwill

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	123 772	123 772
Utgående ackumulerade anskaffningsvärden	**123 772**	**123 772**
Ingående avskrivningar	-123 772	-123 772
Utgående ackumulerade avskrivningar	**-123 772**	**-123 772**
Utgående redovisat värde	**0**	**0**

Not 19 Pågående utvecklingsarbeten avseende immateriella anläggningstillgångar - egenutvecklade

	2022-12-31	2021-12-31
Ingående anskaffningsvärde	35 476	17 144
Inköp	17 650	22 666
Omklassificering	-9 683	-4 334
	43 443	**35 476**

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Not 20 Pågående utvecklingsarbeten avseende immateriella anläggningstillgångar - förvärvade

	2022-12-31	2021-12-31
Ingående anskaffningsvärde	131 281	35 072
Inköp	34 096	102 636
Försäljning/utrangering	-9 942	0
Omklassificering	-43 583	-6 427
	111 852	**131 281**

Not 21 Byggnader

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	1 296 361	1 293 782
Inköp	56 562	823
Försäljningar/utrangeringar	-557 940	-2 596
Omklassificeringar	10 377	4 352
Utgående ackumulerade anskaffningsvärden	**805 360**	**1 296 361**
Ingående avskrivningar	-510 575	-480 960
Försäljningar/utrangeringar	353 084	1 609
Årets avskrivningar	-32 070	-31 224
Utgående ackumulerade avskrivningar	**-189 561**	**-510 575**
Ingående nedskrivningar	0	-987
Försäljningar/utrangeringar	0	987
Årets nedskrivningar	-6 814	0
Utgående ackumulerade nedskrivningar	**-6 814**	**0**
Utgående redovisat värde	**608 985**	**785 786**

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Not 22 Mark och markanläggningar

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	563 089	556 632
Inköp	13 439	2 457
Försäljningar/utrangeringar	-326 076	-1 097
Omklassificeringar	12	5 097
Utgående ackumulerade anskaffningsvärden	**250 464**	**563 089**
Ingående avskrivningar	-188 561	-166 089
Försäljningar/utrangeringar	179 555	155
Årets avskrivningar	-28 724	-22 627
Utgående ackumulerade avskrivningar	**-37 730**	**-188 561**
Ingående uppskrivningar	9 733	9 733
Försäljningar/utrangeringar	-9 733	0
Utgående ackumulerade uppskrivningar	**0**	**9 733**
Ingående nedskrivningar	0	-334
Försäljningar/utrangeringar	0	334
Utgående ackumulerade nedskrivningar	**0**	**0**
Utgående redovisat värde	**212 734**	**384 261**

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Not 23 Maskiner och andra tekniska anläggningar

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	17 056 751	16 326 369
Inköp	250 239	242 713
Försäljningar/utrangeringar	-10 657 134	-208 376
Omklassificeringar	249 866	696 045
Utgående ackumulerade anskaffningsvärden	**6 899 722**	**17 056 751**
Ingående avskrivningar	-8 955 603	-8 516 553
Försäljningar/utrangeringar	6 555 927	177 047
Omklassificeringar	0	-490
Årets avskrivningar	-592 147	-615 607
Utgående ackumulerade avskrivningar	**-2 991 823**	**-8 955 603**
Ingående nedskrivningar	-34 479	-16 823
Försäljningar/utrangeringar	4 104	12
Årets nedskrivningar	-14 458	-17 668
Utgående ackumulerade nedskrivningar	**-44 833**	**-34 479**
Utgående redovisat värde	**3 863 066**	**8 066 669**

Bolaget erhöll bidrag på 0 (447) tkr för investering i solcellsanläggning.
Ackumulerade erhållna staliga bidrag har reducerat anskaffningsvärdena ovan med 2 559 tkr (2 559 tkr)

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Not 24 Inventarier, verktyg och installationer

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	567 050	500 324
Inköp	30 464	11 189
Försäljningar/utrangeringar	-251 568	-653
Omklassificeringar	39 577	56 190
Utgående ackumulerade anskaffningsvärden	**385 523**	**567 050**
Ingående avskrivningar	-140 331	-104 572
Försäljningar/utrangeringar	108 443	653
Omklassificeringar	0	375
Årets avskrivningar	-37 264	-36 787
Utgående ackumulerade avskrivningar	**-69 152**	**-140 331**
Ingående nedskrivningar	0	0
Årets nedskrivningar	-6 835	0
Utgående ackumulerade nedskrivningar	**-6 835**	**0**
Utgående redovisat värde	**309 536**	**426 719**

Not 25 Pågående nyanläggningar och förskott avseende materiella anläggningstillgångar

	2022-12-31	2021-12-31
Ingående balans	1 185 899	1 450 722
Årets investeringar	611 524	594 382
Försäljningar/Utrangeringar	-691 140	-91 036
Investeringsstöd	-5 173	0
Omklassificeringar	-299 969	-768 169
	801 141	**1 185 899**

Bolaget har erhållit bidrag avseende 5 040 (0) tkr till biokol, solceller 132 (0) och 0 (531) tkr till Ectogrid.

Ackumulerade erhållna bidrag har reducerat anskaffningsvärdena ovan med 7 100 (2 241) tkr.

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Not 26 Andelar i koncernföretag

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	158 646	84 898
Inköp	252 501	73 748
Försäljningar/utrangeringar	-27 827	0
Omklassificeringar	26 042	0
Fusion	-50	0
Apport- och kvittningsemissioner	2 563 798	0
Utgående ackumulerade anskaffningsvärden	**2 973 110**	**158 646**
Ingående nedskrivningar	-8 672	0
Återförda nedskrivningar	6 300	0
Omklassificeringar	-6 300	0
Årets nedskrivningar	0	-8 672
Utgående ackumulerade nedskrivningar	**-8 672**	**-8 672**
Utgående redovisat värde	**2 964 438**	**149 974**

Not 27 Specifikation andelar i koncernföretag

Namn	Kapital-andel %	Antal andelar	Kvot värde	Bokfört värde 2022	Bokfört värde 2021
E.ON Mälarkraft Värme AB	99,8	998	100	43 843	43 843
E.ON Energi HoldCo AB	100	3 000	1 000	2 568 379	4 556
Triangeln 11 AB	100	50 000	1	0	27 827
Improbed AB	100	50 000	1	0	50
Solar Supply Sweden AB	100	1 368	100	20 111	20 111
AirSon Engineering AB	100	500	100	53 587	53 587
Täby Fjärrvärme AB	100	5000	10	228 115	0
Idola Solkraft AB	100	5000	100	50 403	0
				2 964 438	**149 974**

	Org.nr	Säte
E.ON Mälarkraft Värme AB	556395-1127	Håbo
E.ON Energi HoldCo AB	556400-7465	Malmö
Triangeln 11 AB	559176-1357	Malmö
Improbed AB	559039-0075	Malmö
Solar Supply Sweden AB	556872-7464	Karlshamn
AirSon Engineering AB	559193-9235	Ängelholm
Täby Fjärrvärme AB	556989-0428	Täby
Idola Solkraft AB	559029-8468	Norrköping

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Not 28 Andra långfristiga värdepappersinnehav

	2022-12-31	2021-12-31
Ingående anskaffningsvärden	26 338	26 338
Omklassificeringar	-26 042	0
Utgående ackumulerade anskaffningsvärden	**296**	**26 338**
Ingående nedskrivningar	-6 300	0
Omklassificeringar	6 300	0
Årets nedskrivningar	0	-6 300
Utgående ackumulerade nedskrivningar	**0**	**-6 300**
Utgående redovisat värde	**296**	**20 038**

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Not 29 Uppskjuten skatt på temporära skillnader

Uppskjuten skatt på temporära skillnader

2022-12-31

Temporära skillnader	**Uppskjuten skattefordran**	**Uppskjuten skatteskuld**	**Netto**
Pensionsutfästelse (kapitalförsäkring)	584		584
Byggnad och markanläggning		-4 656	-4 656
Derivat	51 392		51 392
Utsläppsrätter	8 827		8 827
	60 803	**-4 656**	**56 147**

2021-12-31

Temporära skillnader	**Uppskjuten skattefordran**	**Uppskjuten skatteskuld**	**Netto**
Pensionsutfästelse (kaptialförsäkring)	546		546
Byggnad och markanlägggning		-1 836	-1 836
Derivat	77 147		77 147
Utsläppsrätter	16 959		16 959
	94 652	**-1 836**	**92 816**

Förändring av uppskjuten skatt

	Belopp vid årets ingång	**Redovisas i resultaträk.**	**Belopp vid årets utgång**
Pensionsutfästelse (kaptialförsäkring)	546	38	584
Byggnad och markanlägggning	-1 836	-2 820	-4 656
Derivat	77 147	-25 755	51 392
Utsläppsrätter	16 959	-8 132	8 827
	92 816	**-36 669**	**56 147**

Not 30 Andra långfristiga fordringar

	2022-12-31	**2021-12-31**
Kapitalförsäkring	2 284	2 135
Extern långfristig fordran	1 380	0
	3 664	**2 135**

Kapitalförsäkring vars utfall skall betalas ut i pension, se not 37.

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Not 31 Varulager

	2022-12-31	2021-12-31
Material	25 996	162 279
Biobränsle	46 620	87 955
Fossilt bränsle	0	33 238
Olja	213 596	83 020
	286 212	**366 492**

Not 32 Förutbetalda kostnader och upplupna intäkter

	2022-12-31	2021-12-31
Förutbetalda kostnader, fakturerat	94 534	174 077
Upplupna intäkter, ej fakturerat	431 074	679 698
Upplupna intäkter, försäkringsersättning	50 202	0
	575 810	**853 775**

Not 33 Antal aktier och kvotvärde

Namn	**Antal aktier**	**Kvotvärde (kr)**
Aktier	11 813 500	1
	11 813 500	

Not 34 Disposition av vinst eller förlust

	2022-12-31
Förslag till vinstdisposition	
Styrelsen föreslår att till förfogande stående vinstmedel:	
balanserad vinst	2 903 990
årets vinst	271 312
	3 175 302
disponeras så att	
i ny räkning överföres	3 175 302

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Not 35 Uppskrivningsfond

	2022-12-31	2021-12-31
Belopp vid årets ingång	9 733	9 733
Försäljning/Utrangering	-9 733	0
Belopp vid årets utgång	**0**	**9 733**

* se not 22

Not 36 Obeskattade reserver

	2022-12-31	2021-12-31
Överavskrivningar	2 940 858	5 824 140
	2 940 858	**5 824 140**

Not 37 Övriga avsättningar

	2022-12-31	2021-12-31
Miljöskuld	13 613	19 397
Återställningskostnad	5 244	4 163
Pensionsutfästelse	2 283	2 134
Beräknad löneskatt på pensionsutfästelse	554	518
Energiskatt	12 500	6 000
Övriga avsättningar	6 780	4 232
	40 974	**36 444**

Pensionsutfästelse
Företagets redovisade pensionsåtagande är säkerställd genom en av företaget tecknad kapitalförsäkring. Not 45. Åtagandet motsvarar det belopp som faller ut ifrån försäkringen. Försäkringskapitalet uppgår till 2 791 tkr per balansdagen.

Miljöskuld

Belopp vid årets ingång	19 397	23 174
Avsättningar under året	6 202	200
Belopp som tagits i anspråk	-5 795	-3 937
Outnyttjade belopp som återförts	-6 366	0
Förändring av diskonterade belopp	175	-40
	13 613	**19 397**

Återställningskostnader

Belopp vid årets ingång	4 163	4 271
Avsättningar under året	4 931	81
Belopp som tagits i anspråk	-3 655	-189
Outnyttjade belopp som återförts	-195	0
	5 244	**4 163**

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Energiskatt		
Belopp vid årets ingång	6 000	0
Avsättningar under året	6 500	6 000
	12 500	**6 000**

Not 38 Långfristiga skulder

	2022-12-31	**2021-12-31**
Förfaller senare än fem år efter balansdagen		
Anslutningslån	38	52
Anslutningsavgifter	195 311	327 213
	195 349	**327 265**

Not 39 Skulder som avser flera poster

Företagets anslutningavgifter om 224 285 (373 340) tkr och markavtal 2 600 (3 800) tkr redovisas under följande poster i balansräkningen.

	2022-12-31	**2021-12-31**
Långfristiga skulder		
Övriga långfristiga skulder, anslutningsavgifter	218 490	364 115
Övriga långfristiga skulder, markavtal	2 100	2 100
	220 590	**366 215**
Kortfristiga skulder		
Upplupna kostnader och förutbetalda intäkter, anslutningsavgifter	5 795	9 225
Övriga kortfristiga skulder, markavtal	500	1 700
	6 295	**10 925**

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Not 40 Skulder till koncernföretag

	2022-12-31	2021-12-31
Bokfört värde för orealiserade derivatförluster		
Långfristig del	46 990	41 484
Kortfristig del	202 487	333 018
	249 477	**374 502**
Verkligt värde för bolagets innehav av följande kategorier av derivat		
Elcertifikat derivat	0	221
El derivat	-123 353	-213 201
Naturgas derivat	249 099	264 437
Utsläppsrätter derivat	9 455	112 938
Valutaderivat	-1 941	1 205
	133 260	**165 600**

Not 41 Övriga skulder

	2022-12-31	2021-12-31
Bokfört värde för orealiserade derivatförluster		
Långfristig del	0	0
Kortfristig del	0	0
	0	**0**
Verkligt värde för bolagets innehav av följande kategorier av derivat		
Olje-swapp	9 004	0
	9 004	**0**

Not 42 Upplupna kostnader och förutbetalda intäkter

	2022-12-31	2021-12-31
Personalrelaterade	64 841	111 107
Anslutningsavgifter	5 795	9 225
Utsläppsrätter	43 637	89 631
Övrigt	65 094	74 803
	179 367	**284 766**

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Not 43 Justering för poster som inte ingår i kassaflödet

	2022-12-31	2021-12-31
Vinst vid försäljning av anläggningstillgångar	-20	0
Förlust vid avyttring av anläggningstillgångar	2 773 375	50 357
Bokförd förändring övriga avsättningar	13 980	6 792
Kursdifferenser	-5 850	980
	2 781 485	**58 129**

Not 44 Eventualförpliktelser

	2022-12-31	2021-12-31
Framtida miljöåtagande	26 065	80 721
Skatt på bränsle	247 000	0
	273 065	**80 721**

Not 45 Ställda säkerheter

	2022-12-31	2021-12-31
För eget pensionsåtagande, kapitalförsäkring	2 283	2 135
	2 283	**2 135**

Not 46 Hållbarhetsrapport

Detta företag ska enligt årsredovisningslagen 6:10 upprätta hållbarhetsrapport eller hänvisa till hållbarhetsrapport upprättad av annat bolag i koncernen. E.ON Energiinfrastruktur AB hänvisar till hållbarhetsrapport för räkenskapsåret 2022 upprättad av koncernmoderbolaget E.ON SE, registreringsnummer HRB 28196, Essen, Tyskland. Rapporten finns publicerad på www.eon.com.

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Not 47 Väsentliga händelser efter räkenskapsårets slut

1 mars avslutades projektet att omstrukturera verksamheten i Stockholmsområdet då aktierna i Täby Fjärrvärme AB såldes till Täby Miljövärme AB, 556758-1573. Samtidigt köpte E.ON Energiinfrastruktur AB 47,5% av aktierna i Täby Miljövärme AB, där verksamhet nu bedrivs i.

Resultat- och balansräkning 2022-12-31 kommer att föreläggas på årsstämma för fastställelse.

Malmö

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Johan Mörnstam
C37755B5A8A14B8...
2023-05-30
Johan Mörnstam
Ordförande

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David Harbeke
39A4D7F930C142E...
2023-05-26
David Harbeke

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Mats Ekblom
72F9AEDA75574B0...
2023-06-01
Mats Ekblom
Arbetstagarerepresentant

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Carl-Johan Johansson
09F11D8E519C4B8...
2023-05-26
Carl-Johan Johansson
Arbetstagarerepresentant

DocuSigned by:
Anette Blücher
8BD3CAE1FB8243E...
2023-05-26
Anette Blücher
Verkställande direktör

Vår revisionsberättelse har lämnats

KPMG AB

DocuSigned by:
Elisabeth Lundström
957FEB3CA8A6445...
2023-06-07
Elisabeth Lundström
Auktoriserad revisor

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KPMG

20230713044703

Revisionsberättelse

Till bolagsstämman i E.ON Energiinfrastruktur AB, org. nr 556146-1814

Rapport om årsredovisningen

Uttalanden

Vi har utfört en revision av årsredovisningen för E.ON Energiinfrastruktur AB för år 2022.

Enligt vår uppfattning har årsredovisningen upprättats i enlighet med årsredovisningslagen och ger en i alla väsentliga avseenden rättvisande bild av E.ON Energiinfrastruktur ABs finansiella ställning per den 31 december 2022 och av dess finansiella resultat och kassaflöde för året enligt årsredovisningslagen. Förvaltningsberättelsen är förenlig med årsredovisningens övriga delar.

Vi tillstyrker därför att bolagsstämman fastställer resultaträkningen och balansräkningen.

Grund för uttalanden

Vi har utfört revisionen enligt International Standards on Auditing (ISA) och god revisionssed i Sverige. Vårt ansvar enligt dessa standarder beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till E.ON Energiinfrastruktur AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen och verkställande direktören som har ansvaret för att årsredovisningen upprättas och att den ger en rättvisande bild enligt årsredovisningslagen. Styrelsen och verkställande direktören ansvarar även för den interna kontroll som de bedömer är nödvändig för att upprätta en årsredovisning som inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag.

Vid upprättandet av årsredovisningen ansvarar styrelsen och verkställande direktören för bedömningen av bolagets förmåga att fortsätta verksamheten. De upplyser, när så är tillämpligt, om förhållanden som kan påverka förmågan att fortsätta verksamheten och att använda antagandet om fortsatt drift. Antagandet om fortsatt drift tillämpas dock inte om styrelsen och verkställande direktören avser att likvidera bolaget, upphöra med verksamheten eller inte har något realistiskt alternativ till att göra något av detta.

Revisorns ansvar

Våra mål är att uppnå en rimlig grad av säkerhet om huruvida årsredovisningen som helhet inte innehåller några väsentliga felaktigheter, vare sig dessa beror på oegentligheter eller misstag, och att lämna en revisionsberättelse som innehåller våra uttalanden. Rimlig säkerhet är en hög grad av säkerhet, men är ingen garanti för att en revision som utförs enligt ISA och god revisionssed i Sverige alltid kommer att upptäcka en väsentlig felaktighet om en sådan finns. Felaktigheter kan uppstå på grund av oegentligheter eller misstag och anses vara väsentliga om de enskilt eller tillsammans rimligen kan förväntas påverka de ekonomiska beslut som användare fattar med grund i årsredovisningen.

Som del av en revision enligt ISA använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Dessutom:

- identifierar och bedömer vi riskerna för väsentliga felaktigheter i årsredovisningen, vare sig dessa beror på oegentligheter eller misstag, utformar och utför granskningsåtgärder bland annat utifrån dessa risker och inhämtar revisionsbevis som är tillräckliga och ändamålsenliga för att utgöra en grund för våra uttalanden. Risken för att inte upptäcka en väsentlig felaktighet till följd av oegentligheter är högre än för en väsentlig felaktighet som beror på misstag, eftersom oegentligheter kan innefatta agerande i maskopi, förfalskning, avsiktliga utelämnanden, felaktig information eller åsidosättande av intern kontroll.
- skaffar vi oss en förståelse av den del av bolagets interna kontroll som har betydelse för vår revision för att utforma granskningsåtgärder som är lämpliga med hänsyn till omständigheterna, men inte för att uttala oss om effektiviteten i den interna kontrollen.
- utvärderar vi lämpligheten i de redovisningsprinciper som används och rimligheten i styrelsens och verkställande direktörens uppskattningar i redovisningen och tillhörande upplysningar.
- drar vi en slutsats om lämpligheten i att styrelsen och verkställande direktören använder antagandet om fortsatt drift vid upprättandet av årsredovisningen. Vi drar också en slutsats, med grund i de inhämtade revisionsbevisen, om huruvida det finns någon väsentlig osäkerhetsfaktor som avser sådana händelser eller förhållanden som kan leda till betydande tvivel om bolagets förmåga att fortsätta verksamheten. Om vi drar slutsatsen att det finns en väsentlig osäkerhetsfaktor, måste vi i revisionsberättelsen fästa uppmärksamheten på upplysningarna i årsredovisningen om den väsentliga osäkerhetsfaktorn eller, om sådana upplysningar är otillräckliga, modifiera uttalandet om årsredovisningen. Våra slutsatser baseras på de revisionsbevis som inhämtas fram till datumet för revisionsberättelsen. Dock kan framtida händelser eller förhållanden göra att ett bolag inte längre kan fortsätta verksamheten.
- utvärderar vi den övergripande presentationen, strukturen och innehållet i årsredovisningen, däribland upplysningarna, och om årsredovisningen återger de underliggande transaktionerna och händelserna på ett sätt som ger en rättvisande bild.

Vi måste informera styrelsen om bland annat revisionens planerade omfattning och inriktning samt tidpunkten för den. Vi måste också informera om betydelsefulla iakttagelser under revisionen, däribland de eventuella betydande brister i den interna kontrollen som vi identifierat.

20230713047O4

Rapport om andra krav enligt lagar och andra författningar

Uttalanden

Utöver vår revision av årsredovisningen har vi även utfört en revision av styrelsens och verkställande direktörens förvaltning för E.ON Energiinfrastruktur AB för år 2022 samt av förslaget till dispositioner beträffande bolagets vinst eller förlust.

Vi tillstyrker att bolagsstämman disponerar vinsten enligt förslaget i förvaltningsberättelsen och beviljar styrelsens ledamöter och verkställande direktören ansvarsfrihet för räkenskapsåret.

Grund för uttalanden

Vi har utfört revisionen enligt god revisionssed i Sverige. Vårt ansvar enligt denna beskrivs närmare i avsnittet Revisorns ansvar. Vi är oberoende i förhållande till E.ON Energiinfrastruktur AB enligt god revisorssed i Sverige och har i övrigt fullgjort vårt yrkesetiska ansvar enligt dessa krav.

Vi anser att de revisionsbevis vi har inhämtat är tillräckliga och ändamålsenliga som grund för våra uttalanden.

Styrelsens och verkställande direktörens ansvar

Det är styrelsen som har ansvaret för förslaget till dispositioner beträffande bolagets vinst eller förlust. Vid förslag till utdelning innefattar detta bland annat en bedömning av om utdelningen är försvarlig med hänsyn till de krav som bolagets verksamhetsart, omfattning och risker ställer på storleken av bolagets egna kapital, konsolideringsbehov, likviditet och ställning i övrigt.

Styrelsen ansvarar för bolagets organisation och förvaltningen av bolagets angelägenheter. Detta innefattar bland annat att fortlöpande bedöma bolagets ekonomiska situation och att tillse att bolagets organisation är utformad så att bokföringen, medelsförvaltningen och bolagets ekonomiska angelägenheter i övrigt kontrolleras på ett betryggande sätt.
Verkställande direktören ska sköta den löpande förvaltningen enligt styrelsens riktlinjer och anvisningar och bland annat vidta de åtgärder som är nödvändiga för att bolagets bokföring ska fullgöras i överensstämmelse med lag och för att medelsförvaltningen ska skötas på ett betryggande sätt.

Revisorns ansvar

Vårt mål beträffande revisionen av förvaltningen, och därmed vårt uttalande om ansvarsfrihet, är att inhämta revisionsbevis för att med en rimlig grad av säkerhet kunna bedöma om någon styrelseledamot eller verkställande direktören i något väsentligt avseende:

- företagit någon åtgärd eller gjort sig skyldig till någon *försummelse som kan föranleda ersättningsskyldighet mot* bolaget, eller
- på något annat sätt handlat i strid med aktiebolagslagen, årsredovisningslagen eller bolagsordningen.

Vårt mål beträffande revisionen av förslaget till dispositioner av bolagets vinst eller förlust, och därmed vårt uttalande om detta, är att med rimlig grad av säkerhet bedöma om förslaget är förenligt med aktiebolagslagen.

Rimlig säkerhet är en hög grad av säkerhet, men ingen garanti för att en revision som utförs enligt god revisionssed i Sverige alltid kommer att upptäcka åtgärder eller försummelser som kan föranleda ersättningsskyldighet mot bolaget, eller att ett förslag till dispositioner av bolagets vinst eller förlust inte är förenligt med aktiebolagslagen.

Som en del av en revision enligt god revisionssed i Sverige använder vi professionellt omdöme och har en professionellt skeptisk inställning under hela revisionen. Granskningen av förvaltningen och *förslaget till dispositioner av bolagets vinst eller förlust grundar sig* främst på revisionen av räkenskaperna. Vilka tillkommande granskningsåtgärder som utförs baseras på vår professionella bedömning med utgångspunkt i risk och väsentlighet. Det innebär att vi fokuserar granskningen på sådana åtgärder, områden och förhållanden som är väsentliga för verksamheten och där avsteg och överträdelser skulle ha särskild betydelse för bolagets situation. Vi går igenom och prövar fattade beslut, beslutsunderlag, vidtagna åtgärder och andra förhållanden som är relevanta för vårt uttalande om ansvarsfrihet. Som underlag för vårt uttalande om styrelsens förslag till dispositioner beträffande bolagets vinst eller förlust har vi granskat om förslaget är förenligt med aktiebolagslagen.

Malmö den

KPMG AB

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Elisabeth Lundström
2023-06-07
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Elisabeth Lundström

Auktoriserad revisor

DocuSign

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Type of Electronic ID: BankID Sweden
Transaction Unique ID: 72033dc1-c72e-59a2-b4a0-c7769f947c4f
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Accepted: 5/26/2023 4:46:41 PM
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Carl-Johan Johansson
carl-johan.johansson@eon.se
Security Level: Email, Account Authentication (None)

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Carl-Johan Johansson
09F11D8E519C4B8...

Signature Adoption: Pre-selected Style
Using IP Address: 195.10.30.10

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Country or Region of ID: SE
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Performed: 5/26/2023 2:09:27 PM

Electronic Record and Signature Disclosure:
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Signer Events	Signature	Timestamp
David Harbeke david.harbeke@eon.com Security Level: Email, Account Authentication (None)	DocuSigned by: David Harbeke 39A4D7F930C142E...	Sent: 5/26/2023 10:38:15 AM Viewed: 5/26/2023 10:40:58 AM Signed: 5/26/2023 10:41:40 AM
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Electronic Record and Signature Disclosure:
Accepted: 5/26/2023 10:40:58 AM
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Johan Mörnstam johan.mornstam@eon.se Security Level: Email, Account Authentication (None)	DocuSigned by: Johan Mörnstam C37755B5A8A14B8...	Sent: 5/26/2023 10:38:14 AM Resent: 5/30/2023 1:41:30 PM Viewed: 5/30/2023 7:22:51 PM Signed: 5/30/2023 7:25:09 PM
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Country or Region of ID: SE
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Performed: 5/30/2023 7:22:15 PM

Electronic Record and Signature Disclosure:
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ID: 277b55f0-2425-45ef-b278-f045a6a44b5b

Mats Ekblom mats.ekblom@eon.se Security Level: Email, Account Authentication (None)	DocuSigned by: Mats Ekblom 72F9AEDA75574B0...	Sent: 5/26/2023 10:38:16 AM Resent: 5/30/2023 1:41:31 PM Viewed: 6/1/2023 8:53:27 AM Signed: 6/1/2023 8:53:50 AM
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Electronic Record and Signature Disclosure:
Accepted: 6/1/2023 8:53:27 AM
ID: e58d21d7-a238-48f6-82e5-ca89aaedaaf3

20230713047O7

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Elisabeth Lundström elisabeth.lundstrom@kpmg.se KPMG AB Security Level: Email, Account Authentication (None)	DocuSigned by: Elisabeth Lundström 957FEB3CA8A6445...	Sent: 6/1/2023 8:53:55 AM Viewed: 6/1/2023 9:48:54 AM Signed: 6/7/2023 11:22:28 AM
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Workflow Description: The signer will need to identify themselves with a valid government ID.
Identification Method: Electronic ID
Type of Electronic ID: BankID Sweden
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Witness Events	**Signature**	**Timestamp**
Notary Events	**Signature**	**Timestamp**
Envelope Summary Events	**Status**	**Timestamps**
Envelope Sent	Hashed/Encrypted	5/26/2023 10:38:17 AM
Certified Delivered	Security Checked	6/1/2023 9:48:54 AM
Signing Complete	Security Checked	6/7/2023 11:22:28 AM
Completed	Security Checked	6/7/2023 11:22:28 AM
Payment Events	**Status**	**Timestamps**

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e.on

Taking action now

Integrated Annual Report

2022

We Connect Everyone To Good Energy ...

... building open energy eco-systems, and creating smart solutions that make sustainable energy choices easy, for everyone.

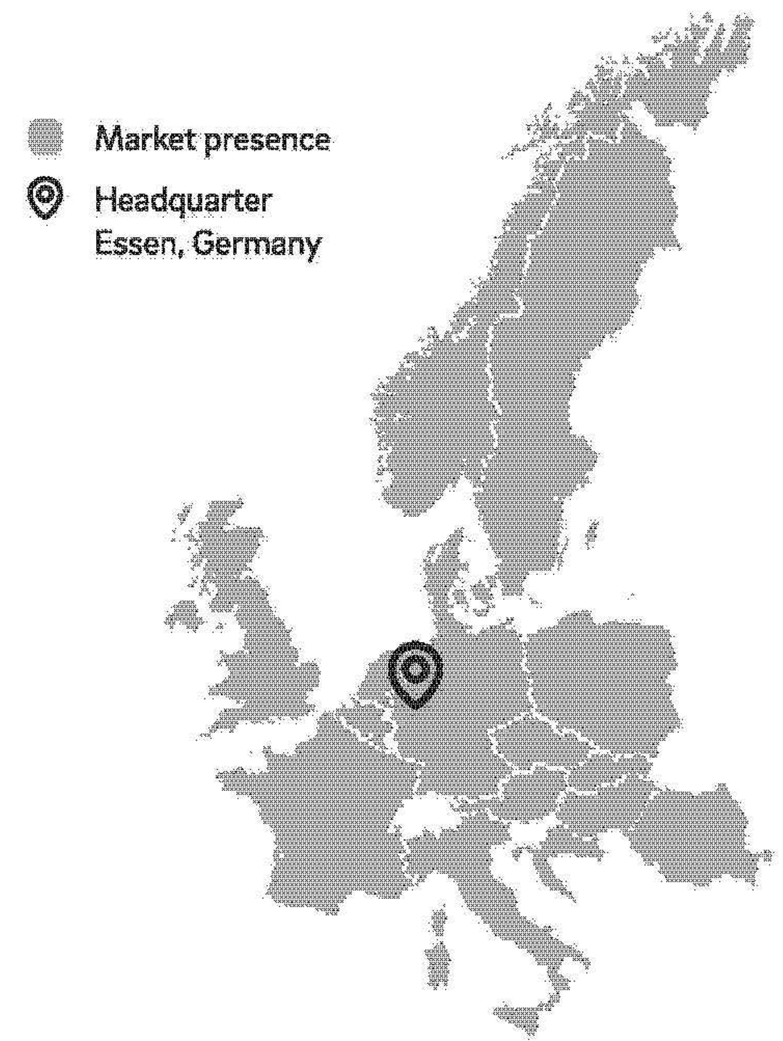




About E.ON

Europe's energy system is becoming ever lower in CO_2, more decentralized, and more digital. In short: more sustainable.

Our two core businesses—energy networks and customer solutions—are playing a big role in making this happen. E.ON is one of Europe's largest operators of energy networks and energy infrastructure and providers of innovative customer solutions. The contribution of our roughly 72,000 employees is therefore crucial to successfully propelling the energy transition in Europe.



Energy Networks

Our distribution networks are the backbone of the new energy world. We are gradually developing them into intelligent platforms that control complex energy and data flows and provide customers with new options for dealing with energy. Without distribution networks there can be no energy transition and no climate protection. The expansion, modernization, and operation of distribution networks support security of supply and ensure the most efficient use of green electricity. This makes our networks the foundation of livable cities, communities, and regions.

Customer Solutions

Our solutions help customers meet their personal energy needs and decarbonization goals. This includes energy sales, which offers a wide range of green electricity and green gas tariffs, as well as our solutions business, which provides innovative, sustainable, and digital products and services. Solar power systems, eMobility, energy storage, sensible energy control, and solutions for sector integration enable our customers to reduce their costs and emissions and also to increase their comfort and quality of life. This applies equally to residential customers and small businesses as well as large companies and municipalities.

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Business Highlights

Europe's energy markets markedly **impacted** in 2022 by the **repercussions of the Russia-Ukraine war**

E.ON performed well amid the difficult **market environment and surpassed its forecast, recording adjusted EBITDA** of **€8.1 billion** and **adjusted earnings per share of €1.05** for the 2022 financial year

Outlook for the **2023 financial year: adjusted EBITDA** of between **€7.8** and **€8.0 billion**, **adjusted net income** of between **€2.3** and **€2.5 billion anticipated**

Dividend of €0.51 per share proposed for the **2022 financial year; this corresponds** to a **4 percent increase** relative to the prior year

Interest-rate environment has positive effect on **pension liabilities; debt factor** at year-end 2022 significantly below the previous **forecast range** of **4.8 to 5.2**

How We Create Value

The following overview uses examples and relevant data to show how we create value for our stakeholders. The three key elements of E.ON's strategy—sustainability, digitalization, and growth—are the centerpiece of our business model and deeply embedded in the way we think, work, and impact people's lives. This overview is guided by the International Integrated Reporting Council's ("IIRC") framework.

Inputs

Financials

Total investments 2023–2027	€33bn
Credit Rating	Strong BBB/Baa
Share of Group funding via green bonds	>50%

Operations

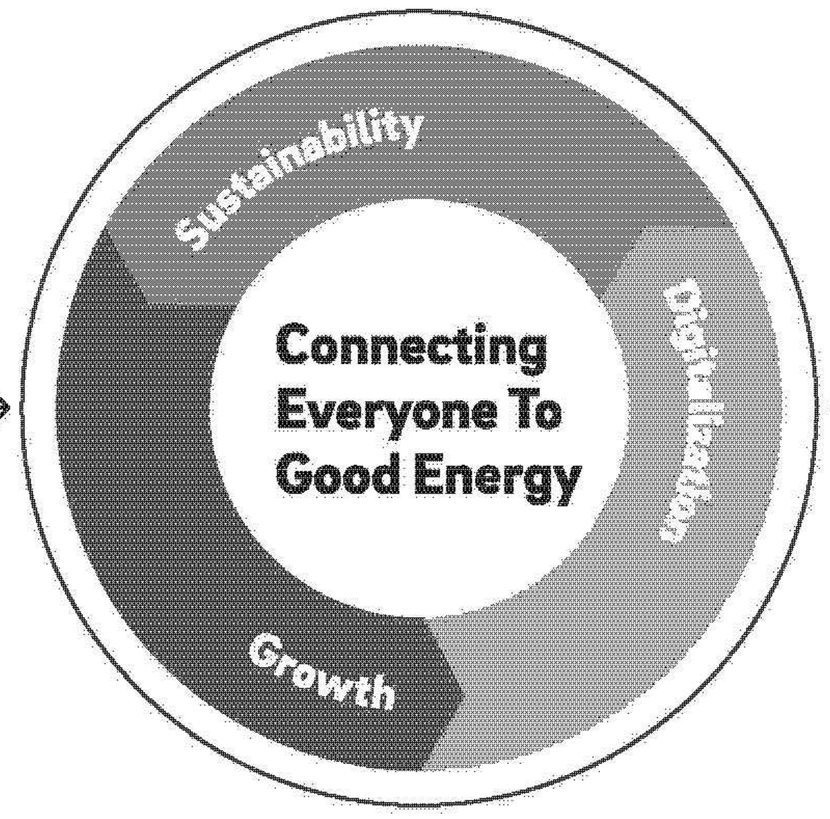
Connected renewables capacity	89.2 GW
Residential customer solutions installed[1]	133,000
Energy sales customers	~48m
Energy Infrastructure Assets	~5,700

Digitalization

Share of IT applications in the cloud	~75%
Share of customer accounts migrated to digital platforms	~35%

People

Number of employees[2]	69,378
Training hours per employee per year	18.2
Nationalities	110



Outputs

Financials

Return on capital employed	~9%
Earnings per share year on year growth[3]	9%
Dividend per share	€0.51

Operations

Regulated asset base growth	at least 8%[4]
SAIDI[5] Germany	23.6 minutes
Share of green power sales	44%
Generated energy: power, heat, cooling & steam	~27 TWh

Digitalization

Smart Energy Meter installations	12.2m
Smart secondary substations	>10,000

People

Share of female executives	23%
Average length of service	13 years
Corporate volunteering hours	13,340

Note: Data presented for full-year 2022 or as of December 31, 2022.
[1]Solar systems, batteries, efficient heating such as heat pumps, wall-mounted charging points.
[2]Number of employees does not include apprentices, work-study students, or interns. This figure reports full time equivalents ("FTE"), not persons.

Note: Data presented for full-year 2022 or as of December 31, 2022.
[3]Earnings per share from adjusted net income compared to prior year.
[4]CAGR 2022–2027. Power only. Assuming constant number of network concessions, constant FX-rate as of December 31, 2022. Including Turkey and Slovakian ZSE.
[5]System average interruption duration index (minutes per customer per year in Germany).

How We Make an Impact

WE operate the backbone for Europe's green energy transition: **more than 15% of all renewables in Europe are connected to our grids.**

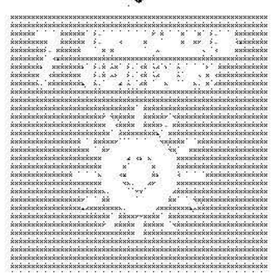
WE take responsibility for society and ensure stability: **more than 20% of all European and UK citizens rely on secure and affordable energy provided by E.ON.**

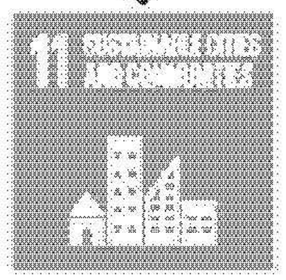
WE enable our customers to participate in the energy transition **by making our solutions accessible on their individual journeys to net zero.**

WE tackle the massively increasing complexity of the energy world: **digitalization enables us to smartly control the volatile feed in from renewable power producers and unlock additional value for our businesses.**

WE are the change agent in the energy transition for customers, cities, and industries: **together with our customers we are saving more than 100 million tons of CO_2e each year.**

Our business activities make a significant contribution to the following UN Sustainable Development Goals





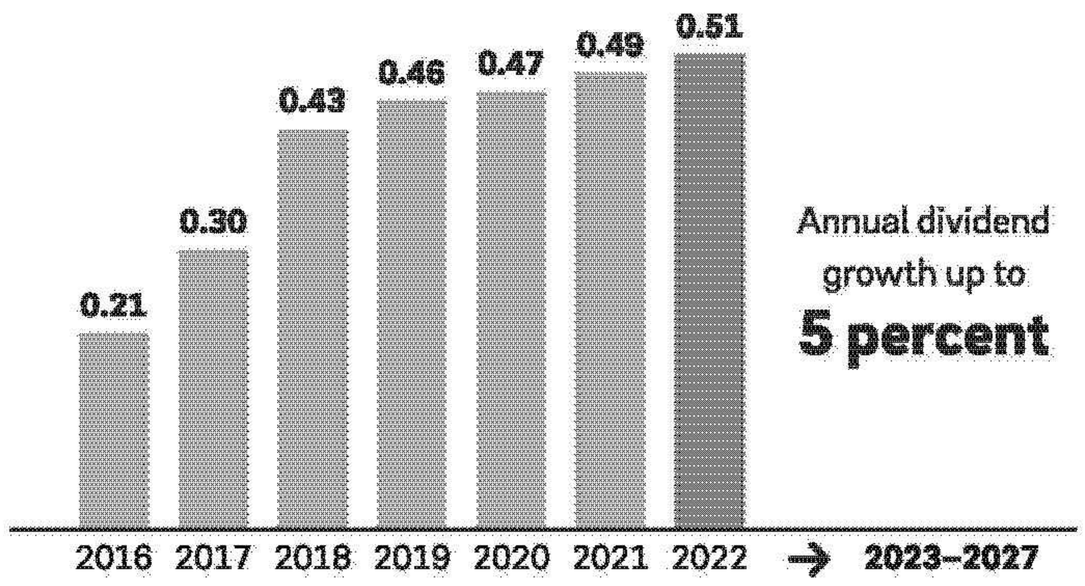




Key Performance Indicators

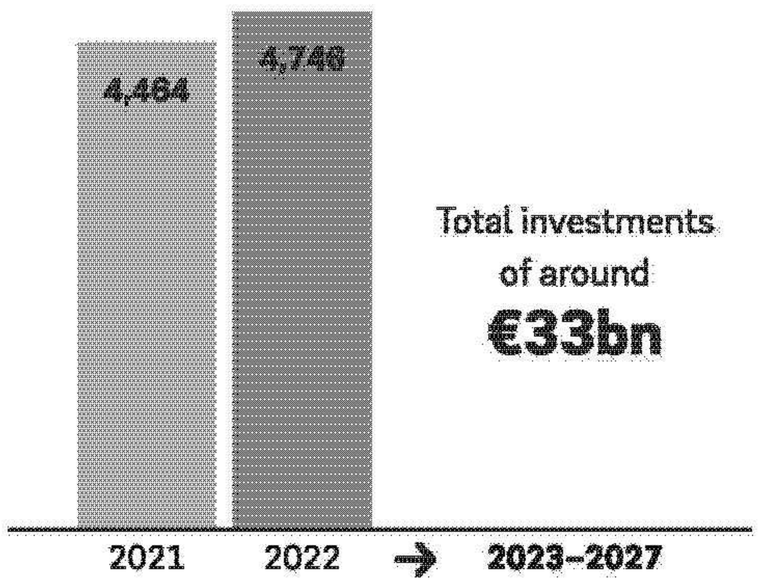
Financial

Dividend per Share (€)



Annual dividend growth up to **5 percent**

Investments (€m)



Total investments of around **€33bn**

Earnings per share from adjusted net income (EPS)

2027 target

~€0.97

Solid financial targets

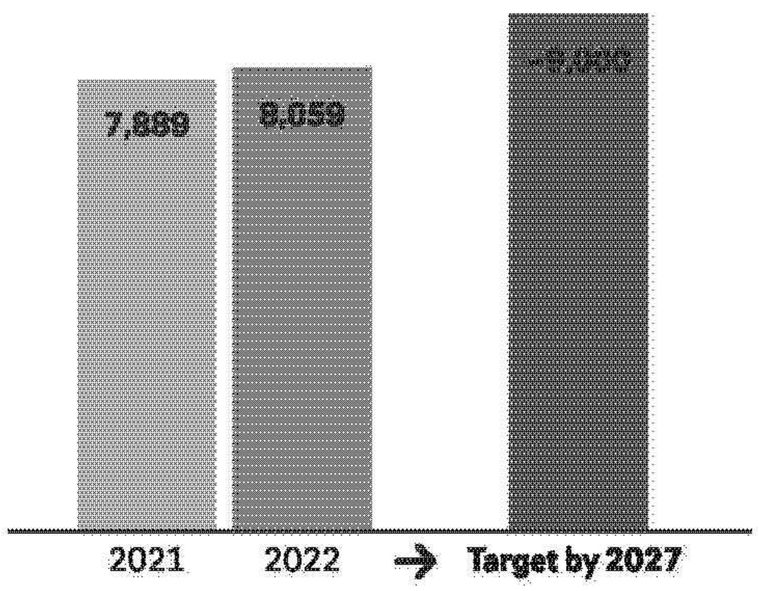
Capital structure with strong rating

BBB/Baa

Debt factor

≤ 5.0

E.ON Group adjusted EBITDA (€m)



Key Performance Indicators

Sustainability

Community investment 2022

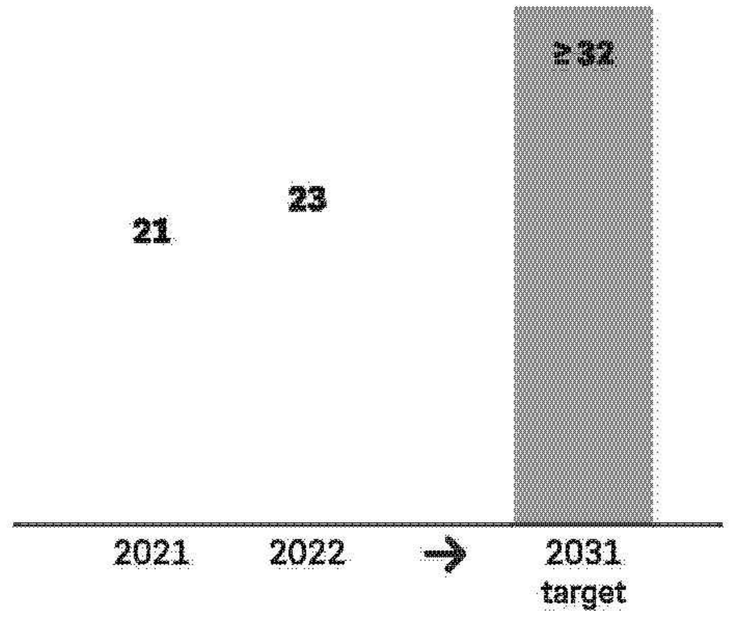
+48%[1]

[1]Compared to 2021

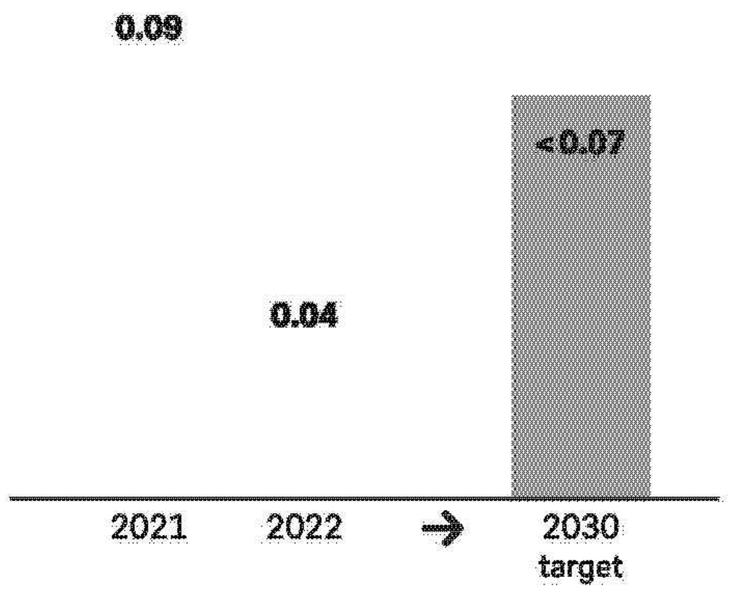
Corporate Volunteering 2022

13,340 hours

Proportion of female executives (%)



Serious incidents and fatalities among employees (SIF)[1]



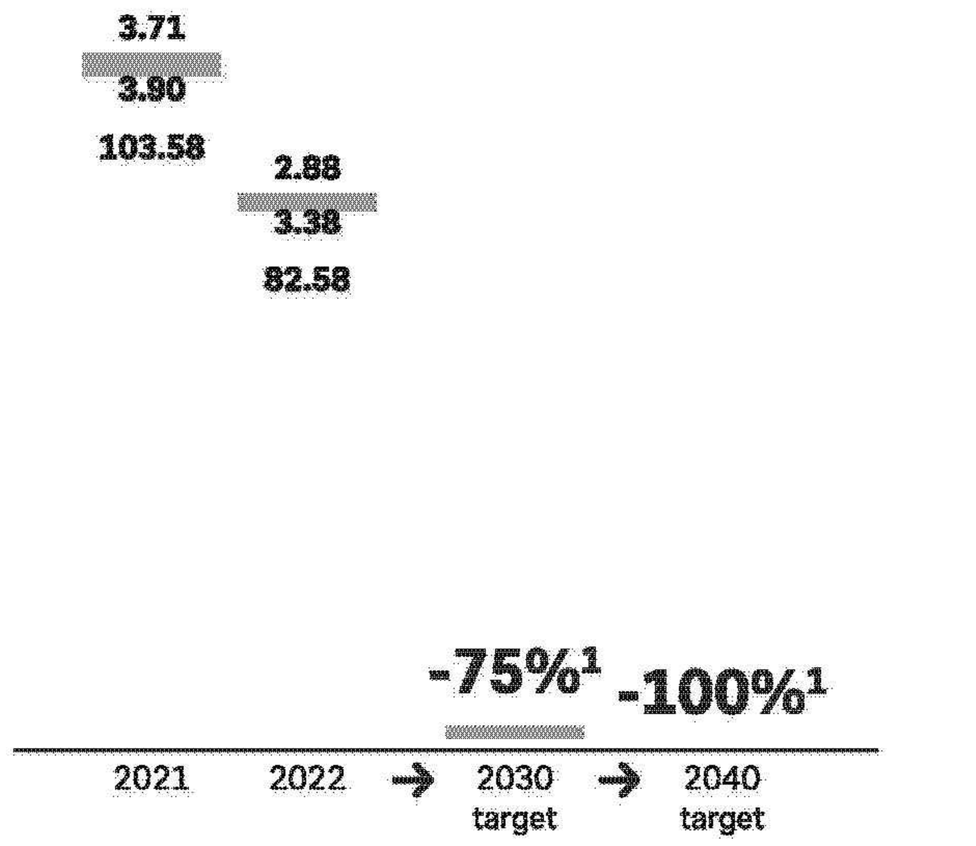
[1]Number of serious incidents and fatalities among employees per million hours of work.

Lost time injury frequency among employees[1]



[1]Number of work-related accidents resulting in lost time per million hours of work.

CO_2 footprint (million tons CO_2 equivalents)



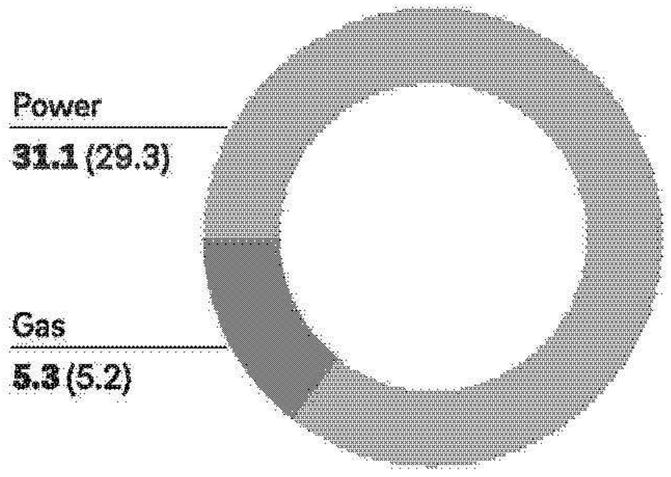
[1]For Scope 1 and 2: relative to 2019 figures. Scope 1 Scope 2 Scope 3

Key Performance Indicators

Energy Networks

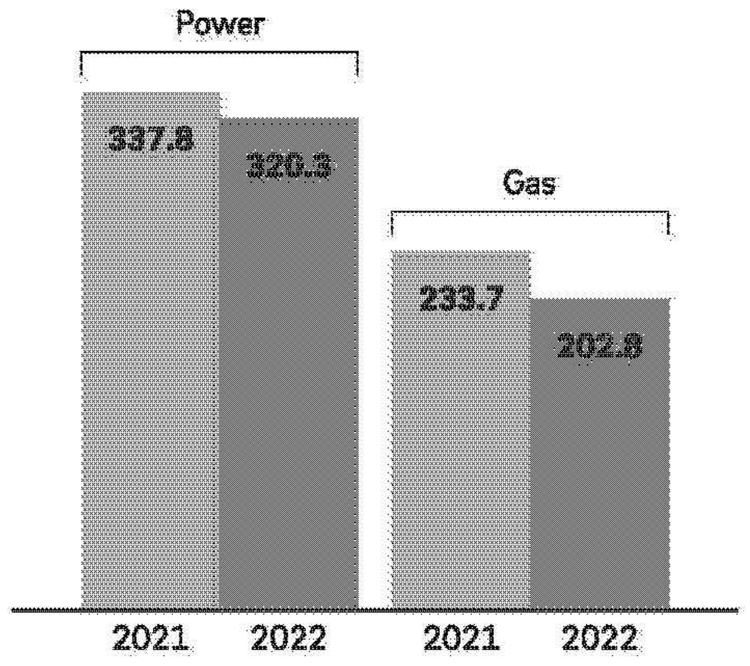
Regulated asset base (RAB)[1] (€bn)

36.4 in 2022 (34.5 in 2021)

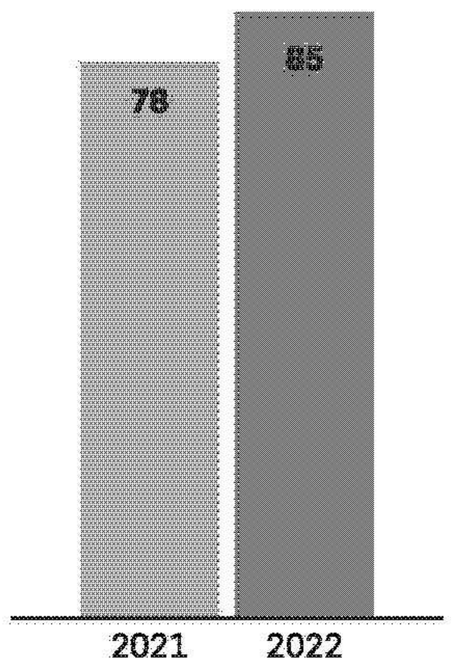


[1]Including Turkey and the Slovakian ZSEs. 2021 values revised.

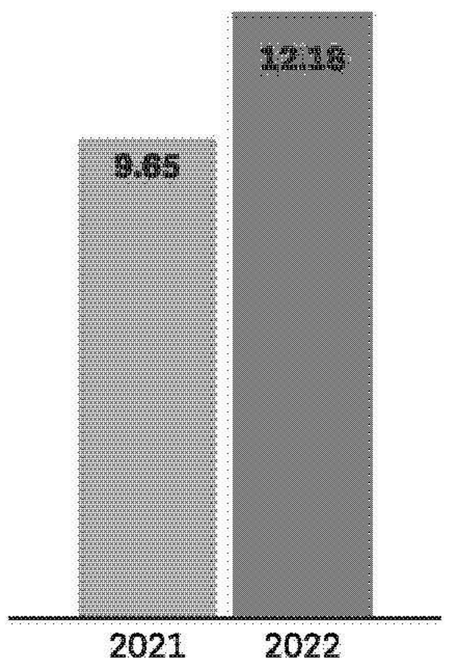
Energy transmitted (billion kWh)



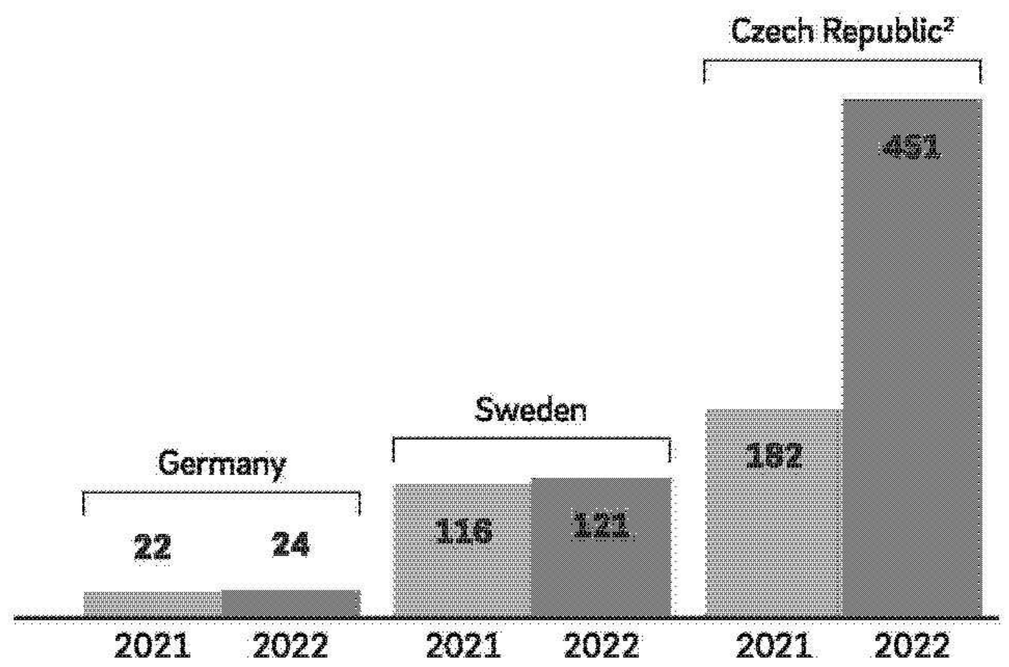
Share of renewables generation capacity connected to E.ON's power grid (%)



Number of smart energy meter installations in E.ON markets (millions)



Average duration of grid outages for electricity (SAIDI[1]) (minutes per year)



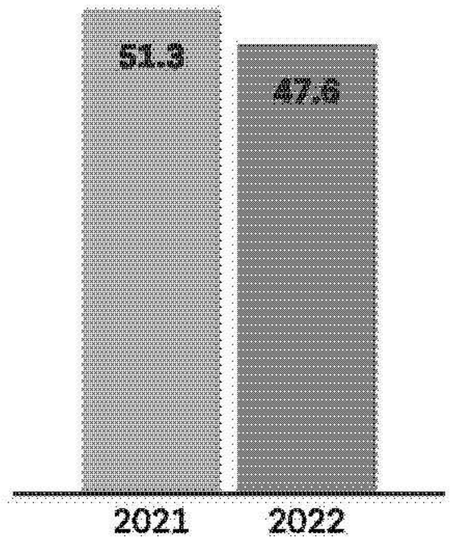
[1]System Average Interruption Duration Index.
[2]Weather-related high unplanned outages (tornado).

Key Performance Indicators

Customer Solutions

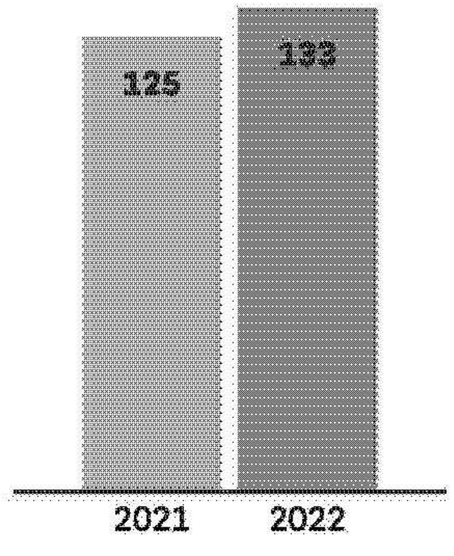
Energy Sales and residential customer solutions

Number of electricity and gas customers[1] (millions)



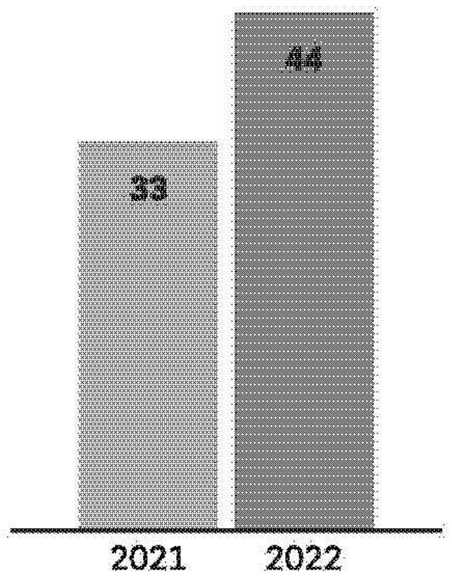
[1]Includes customers in Turkey and ZSE's customers in Slovakia. Decrease in number of customers in 2022 mainly due to restructuring of sales business in Hungary.

Number of residential customer solutions installed[1] (thousands)



[1]Solar systems, batteries, efficient heating such as heat pumps, wall-mounted charging points.

Share of green power sales (%)

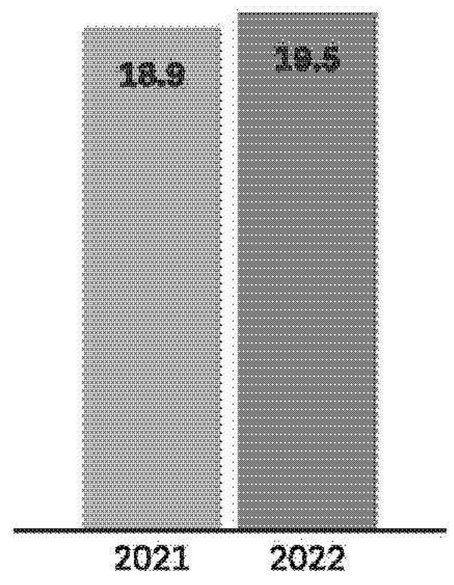


Sold eMobility charging points 2022

20,417

Energy Infrastructure Solutions (EIS)

Generated energy: heating, cooling, and steam (TWh)



Key Figures of the E.ON Group

Financial

Financial Figures

€ in millions	2022	2021	+/- %
Sales	115,660	77,358	50
Adjusted EBITDA from core business[1]	6,975	6,272	11
Adjusted EBITDA[1]	8,059	7,889	2
– Regulated business (%)	66	61	8
– Quasi-regulated and long-term contracted business (%)	4	5	-20
– Merchant business (%)	30	34	-12
Adjusted EBIT[1]	5,197	4,723	10
Net income/loss	2,242	5,305	-58
Net income/loss attributable to shareholders of E.ON SE	1,831	4,691	-61
Adjusted net income[1]	2,728	2,503	9
Investments	4,753	4,762	0
Cash provided by operating activities	10,045	4,069	147
Cash provided by operating activities before interest and taxes	11,511	5,639	104
Economic net debt (at year-end)[2]	32,742	38,773	-16
Debt factor[2]	4.1	4.9	-17
Credit rating S&P	BBB	BBB	–
Credit rating Moody's	Baa2	Baa2	–
Credit rating Fitch	BBB+	–	–
Average capital employed	58,760	60,911	-4
Equity	21,867	17,889	22
Total assets	134,009	119,759	12
Cash Conversion Rate (%)	151	80	89[3]
ROCE (%)	8.8	7.8	13[3]
Earnings per share[4, 5] (€)	0.70	1.80	-61
Adjusted net income per share[4, 5] (€)	1.05	0.96	9
Dividend per share[6] (€)	0.51	0.49	4
Divided payout	1,331	1,278	4

[1]Adjusted for non-operating effects. · [2]This figure is again the same as the asset-retirement obligations shown in the Consolidated Balance Sheets. The figure at December 31, 2021 is calculated in part based on the actual amount of E.ON's obligations and therefore differs from the balance-sheet amount. · [3]Change in percentage points. · [4]Attributable to shareholders of E.ON SE. · [5]Based on shares outstanding (weighted average). · [6]For the respective financial year; the 2022 figure represents management's dividend proposal.

Key Figures of the E.ON Group

Sustainability

Sustainability Figures

	2022	2021
Environment		
CO_2 emissions:		
Scope 1 (millions of metric tons)	*2.88*	*3.71*
Scope 2 (millions of metric tons) (location-based)	*3.38*	*3.90*
Scope 3 (millions of metric tons) (market-based)	*82.58*	*103.58*
EU taxonomy aligned capex (%)[1]	98	97
EU taxonomy aligned opex (%)[1]	97	98
EU taxonomy aligned sales (%)[1]	97	99
Avoided CO_2 emissions together with our customers (millions of metric tons)[2]	108	107
Share of renewable generation plants connected to E.ON's power grid (%)[3]	85	78
Ecological network corridor management (%)	8	11
Number of smart energy meter installations (thousands)	12,178	9,654
Number of charging points sold by E.ON	20,417	n.a.
Green power as a proportion of total power sales (%)	44	33
Social		
Employees of the E.ON Group (at year-end)[4]	71,613	72,169
Proportion of women (%)	31	32
Average age of employees	42	42
Serious incidents and fatalities ("SIF") among employees[5]	0.04	0.09
Lost time injury frequency ("LTIF") among employees[6]	2.1	2.1
Proportion of women executives (%)	23	21
People development (hours per employee)[7]	18.2	14.7
System average interruption duration index ("SAIDI") (minutes)[8]		
Germany	*24*	*22*
Sweden	*121*	*116*
Czech Republic	*451*	*182*
Community contribution (€ in millions)	18	12
Volunteer activities of E.ON employees (number of volunteer hours)	13,340	8,506
Governance		
Proportion of women on the Supervisory Board (%)[9]	30	30
Proportion of independent Supervisory Board members (%)	100	100
ESG targets included in Management Board compensation—from 2022 onwards	✓	Nein

[1]Proportion of taxonomy-aligned capex, opex, and sales relative to taxonomy-eligible activities. · [2]This KPI quantifies the avoided emissions that contribute to a low-carbon economy in connection with our customers, assets, and solutions. [3]The proportion of renewables capacity calculated as a percentage of the total sum of all installed generating capacity. [4]Number of employees does not include apprentices, work-study students, or interns. · [5]Serious incidents and fatalities ("SIF") among employees: safety incidents per million hours of work. · [6]Lost time injury frequency ("LTIF") measures work-related accidents resulting in lost time per million hours of work. · [7]Average number of formal trainig hours per employee per year. · [8]System average interruption duration index ("SAIDI") for power. Figures refer to the respective prior year: 2022 to 2021, 2021 to 2020 · [9]Refers to shareholder representatives.



To Our Investors

Three Good Reasons to Invest in E.ON Stock

Dividend Growth
Our stable and forward-looking business portfolio is the foundation for sustainable dividend growth.

Sustainability
Our objective is a climate-neutral society. Our enormous investments in a sustainable energy system are helping get there.

Energy transition accelerator
We are driving the green energy transition through digitalization and innovation. This is essential for a more renewable and secure energy system.

To Our Investors

E.ON on the Capital Market

Russia-Ukraine War and Energy Crisis Affect Capital Markets

E.ON stock's value performance at the end of 2022 had declined by about 23 percent relative to its year-end closing price for 2021, thereby underperforming the DAX index of blue-chip German stocks (-12 percent) and also its European peer index, the Euro Stoxx 600 Utilities (-11 percent). E.ON stock closed 2022 at a price of €9.33 compared with €12.19 at year-end 2021. The Russia-Ukraine war as well as the energy crisis, which affected the German energy sector in particular (the chapter entitled "Macroeconomic and Industry Environment" contains more information), had a significant impact on the performance of European and German stocks in 2022. E.ON stock was exposed to even greater volatility than its peers and did not stabilize itself until the fourth quarter of 2022.

Continuous Dividend Growth

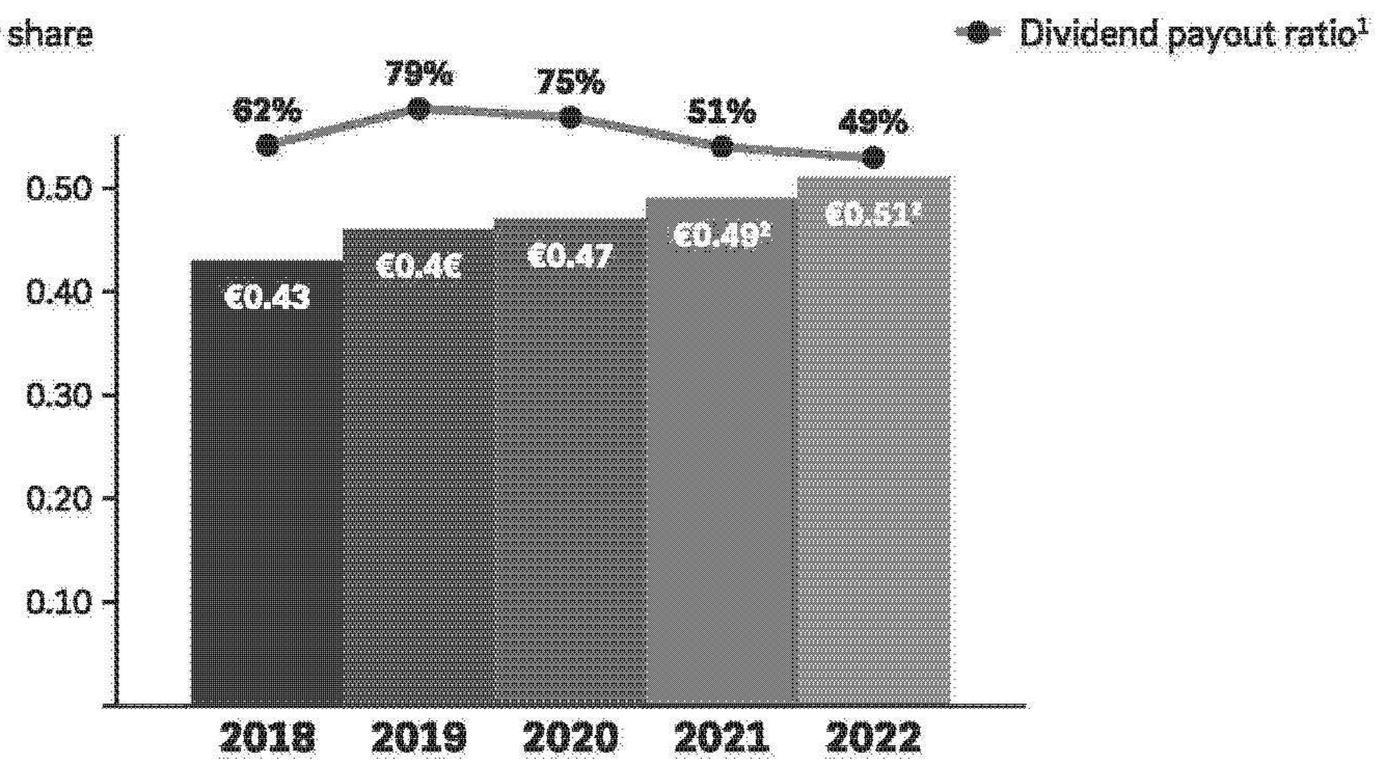
At the 2022 Annual Shareholders Meeting on May 17, 2023, the Management Board and Supervisory Board will propose paying out a cash dividend of €0.51 per share for the 2022 financial year (prior year: €0.49). Based on E.ON stock's year-end 2022 closing price, the dividend yield is 5 percent. The payout ratio (as a percentage of adjusted net income) is 49 percent. Our dividend policy aims to offer our shareholders attractive dividend growth of up to 5 percent annually.

E.ON Stock Performance in 2022



[1]Based on the performance index.
Source: NASDAQ.

Dividend per Share



[1]Payout ratio based on adjusted net income.
[2]Pending approval by the 2023 Annual Shareholders Meeting.

E.ON Stock Key Figures

Per share (€)	2022	2021
Dividend[1]	0.51	0.49
Dividend payout[1] (€ in millions)	1,331	1,278
Twelve-month high[2]	12.38	12.28
Twelve-month low[2]	7.41	8.27
Year-end closing price[2]	9.33	12.19
Market capitalization[3] (€ in billions)	24.60	32.20

[1]For the respective financial year; the 2022 figure represents management's dividend proposal.
[2]Source: NASDAQ
[3]Based on ordinary shares outstanding at year-end.

Broad International Investor Base

The most recent survey at year-end 2022 shows that E.ON stock has roughly 60 percent institutional investors, roughly 21 percent retail investors, and about 19 percent other investors. Investors in Germany hold about 42 percent of E.ON stock, those outside Germany about 58 percent.

E.ON Stock Is Represented on Numerous Stock Exchanges and in a Variety of Indices

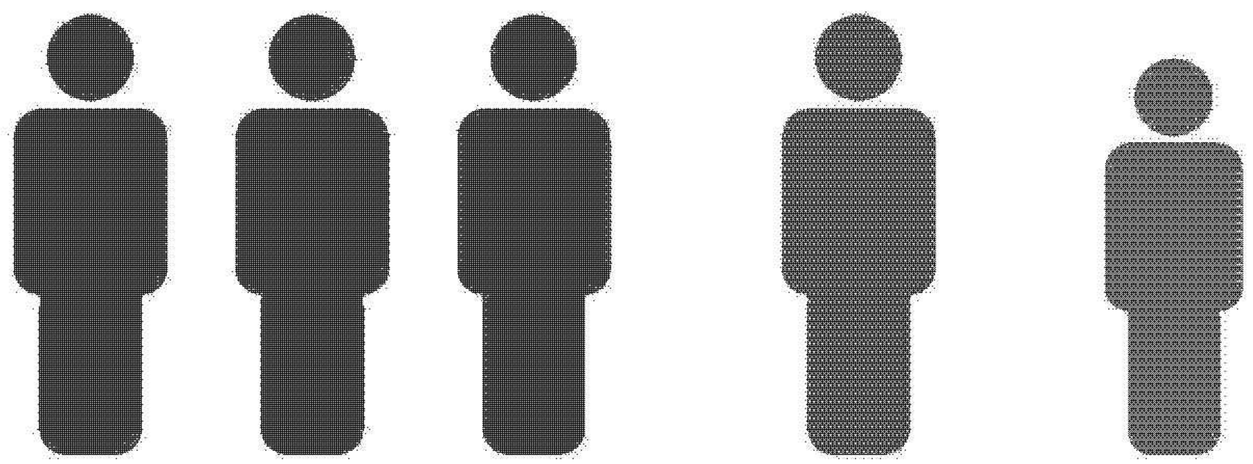
E.ON stock trades in Frankfurt am Main and on other German stock exchanges as well as via electronic trading platforms such as Xetra. It is also available on stock exchanges in other European countries. E.ON stock is included in the DAX and other indices in Europe, such as the Euro Stoxx 600 Utilities, MSCI World, and the S&P Europe 350.

E.ON stock trades over the counter on OTC Pink in the United States in the form of American depositary receipts ("ADRs"). E.ON's ADR program offers U.S. investors the opportunity to acquire E.ON stock and hold it in the form of share certificates that are traded and settled like other U.S. stocks.

Analyst Estimates

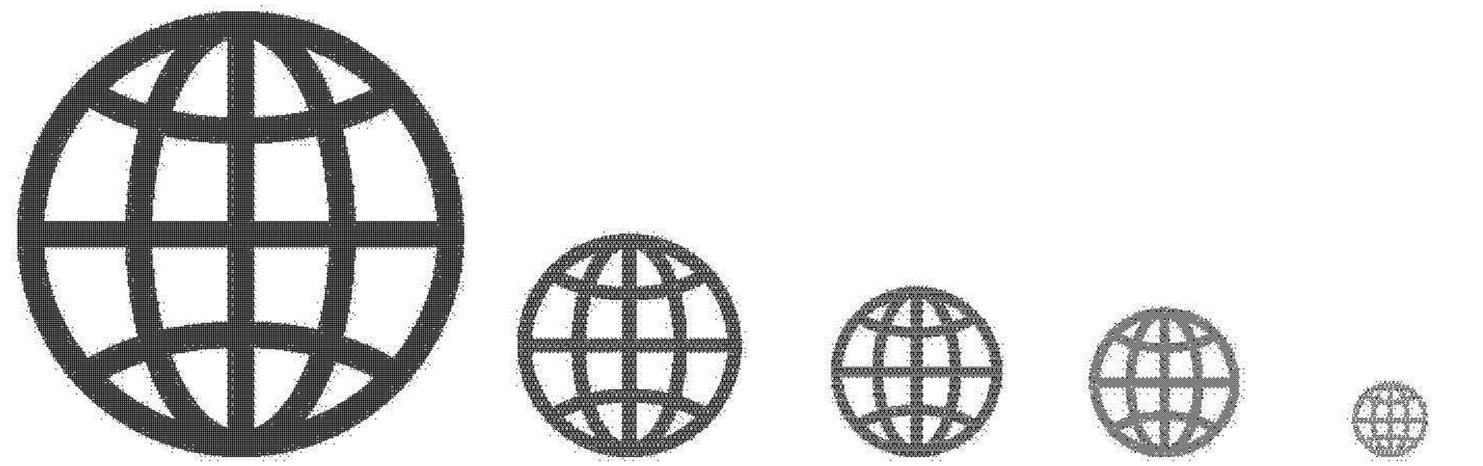
E.ON stock is rated by a large number of financial analysts from various investment banks and brokerage houses. The current recommendations can be viewed at www.eon.com/analysts-estimates.

Shareholder Structure by Group[1]



[1]Percentages based on total investors identified (excluding treasury shares).
[2]Includes RWE, treasury shares and other.
Source: NASDAQ (as of December 31, 2022).

Shareholder Structure by Country/Region[1]



[1]Percentages based on total investors identified.
Source: NASDAQ (as of December 31, 2022).

Ongoing Investor Communications Despite Covid-19 Restrictions

Our investor relations continue to be founded on four principles: openness, continuity, credibility, and equal treatment of all our investors. Our mission is to provide prompt, precise, and relevant information at our periodic conferences and road shows worldwide—because maintaining regular communications and relationships is essential for good investor relations. The subsiding of the Covid-19 pandemic enabled us to carry out a significant part of our investor relations activities in 2022 in person. We will adopt a hybrid approach of virtual and in-person activities in the future. This will help us communicate with capital markets efficiently and purposefully and meet our investors' needs.

E.ON Stock Symbols and Identification Numbers

Reuters: Xetra	EONGn.DE
Reuters: Frankfurt Stock Exchange	EONGn.F
Bloomberg: Frankfurt Stock Exchange	EOAN GY
Bloomberg: ADR over-the-counter code	EOANGY US
Security Identification Numbers	
Germany	ENAG99
International Securities Identification Number (ISIN)	DE000ENAG999

Expansion of Financing Sources and Flexibility

Debt capital represents an important financing source for the E.ON Group. That is why we focus on satisfying the demands of creditors as well as those of shareholders. During the year under review, E.ON decided to commission Fitch Ratings to assess its creditworthiness to supplement the credit ratings of Standard & Poor's and Moody's. E.ON believes that another commissioned rating will provide debt investors with additional visibility and confidence in E.ON's creditworthiness and thus support its competitiveness for future financing activities. Fitch rates E.ON's corporate credit risk at BBB+ with a stable outlook and its bonds at A-.

E.ON aims to maximize the diversity of its investor base to ensure that it has cost-optimized access to a variety of funding sources at all times. In 2022 E.ON therefore began to issue bonds denominated in other currencies as well. In addition to euro-denominated corporate bonds totaling €3.4 billion, E.ON made a private placement in Norwegian kroner ("NOK") in 2022 equal to around €150 million and issued two bonds in Swiss francs ("CHF") equal to about €306 million. Despite a difficult capital market environment, these issuances allowed to secure around €1 billion in pre-financing for the financial year 2023.

E.ON has a €10 billion Commercial Paper ("CP") program and a $10 billion CP program, under which it can issue short-term notes. After years of inactivity, the U.S. dollar CP program was renewed in 2022 and has since then been utilized again.

Financial Framework for Sustainable Funding

Sustainability aspects play an increasingly important role in many international investors' decision for or against a particular investment. In 2021 E.ON became the first company to fully align its Green Bond Framework, under which it issues debt instruments whose issuance proceeds fund sustainable investment projects, not only with the ICMA Green Bond Principles but also with the EU Taxonomy. The EU Taxonomy Regulation defines which economic activities are classified as environmentally sustainable, thereby setting a Europe-wide standard for sustainable investment. E.ON generally intends to cover more than 50 percent of its annual financing requirements with green bonds. Accordingly, green bonds accounted for about 60 percent of total bond financing of just under €3.9 billion in 2022. We provide detailed information on the topic of financing in the "Financial Situation" chapter.

E.ON listed within following sustainability rankings among others:

MSCI V.E SUSTAINALYTICS ISS

The E.ON Management Board

From left to right:

Marc Spieker
Chief Financial Officer

Victoria Ossadnik
Chief Operating Officer Digital

Leonhard Birnbaum
Chief Executive Officer

Thomas König
Chief Operating Officer Networks

Patrick Lammers
Chief Operating Officer Commercial



The Management Board manages the Company's business, with all its members bearing joint responsibility. It determines E.ON's corporate objectives, fundamental strategic course, corporate policy, and organizational setup.

CEO Letter



Leonhard Birnbaum
Management Board
Chairman and CEO

Dear Shareholders and Friends of E.ON,

In the current energy crisis E.ON is once again demonstrating responsibility: for our customers, for society, and for all of Europe. And although one would never hope for such a crisis, crises always create opportunities as well. The opportunity for our company is an even faster energy transition and thus the affirmation of our strategy.

The previous 12 months were a challenge in every respect, the likes of which even I haven't experienced in 20 years in the energy industry. Energy import bottlenecks, rising wholesale prices, interventionist policies—we were confronted with a variety of situations that we wouldn't have considered remotely possible before the energy crisis. Two key issues for society have always been at the forefront: energy security and energy affordability. One thing has now become clear: E.ON—the reliable operation of our critical energy infrastructure and our portfolio of customer solutions—has definitely become even more relevant.

Many correct and necessary policy decisions were made in 2022, in Germany and at the European level. We at E.ON got a lot right too and worked for our customers every day. We're much more resilient today than we were just a few months ago. We were able to successfully tackle the energy crisis and manage risks, particularly in our sales business, and are in a better position than before. Currently there's no better owner for this business than E.ON. This benefits you as shareholders too: I'm pleased to report that we fully met and in some cases surpassed our financial targets for 2022. In addition, we made great progress with the Group's debt situation. We're delivering on our dividend promise as well: at the Annual Shareholders Meeting in May, the Management Board and Supervisory Board will propose a dividend of 51 cents per share. This is the eighth dividend increase in a row.

Now 2023 must also be a year of correct and courageous decisions to do better in the short term and to achieve social goals in the long term as part of the energy transition. What needs to be done to achieve this?

I have three messages for you:

First, Europe must not lull itself into a false sense of (energy) security. We must continue to conserve energy, because the crisis isn't yet past. The race to get through this winter is over, but we need to prepare well for next winter. Wholesale gas prices have now fallen. Although this is a good sign, it isn't yet a reason to sound the all-clear. Prices are still at levels we would've considered unthinkable just a few years ago. Moreover, prices remain volatile. Nobody knows how prices will develop in the weeks and months ahead. That's why now, amid the crisis, we need to lay the groundwork and make the right decisions.

Second, we—by that I mean energy companies, national and European energy policy, and European industrial policy—must continue to work at getting better. The prosperity of Europe, and Germany in particular, is currently at stake. The energy crisis is changing our competitiveness—structurally and permanently—relative to other regions of the world. In the long term, we in the energy industry need to offset the structural supply shortfall by tapping new sources, such as more renewables and hydrogen. In the short term, we need a lot of LNG too. In addition, we need to dramatically accelerate the energy transition. 2023 must bring new impetus for investments in renewables, energy networks, and hydrogen. And above all for the right regulatory incentives so that investments in energy infrastructure in particular are worthwhile again. Policymakers and regulators in Germany must also finally get serious about reducing bureaucracy and ending the country's parochial approach to planning so that the necessary network expansion can succeed and renewables can really take off. E.ON is making a significant contribution to this by expanding its energy distribution networks. About 15 percent of renewable energy in Europe—and fully two-thirds in Germany—is connected to our networks. We already operate 800,000 kilometers of distribution networks in Germany alone. That would be enough to circle the earth 20 times. But the challenge is enormous: to meet the targets we will have to double the distribution networks by 2030. E.ON, for one, is ready to invest. We invested just under €4 billion to expand and digitalize our networks in 2022. And we're prepared to invest €26 billion more across Europe through 2027 to expand our network infrastructure. But to fully implement this ambitious plan, we first need the right investment conditions.

Because, **third**, now is the time to invest out of the crisis. Successful decarbonization will require massive investments in renewable and low-carbon energy, but, most importantly, in robust and digital energy networks. Why am I so sure about this? Because over the past three years the demand for new network connections has risen exponentially. This is due not just to new wind and solar facilities, but also to increasing electric-vehicle registrations and the rapidly growing demand in the heating sector for electric heating or cooling systems. All these issues will create immense growth opportunities for our business if we tackle them even faster now.

This will require effective investment incentives for international investors to propel the green transformation. All the more so now that our company is operating in an environment of higher interest rates on capital markets, something that so far isn't inadequately reflected in the regulatory scheme. As E.ON CEO, I'm pushing for improvements in this area as well in order to accelerate the pace of establishing infrastructure for sustainable energy. This infrastructure is needed now more urgently than ever.

What can you expect from E.ON in 2023 and beyond?

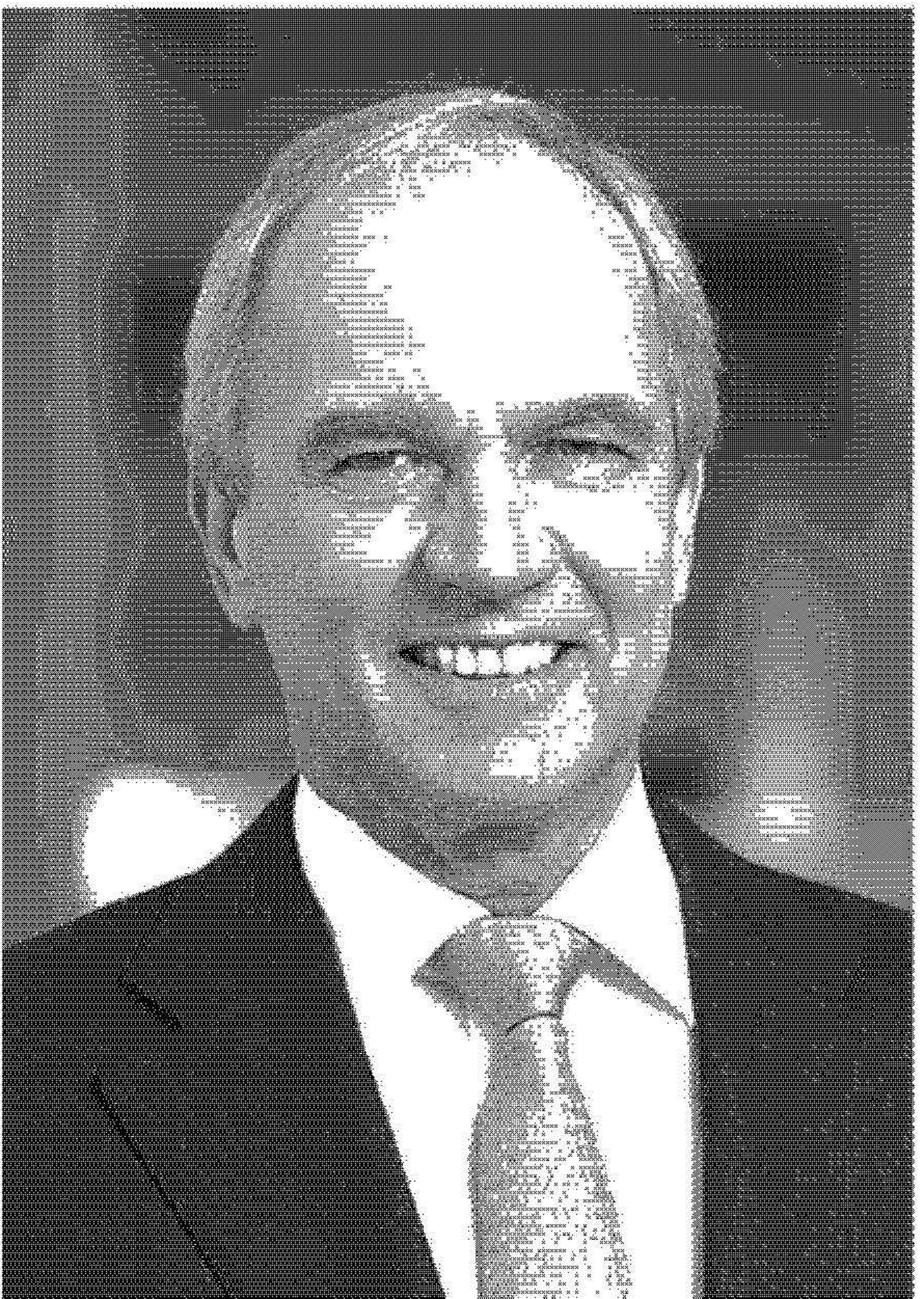
In 2023 E.ON will again do all it can to transform the energy sector. Our strategy and our focus on growth, sustainability, and digitalization put us in precisely the right position to do so. That's why we'll be successful in 2023 as well. The current year will lay an important foundation for our accelerated investment program of around €33 billion over the next five years. We intend for these investments to enable us to achieve a further increase in earnings over the same period and now plan for earnings per share (based on adjusted net income) of about 97 cents in 2027. Our new debt factor target of ≤ 5.0 is also intended to reflect our confidence in E.ON's financial strength. Last year once again demonstrated clearly that the current opportunities for our entire business model are greater than ever, and now we have a unique opportunity to seize them for our benefit.

This underlines E.ON's strong position, and I look forward to working with our Management Board team and employees—and above all with you: our customers, business partners, and investors—to successfully achieve these ambitious objectives.



Leo Birnbaum

Report of the Supervisory Board



Karl-Ludwig Kley
Chairman of the
Supervisory Board

Dear Shareholders,

2022 was a particularly challenging year for E.ON. Russia's war of aggression has lastingly altered Europe's previous type of energy supply and therefore posed major challenges for the Company. Enormous operational challenges resulting from extremely volatile prices in a continually evolving regulatory environment had to be swiftly overcome to ensure an uninterrupted supply for our customers. The Supervisory Board would like to thank the Management Board and all employees for their special efforts in carrying out the Company's mission.

In the 2022 financial year the Supervisory Board carefully performed all its duties and obligations under law, the Company's Articles of Association, and its own rules and procedures. It advised the Management Board in detail about the Company's management and continually monitored the Management Board's activities, assuring itself that the Company's management was legal, purposeful, and orderly. At four regular meetings it addressed all issues relevant to the Company. In addition, it carried out two written resolution procedures. On a regular basis, the shareholder representatives and employee representatives made separate preparations for these meetings with the participation of one or several members of the Management Board. All members of the Supervisory Board attended all meetings.

The Management Board regularly provided the Supervisory Board with timely and comprehensive information about significant business transactions in both written and oral form. At the meetings of the full Supervisory Board and its committees, the Supervisory Board had sufficient opportunity to actively discuss the Management Board's reports, motions, and proposed resolutions. After thoroughly examining and discussing the resolutions proposed by the Management Board, the Supervisory Board voted on them when it was required by law, the Company's Articles of Association, or the Supervisory Board's rules and procedures. Furthermore, the Supervisory Board also met on a recurring basis without the Management Board being present.

In addition, there was a regular exchange of information between the Chairman of the Supervisory Board and the members of the Management Board, in particular the Chairman, during the entire financial year. In the case of particularly pertinent issues, the Chairman of the Supervisory Board was kept informed at all times. He likewise maintained contact with the members of the Supervisory Board outside of board meetings.

All meetings of the Supervisory Board and its committees took place in person. Members of the Supervisory Board unable to attend in person were given the opportunity to attend by means of video conference. This was made use of in some instances.

Management of the Energy Crisis and Strategy Review

The Supervisory Board closely monitored the management of the challenges posed to the Company by the energy crisis against the backdrop of Russia's war of aggression. It was informed by the Management Board on an ongoing basis about the crisis's implications for the Company and provided the Management Board with detailed advice. The same applies to the strategy's refinement and implementation.

Key Topics of the Supervisory Board's Discussions

Crisis-driven policy and regulatory interventions in countries in which E.ON is active constituted a key topic of the Supervisory Board's discussions. In the case of Germany, these were in particular the planned gas levy, the electricity and gas price caps, and the decisions on the temporary continued operation of Isar 2 nuclear power station. Government intervention in pricing, which was in some cases extensive, especially in Romania, was the subject of deliberations as well.

In the context of the Group's operating business, the Supervisory Board addressed at length the impact of dramatically higher commodity prices on E.ON, the business situation of the Group and its companies, national and international energy markets, as well as the currencies that are important to E.ON. It discussed E.ON SE's and the E.ON Group's asset, financial, and earnings situation, dividend policy, workforce developments, and earnings opportunities and risks. The Supervisory Board and the Management Board thoroughly discussed the E.ON Group's medium-term plan for 2023 to 2025. The Supervisory Board was provided with information on a regular basis about the Company's cybersecurity, health, (occupational) safety, and environmental performance (in particular, key accident indicators) as well as current customer numbers, customer satisfaction, and the number of apprentices.

Overview of the Attendance of Supervisory Board Members at Meetings of the Supervisory Board and Its Committees

Supervisory Board members	Supervisory Board	Executive Committee	Audit and Risk Committee	Innovation and Sustainability Committee	Nomination Committee
Kley, Karl-Ludwig	4/4	6/6	-	-	****
Clementi, Erich	4/4	6/6	-	1/3*	****
Dybeck Happe, Carolina (until June 30, 2022)	2/4	-	-	-	-
Fröhlich, Klaus	4/4	-	-	3/3	-
Grillo, Ulrich	4/4	6/6	4/4	-	-
Groth, Anke (since July 1, 2022)	2/4	-	2/4*	-	-
Schmitz, Andreas	4/4	2/6*	4/4	-	-
Schmitz, Rolf Martin	4/4	-	-	-	-
Segundo, Karen de	4/4	-	-	2/3	****
Wilkens, Deborah	4/4	-	4/4	3/3*	-
Woste, Ewald	4/4	-	-	3/3	-
Schmitz, Christoph	4/4	6/6	-	-	-
Bauer, Katja (since April 1, 2022)	3/4	-	-	-	-
Krebber, Monika (until March 31, 2022)	1/4	-	-	1/3**	-
Luha, Eugen-Gheorghe	4/4	-	-	3/3	-
May, Stefan	4/4	-	-	3/3	-
Pelouch, Miroslav	4/4	-	-	2/3***	-
Pinczésné Márton, Szilvia	4/4	-	-	-	-
Pöhls, René	4/4	-	4/4	-	-
Schulz, Fred	4/4	6/6	4/4	-	-
Wallbaum, Elisabeth	4/4	-	4/4	-	-
Zettl, Albert	4/4	6/6	-	-	-

* Participation(s) as a guest.

** Committee member until March 31, 2022.

*** Committee member since May 11, 2022.

**** A written circular resolution and ongoing consultations outside formal meetings on the election of new Supervisory Board members in 2023.

Corporate Governance

In the declaration of compliance issued at the end of the year, the Supervisory Board and the Management Board declared that E.ON was in full compliance with the recommendations of the "Government Commission German Corporate Governance Code," dated December 16, 2019, published by the Federal Ministry of Justice and Consumer Protection in the official section of the Federal Gazette (Bundesanzeiger) on March 20, 2020, since the last declaration in December 2021.

The Supervisory Board and the Management Board also declared that E.ON has been in full compliance with the recommendations of the "Government Commission German Corporate Governance Code," dated April 28, 2022, published by the Federal Ministry of Justice and Consumer Protection in the official section of the Federal Gazette (Bundesanzeiger) on June 27, 2022. The current version of the declaration of compliance as well as earlier versions are published on the Internet at www.eon.com.

In early 2023 the Supervisory Board Chairman held discussions with investors on topics specific to the Supervisory Board at a corporate governance roadshow.

The Supervisory Board is aware of no indications of conflicts of interest involving members of the Supervisory Board in the 2022 financial year.

Education and training sessions on selected issues of E.ON's business were conducted for Supervisory Board members in the 2022 financial year. The Supervisory Board was given a practical explanation of the effects of, and defense against, a cyberattack during a visit to the Cyber Range. In addition, the Supervisory Board was informed about current trends in corporate governance and their implications for E.ON. At another event, the main developments and progress in the major digitalization projects at the network business were presented. The Dutch customer solutions business was described in detail at a meeting held in the Netherlands. Finally, the challenges arising from demographic developments on the labor market were the subject of another event.

The targets for the Supervisory Board's composition, including a competency profile and a diversity concept, with regard to Recommendation C.1 of the German Corporate Governance Code and Section 289f, Paragraph 2, Item 6 of the German Commercial Code and the status of the implementation of the competency profile in the form of a qualifications matrix are available in the Corporate Governance Declaration.

Committee Work

To fulfill its duties carefully and efficiently, the Supervisory Board has created committees.

The Executive Committee held four regular and two extraordinary meetings in the 2022 financial year. All members took part in all of the committee's meetings. In addition, the Chairman of the Audit and Risk Committee attended both extraordinary meetings. At its meetings, the committee, in particular, addressed current developments in conjunction with the energy crisis as well as policy and regulatory changes. Additionally, the Executive Committee dealt with the Management Board's compensation, including the achievement of Management Board targets for 2022 and the setting of the targets for 2023. Furthermore, the Executive Committee thoroughly discussed the strategy review. Finally, the Executive Committee approved an investment project in Turkey.

The Innovation and Sustainability Committee met three times. One member was unable to attend one meeting. Apart from that, all members attended all of the committee's meetings. The matters addressed by the committee included the progress and specific initiatives in the area of innovation as well as E.ON's position in sustainability rankings and the external perception of E.ON with regard to sustainability. The further development of the eMobility business was the topic of extensive discussions as well.

The Audit and Risk Committee met four times in 2022. All members attended all meetings. The committee conducted a thorough review, in particular of the 2021 Financial Statements of E.ON SE (prepared in accordance with the German Commercial Code), the E.ON Group's 2021 Consolidated Financial Statements (prepared in accordance with International Financial Reporting Standards, or "IFRS"), and the 2022 intermediate financial reports of E.ON SE. The committee discussed the recommendation for selecting an independent auditor for the 2022 financial year as well as the intermediate financial reports and assigned the tasks for the independent auditor's auditing services, established the audit priorities, determined the independent auditor's compensation and reviewed the independent auditor's qualifications as well as the quality of the independent audit, and verified the auditor's qualifications and independence in accordance with the requirements of the law and the German Corporate Governance Code. The committee also assured itself that the independent auditor has no conflicts of interest. In addition, the committee addressed other matters assigned to it by law, the Company's Articles of Association, or the Supervisory Board's rules and procedures, in particular Internal Audit's activities and reports, accounting issues, risk management, transactions with related parties, and developments in the area of compliance. Furthermore, the committee thoroughly discussed the Combined Group Management Report and the proposal for profit appropriation and

prepared the relevant recommendations for the Supervisory Board and reported them to the Supervisory Board. On the basis of the quarterly risk reports, the committee noted that no risks were identified that might jeopardize the existence of the Group or individual segments. Furthermore, the committee addressed in detail the implications and the management of the energy crisis, occupational safety, and the Company's cyber, legal, and data-protection risks. In addition, there was a regular exchange of information between the Chairman of the Audit and Risk Committee and the independent auditor throughout the financial year.

The Nomination Committee conducted a formal written resolution procedure in July 2022 regarding the court appointment of Anke Groth to the Supervisory Board. In addition, the Chairman of the Nomination Committee made detailed preparations for the reorganization of the Supervisory Board in 2023. For this purpose, he and the committee members held discussions with potential candidates. He also discussed issues relating to the Supervisory Board's future size and composition in the Executive Committee and with shareholder representatives. The members of the Nomination Committee also consulted in various groups on the sidelines of Supervisory Board meetings. The Chairman of the Nomination Committee informed the Supervisory Board on an ongoing basis regarding the status of deliberations on the upcoming new election. At a meeting in February 2023, the Nomination Committee adopted the final election proposals for the Annual Shareholders Meeting.

Committee chairpersons reported the agenda and results of their respective committee's meetings to the full Supervisory Board on a regular basis. Information about the committees' composition and responsibilities is in the Corporate Governance Declaration.

Examination and Approval of the Financial Statements, Approval of the Consolidated Financial Statements, Proposal for Profit Appropriation for the Year Ended December 31, 2022

KPMG AG, Wirtschaftsprüfungsgesellschaft, Düsseldorf ("KPMG"), audited and submitted an unqualified auditor's and/or audit opinion on the Consolidated Financial Statements of E.ON SE prepared in accordance with IFRS, the Combined Group Management Report, and the Compensation Report pursuant to Section 162 of the German Stock Corporation Act ("AktG") for the year ended December 31, 2022. The IFRS Consolidated Financial Statements exempt E.ON SE from the requirement to publish Consolidated Financial Statements in accordance with German law.

The Supervisory Board reviewed and, at its annual-results meeting on March 14, 2023, thoroughly discussed—in the presence of the independent auditor and with knowledge of, and reference to, the Independent Auditor's Report and the results of the preliminary review by the Audit and Risk Committee—E.ON SE's Financial Statements prepared in accordance with the German Commercial Code, Consolidated Financial Statements, and Combined Group Management Report as well as the Management Board's proposal for profit appropriation. The independent auditor was available for supplementary questions and answers. After concluding its own examination, the Supervisory Board determined that there are no objections to the findings. It therefore acknowledged and approved the Independent Auditor's Report.

The Supervisory Board also examined the sustainability reporting consisting of the combined Non-Financial Statement and additional sustainability information which is integrated into the Combined Group Management Report. KPMG also audited the Non-Financial Statement and selected additional sustainability information and issued an unqualified opinion. The disclosures were subjected to a limited assurance engagement by KPMG; selected disclosures were audited with reasonable assurance. Following the final result of its examination, the Supervisory Board raised no objections to the integrated sustainability reporting, including the Non-Financial Statement.

On March 14, 2023, the Supervisory Board approved the Financial Statements of E.ON SE prepared by the Management Board and the Consolidated Financial Statements. The Financial Statements are thus adopted. The Supervisory Board agrees with the Combined Group Management Report and, in particular, with its statements concerning the Company's future development.

The Supervisory Board examined the Management Board's proposal for profit appropriation, which includes a cash dividend of €0.51 per ordinary share, also taking into consideration the Company's liquidity and its finance and investment plans. After examining and weighing all arguments, the Supervisory Board agrees with the Management Board's proposal for profit appropriation.

Personnel Changes on the Supervisory Board

Katja Bauer was appointed to the Supervisory Board effective April 1, 2022. She succeeded Monika Krebber on the employee side, who retired from the Company effective June 30, 2022. Effective July 1, 2022, the Essen District Court appointed Anke Groth as the successor of Carolina Dybeck-Happe, who ended her service effective June 30, 2022. Finally, at the end of the year Axel Winterwerber succeeded Albert Zettl, who was appointed a member of the Bayernwerk AG's Management Board effective January 1, 2023.

Klaus Fröhlich succeeded Karen de Segundo as Chair of the Innovation and Sustainability Committee effective May 11, 2022. In addition, likewise on May 11, 2022, Miroslav Pelouch was elected to succeed Monika Krebber on this committee.

Pages 318 and 319 of the Integrated Annual Report provide an overview of all members of the Supervisory Board.

Personal Remarks

Permit me to conclude with a few personal remarks: This is my last shareholder letter for E.ON. I have had the privilege of leading the Supervisory Board of this outstanding company for more than seven years. We took on and accomplished a lot in those seven years: the Group's separation into E.ON and Uniper, the reorganization of E.ON, the sale of E.ON's Uniper stake to Fortum, the acquisition and integration of innogy, the appointment of Leonhard Birnbaum to succeed Johannes Teyssen as the new Chairman of the Management Board, the navigation of the Company through the Covid-19 pandemic, and the multi-faceted measures to tackle the current crisis. No, it was never dull. There was hardly any time to catch one's breath. But what remains is a sense of satisfaction about all the things that we shaped together during this time.

Our equity stood at €1.3 billion in 2016 and at €21.9 billion in 2022. We recorded adjusted net income of €0.9 billion in 2016 and €2.7 billion in 2022. We paid out a dividend of €0.27 per share for the 2016 financial year and are proposing a dividend of €0.51 per share for the 2022 financial year.

Today, E.ON is again in good shape. Our solid finances have laid the foundation for future growth. Bring on the future.

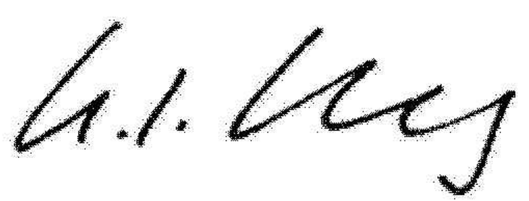
I thank the shareholders who placed their trust in me to share responsibility for E.ON's transformation process over the past seven years.

I would like to thank my Supervisory Board colleagues for their very trusting and extremely constructive collaboration, which was always focused on the matter at hand. I thank the Management Board for its decisive and successful management of the Company and the excellent and trustful collaboration with the Supervisory Board and me personally.

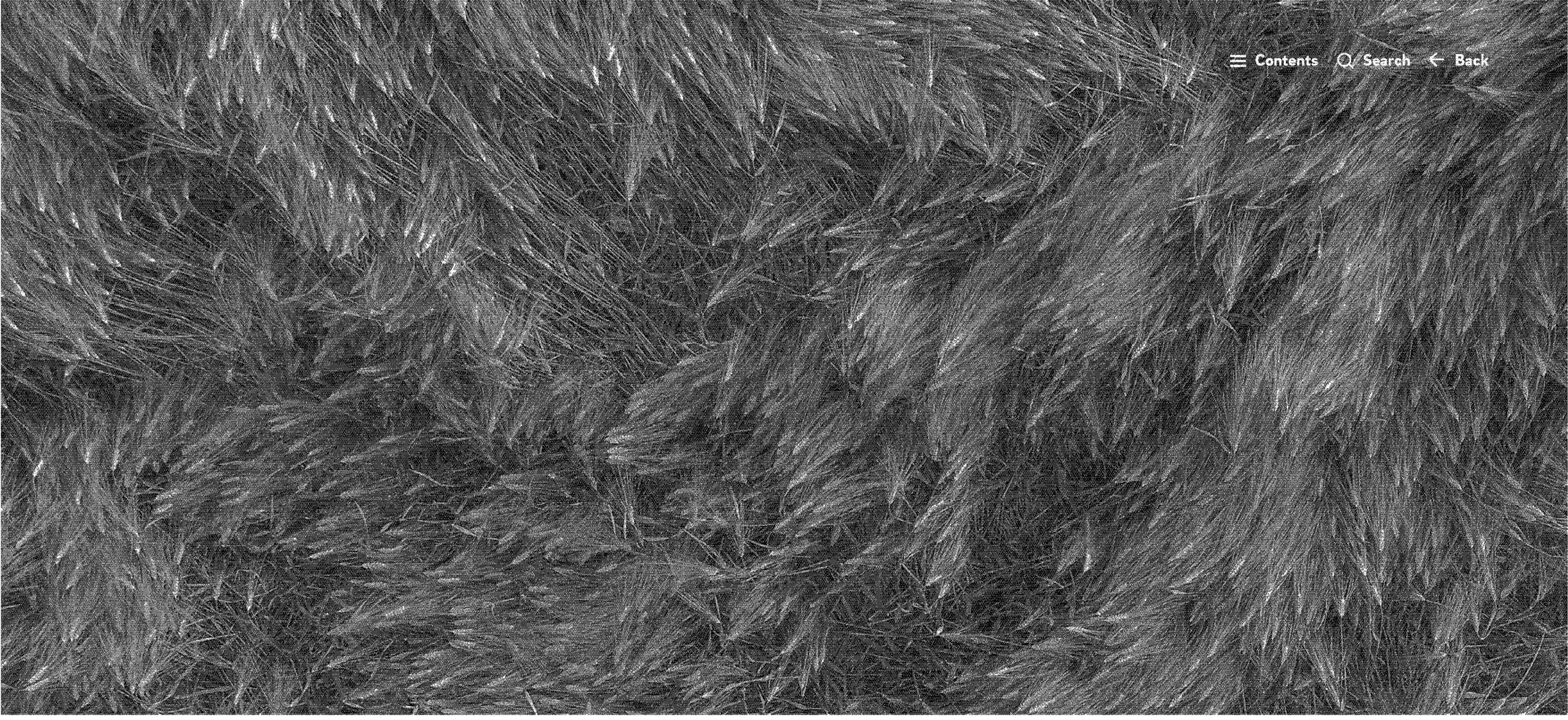
And, on behalf of the entire Supervisory Board, I also express my thanks to all E.ON employees. You have done a great job. I wish you all the best, every imaginable success, and hopefully a little more time to catch your breath.

Essen, March 14, 2023
The Supervisory Board

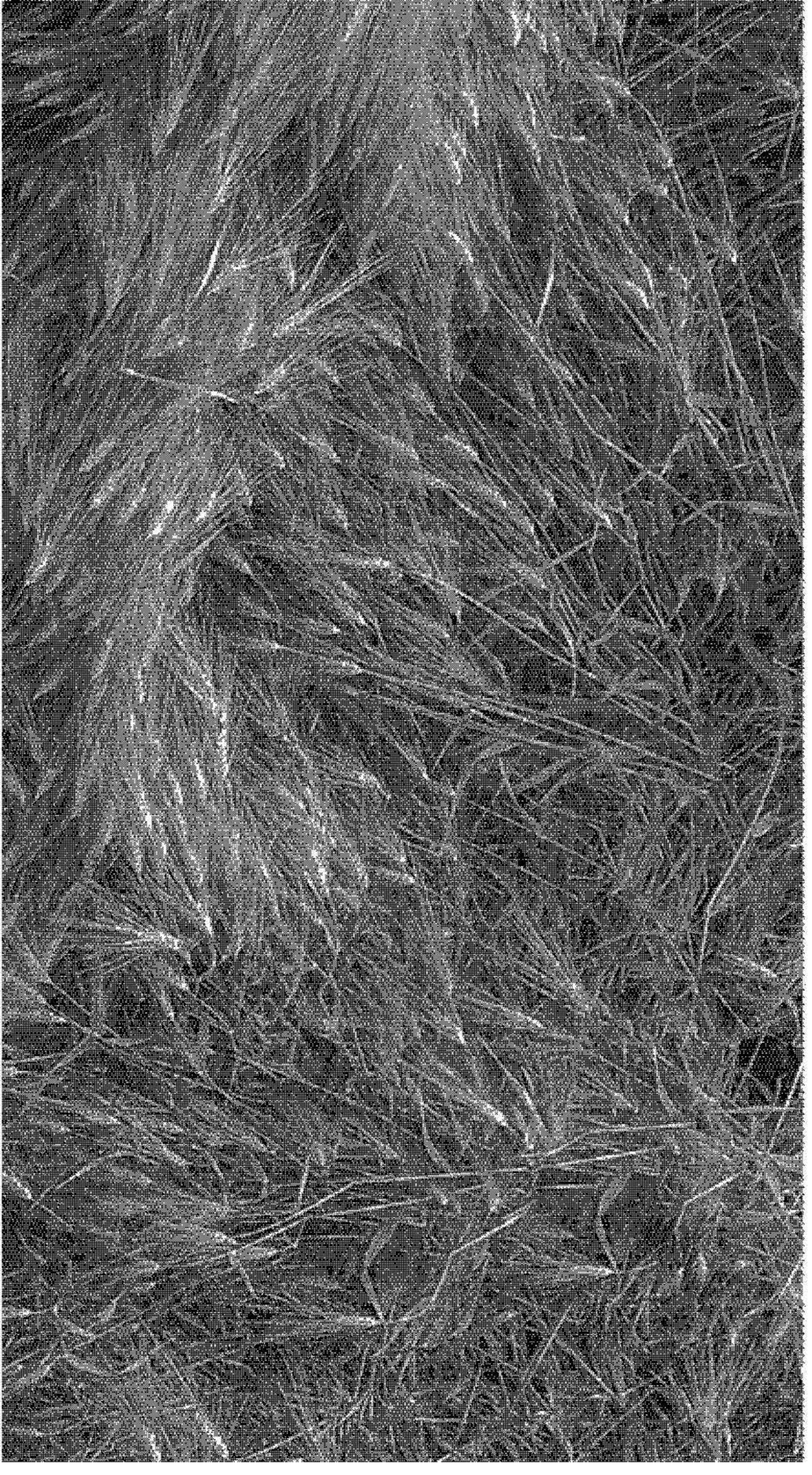
Best wishes,



Karl-Ludwig Kley
Chairman



Combined Group Management Report



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About this Report

GRI 2-1, GRI 2-2, GRI 2-3, GRI 2-4, GRI 2-5, GRI 2-6

The E.ON Integrated Annual Report 2022 for the first time combines the Company's financial and non-financial reporting. Sustainability is the centerpiece of E.ON's strategy and—in every dimension—the standard for our actions. An integrated report provides our stakeholders with a holistic and transparent view of our financial, environmental, and social performance.

Standards

This integrated report applies to the E.ON Group as well as E.ON SE. E.ON is therefore fulfilling all requirements of International Financial Reporting Standards ("IFRS"), the German Commercial Code (German abbreviation: "HGB"), and German Accounting Standards (German abbreviation "DRS"). The combined Non-Financial Statement ("NFS") pursuant to Section §§ 315b and 315c in conjunction with Sections §§ 289b to 289e of the HGB is fully integrated into the Combined Group Management Report. The Group Management Report thus contains information on five aspects: the environment, employees, social matters, human rights, as well as anti-corruption and anti-bribery. The NFS also complies with the disclosure requirements of the EU Taxonomy Regulation. The Non-Financial Statement ("NFS") Index indicates where these disclosures can be found in the integrated report. Other parts of the Combined Group Management Report include Disclosures Regarding Takeovers and the Corporate Governance Declaration. In addition, the Compensation Report is integrated into the Annual Report.

E.ON's sustainability reporting, which consists of the NFS and other sustainability disclosures, is guided by the findings of its materiality analysis and topics relevant for stakeholders. It has been prepared with reference to the GRI Standards 2021 by the Global Reporting Initiative. The GRI standards covered by the content of a chapter are displayed on the first page of the chapter. The GRI Index provides an overview. The Other Information chapter contains E.ON's disclosures regarding the Electric Utilities and Power Generators Standards issued by the Sustainability Accounting Standards Board ("SASB"). E.ON is committed to the ten principles of the United Nations Global Compact ("UNGC") and supports the United Nations Sustainable Development Goals ("SDGs"). We describe our contributions to the SDGs in the Strategy chapter. Our climate-related reporting, which is based on the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD") as well, can be found in the chapter Other Information.

Scope

This report encompasses all subsidiaries that are fully consolidated in E.ON's Consolidated Financial Statements 2022. Any deviations are marked accordingly. KPI-based thresholds are used to distinguish companies that do not contribute significantly to the report. The next chapter, Business Model, contains more information about the E.ON Group's structure and business segments.

The reporting period is the 2022 calendar year. For most KPIs the corresponding prior-year figure is provided to improve comparability. Adjustments to prior-year figures of a KPI are explained in footnotes.

Statements on the future development of E.ON and its subsidiaries are estimates based on information available at the time of reporting. Actual results may deviate from these statements.

The report was published on March 15, 2023, and is available in German and English in pdf format. You can download the pdf version of this report at eon.com. The previous Annual Report and previous Sustainability Report were published in March 2022. You can find them and additional reports in the investor relations archive.

Language

To improve readability, we generally use the shorter name for companies and organizations (such as "E.ON" rather than "E.ON SE").

Sustainability Ratings

E.ON's commitment to transparency includes subjecting its sustainability performance to independent, detailed assessments by specialized agencies and capital-market analysts. The findings of these assessments provide important guidance to investors and to E.ON. They help us identify our strengths and weaknesses and further improve our performance. The Sustainable Finance chapter presents the results of sustainability ratings.

Assurance

The Combined Group Management Report is generally audited as part of the statutory audit of the financial statements. Content that is not part of the statutory audit of the Consolidated Financial Statements and is therefore excluded from the auditor's report is identified separately, as described below. For the NFS and selected additional sustainability information, a separate assurance engagement ("Sustainability Assurance") was also performed by KPMG AG in accordance with the International Standard on Assurance Engagements ("ISAE") 3000 (Revised) issued by the International Auditing and Assurance Standards Board ("IAASB"). The audit assurance applied to the different contents is clarified in the report by means of various symbols.

Symbols next to headings [H2] apply until the next heading of the same level of hierarchy. Sections within the same chapter that were audited with a different assurance may be marked separately. This is done in longer sections by means of symbols next to the **subheadings [H3]** which apply until the next heading of the same level of hierarchy. In addition, individual sections or KPIs that are subject to a different audit assurance may be marked separately.

The corresponding contents are marked as follows:

☑ Not part of the statutory audit, audited with reasonable assurance as part of the Sustainability Assurance in accordance with ISAE 3000.

◎ Not part of the statutory audit, audited with limited assurance as part of the Sustainability Assurance in accordance with ISAE 3000; individual text passages are indicated by .

Not part of the statutory audit, unaudited; individual text passages are indicated by ›‹.

Prior-year figures and quantified changes from the prior year included in sections marked as audited are audited with limited assurance.

The precise scope of the audit is described in the Other Information section in the Independent Auditor's Report and in the report on the management review of sustainability information.

Corporate Profile

Business Model

E.ON is an investor-owned energy company with approximately 71,600 employees led by Corporate Functions in Essen. The Group's core business is divided into two segments: Energy Networks and Customer Solutions. Corporate functions and equity interests managed directly by E.ON SE are reported under Corporate Functions/Other. Non-strategic operations are reported under Non-Core Business until the end of 2022 and effective 2023 under Corporate Functions/Other.

Corporate Functions

Corporate Functions' main task is to lead the E.ON Group. This involves charting E.ON's strategic course and managing and funding its existing business portfolio. Corporate Functions' tasks include optimizing E.ON's overall business across countries and markets from a financial, strategic, and risk perspective and conducting stakeholder management.

Energy Networks

This segment consists of E.ON's power and gas distribution networks and related activities. It is subdivided into three regional markets: Germany, Sweden, and East-Central Europe/Turkey (which consists of the Czech Republic, Hungary, Romania, Poland, Croatia, Slovakia, and the stake in Enerjisa Enerji in Turkey, which is accounted for using the equity method). This segment's main tasks include operating its power and gas networks safely and reliably, carrying out all necessary maintenance and repairs, and expanding its power and gas networks, which frequently involves adding customer connections and the connection of renewable energy generation assets.

Customer Solutions

This segment serves as the platform for working with E.ON's customers to actively shape Europe's energy transition. This includes supplying customers in Europe (excluding Turkey) with power, gas (conventional and green), and heat and providing them with sustainable solutions that enhance their energy efficiency, energy autonomy, and eMobility. E.ON's activities are tailored to the individual needs of customers across all categories: residential, small and medium-sized enterprises, large commercial and industrial, sales partners, and public entities. The E.ON Group's main presence in this business is in Germany, the United Kingdom, the Netherlands, Nordics (for example, Sweden, Denmark, and Norway), Italy, the Czech Republic, Hungary, Croatia, Romania, Poland, and Slovakia. In addition, Energy Infrastructure Solutions engages in activities aimed at decarbonizing commercial customers, cities, and communities, such as sustainable city solutions and district heating.

Non-Core Business

This segment consists of the E.ON Group's non-strategic activities. This applies to the operation and dismantling of nuclear power stations in Germany (which is managed by the PreussenElektra unit) and the generation business in Turkey. Effective 2023, Non-Core Business is disclosed under Corporate Functions/Other.

ESG Materiality and Stakeholder Engagement ☑

ESG Materiality

GRI 3-1, GRI 3-2

E.ON has conducted an annual materiality analysis since 2006. The purpose is to identify and evaluate the sustainability topics that are most important to the Company and its stakeholders. This report contains information on the topics whose materiality the analysis deemed to be particularly high. It also addresses less material sustainability topics. E.ON thus aims to meet the different expectations of stakeholders as well as the requirements of environmental, social, and governance ("ESG") rankings and ratings. We provide an overview of the material and other topics in the Non-Financial Statement ("NFS") Index.

Identification of Material Topics

E.ON conducted its materiality analysis in 2022 in accordance with the requirements of the Non-Financial Reporting Directive ("NFRD"). The requirements of the Corporate Sustainability Reporting Directive ("CSRD") were taken into account, but not applied. We applied the double materiality principle: we considered the financial perspective as well as the impact perspective. The process had four steps, which are described below:

Step One: Topic Identification and Collection

E.ON first gathered information and evidence on potentially material topics. We consulted a variety of sources, including regulations, reporting standards as well as statements from customers, competitors, investors, and non-governmental organizations ("NGOs"). We used this to create an overview of possible material topics. These were then compared with our existing material topics, collated, and reduced to a common denominator. The basis for this was an evaluation that correlates a topic's frequency of mention to its importance for the industry. Experts from Sustainability, Group Accounting, and Investor Relations divisions reviewed and finally agreed on a short list of E.ON's potentially material topics.

Step Two: Impact Perspective

E.ON analyzed the impact perspective by surveying NGOs, research institutes, suppliers, customers, and other stakeholders. We gave them a questionnaire containing the topics identified in step one and asked them to rate them. The questionnaire's findings were then examined in greater depth in stakeholder interviews. Representatives from the Sustainability, Group Accounting, Investor Relations, and Group Risk functions

evaluated the survey's findings in a workshop, which concluded the impact analysis.

Step Three: Financial Perspective

E.ON evaluated the financial perspective by examining the risks and opportunities associated with the ESG topics contained in its Enterprise Risk Management ("ERM") system. Another workshop was then held to assess and validate the financial materiality of the topics identified. Representatives from the aforementioned functions—Sustainability, Investor Relations, Group Accounting, and Group Risk—participated as well.

Step Four: Materiality Threshold

E.ON finalized the list of topics by defining a common materiality threshold for the impact and financial perspectives. Only topics that exceeded it were considered material. To determine them, we held a third workshop consisting of the above-mentioned participants. The findings were then presented to the Sustainability Council, which approved E.ON's materiality analysis for 2022.

Material Topics

The findings of the materiality analysis for 2022 are listed below. The highest relevance from a financial and impact perspective was assigned to the following three topics:

- Climate-change mitigation
- Energy affordability
- Reliable energy supply.

The material topic of climate-change mitigation also encompasses customer solutions that mitigate climate change. Since both aspects—general climate-change mitigation and customer solutions that mitigate climate change—are extensive, they are presented in separate chapters in the Integrated Annual Report 2022.

The chapters of this report provide information on E.ON's approach to managing its material topics and outline the Company's progress in the reporting year. The description of the management approach is based on GRI 3-3, Management of material topics.

Stakeholder Engagement

GRI 2-28, GRI 2-29

E.ON continually seeks dialogue with its various stakeholders. We want to listen to and understand their points of view and also to talk to them openly about the potential short- and long-term impacts of our business activities. This is an important objective of our daily work at the local, national, and European level. A stakeholder is any person who or any group that has an interest in a company. Stakeholder engagement is thus a core process of E.ON's corporate governance. The dialogue formats we choose vary by stakeholder and topic. They range from information campaigns and discussion forums with associations and NGOs to face-to-face discussions and lobbying. For example, E.ON is actively involved in the global investor initiative CDP (Carbon Disclosure Project), works with the United Nations Environment Programme ("UNEP"), and supports the UN Decade on Ecosystem Restoration. Furthermore, since 2021 E.ON has been part of the LEAF Coalition (Lowering Emissions by Accelerating Forest Finance), which is committed to biodiversity and the protection of tropical forests. More information on CDP and the LEAF Coalition can be found in the "Climate Protection" chapter. E.ON is also a member of SolarPower Europe, a European association of energy suppliers and solar companies. The Solar Stewardship Initiative ("SSI") was set up as part of this association. Its aim is to create more transparency for solar-power supply chains and to ensure compliance with human rights.

E.ON actively participates in policy debates on issues that affect the Company. We use a variety of channels for this, including lobbying, media interviews with our executives, and their appearances as public speakers. In addition, policymakers and regulators frequently invite E.ON to provide its technical and energy expertise as part of their decision-making processes. The Company offers its expertise proactively as well. This type of advocacy are important because the energy sector is significantly influenced by policy and regulatory decisions. In 2022 we assisted the German federal government, particularly by supporting its plans for tackling the energy crisis. E.ON CEO Leonhard Birnbaum was a member of the independent Expert Commission Gas and Heat, which was commissioned by the German government to develop proposals that can relieve households and businesses from the sharp rise in gas prices. Furthermore, E.ON takes part in discussions on energy, environmental, and climate policy in a variety of other forums. For example, E.ON CFO Marc Spieker was a member of the European Commission's Platform on Sustainable Finance until the end of October 2022. In addition, Leonhard Birnbaum is part of the European CEO Alliance, an alliance of EU-wide business leaders who discuss ways to provide additional support to the EU Green Deal. Effective November 21, 2022, Leonhard Birnbaum was appointed acting president of Eurelectric, the association of the European electricity industry. Eurelectric is an umbrella organization representing more than 3,500 European companies active in electricity generation, distribution, and supply. Direct members of Eurelectric are the national associations, including the German Association of the Energy and Water Industries (German abbreviation: "BDEW"), Swedenergy, and Energy UK.

› The Climate Advocacy and Associations Report provides an overview of E.ON's lobbying approach as well as the associations and initiatives which the Company is part of and the key positions it holds in conjunction with its efforts to propel the energy transition. All of E.ON's lobbying activities and dialogue formats comply with national and European laws and guidelines on representing corporate interests and responsible lobbying. ‹

Below is an overview of E.ON's most important stakeholders, their significance for E.ON, and their expectations of E.ON.

Stakeholder Groups

Significance	Stakeholder	Expectations
Our customers' purchasing decisions determine our success.	**Customers**	• A secure energy supply at reasonable prices • An active role in propelling the energy transformation in Europe • Support for energy management and energy efficiency
Our employees' performance is crucial to our success.	**Employees**	• A safe, interesting, and inclusive work environment • Fair pay and equal opportunity
Our investors' capital is essential for the successful development of our company.	**Investors**	• Transparent information about how E.ON manages chances and risks • Information about our long-term value growth potential
We procure the services of numerous suppliers and subcontractors.	**Suppliers and business partners**	• Fair and reliable terms and conditions • Mutually beneficial collaboration
The transformation of Europe's energy system can succeed only if it is actively shaped and supported by people as consumers and citizens.	**Regions and Communities**	• Transparency about planned measures • Active participation at the municipal level
Our business activities are strongly influenced by social needs and developments and the political decisions based on them.	**Policymakers, media, society, and the general public**	• Transparent decision-making oriented toward the common good, fair treatment of customers, and innovative, forward-looking customer solutions • A reliable, economical and environmentally friendly energy supply • Compliance with laws and regulations
We see universities and social institutions as important partners. Non-governmental organizations provide us with valuable information on public expectations.	**Non-governmental organizations and sustainability experts**	• Transparency • Accountability • Dialogue

E.ON is a member of numerous industry networks and trade associations in individual countries and at the European level. They enable companies to share information about climate protection, customer needs, and industry trends and to represent shared interests to policymakers and regulators. Examples of these memberships include:

- **German Association of Energy and Water Industries** (German abbreviation: "BDEW"): through the BDEW E.ON is also represented in two European trade associations, Eurelectric and Eurogas.
- **German Industry Initiative for Energy Efficiency** (Deutsche Unternehmensinitiative Energieeffizienz, or "DENEFF"): a multi-industry network of companies and organizations dedicated to enhancing energy efficiency.
- **Bitkom**: through this industry initiative for a digital economy the Company is also represented in the **Federal Association of German Industry** (Bundesverband der Deutschen Industrie) and its European umbrella organization, **Businesseurope.**
- E.ON executives take part in **the Economic Council of the CDU e.V.** and **the Economic Forum of the SPD e.V.**
- **European Distribution System Operators for Smart Grids** ("EDSO for Smart Grids"): European association promoting smart grids and the digitalization of the energy sector.
- **Energy UK:** a trade association for energy in the United Kingdom.
- **Swedenergy:** a private association of companies involved in electricity production, sale, and trading in Sweden.
- The **Romanian Federation of Associations of Energy Utilities**: a federation of energy suppliers in Romania.

Non-Core Business: Stakeholder Dialogue on Reliable Operations and Plant Dismantling

E.ON subsidiary PreussenElektra is responsible for the safe and reliable operation and dismantling of its nuclear power plants ("NPPs"). Ongoing dialogue with stakeholders is essential. PreussenElektra communicates with a broad spectrum of stakeholders through press releases and briefings. The company also uses events and forums to speak directly with its stakeholders and benefit from their feedback. The aim of all these measures is to provide transparent information and build trust.

In view of the discussion about the possible continued operation of NPPs, PreussenElektra enhanced its dialogue with local stakeholders at Isar NPP. PreussenElektra also conducted transparent public relations by increasing its online communications and maintaining an active dialogue with national media.

Dialogue will also remain important during NPPs' decommissioning and dismantling. In 2022 E.ON held press events at all its NPPs. Annual power plant talks with key local stakeholders took place in the fall as well. Some plants also have dialogue groups for nearby residents, in which PreussenElektra also participated in 2022. People who live near Brokdorf, Isar, Grohnde, and Grafenrheinfeld NPPs were given the opportunity to visit the plants on selected dates.

Strategy

2022: New Challenges and a Robust Strategy

The turbulence of 2022, triggered by the Russia-Ukraine war, presents the world with major new challenges. High and significantly more volatile commodity prices, rising interest rates, inflation, and additional strains on supply chains already disrupted by the Covid-19 pandemic created uncertainty. As part of a periodic review, the updated strategic course the E.ON Group set in 2021 was critically scrutinized in view of these factors. Individual countries—and not just their policymakers—want energy security and energy autonomy based primarily on decentralized and renewable power generation and distribution. This will require resilient and digital energy infrastructure; and that is exactly what E.ON's power and gas networks represent. Supply security will be at the forefront. The new growth strategy E.ON formulated in 2021—founded on sustainability, growth, and digitalization—is part of this future. E.ON's strategy has proven itself to be robust, even amid disruptive events.

In the Energy Networks segment, E.ON is systematically implementing its strategy in the context of current developments. Investments in the 2022 financial year went mainly toward network expansion and modernization in line with the needs of the energy transition. A significant part of Europe's renewables capacity is connected to the E.ON Group's networks. These networks are the backbone of the energy transition, which can only succeed if they grow at the same rate as the demand for connections.

The Customer Solutions segment—considering the significant demand for smart solutions and products to decarbonize households and industry—is proving to be solid. This demonstrates that many people want to take their energy supply into their own hands. Prosumers are becoming a reality faster than many expected. E.ON is Europe's largest provider of energy solutions for decarbonizing households.

E.ON's broad range of products and services enables its customers and partners to displace more than 100 million metric tons of CO_2e annually.

Alongside the increase in residential demand we also saw greater demand for decarbonizing entire city districts as part of district heating and cooling projects. Energy Infrastructure Solutions ("EIS") significantly increased its earnings and investments compared with the prior year. It also developed and acquired future-oriented projects.

The sustainable transformation of the energy system is a long-term task. The current crisis highlights and reinforces the importance and necessity of change; it must be further accelerated. After many disputes about the right course, a consensus is emerging between policymakers, companies, and society—both in Germany and in Europe. The European Commission's revised targets for speeding up renewables expansion will further increase the demand to connect these facilities to networks and thus also the need to expand network capacity. The anticipated increase in demand for hydrogen to replace coal, gas, and oil in industry is ambitious and will also require massive investment in energy infrastructure. All this will offer us new opportunities and confirms E.ON's strategic course.

Connecting Everyone to Good Energy

Europe's energy transition is irreversible and gaining pace, even amid the current market situation. This poses new challenges for the energy industry but also creates tremendous opportunities. E.ON is a leading network operator, and its Customer Solutions segments supplies roughly 48 million customers (including customers in Turkey and of ZSE in Slovakia) with energy. This positions us better than any other energy company in Europe to profoundly shape the new era of green energy and to play a leading role in the distributed, zero-carbon energy world of the future. Our strategy has three key components—sustainability, digitalization, and growth—on which we will focus our human and financial resources in the years ahead. Sustainability is the core of E.ON's strategy and—in all dimensions—will be the guiding principle for our future actions. E.ON intends to become climate-neutral itself, and helping our customers reach their climate targets will be a key growth driver.

Sustainability

E.ON's strategy fits seamlessly with the European Union's decarbonization agenda. Europe's distribution networks—E.ON's biggest business—are where the energy transition is happening. The investments necessary to upgrade, expand, and digitalize these networks in the decade ahead are estimated at over €425 billion. This amount of investment is roughly equal to the size of Belgium's entire economy. The European Commission's desire to accelerate this expansion will be an additional driver.

› E.ON's strategy fits with two of the EU Green Deal's programs: the Horizon Europe program (which will provide about €15 billion of funding through 2027 for climate, energy, and mobility projects) and the Innovation Fund (which will mobilize about €10 billion through 2030 to help low-carbon technologies become market-ready). ‹

Many of these projects and technologies are relevant for E.ON's customer solutions business. To seize the growth opportunities in its core business, E.ON plans to invest a total of roughly €33 billion from 2023 to 2027, of which around €26 billion will go toward energy networks and €7 billion toward customer solutions.

This investment program aims to be fully aligned with the EU Taxonomy; 82 percent of E.ON's investments in its core business in 2022 fell within the taxonomy's scope; 98 percent of these investments are green.

More than half of the funding for these investments will be raised through the issuance of green bonds. E.ON's updated strategy thus also caters to capital markets' increasing interest in sustainable investments. More information about E.ON's disclosures in line with the EU taxonomy for the 2022 financial year can be found in the "EU Taxonomy" chapter; the "Sustainable Finance" chapter contains more information about green bonds.

Climate protection will be a key driver of E.ON's future growth. The Science Based Targets initiative ("SBTi") validated E.ON's climate targets in May 2022. They are consistent with keeping global warming to 1.5° C above preindustrial levels. In addition, E.ON pledges for its Scope 1 and 2 emissions to achieve climate neutrality by 2040 (and to cut Scope 1 and 2 emissions by roughly 75 percent by 2030). E.ON intends for its Scope 3 emissions to be climate-neutral by 2050 (and to reduce them by about 50 percent by 2030). All reductions are relative to 2019. These objectives set a course that is both ambitious and viable: a reduction path consistently aligned with the new energy world in keeping with E.ON's strategy. In addition, in 2022 E.ON began to voluntarily offset emissions it is currently unable to avoid. Offsets help fund measures that reduce or prevent carbon emissions outside E.ON's value chain. E.ON's flagship offsetting program is its partnership, begun in 2021, with the LEAF Coalition, which stands for Lowering Emissions by Accelerating Forest Finance. LEAF offsets help protect tropical forests and manage them sustainably. E.ON's LEAF program will initially run through year-end 2027.

ESG aspects are systematically embedded into E.ON's central control and management processes. In addition, each business unit's management team is responsible for taking action to enhance sustainability and to meet the unit's sustainability targets. This decentralized approach enables the units to contribute to E.ON's Group-wide targets for issues like climate protection and corporate governance, while also tailoring their actions to their specific needs. Each unit has sustainability staff who reinforce awareness, coordinate projects and initiatives, and monitor progress toward targets. They share information at regular intervals with our Sustainability Council and the E.ON Group's Sustainability team.

Digitalization

Digitalization will be a cornerstone of the energy landscape of the future. The transition toward a distributed, volatile, and networked energy world will be accompanied by increasing complexity that can only be managed through comprehensive digitalization. Digitalization is thus an important lever in E.ON's growth strategy and the basis for generating additional value in its core business over the long term. E.ON's objective is to become a fully digital energy company and to fundamentally transform its products, processes, and services into data-driven and highly networked solutions. Our digital transformation is proceeding along four strategic pathways: optimizing internal operations, engaging

customers and partners, transforming and developing new business areas, and enhancing employees' digital skills. The centerpiece of our digital transformation is a common technology platform ("CTP") for the entire Group. The CTP will serve as the basis for standardizing and harmonizing all applications in the E.ON Group necessary for the energy transition. It will enable us to develop new digital energy solutions while maintaining the highest security standards.

The foundation of E.ON One, a new subsidiary for digital solutions, has enabled the E.ON Group to pursue the objective of offering and operating innovative IT solutions for the external market and E.ON Group companies. E.ON One's portfolio will be formed by targeted investments in E.ON's own innovations and in startups. This will make it possible to smartify networks and render energy consumption more sustainable. E.ON One focuses on three business areas: grid management, grid operations, and energy management solutions. These areas form the basis of a successful energy transition. For example, E.ON One offers a wide range of energy management solutions that give customers more transparency about their consumption and automatically optimize consumption and generation.

Energy Networks' top priorities include standardization, smartification, and the development of new digital solutions, all with the highest cybersecurity standards. Digitalization helps E.ON operate its networks even more efficiently and optimally manage the growing proportion of power from renewable generating facilities. The development of digital solutions like smart eMobility charging solutions as well as new services on both sides of standard residential meters and smart energy meters are also part of E.ON's growth strategy.

Growth

E.ON's core business consists of two segments: Energy Networks and Customer Solutions. E.ON operates power and gas networks in various regions of Europe and offers a broad range of customer solutions. The two businesses complement each other amid the transformation of global energy systems. They are also clear growth businesses that benefit from the sustainable transformation of various customers and industrial sectors. This transformation expands E.ON's business opportunities as well. And our growth strategy fits seamlessly with Europe's decarbonization ambitions. Ongoing renewables expansion and the increasing challenges this poses for power networks will require investments of more than €425 billion to transform electricity distribution networks. The growth in the aggregate energy demand of E.ON's customer groups is estimated to increase by more than 100 percent between 2020 and 2050. A sustainable transformation of the economy is necessary for this as well. E.ON is aiming for earnings growth in both the Energy Networks and Customer Solutions segments, supported by continual efficiency improvements. The measures in this area focus primarily on achieving operational excellence. We are likewise aware that our growth strategy can only be implemented if it is accompanied by changes within our organization, such as cultural change, diversity, and education. Comprehensive measures to propel these changes are therefore integral to our strategy.

Growth in the Energy Networks Segment

The transition to a new, sustainable, and connected energy world will require considerable investments in physical and digital assets. As stated above, this applies above all to the Energy Networks segment, which is the backbone of a successful energy transition. Ongoing renewables expansion in particular will require grids to grow at a similar pace. New network connections and connected load will increase sharply amid the energy transition owing to changes in customer behavior. The energy transition alone therefore represents an unprecedented growth opportunity for E.ON, an opportunity that is being further accelerated by the current developments in Europe's energy system and momentum for the energy transition. Consequently, this growth will be accompanied by the suitable and sensible digitalization of networks because they are a key component of E.ON's growth strategy and a prerequisite for the implementation of the energy and climate transition in distribution networks. The use of smart-grid technology like smart energy meters and smart transformer stations, the integration of external data, the standardization of construction and operating processes, and the use of a central data platform all offer considerable potential. Where necessary for technical reasons and economically feasible, E.ON will acquire the capability to monitor and control its distribution networks across all voltage levels in order to optimize their operation. Sensors and smart energy metering and control technology will enable real-time control of distributed generation and consumption.

E.ON's existing gas networks will continue to play an important role in the transformation of the energy system. Going forward, E.ON will also, where legally possible and economically sensible, make its existing gas networks hydrogen-ready. These investments will help pave the way toward climate-neutral gas networks.

E.ON's capabilities along with the above-average efficiency of its network operations will enable it to lead the necessary transformation of the energy system. Eight of E.ON's nine distribution system operators ("DSOs") in Germany have an efficiency rating of 100 percent, with three of them earning a super efficiency bonus. All E.ON DSOs surpass the industry average.

This is among the reasons why E.ON is one of Europe's leading DSOs. E.ON has a regulated asset base ("RAB") of €36.4 billion, and its regulated business generates a large share of its EBITDA. E.ON's strategic objective is therefore to remain Europe's leading energy and infrastructure partner. E.ON plans to direct a large portion of investments during the 2023–2027 planning period toward network expansion and a variety of network projects. The Forecast Report contains details about planned investments.

Growth in the Customer Solutions Segment

E.ON's Customer Solutions segment focuses on the energy services business and the Energy Infrastructure Solutions ("EIS") business's activities in distributed energy.

The energy services business includes power and gas retail sales. This is a scalable business model with comparatively low capital requirements and focuses on private households and small and medium-sized enterprises. E.ON's objective for this business is to retain its roughly 48 million customers across Europe (including customers in Turkey and at ZSE in Slovakia) in the long term by offering them a sustainable energy supply and energy solutions and thus reducing their environmental footprint and by helping Europe to reach its energy conservation targets, particularly residential customers' gas consumption. So that this objective can be achieved at competitive costs, E.ON systematically pursues digitalization, which promotes optimal operating efficiency and superior customer satisfaction and loyalty (customer relationship management) as well as cross-selling opportunities. E.ON's solutions business focuses primarily on the Future Energy Home ("FEH"), a portfolio of distributed energy systems for households. They include self-generation of green solar power, energy storage, heat, and eMobility solutions. The European Commission's solar strategy for the EU, which includes the target of doubling Europe's solar power capacity by 2025, will serve as an additional growth driver. The expansion of suitable eMobility infrastructure is another key strategic priority. The eMobility market is undergoing change and is characterized by robust growth: at least 15 million electric vehicles are expected to be registered in Germany by 2030. Charging infrastructure, by contrast, is expanding at a slower pace. E.ON therefore believes the near term is the time for rapid growth activities, because all attractive locations for charging infrastructure will presumably have been allocated in the years ahead. Our objective is to enlarge our current market position and become one of Europe's leading operators of charging infrastructure by 2030.

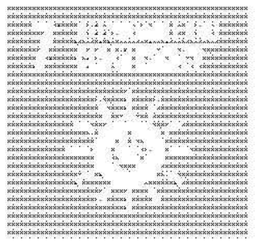
In 2022 E.ON sold 20,417 charging points for residential and business customers in many European countries.

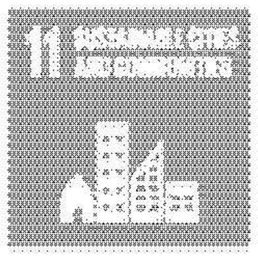
EIS's activities encompass innovative energy solutions that help cities, municipalities, and industrial customers achieve their climate targets cost-effectively. E.ON aims for its EIS business unit to achieve additional growth and become the preferred transformation partner for sustainable, innovative energy solutions. EIS's core business consists of a portfolio of solutions for embedded power, heat, and cooling plants as well as solutions for energy efficiency and decarbonization along with other energy services. E.ON sees green hydrogen in particular as a key strategic growth opportunity in this space over the medium term and has established a hydrogen business unit to meet industrial customers' increasing demand for green gases in the future. E.ON assumes that by 2040 the demand for hydrogen will extend across the industrial, mobility, heat, and electricity sectors. In addition, hydrogen will play an essential role in the climate-neutral energy system of the future. In the short term, E.ON will partner with its customers to move forward with hydrogen projects that are already under way in quintessential industrial regions like the Ruhr district and, over the medium term, scale up the business unit internationally. This includes E.ON's strategic partnership with Australian hydrogen pioneer FFI to develop ways of importing large quantities of green hydrogen to Germany. Our international footprint in Europe gives us an optimal platform for future hydrogen clusters in the North Sea region. Currently, E.ON is involved in over 50 projects along the entire hydrogen value chain to make green hydrogen available to business customers and municipalities.

E.ON is thus superbly positioned to propel the energy transition and satisfy the increasing demand for sustainable solutions. All business units will benefit from robust demand growth for green power and gas across all sectors (households, transportation, buildings, and industry).

Commitment to the UN Sustainable Development Goals

› The United Nations' Sustainable Development Goals ("SDGs") of its 2030 Agenda for Sustainable Development provide a blueprint for a better and more sustainable future. Adopted in 2015, the 17 SDGs and 169 subgoals address a wide range of global challenges. We recognize the SDGs' importance and fully support them. Our Management Board underscored this support by issuing a self-commitment to the SDGs in June 2018. E.ON's core business activities enable it to play a considerable role in fostering the SDGs 7 (Affordable and Clean Energy), 11 (Sustainable Cities and Communities), and 13 (Climate Action). All of E.ON's other contributions to the UN SDGs can be found in the SDG Index. ‹







Finance Strategy

The section of the Combined Group Management Report entitled Financial Situation as well as the E.ON on Capital Markets chapter contain explanatory information about E.ON's finance strategy.

People Strategy

The sections of the Combined Group Management Report entitled Working Conditions and Diversity and Inclusion contain explanatory information about the main components of E.ON's people strategy as well as statements about diversity at E.ON.

Innovation

Innovations as Drivers for Climate-Neutral and Affordable Energy Solutions

The energy industry is currently facing a multitude of significant challenges, while at the same time the transformation of the energy system is in full swing. In these fast-moving and disruptive times, E.ON continues to actively shape change. More than ever, E.ON sees itself as a thought leader that views change as an opportunity and that uses innovation as a catalyst for growth. E.ON is living up to its responsibilities in the current situation in particular by developing new, innovative products and services that save energy, reduce carbon emissions, and address the issue of energy affordability.

The development of innovations has for years been an integral part of E.ON's business and is firmly anchored in the organization. In addition to the numerous innovation activities in decentralized organizational units throughout the Group, E.ON has a central Innovation team that further developed its 360-degree innovation approach in 2022. This approach involves developing innovations in-house as well as working with partners worldwide: from a wide range of collaborations with universities, institutions, and companies to global startups and thought leaders. It enables E.ON to pursue its three innovation objectives of continually generating innovation projects, developing new business models for its customers in all operating businesses, and propelling the development of disruptive innovations in which E.ON sees the potential to set new market standards.

The Continuous Initiation of Projects Ensures that the Innovation Pipeline Is Always Full

Continuous idea generation, swift validation of new innovation concepts, and the implementation of innovation projects are the basis for lastingly successful innovation work.

E.ON views applied energy research with leading scientific institutions as a key to climate neutrality. Its long-standing partnership with the E.ON Energy Research Center ("ERC") at RWTH Aachen University is particularly noteworthy in this regard. In 2022 E.ON placed its focus on the development of new research programs on the topics of Sustainable Decentralized Energy Systems and The Future of Heating and Cooling Supply. E.ON's network in the academic world extends far beyond its collaboration with Aachen University and encompasses international scientific institutions as well.

In 2022 E.ON further expanded its long-standing North American network. It uses collaborations such as those with Stanford University, the Global Sustainable Electricity Partnership ("GSEP"), and Free Electrons, a leading accelerator, to work with global partners from these networks to identify electrification trends and leverage synergies and thus to accelerate decarbonization and electrification.

Progress was made with Stanford University students on satellite-based classification of building energy efficiency, while the collaboration with Power to Hydrogen and Simerse AI linked two more U.S.-based startups directly to E.ON's core business. To enable industrial customers reduce their natural gas consumption by using hydrogen, E.ON is developing pioneering reversible electrolyzers across a number of E.ON businesses in the Power to Hydrogen project with four international partners. This new technology is expected to reduce the cost of producing hydrogen and of using it flexibly. Simerse AI is helping E.ON extend its leading position in the development of innovative solutions for the network business. An innovative approach to training artificial intelligence enables it to test image-based maintenance processes that use robots and drones to detect and fix defects in critical utility equipment faster and more effectively.

These are two more solutions implemented as part of Free Electrons, an accelerator program jointly founded by E.ON and leading global energy utilities. Together with these partners, E.ON initiated more than 20 pilot projects with 15 globally leading startups in 2022. The accelerator program focuses not only on collaboration between startups and energy utilities, but also on direct exchange between industry leaders.

E.ON successfully expanded its collaboration with startups in Europe as well. One example is Dabbel, a startup that makes an important contribution toward climate neutrality by optimizing energy consumption in buildings while significantly reducing their operators' energy costs. Dabbel's solution enables average energy savings of 26 percent by optimizing heating, ventilation, and air conditioning technology without installing additional hardware. E.ON City Energy Solutions ("CES") and Avacon in Germany and E.ON Control Solutions in the United Kingdom worked together closely in 2022 to test the solution and initiate partnership models.

In addition, the open innovation format of the E.ON Grid Startup Challenge, in which all 18 E.ON network companies participated, yielded seven new pilot projects with startups. Alongside digitalization, the topics included ecological powerline pathway management and the resilience of network infrastructure. Hamburg-based startup Repath, for example, is conducting a project with Schleswig-Holstein Netz AG to help identify local climate risks and design adaptation measures.

New Business Models Secure Future Business and Pave the Way for Additional Growth

A permanently changing world, opportunities created by the use of new technologies, and our customers' continually evolving wishes require an extended approach to innovation. In addition to successfully managing its existing business, E.ON needs new business models to provide the basis for its future business. Sustainability, digitalization, and growth are also the principles that guide every aspect of E.ON's development of innovations. The central Innovation team's collaboration with E.ON business units focuses on identifying customer needs or the customer problem to be solved and developing a viable and promising business model. This enables innovation experts with years of experience to develop products faster and more efficiently and jointly bring them to market maturity. In 2022, 17 projects with anticipated sales totaling €224 million over the next five years were handed over to E.ON operating units. Examples of these innovations include the Bi-clEVer eMobility project, the Elna energy home solution, and a solution that uses smart heating control technology to enable commercial customers to conserve energy.

Bi-clEVer: an Electricity Storage System on Four Wheels

Electromobility is considered an important building block for the successful implementation of the energy transition. For this core area of E.ON's business, its innovation teams developed a new process that enables bi-directional charging. In 2022 E.ON joined with BMW to launch a pilot project called Bi-clEVer in the Munich

area. The project primarily addresses the question of how an electric vehicle ("EV") battery, in conjunction with a photovoltaic system, can be sensibly used as an electricity storage device in households. Unlike with conventional EV charging, with bi-directional charging electricity does not flow solely toward the battery, but can, as needed, also be fed back into the home's energy network.

Elna Makes Energy Consumption Transparent and Invites People to Conserve Energy

Another example is the Elna project launched in Sweden in 2022. Sweden—a European leader in the introduction of smart energy meters—is considered an ideal market for the launch of such a product. Elna is an additional feature of the My E.ON app for residential consumers. The new functionality displays a home's energy consumption in real time. This free smart service provides detailed insights and itemized data on household consumption in up to 14 categories, including standby appliances, heat pumps, washing machines, and EV chargers. In addition, Elna offers many other options for making energy-consumption decisions that conserve energy and thus reduce energy costs. After a successful test phase, E.ON plans to gradually increase the number of customers in Sweden. Rolling out the service in other European countries also remains an ambitious goal.

Using Artificial Intelligence to Reduce Gas Consumption in Existing Buildings

Intelligent Heating Control ("ICH") is an ad hoc solution for outdoor-temperature-based heating systems that E.ON developed and tested in 2022 in collaboration with its partner Lemonbeat. The solution can reduce the gas consumption and thus the carbon emissions of a heating unit in an apartment building by up to 30 percent. The ICH system's effectiveness was demonstrated after its simply plug-and-play installation in two identical multifamily dwellings. The system enables property owners to retrofit heating systems that have not been modernized. The solution's artificial intelligence learns the heating system's characteristics and uses a simulated outdoor temperature to provide fully automated control of the heating system in response to demand in real time. In addition to delivering cost savings, this innovation builds a bridge toward climate-neutral heating.

Scale Hubs Propel Innovations that Can Set New Market Standards

The development of disruptive innovations is much discussed at E.ON. The work of the experts from the central Innovation team includes developing new business models whose concepts are based on new technological applications whose degree of maturity does not yet permit immediate market launch. Some of these innovations demonstrate above-average potential, both in terms of their commercial promise and their ability to develop new market standards.

E.ON combines the development of such disruptive business models in scale hubs. The Group focuses in particular on propelling disruptive innovations as part of its innovation portfolio, without at the same time developing new approaches that call its existing business into question.

Innovative Energy Community Pilot Project in Tenerife

The Adeje Verde pilot project that E.ON launched in 2022 represents the first energy community of its kind in Europe. It uses an innovative approach to citizen participation to create a community that enables its residents and local institutions to generate, share, and collectively use renewable energy. The pilot project's objective is to provide all citizens of Adeje with access to solar energy in their immediate neighborhood, becoming role models for a fast-growing energy community. The Canary Islands has set the target of meeting all its energy needs with renewables by 2040. Spain is a pioneer in new energy regulation and thus the ideal place for a pilot project to serve as a blueprint for Europe-wide approaches.

In October 2022 the Clean Energy for EU Islands Secretariate recognized Adeje Verde's groundbreaking work by selecting it as one of three finalists of the #CE4EUIslands Game Changer Award.

The central Innovation team's 360-degree approach has created an E.ON-wide innovation platform. It makes its expertise and experience available to all E.ON units and thus serves as a perpetual innovation engine for the E.ON Group, transforming ideas from the drawing board into tangible value for the Company. The central Innovation team supports both the future of E.ON on its growth and sustainability course, and, in particular, makes the lives of E.ON customers better, more sustainable, and simpler.

Management Control System

E.ON aims to further drive the sustainable path of the Company and the European energy transition in the digital age. Following our guiding principle "Connecting Everyone To Good Energy," we are writing the next chapter of our company history. In doing so, the long-term and sustainable increase in shareholder value remains the focus of our strategy, which is geared toward sustainability, digitalization, and growth.

A uniform Group-wide planning and controlling system is used for the value-based management of the Group as a whole and its individual businesses. This system forms the basis for a uniform mindset Group-wide, while at the same time allowing targeted steering impulses for individual business units.

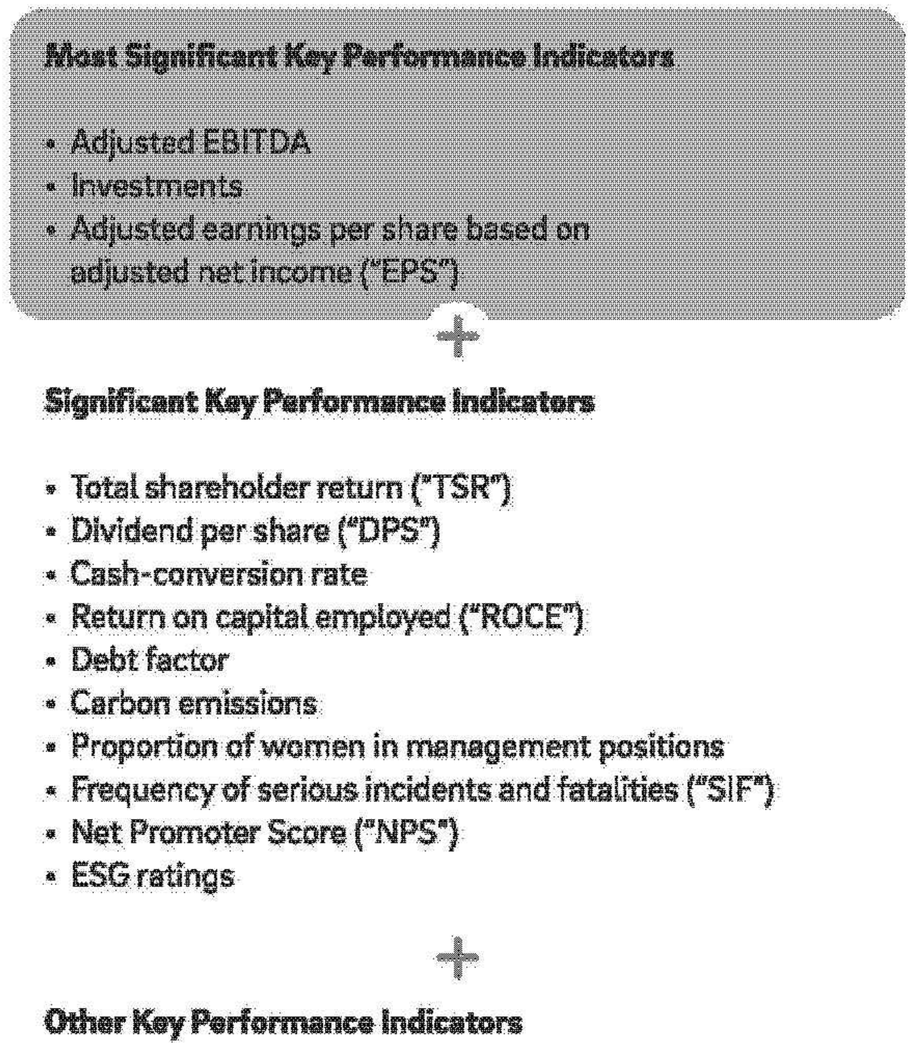
E.ON's Management System

Effective the 2022 financial year, adjusted EBITDA, investments, and earnings per share based on adjusted net income ("EPS") have been the most significant indicators for managing our aspired growth. The use of additional key financial and non-financial performance indicators is intended to ensure that our growth is in line with the various interests of our stakeholders and enable a holistic view of our performance. In particular, we focus on our customers, employees, shareholders, and bondholders, always in

line with our environmental, social, and governmental responsibility as a leading international energy company. Including key non-financial indicators explicitly anchors sustainability indicators in particular in the ongoing management of our businesses.

The following chart summarizes the key performance indicators used for management purposes.

E.ON's Management System



In addition to the management system, the compensation system for the Management Board is also designed to support the implementation of our strategy and thus the long-term success of E.ON through the sustainable, long-term, and value-oriented management of the Group. For this reason, the compensation of the members of the Management Board has also been linked to the development of selected key performance indicators. The new Management Board compensation system has been in place since January 2022.

Most Significant Key Performance Indicators

With our focus on long-term, sustainable, and value-oriented growth, the most significant key performance indicators are the main metrics for internal management and the assessment of our business development and thus also the cornerstones of our forecast.

Adjusted EBITDA is an earnings figure before interest income and income taxes that has been adjusted to exclude non-operating effects. The adjustments include net book gains, certain restructuring expenses, the mark-to-market valuation of derivatives, and other non-operating earnings. Therefore, adjusted EBITDA is the indicator of sustainable earnings capacity and the appropriate key figure for determining the performance of our business.

Investments are equal to investments in property, plant, and equipment, intangible assets, and share investments shown in the E.ON Group's Consolidated Statements of Cash Flows. Investments are the engine for the future growth and digitalization of E.ON's business as well as decarbonization. As a reflection of our strategy, they therefore continue to be a key indicator for managing our activities.

Adjusted earnings per share ("EPS") is equal to adjusted net income divided by the weighted average number of shares outstanding in the financial year. In addition to operating earnings, depreciation and amortization, interest income, income taxes, and non-controlling interests are included and likewise adjusted to exclude non-operating effects. This allows a holistic assessment of the earnings situation from the perspective of the shareholders of E.ON SE.

Significant Key Performance Indicators

In order to suitably take into account the interests of our stakeholders in addition to our focus on growth, our management system also includes other significant key performance indicators. As a customer-oriented company, the ability to acquire new customers and retain existing ones is crucial to our success. Net Promoter Score ("NPS") measures customers' willingness to recommend E.ON to a friend or colleague. The attractiveness of our company for investors is reflected in total shareholder return ("TSR") and dividend per share ("DPS"), which is part of TSR.

We have made sustainability the core of our corporate strategy. In everything we do, we keep in mind the consequences of our actions. The progression of our carbon footprint, the frequency of serious incidents and fatalities ("SIF"), and the proportion of female managers are thus significant key performance indicators and part of our management system. In addition, our ESG ratings are incorporated into our management system. This provides a comprehensive assessment of our actions with respect to environmental, social, and governance matters.

Solid financing of our business activities is of great importance to realize our aspired long-term and sustainable growth in line with the fulfillment of our financial ambitions. For this reason, cash-conversion rate, which is an indicator of E.ON' ability to transform operating earnings into cash inflows, and debt factor, which is a proxy for our capital structure and ratings, are significant key figures in our management system. In addition, ROCE is included in the management system as a key performance indicator to assess the efficiency of capital employed.

Other Key Performance Indicators

Alongside the performance indicators described above, other financial and non-financial indicators play a role in the success of

our business and our corporate responsibility. Operating cash flow, power and gas wheeling volumes, sales volume, as well as selected employee-related information are examples of other key performance indicators.

Climate Protection and Environmental Management

Climate Protection

GRI 3-3, GRI 305

Climate change and associated environmental damage pose a serious threat to people and nature. The use of conventional energy results in the emission of greenhouse gases ("GHG"). Renewable and low-carbon energy generation along with efficient energy use play a key role in reducing emissions and thus limiting global warming. The current geopolitical challenges to securing Europe's energy supply are not making this demanding task any easier. The transition to a low-carbon economy thus requires more joint efforts by all energy producers and consumers. This transition period poses a challenge to energy suppliers' competitiveness. But it also offers an opportunity to expand their business. Many countries, communities, and companies are already focusing on climate-friendly energy generation and energy-efficiency measures to achieve their carbon-reduction targets. E.ON's strategic focus on customer solutions for the efficient use of energy and smart energy networks fully aligns its business model with these global trends.

E.ON's Approach

Distribution networks like E.ON's are the backbone of the energy transition: they integrate renewables, connect producers and consumers, and manage complex energy flows in line with needs. Our solutions help customers of all kinds use energy more efficiently, produce their own renewable or low-carbon energy, and thus reduce their carbon footprint. In short, climate protection is an integral part of E.ON's business model and corporate governance. We want our business activities to help combat climate change, improve people's lives, and create a future worth living. For example, we support companies and communities in reducing their carbon emissions and expanding their eMobility charging infrastructure.

E.ON wants to shrink its own environmental footprint as well. Since 2004, the Company has disclosed the annual carbon emissions from its power and heat generation and from other business activities not directly related to generation. These include upstream and downstream emissions associated with E.ON's business activities. E.ON calculates emissions using the globally recognized Greenhouse Gas Protocol Corporate Accounting and Reporting Standard ("GHG Protocol") issued by the World Resources Institute ("WRI") and the World Business Council for Sustainable Development ("WBCSD"). The E.ON Management Board updated the Company's climate targets in 2020. To achieve them, we have defined specific actions to reduce our emissions in all three scopes of the GHG Protocol (see "Goals and Performance Review" below). We use the Corporate Value Chain (Scope 3) Accounting and Reporting Standard to compile our Scope 3 emissions. In addition, E.ON's 2021 Annual Shareholders Meeting approved a new compensation system for the Management Board. Under the system, one quarter of Management Board members' long-term incentive will reflect the degree to which the Company achieves its sustainability targets. The purpose is to further embed ESG aspects like reducing carbon emissions into how E.ON runs its business.

Guidelines and Policies

In October 2021 E.ON revised its Health, Safety, Environment and Climate Protection Policy Statement. It clarifies that environmental and climate protection just as occupational health and safety are integral to E.ON's business operations. E.ON considers environmental and climate protection important and integral management tasks. The policy statement obligates E.ON to consider environmental and climate protection in all business decisions. E.ON's promise to use the best-possible technologies and procedures in its business processes will reduce its environmental impact and enhance its energy efficiency. In addition, it commits E.ON to comply with all health, safety, and environment ("HSE") laws and regulations and defines the appropriate management systems for this (ISO 45001, ISO 14001, and ISO 50001).

In addition, in late 2021 E.ON adopted an Environmental Protection Guideline. Information about it can be found in the Environmental Management chapter.

Two other HSE policies that are more specific in nature—the HSE Function Policy and the HSE People Guideline—took effect back at the beginning of 2018. The Function Policy defines HSE roles, responsibilities, management approaches and tools, and minimum requirements for the entire organization. It empowers the HSE division to monitor our units' compliance with the obligation to have an environmental management system certified to ISO 14001 or the Eco-Management Audit Scheme ("EMAS"). In addition, the Function Policy defines HSE standards for incident management. It thus replaces and updates the standards stipulated in previous company policies. The HSE People Guideline goes into greater detail, underlining the importance of environmental and climate protection and defining specific tasks. Our Code of Conduct contains general HSE rules with which all employees must comply.

Organization and Responsibilities

The Group's Sustainability department took the lead in developing the Group-wide climate-protection targets. It also monitors progress toward them (see "Goals and Performance Review" below). The units are supported in their decarbonization efforts by their HSE team and our wider HSE organization, which helps design energy-efficiency measures and shares ideas and best practices. This setup has enabled E.ON to make progress toward its company-wide reduction targets for direct and indirect emissions since the targets were adopted.

E.ON has systematized the management of climate-related risks as well. In 2020 we further embedded climate-risk reporting into Group-wide risk management. More information can be found in the Risks and Chances Report. In addition, our reporting is guided by the recommendations of the Task Force on Climate-related Disclosures ("TCFD"). This can be seen in the "Other Information" section.

In 2022 the Sustainability department was incorporated into the Strategy, Sustainability, and Innovation division in order to integrate sustainability and climate protection even more closely into the Group's overall strategy.

The principles of good corporate governance guide E.ON's responsible and value-oriented management. The focus is on efficient collaboration between the Management Board and the Supervisory Board, transparent disclosures, and appropriate risk management. The clear organization of sustainability and activities ensures that everyone involved works together efficiently and that we continually improve our performance. Information about E.ON's progress toward its climate targets is first presented to the Chief Sustainability Officer and Sustainability Council. The Chief Sustainability Officer, who chairs the council, reports to the E.ON Management Board about the progress achieved on a regular basis. The council met twice in 2022.

Specific Actions

In October 2021 E.ON adopted an ESG Reporting Manual that took effect in December 2021. The manual's detailed descriptions and requirements instruct the units how to compile and report ESG key performance indicators ("KPIs"). E.ON then used the manual's climate-related KPIs to develop a Group-wide carbon management plan that breaks down the Group-wide climate targets to the business units. Its purpose is to measure progress towards these targets separately for each of E.ON's business units, factoring in the characteristics of their particular business, their strategic ambitions, and the climate policies of the country or countries where they operate. The plan reflects E.ON's general management approach: the Group sets the strategic course and governance framework, while the units have broad operational decision-making authority. The carbon management plan took effect in the third quarter of 2022.

› CDP is one of the largest international associations of investors that independently assess the transparency and quality of companies' climate reporting. E.ON has reported data on its carbon emissions to CDP since 2004. In 2022 CDP again gave E.ON an A rating for tackling climate change: this rating recognizes the Company's leading role in climate protection. E.ON is therefore among the best 286 that achieved an A rating out of nearly 15,000 that were assessed. E.ON's demonstrable actions have made it one of the world's leading companies in environmental ambition, action, and transparency.

In addition, in 2021 (published in 2022) CDP recognized E.ON once more as a Supplier Engagement Leader. E.ON is thus among the top 2 percent assessed for supplier engagement on climate change. ‹

Under E.ON's holistic climate strategy, decarbonization measures reflect a clear hierarchy: avoidance and reduction of emissions have the highest priority. E.ON primarily uses emissions certificates to offset those emissions that are currently unavoidable. All of E.ON's offsets by means of certificates are completely voluntarily and in addition our climate targets.

The Company funds measures to avoid or eliminate emissions outside its own value chain by means of offsets and corresponding emissions certificates. The associated projects are often located in developing and emerging countries. E.ON uses offset certificates to offset emissions at the product level and does not factor the amounts offset into its own carbon footprint or the KPIs collected for its own climate targets.

At the same time, we are aware that carbon offsets will play a role in reducing emissions in the long term. The process can be used to offset a small portion of remaining emissions. Voluntary carbon markets and the purchase of highly reputable certificates are becoming even more important. That is why E.ON developed a comprehensive strategy for offsetting carbon dioxide emissions from 2021 onward.

› More details on our carbon offset strategy are described in the publication entitled "On course for net-zero—Supporting paper for E.ON's decarbonization strategy and climate-related disclosures." ‹

A key element of this strategy is E.ON's partnership with the LEAF Coalition, which has been in place since 2021. LEAF, which stands for "Lowering Emissions by Accelerating Forest finance," is the largest private-public initiative against the deforestation of tropical rainforests. Participants include the Norwegian, British, American, and South Korean governments and more than 20 companies. LEAF's offset certificates aim to finance the protection of these forests and to support sustainable management approaches that closely involve policymakers and local stakeholders.

Goals and Performance Review

E.ON completed its strategic transformation in just six years. It went from being a traditional energy provider to being a focused operator of energy networks and energy infrastructure as well as provider of innovative customer solutions. The transformation began in 2014 with the decision to exit fossil-fueled power generation and global commodity trading. In the interim we also took other important steps to reduce our direct and indirect emissions. In addition, in 2020 the E.ON Management Board set ambitious new climate targets that are described below. Alongside these targets, the Company developed KPIs that are relevant for management control purposes; they are used, among other things, to calculate the long-term compensation for Management Board members.

In May 2022 the Science Based Target initiative ("SBTi") confirmed that E.ON's climate targets are consistent with the Paris Agreement's 1.5°C target. This means that E.ON's planned emissions reductions contribute to limit global warming to 1.5°C relative to preindustrial levels. To achieve this, we plan to reduce our Scope 1, 2, and 3 emissions by at least 50 percent by 2030 relative to a 2019 baseline.

› E.ON's SBTi targets are explained in more detail in our publication "On course for net-zero—Supporting paper for E.ON's decarbonization strategy and climate-related disclosures." ‹

E.ON's climate targets go beyond SBTi requirements for the 1.5°C target. On the one hand, E.ON intends, by reducing its own GHG emissions, to become climate-neutral by 2040; our reduction path for our Scope 1 and 2 emissions therefore foresees reducing these emissions by 75 percent by 2030 and by 100 percent by 2040. On the other, we aim to reduce our Scope 3 emissions by 50 percent by 2030 and by 100 percent by 2050. Both reduction paths are relative to a 2019 baseline. Scope 3 emissions occur primarily during the generation of the power E.ON purchases and resells and during the use of the gas E.ON sells. They account for most of E.ON's Group-wide carbon footprint.

The adoption of our climate strategy set in motion actions to help us achieve the aforementioned climate targets for 2030, 2040, and 2050 and thus to support Europe's energy transition. E.ON systematically monitors its progress toward these targets. It is important to remember that year-on-year comparisons of energy consumption can be affected by temporary fluctuations caused by weather patterns and other factors. A period of several years is necessary to determine whether E.ON's actions are effective and where we stand with regard to our targets. Since 2016 we therefore assess the trend in more detail every three years. The trend indicated that so far the reduction rate is in line with the forecasts. Along with the adoption of the aforementioned carbon management plan in 2022 we refined this process by setting reduction rates for our individual business units as well. The units have to conduct controls on an annual basis so that we can see more exactly whether we are making progress along the prescribed path. In addition, each unit has the authority to pursue its own reduction targets that go beyond the target for E.ON as a whole.

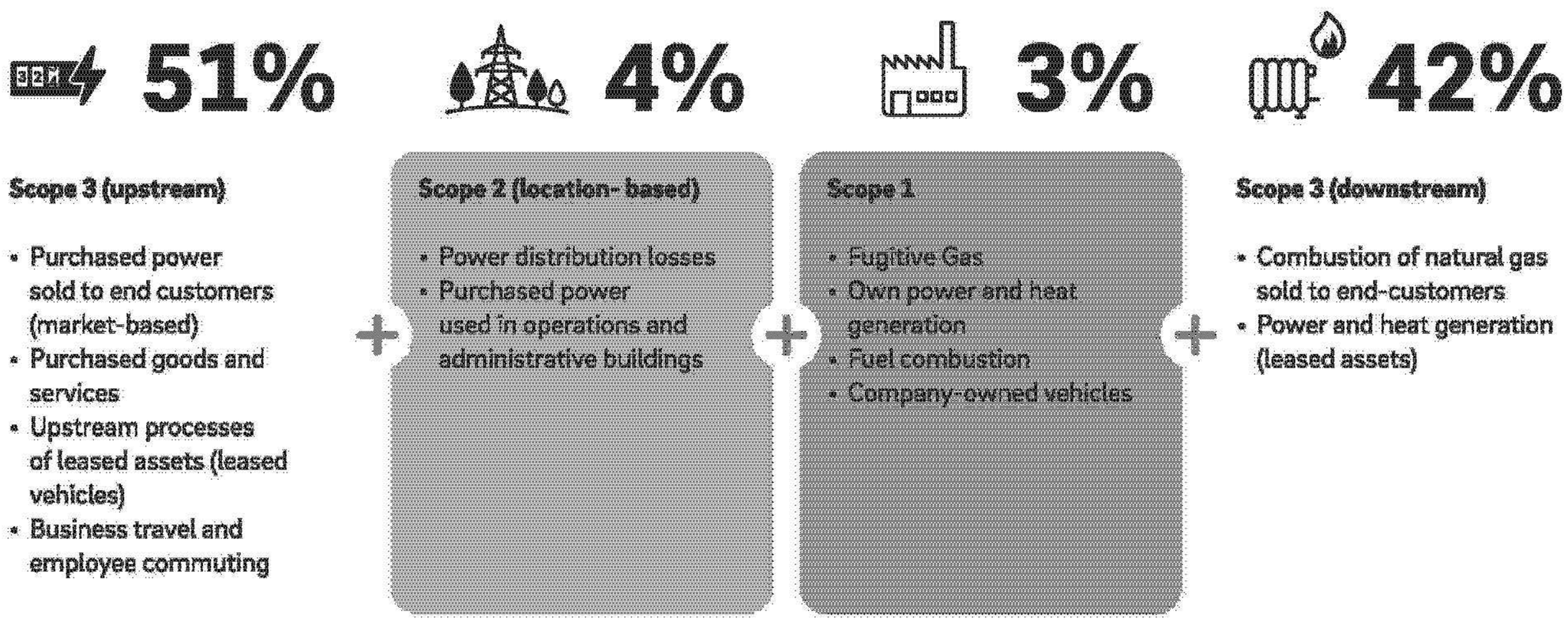
Progress and Measures

Carbon Reporting According to the GHG Protocol

E.ON calculates its emissions using the globally recognized WRI/WBCSD GHG Protocol for the seven GHGs covered by the Kyoto Protocol-carbon dioxide ("CO_2"), methane ("CH_4"), nitrous oxide ("N_2O"), hydrofluorocarbons ("HFCs"), perfluorocarbons ("PFCs"), sulfur hexafluoride ("SF_6") and also nitrogen trifluoride ("NF_3"). CO_2 is by far our biggest GHG. Other GHGs like SF_6 and CH_4 contribute to E.ON's climate impact. But they account for a much smaller share of our GHG emissions than CO_2. The Global Warming Potential ("GWP") indicates how much GHGs affect global warming over a period of time compared with CO_2. All GHG emissions can be expressed as CO_2 equivalents ("CO_2e") and therefore be accounted together.

The GHG Protocol defines three scopes (Scopes 1 to 3) for GHG accounting and reporting. This improves transparency and provides guidance for different types of climate policies and business objectives.

E.ON's Carbon Footprint by GHG Protocol Scope



Scope 1 are direct GHG emissions from fuels combusted in sources that we own or control, such as E.ON's power and heat plants and vehicle fleet. They also include fugitive methane emissions from our gas distribution networks.

Scope 2 are indirect GHG emissions from the generation of electricity that the Company purchases to power its buildings, operations, and electric vehicles or that are classified as line losses in its power distribution networks. These emissions do not physically occur at E.ON's facilities but rather at the facility where the electricity is generated. This is why power distribution losses are classified as Scope 2 emissions but gas distribution losses as Scope 1 emissions. Emissions attributable to line losses are lower in grid segments with lots of renewables feed-in. In line with the GHG Protocol, we calculate Scope 2 emissions using a location-based method and a market-based method. For its own management decision-making, E.ON uses the figure determined by the location-based method, which is based on the respective national generation mix. The market-based method yields a different figure because it is based on the contractually attributable generation mix of the Company's electricity suppliers. However, the effort required to identify every single provider that feeds electricity into each of E.ON's networks would be considerable. We therefore use the emission factor of each country's residual generation mix. In most cases, this factor is significantly higher than the factor of the national generation mix. Line losses accounted for approximately 3 percent of the power E.ON distributed in 2022.

Scope 3 are indirect emissions that occur upstream and downstream along E.ON's value chain. They result primarily from the generation of the electricity the Company purchases and resells to its customers and the use of the gas sold to them.

Scope 3 also includes the emissions attributable to the production and provision of the goods and services E.ON purchases. In line with the GHG Protocol, since 2020 we have divided our emissions from power and heat generation into emissions from "plants owned and operated" (Scope 1) and "plants owned but leased to and operated by lessee" (Scope 3). The purpose is to enhance transparency.

Since E.ON removed large-scale fossil-fueled power generation from its generation portfolio, it has procured power mainly from wholesale markets where the source of generation is often not traceable or information about the source is not reliable. When primary data are unavailable or of insufficient quality, the GHG Protocol recommends calculating emissions by using secondary data, such as industry-average data or government statistics. We therefore calculate the Scope 3 emissions from the generation of this power by using the official national emission factors of the countries in which we purchase power resold to end-customers. Furthermore, we also use the market-based method to calculate the emissions of power resold to end-customers. The Company can actively influence this figure by selling green power. This figure is therefore relevant for management control purpose.

Our direct and indirect CO_2e emissions totaled 88.84 million metric tons in 2022; of these, 3 percent were direct Scope 1 emissions, and 97 percent were indirect Scope 2 and 3 emissions. Scope 1 emissions decreased by 22 percent compared with the previous year, indirect emissions by around 20 percent. The emissions figures relevant for management control purposes were used for these calculations: location-based Scope 2 emissions and market-based Scope 3 emissions.

E.ON's 2022 Carbon Footprint

Total CO_2 Equivalents in Million Metric Tons



E.ON's Scope 1 emissions amounted to 2.88 million metric tons of CO_2e in 2022. They were thus significantly lower than the prior-year figure of 3.71 million metric tons of CO_2e. The decrease is mainly due to more accurate technical accounting for the calculation of CH_4 emissions in conjunction with our gas distribution networks. In addition, there was a reduction in owned generation of power and heat.

Scope 1 *GRI 305-1*

Total CO_2 equivalents in million metric tons[1]	2022	2021	2020
Power and heat generation[2, 3]	1.90[4]	2.17[5]	2.19[6]
Fugitive emissions	0.89[8]	1.44[7]	1.65
Company-owned vehicles	0.05	0.04	0.04
Fuels combustion[9]	0.05	0.05	0.04
Total	**2.88**	**3.71**	**3.92**

[1]The external GWP sources used are the BEIS, formerly DEFRA, the Naturvårdsverkets, the GHG Protocol, the Överenskommelse Värmemarknadskommittén 2021, and the IPCC AR5 report.
[2]In accordance with the GHG Protocol, from 2019 onward, emissions from power and heat generation are divided into emissions from plants owned and operated by E.ON (Scope 1) and emissions from plants leased to, and operated by, customers (Scope 3). This improves our ability to manage our emissions and make progress toward our targets more transparent.
[3]The GHG Protocol and DEFRA attribute no direct CO_2 emissions to energy generated at renewables facilities and nuclear power stations.
[4]This figure does not include 2,177 metric kilotons of CO_2 from biogenic emissions, in accordance with the GHG Protocol.
[5]This figure does not include 2,876 metric kilotons of CO_2 from biogenic emissions, in accordance with the GHG Protocol.
[6]This figure does not include 2,696 metric kilotons of CO_2 from biogenic emissions, in accordance with the GHG Protocol.
[7]From 2021 onwards, CH_4 emissions we began rolling out part of our CH_4 Emission Calculation tool, which considers the latest regulatory requirements and allows for separation of gas network losses into different categories for improved data quality and transparency. One category, flare emissions, results in natural gas emissions rather than methane, therefore, reported CH_4-emissions are significantly reduced.
[8]From 2022 onwards, CH_4 emissions were calculated with a newly Group-wide introduced tool which considers the latest regulatory requirements and allows for separation of gas network losses into different categories for improved data quality and transparency. The specific adaptations for E.ON of the standard (OGMP 2.0) were introduced throughout the Company.
[9]To heat buildings. Combustion of natural gas for heating technical equipment is included from 2020 onward.

Emissions from power and heat generation were primarily due to our combined heat and power ("CHP") plants. In 2020 we made our disclosure of Scope 1 emissions from power and heat generation at leased plants more transparent. We now report emissions from downstream plants leased by us as Scope 3 emissions. These are plants that we installed at customers' premises and that they operate as lessees for their own needs. This distinction shows that emissions from our own plants are higher than emissions from leased plants. For heat, 62 percent of emissions come from owned generation plants and 38 percent from leased plants. For power, 40 percent of emissions come from owned power plants and 60 percent from leased plants.

Fugitive emissions at E.ON consist predominantly of methane from leaks in gas infrastructure as well as leaks of sulfur hexafluoride (SF_6) and coolants used in energy distribution equipment. Their GWP is very high, which is reflected in their high figures.

› However, E.ON's fugitive emissions are quite small in proportion to the quantity distributed and used by customers: in 2022 just 0.3 percent of methane and 0.18 percent of SF_6 were lost. ‹

Going forward, we want to reduce fugitive emissions by monitoring leaks and continually improving and modernizing our gas and power networks.

Scope 2 *GRI 305-2*

Total CO_2 equivalents in million metric tons[1]	2022	2021	2020
Power distribution losses (location-based)[2]	3.14	3.67	4.19
Power distribution losses (market-based)[3, 4]	5.52	5.56	5.83
Purchased power (location-based)	0.25	0.23	0.30
Purchased power (market-based)	0.31	0.17	0.25
Total (location-based)	**3.38**	**3.90**	**4.49**
Total (market-based)	**5.83**	**5.73**	**6.09**

[1]The external global warming potential (GWP) sources used are the International Energy Agency (IEA), and the Association of Issuing Bodies (AIB).
[2]Based on the emission factors of the national electricity mixes for specific geographic regions (source: IEA).
[3]Based on the emission factors of the national residual mixes for specific geographic regions. A country's residual mix emission factor represents the emissions and generation that remain after certificates, contracts, and supplier-specific factors have been claimed and removed from the calculation (source: EPA).
[4]Power distribution losses in Sweden were almost completely offset by the purchase of green electricity.

We recorded location-based Scope 2 emissions of 3.38 million metric tons of CO_2e in 2022. The lower figure compared with the previous year resulted from the greener generation mix in our markets.

E.ON's investments to maintain its networks maintenance help reduce line losses as well. E.ON's approach depends on the type of loss. Technical losses can be reduced through network optimization. For this purpose, we are upgrading our networks using smart-grid technology (more information can be found in the Security of Supply chapter). This enables the lines and transformers to adapt—in many cases automatically—to the actual production and consumption in a given grid segment. However, technical losses can only be reduced to a certain extent owing to the physical attributes of power grids. Commercial losses result primarily from theft.

Scope 3 *GRI 305-3*

Total CO_2 equivalents in million metric tons[1]	2022	2021	2020
Purchased power sold to end-customers (location-based)[2]	40.48[3, 4]	51.55[3, 4]	61.27
Purchased power sold to end-customers (market-based)[2]	42.51[3, 4]	54.75[3, 4]	-
Combustion of natural gas sold to end-customers[2]	35.63[3]	44.15[3]	41.78
Purchased goods and services[5]	2.80[6]	3.32	3.33[7]
Power and heat generation (leased assets)[8]	1.56[9]	1.29[10]	1.50[11]
Employee commuting[12]	0.05	0.05	0.05
Upstream processes of leased assets (leased vehicles)	0.02	0.02[13]	0.03[13]
Business travel	0.00[14]	0.00[15, 16]	0.00[16, 17]
Total (location-based)	**80.55**	**100.38**	**107.96**
Total (market-based)[18]	**82.58**	**103.58**	-

[1] The external GWP sources used include the IEA, the IPCC AR5 report, BEIS, formerly DEFRA, the Naturvårdsverkets, the GHG Protocol, and the Överenskommelse Värmemarknadskommittén 2021. Furthermore, primary data from external travel service providers was used for the calculation.
[2] Scope 3 emissions from purchased power and the combustion of natural gas sold to end-customers (energy sold to our residential and B2B customers), according to the GHG Scope 3 protocol. The emissions from distribution losses from energy sold to sales partners and the wholesale market are accounted for under our Scope 1 and Scope 2 emissions accordingly.
[3] Includes Slovakia, in which we have a 49 percent stake.
[4] Includes purchased power at EV charging points owned by E.ON and accessible by the public.
[5] Includes capital goods.
[6] From 2022 onwards emissions were calculated by an updated method of upstream impact calculation.
[7] This figure does not include an offset of approximately 55 metric tons of CO_2.
[8] In accordance with the GHG Protocol, from 2019 onward, emissions from power and heat generation are divided into emissions from plants owned and operated by E.ON (Scope 1) and emissions from plants leased to, and operated by, customers (Scope 3). This improves our ability to manage our emissions and makes progress toward our targets more transparent.
[9] This figure does not include 3.5 metric kilotons of CO_2 from biogenic emissions, in accordance with the GHG Protocol.
[10] This figure does not include 2.5 metric kilotons of CO_2 from biogenic emissions, in accordance with the GHG Protocol.
[11] These figures do not include 2.2 metric kilotons of CO_2 from biogenic emissions, in accordance with the GHG Protocol.
[12] We estimate that, on average, half of our employees worked from home owing to Covid-19.
[13] Figures for leased vehicles are for the respective prior year: 2021 for 2020, and 2020 for 2019.
[14] This figure does include an offset of approximately 451 metric tons of CO_2, which was not subtracted from the reported value.
[15] This figure does include an offset of approximately 98 metric tons of CO_2, which was not subtracted from the reported value.
[16] Based partly on prior-year figures.
[17] This figure does not include an offset of approximately 501 metric tons of CO_2.
[18] In 2021 we started to record market-based values for purchased power sold to end-customers.

E.ON reduced its location-based Scope 3 emissions—which always account for the largest share of its total carbon footprint—to 80.55 million metric tons in 2022. We recorded a significant reduction of almost 20 percent year on year, mainly because of the electricity and gas we sell to end-customers. The factors again were portfolio streamlining among our B2B customers, mild weather in nearly all of E.ON's regional markets, and crisis-driven energy conservation. The market-based figure for power resold to end-customers declined even more—by more than 12 million tons of CO_2e—relative to the prior year. One of the reasons is that we sold more green power (the Sustainable Products and Services chapter contains more information about our green power products).

Environmental Management

GRI 3-3, GRI 302

E.ON assumes responsibility for preserving the natural environment and strives to minimize its business activities' environmental impact. The focus of environmental management, however, has shifted significantly over the past seven years. The transformation into the new E.ON—a specialist for infrastructure and customer solutions to decarbonize the energy world—substantially changed E.ON's asset portfolio and environmental footprint. E.ON operates distribution networks in seven European countries. Environmental management therefore places a particular emphasis on protecting and promoting natural habitats and the diversity of ecosystems and species in the vicinity of this network equipment. In addition, we aim to conserve energy and other resources at our facilities and offices and to comply with all international and national environmental laws and regulations at all times.

E.ON's Approach

We use our energy management system to continually look for opportunities to optimize the Group's energy consumption and the energy efficiency of our processes. It enables us to reduce greenhouse gas ("GHG") emissions and thus also plays an important role in environmental management, which is a key component of E.ON's operational health, safety, and environmental ("HSE") management. Combining these topics underscores that E.ON is equally committed to protecting people and the environment. In addition, bringing together environmental and energy management as well as occupational health and safety in a joint HSE organization enables us to leverage synergies because the approaches and systems for achieving their objectives are fundamentally similar.

E.ON's environmental management is guided by the precautionary principle endorsed by the United Nations, and E.ON has explicitly supported the UN Global Compact's ten principles since 2005. In addition, E.ON is working to define its own environmental standards, such as ecological corridor management (see "Specific Actions" below for more information), in order to set a strategic course for the entire Group and to guide the units' environmental protection activities. We developed an Environmental Protection Guideline in late 2021 that describes E.ON's holistic approach to environmental protection. It was published in the first quarter of 2022 and contains the following five commitments: we care for ecosystems, we steer our organization towards ecosystem protection, we maximize our impact, we set clear targets, we engage for environmental protection.

E.ON only wants to do business with companies that share its commitment to environmental protection. Consequently, our suppliers and contractors must commit to complying with our environmental standards, and our HSE Policy stipulates that they must have a certified environmental management system in place (the next section, "Guidelines and Policies," contains more information).

Guidelines and Policies

Depending on existing risks as well as their scale and complexity, E.ON's HSE Policy requires contractors to provide evidence of the use of HSE management systems that meet international standards. All E.ON units—except for very small units and those with non-material environmental risks—must have an environmental management system that is certified to ISO 14001 or validated by means of the Eco-Management and Audit Scheme ("EMAS").

› At year-end 2022, 75 percent of E.ON employees worked in business units that met this requirement. ‹

In accordance with the German Energy Services Act (German abbreviation, "EDL-G"), E.ON has also introduced ISO 50001 certification in units that already have an HSE management system.

› At year-end 2022, 67 percent of E.ON employees worked in business units with ISO 50001 certification. ‹

E.ON measures and analyzes the energy consumption of facilities, vehicle fleets, and office buildings at all of these units. The data help us identify savings opportunities and take cost-effective measures to improve energy efficiency. All units without ISO 50001 certification conduct energy audits in accordance with DIN EN 16247 under the EDL-G in Germany and analogous legislation in other European countries (more information on measures and guidelines can be found in the chapters entitled Climate Protection and Occupational Health and Safety).

In 2021 E.ON began compiling a manual on ecological corridor management. It consists of minimum standards for ecological vegetation management solutions under 110 kV high-voltage overhead power lines. We intend to extend this approach to all Group-owned distribution system operators in Europe by 2029 ("Specific Actions" below contains more information).

Organization and Responsibilities

The Group's Sustainability department played a leading role in developing company-wide climate protection targets and has since then been monitoring progress toward them. E.ON's units are

responsible for taking steps to reduce their emissions and those caused by their business operations. They are supported in these efforts by their Sustainability and HSE teams and our wider HSE organization, which help design energy-efficiency measures and share ideas and best practices. The Climate Protection chapter contains information on E.ON's new carbon management plan, which took effect in the third quarter of 2022.

Specific Actions

E.ON employees and managers are required to report environmental incidents. They use an IT application called PRISMA (Platform for Reporting on Incident and Sustainability Management and Audits) for this purpose (the Occupational Health and Safety chapter contains more information on PRISMA and E.ON's incident management).

E.ON has taken several steps to improve the energy efficiency of its facilities in Germany. These include installing sensor-controlled LED lighting in buildings and parking garages and reducing the energy consumption of ventilation and air-conditioning systems. We also adjust the heat in our buildings to demand (the Energy Affordability chapter contains more information about energy conservation). Many E.ON facilities in Germany organize these measures by means of an energy management system ("EnMS") certified to ISO 50001. ISO 50001 is an international standard designed to enable organizations to continually improve their energy efficiency. As part of the EnMS, the energy team sets annual targets and conducts systematic audits to monitor the effectiveness of the measures taken to achieve them. It also conducts an annual management review, which is audited by an accredited certification organization. These mechanisms confirmed the EnMS's effectiveness.

In 2017 E.ON began offering its employees in Germany incentives to embrace eMobility. They include attractively priced leasing contracts for electric vehicles ("EVs"), at-home charging points, and certified renewable power tariffs, which enable employees to charge their EVs with clean energy. E.ON's Car Policy for the procurement of company cars and leased vehicles unambiguously supports the use of all-electric and hybrid vehicles. More information on our eMobility efforts can be found in the Sustainable Products and Services chapter.

For projects to build new power lines, gas pipelines, and other large industrial facilities with a foreseeable environmental impact, E.ON conducts an environmental impact assessment during the development phase to obtain construction and operating permits. We also frequently monitor a facility's operation to verify that the initial assessment was correct. In addition, E.ON maintains an ongoing dialog with local stakeholders and interested parties on numerous environmental issues.

In 2022 E.ON analyzed the extent to which its business model impact biodiversity. The analysis encompasses E.ON's own operations and its suppliers'. Our aim was to understand the positive and negative impact of our business on biodiversity and to use the findings to design targeted measures. The analysis took into account the draft frameworks currently being developed by the Science Based Targets Network ("SBTN") and the Taskforce on Nature-related Financial Disclosures ("TNFD"). On the one hand, we reviewed how the energy sector affects ecosystem services and how dependent various production processes are on such services. This included assessing the risk for E.ON if an ecosystem service was lost somewhere along the value chain. In detail, the impact analysis on ecosystem services assesses the production processes of E.ON's operations, regardless of their share of E.ON's total business. The results are as follows: the production processes with the highest impact are energy from biomass, hydropower, thermal power plants (percentage of taxonomy-eligible capex), and nuclear power plants ("NPPs"; percentage of total asset book value). E.ON is currently in the process of dismantling its NPPs. Only Isar 2 NPP will remain in operation until mid-April 2023 as a result of a decision by the German government.

Impact Analysis on Ecosystem Services

Impact on Natural Capital

Production processes	Use of terrestrial ecosystems	Water use	Greenhouse gas emissions
Hydro power	Very high	Very high	High
Biomass energy	-[1]	High	High
Heat and power plants	-[1]	Very high	High

[1]No information due to insufficient data on the ENCORE database.

On the other hand, we located selected E.ON facilities to better understand the importance of spatially specific geodata for the assessment of biodiversity risks. The analysis of geographic data from a total of 133 selected facilities (our own and key suppliers) revealed that 20 percent of them are located in the immediate vicinity of one to two key biodiversity areas. In addition, various E.ON facilities are located in German nature conservation areas. The study also ranks the ten facilities with the greatest biodiversity impact. E.ON wants to use the findings to develop additional measures to further promote biodiversity in its business.

E.ON also takes steps to protect wildlife and landscapes and to promote biodiversity. Bird safety, for example, is an important issue for many of E.ON distribution system operators ("DSOs"). Their activities in this area include installing nest platforms for storks, eagles, falcons, and other bird species. Many business units have also launched tree-planting projects. In addition, E.ON has set up a Group-wide digital platform for biodiversity and environmental-protection projects to improve the visibility of the issue and the exchange of information about it.

E.ON has developed a concept for ecological corridor management to ecologically manage the vegetation under and near 110 kV high-voltage overhead powerlines in forests. This process, which is

already in place for around 5,600 hectares of forest[1] in Germany, is now being extended to all E.ON service territories in Europe. We plan to design specific vegetation management plans for every hectare of forest by 2029 and to invest a figure in the double-digit million range to implement them. Our aim is to ensure intact ecosystems and greater biodiversity along the 13,000 kilometers of our high-voltage lines, which is roughly the area of around 100,000 soccer fields.

In late 2020 E.ON founded the E.ON Environmental Network ("EEN") in Germany. The EEN is a forum for sharing information on operational environmental issues, environmental management, sustainability as well as related legislation, standards, and benchmarks. It brings together experts from our network and customer solutions business, works closely with the HSE and Sustainability teams, and meets on a quarterly basis, in most cases virtually. Since its inception, the EEN's reach across the Group has expanded continually. In addition to the issues addressed in 2021 –commercial waste, ISO 14001 environmental assessment, and networking of biodiversity and environmental-protection projects—one of the steps the EEN took in 2022 was to create a working group for the Federal Soil Protection and Contaminated Sites Ordinance and the new Substitute Building Materials Ordinance. It addresses the requirements that our business units must meet as a result of the ordinance's amendment. E.ON also has a European EEN, which brings together E.ON colleagues outside Germany. Both forums met several times in 2022. We intend to expand these networks in the years ahead and transform them into Group-wide information-sharing platforms.

Goals and Performance Review

The E.ON Management Board is informed about serious environmental incidents (category 3 in our Standard on Incident Management) by means of monthly reports from HSE and periodic consultations with the Senior Vice President for HSE. In the case of a major incident (category 4), the unit at which it occurred reports it directly to the E.ON Management Board member responsible for the respective unit and to Group HSE within 24 hours.

E.ON has been a member of EV100 since 2018. EV100 is a global initiative that has been led by the Climate Group, a non-profit organization. It brings together companies committed to accelerating the transition to EVs and to making electric transport the new normal by 2030. In 2022 the initiative made more progress toward this goal. The number of members increased to more than 120.

› Collectively, they have committed to operating more than 5.5 million EVs by 2030 and have so far put more than 200,000 EVs on the streets. They are also expanding the charging infrastructure at their facilities. Over 20,000 charging points had been installed by year-end 2022. ‹

E.ON has supported EV100 by installing more than 3,400 charging points for employees, guests, and customers at its facilities, including around 1,200 in Germany alone. In addition, all E.ON vehicles under 3.5 metric tons and at least half of those between 3.5 and 7.5 metric tons are to be electric by 2030, provided this is technically feasible and cost-efficient. In 2022 we therefore revised the E.ON Car Policy to make our vehicle fleets even more climate and environmentally friendly. We also increased the number of our electric vehicles by 963 to a total of more than 3,841 at year-end.[2] In addition, E.ON will continue to install charging infrastructure at its facilities. The aim is also to encourage our customers to switch to eMobility.

Progress and Measures

Energy Consumption within the Organization

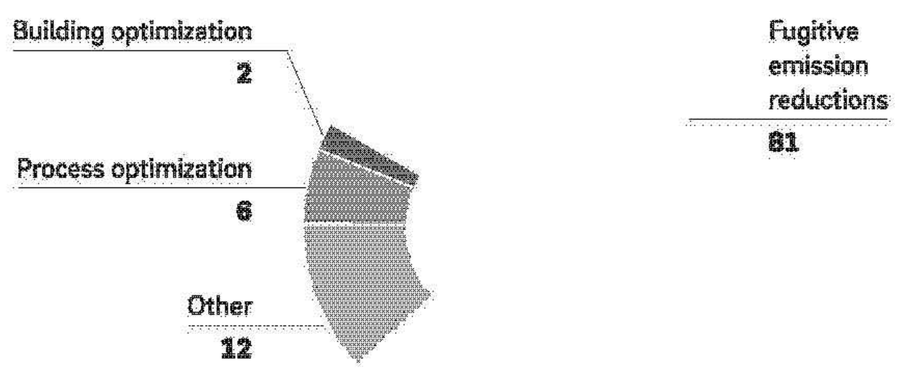
GRI 302-1

E.ON consumed 109 million GJ of energy in 2022, 145 million GJ less than in 2021. The main reason was that the nuclear power plants operated by PreussenElektra ("PEL") produced less electricity.

Savings Delivered by Emission-reduction Projects

E.ON regularly carries out projects to reduce its own GHG emissions. In 2022 these projects delivered over 61,000 metric tons of CO_2e savings. The measures to achieve them included upgrading the boilers in the plants of our district heating business, converting from natural to green gas, and reducing pipeline pressure in our gas networks prior to construction or maintenance in order to prevent fugitive methane emissions.

Carbon Emission Reductions Achieved through Targeted Projects



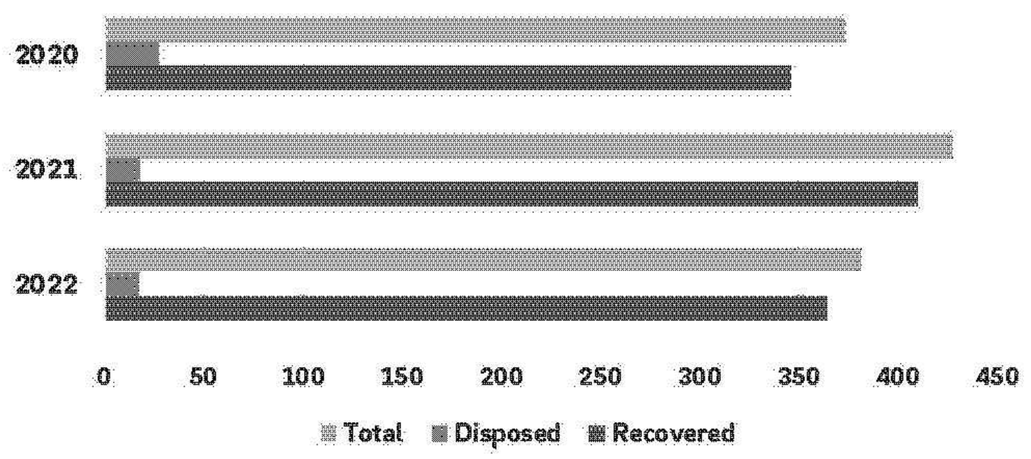
[1] The change relative to the prior year results from changes in measurement and validation methods that enhance data accuracy.

[2] Includes hybrid vehicles.

Avoiding and Recycling Waste

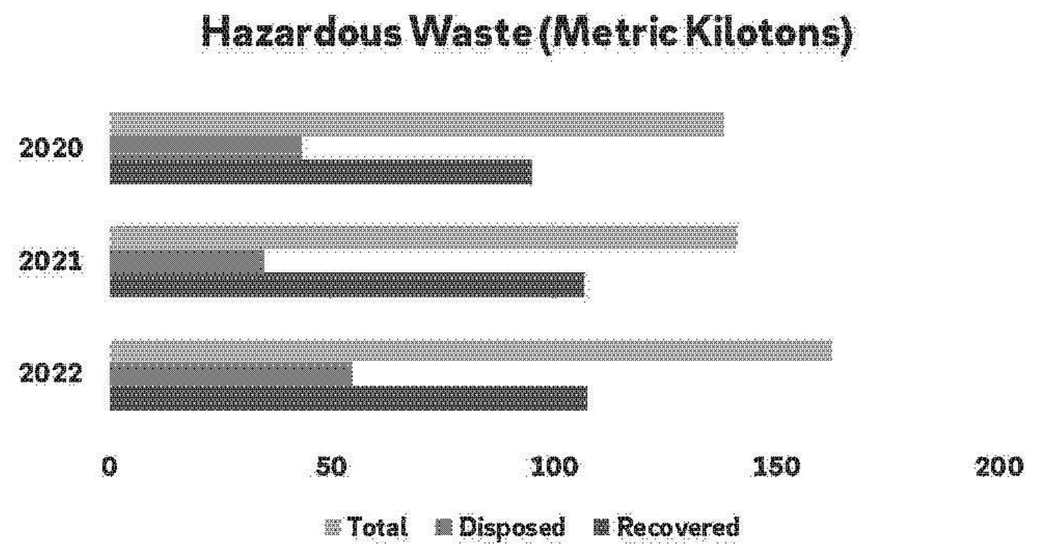
E.ON always tries to avoid creating waste and, when this is not feasible, to recover as much of it as possible. If neither avoidance nor recovery is possible, we ensure, in accordance with legal requirements, that waste is disposed of correctly and responsibly. E.ON's operating business generates hazardous and non-hazardous waste, as does the retirement of some assets, such as the dismantling of the Company's NPPs in Germany.

Non-hazardous Waste (Metric Kilotons)



E.ON's total amount of non-hazardous waste decreased from 428.0 metric kilotons in 2021 to 381.3 metric kilotons in 2022. There was an increase in the previous year, which was largely due to our Westnetz GmbH subsidiary and activities in Sweden. In contrast, the amount in 2022 declined because of a few individual changes at several companies. E.ON recycled 67 percent of its non-hazardous waste.

Hazardous Waste (Metric Kilotons)



E.ON produced 162.2 metric kilotons of hazardous waste in 2022, about 21 metric kilotons more than in 2021, of which 66 percent was recycled.

Other Atmospheric Emissions[1]

Metric tons	2022	2021	2020
NOx emissions	2,690	1,716	1,420
SO_2 emissions	652	581	732
Dust emissions	51	61	133

[1] For generation assets over 20 MW.

Fossil-fueled power plants emit nitric oxide ("NOx"), sulfur dioxide ("SO_2"), and dust. This type of power generation is no longer a core E.ON business. It is therefore no longer considered a core KPI. E.ON now focuses on small-scale, embedded generation units. NOx, SO_2, and dust emissions result mainly from small gas-fired CHP plants and larger plants for district heating networks. The high figures for NOx emissions in 2022 are attributable to the first reported figures from a company that operates renewable generation plants.

Responsible Water Management

Water is a vital resource that is becoming increasingly scarce in some parts of the world. Many companies are therefore placing greater emphasis on identifying and managing water risks at their operations and along their supply chains. The same is true for investors and their portfolios. E.ON's water-related activities relate to the following areas: the withdrawal of cooling water for the NPP operated by PEL (for more information, see "Non-Core Business: Water Management at PreussenElektra" below) and the withdrawal of fresh water by E.ON's water utility subsidiaries RWW and Avacon Wasser as well as a small amount in conjunction with our decentralized energy business. In addition, LEW operates a number of small and medium-sized run-of-river power plants in Germany with an installed capacity of 0.5 to 12 MW per plant. These plants accounted for about 0.02 percent of E.ON's total power generation in 2022.

E.ON's Water Consumption from Decentralized Energy Generation

Million cubic meters	2022	2021	2020
Fresh water consumption	**< 1**	**< 1**	**< 1**

Water utilities RWW and Avacon Wasser have belonged to E.ON's portfolio since 2019. They supply about 1.4 million people, industrial enterprises, and businesses in Lower Saxony, North Rhine-Westphalia, and Saxony-Anhalt with roughly 78 million cubic meters of water annually.

Accordingly, this business involves the extraction of water as a resource and its treatment as well as final distribution to end-users; it also includes the reuse of wastewater and thus the closing of the water cycle. Although water operations account for only a small proportion of the Group's total sales, we pay particular attention to the associated consequences from the perspective of resource conservation and supply security. We use two KPIs to assess the water utility business's risks: total withdrawal and distribution losses. Withdrawal is the amount of water supplied to end-users; that is, not water used in our own operations. The basis for a permanent supply of water is a climate with sufficient precipitation to allow surface and groundwater to reform. This can generally be anticipated in RWW's and Avacon Wasser's service

regions. The regions' available surface water and groundwater reserves will secure drinking and process water requirements.

Based on available data, E.ON assesses the current and the possibility of future water scarcity in the relevant regions in which E.ON uses fresh water for its activities to be generally low. Additional disclosures on E.ON's water withdrawal and risks areas can be found in the Sustainability KPIs. The operation of our facilities does not consume large quantities of water. A temporary exception is our PEL unit, which operated one NPP in Germany in 2022; because of political decisions made in the year under review, Isar 2 NPP will continue to operate until April 15, 2023, after which it will cease producing electricity.

For E.ON's water utilities, water and climate protection go hand in hand: we conduct a variety of projects to address both issues and are always looking for new, more environmentally compatible solutions for wastewater disposal, sewage sludge recycling, as well as service water and rainwater utilization. For example, we are designing plans for smart water use in new residential areas and working on flood-protection systems in municipalities. Conducting research and development projects enables us to investigate innovative solutions for qualitative and quantitative water protection, such as additional potential resources for irrigation.

In addition, RWW and Avacon Wasser provide information on the careful use of water as a resource. Important channels are the company websites and press releases. For example, during the summer months RWW gives its customers advice on the careful, appropriate use of fresh water. In addition, RWW has operated educational facilities—Aquarius and Haus Ruhrnatur—since 1992, in which visitors can learn about topics related to water supply and preventive water protection. Museum educators at the two educational facilities offer various lessons on water and environmental protection to schools in RWW's service territory.

E.ON's Water Consumption from Water Supply Operations

Infrastructure Leakage Index ("ILI")	2022	2021	2020
Factor	≤ 1.5[1]	≤ 1.5	≤ 1.5

[1]Figures for 2022 are based on a preliminary estimate based on prior-year figures.

Infrastructure leakage index ("ILI") enables water utilities to measure and compare water losses. ILI is a KPI for assessing water losses that is widely used and recognized internationally. ILI factors in not only the amount of water loss, but also the relevant parameters (such as pipeline system length and pressure). Unlike the KPI commonly used in Germany (specific actual water loss, or Q_{VR}), ILI offers better comparability with structurally similar companies and better guidance for a company's own water management. By international standards, E.ON's ILI of less than 1.5 puts it in the best leakage performance category of A (ILI ≤2).

Non-Core Business: Water Management at PreussenElektra

The NPP in Germany operated by our subsidiary PEL accounts for a significant share of E.ON's water consumption and use. Its NPPs use water for cooling and processes. PEL is committed to using water efficiently and sustainably and to maintaining high quality in the river from which its plants withdraw water. It also strives continually to use less. PEL observes all laws and regulations regarding water withdrawal and discharge. The most important law for PEL in this context is the Federal Water Act (Wasserhaushaltsgesetz, or "WHG"). PEL protects aquatic flora and fauna by using mechanical purification processes instead of biocides and by constantly monitoring the temperature of discharge water. PEL also expects its contractors to use water sparingly and has binding water-management provisions in its agreements with them. Below is a three-year overview of how much water PEL has withdrawn, discharged, and consumed.

PELs Water Balance

Million cubic meters	2022	2021	2020
Fresh water withdrawal	245	2,383	2,186
Fresh water discharge	216	2,331	2,140
Fresh water consumption	29	53	46

In 2022 PEL withdrew 245.3 million cubic meters of freshwater, 2,138 million cubic meters less than in 2021. PEL uses freshwater, which comes almost exclusively from rivers, primarily as cooling water. Water consumption dropped sharply compared with the previous year because the discharge of water not used for cooling decreased equally to the withdrawal of water not used for cooling. This is related to the shutdown of the Grohnde NPP as well as a reduction in the amount of withdrawal due to the progress of dismantling at Unterweser and Brokdorf NPPs. PEL returned 88.2 percent of withdrawn water to its source.

Non-Core Business: Safe Handling of Radioactive Waste

PEL is responsible for the safe and reliable operation and dismantling of its NPPs. Both activities result in radioactive waste. E.ON is well aware of the high responsibility that is associated with both.

The Law on the Reorganization of Responsibility in Nuclear Waste Disposal (Entsorgungsübergangsgesetz, or "EntsÜG") and the contract to finance the costs of the nuclear-energy phaseout between the German federal government and German NPP operators stipulate the division of responsibility for nuclear waste interim storage and final disposal and its financing.

E.ON aims to minimize the amount as well as the volume of radioactive waste. We do this in part by separating it from uncontaminated waste and by subjecting it to certain treatments that reduce its volume. The nuclear industry distinguishes between radioactive waste that generates negligible heat—

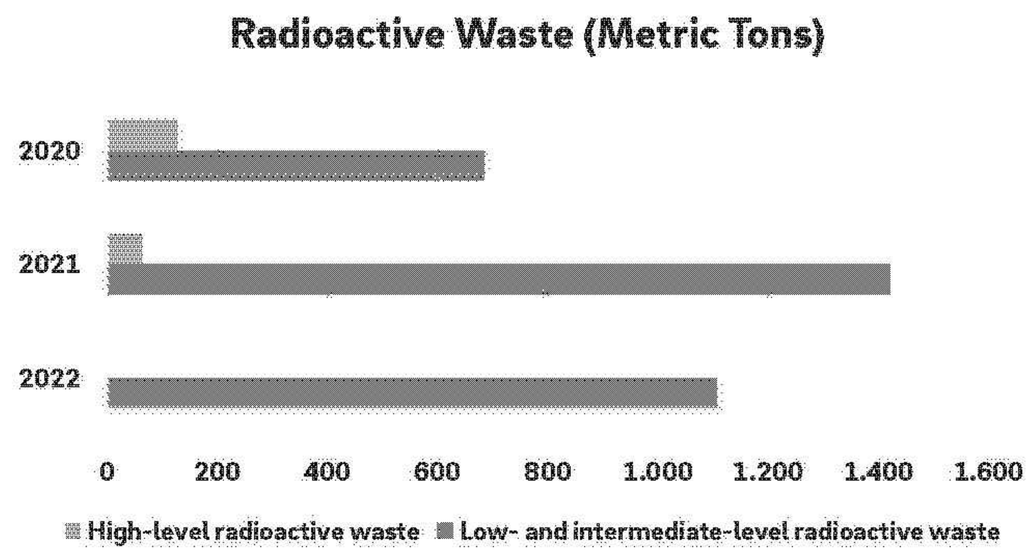
low-level waste ("LLW") and intermediate-level waste ("ILW")—and waste that generates high heat: high-level waste ("HLW"):

- LLW and ILW account for the largest amount of radioactive waste in terms of both weight and volume. Examples of LLW include protective clothing, cleaning equipment, tools, and building rubble from plant control areas. ILW includes, in particular, the reactor pressure vessel's near-core mounting parts. Together, both waste categories contain less than 1 percent of an NPP's total radioactivity.

- HLW contains more than 99 percent of an NPP's total radioactivity and consists primarily of the fission products of uranium in the irradiated fuel assemblies.

NPP operators are responsible for packaging LLW and ILW safely and according to approved standards. After regulatory certification, packaged LLW and ILW becomes the responsibility of the German federal government. The Law on the Reorganization of Responsibility in Nuclear Waste Disposal transferred the responsibility for operating defined storage facilities for LLW and ILW. Pursuant to this law, the federal government is responsible for the storage of PEL's LLW and ILW effective January 1, 2020. This applies to the following PEL facilities: Stade NPP, Würgassen transport staging hall, Grafenrheinfeld staging hall, Unterweser radioactive waste storage facility, and Unterweser storage facility. The Konrad repository for LLW and ILW is currently being built by BGE, the German Federal Company for Radioactive Waste Disposal. BGE expects Konrad to be commissioned in 2027.

As with LLW and ILW, irradiated fuel assemblies are placed in approved transport and storage containers and stored in interim storage facilities at the NPPs. Under the Law on the Reorganization of Responsibility in Nuclear Waste Disposal, the interim storage facilities and containers of irradiated fuel assemblies became the property and responsibility of the federal government effective January 1, 2019. Fuel assemblies will remain in the interim storage facilities until Germany has a state-owned receiving facility or repository for HLW. When this will happen is unclear. The responsibility for final disposal lies with the federal government.



For 2022 PEL submitted notification for 314.5 metric tons less LLW and ILW than for 2021. The amount of waste is subject to fluctuations, depending on the NPPs' dismantling activities. HLW decreased to 0 metric tons due to the decommissioning of NPPs. New fuel rods were installed in Isar 2 NPP—which will continue to operate temporarily until April 15, 2023—for the last time in October 2021.

Employees and Society

Occupational Health and Safety

GRI 3-3, GRI 403

E.ON works continually to establish a caring culture. This encompasses ensuring our employees' safety in the workplace, promoting their health, and also supporting their mental well-being. Some employees perform high-risk work, such as on energy networks, gas pipelines, and other industrial facilities. Stringent safety standards are therefore of particular importance to E.ON. This is because accidents not only endanger employees' health, but may also result in damage to assets, work interruptions, and a loss of reputation. E.ON adopts a zero-harm principle and therefore strives to cause and allow as little harm as possible. The Covid-19 pandemic has made safety, health, and well-being even more important in recent years than before. E.ON meets the pandemic's challenges by means of its caring culture.

E.ON's Approach

Health and safety ("H&S") have long been firmly embedded in E.ON's corporate culture and its organizational setup, policies, and procedures. E.ON's approach is proactive and preventive.

We are unambiguously committed to the principle of zero tolerance of accidents. E.ON's main objective is to prevent occupational accidents from the outset. This applies to E.ON employees as well as contractor employees who work on its behalf.

E.ON's ambition is to actively promote employees' well-being and enable them to maintain their performance and employability in the future as well. In particular, we try to prevent the main health conditions that most frequently result in unfitness for work. E.ON's health management includes designing and providing health services (such as flu vaccinations) as well as target-group-specific individual measures to maintain health. It typically encompasses issues that are relevant for all employees or for certain target groups. Issues include general health maintenance, nutrition, exercise, mental health, stress management, addiction prevention, and healthy leadership. E.ON promotes them by means of training sessions, information leaflets, presentations, and digital formats. Its use of the latter was again high in 2022 due to the Covid-19 pandemic.

Guidelines and Policies

E.ON is committed to a culture of prevention. We reaffirmed this in 2009 by signing the Düsseldorf Statement on the Seoul Declaration on Safety and Health at Work as well as the Luxembourg Declaration on Workplace Health Promotion.

E.ON has had a Group Company Agreement on Health for all employees in Germany since 2015; it was last revised in 2018. Its purpose is to foster a healthy work environment and promote the health of all employees. It defines four action areas: occupational health management, addiction prevention and intervention, occupational integration management, and employee counseling.

The E.ON Health, Safety, Environment & Climate Protection Policy Statement, which was originally published in 2018, was updated in 2021 to reflect E.ON's Vision Zero for safety targets as well as its climate and environmental targets in the context of the EU taxonomy. In addition, we simplified the document's language and eliminated redundancies.

A Group-wide standard for assessing risks to health, safety, and the environment ("HSE") has applied in the Company since the start of 2021. It defines the minimum requirements for identifying, analyzing, evaluating, managing, and monitoring HSE and other sustainability-related dangers and opportunities. The standards' requirements are also supported by IT solutions, which are mainly used to create risk assessments and/or indices as well as activity-related danger evaluations. Our employees have the opportunity to view danger evaluations relevant to them and the resulting protection measures.

The Group HSE Function Policy defines HSE roles, responsibilities, management expectations, and reporting channels. It sets minimum requirements and defines management tools needed to prevent physical and mental harm in the workplace. It also requires all our operating units (except for very small ones and those with insignificant risks and potential impact) to have in place an occupational H&S management system certified to international standards—such as ISO 45001 (which replaced OHSAS 18001)—and to improve the system on an ongoing basis.

› At year-end 2022, 85 percent of our employees worked at business units certified to ISO 45001. ‹

E.ON refined the Group HSE Function Policy in 2022. For example, we added or sharpened the definition of tasks and task areas and formulations, in part to better integrate sustainability aspects Group-wide, including task areas such as the environment and biodiversity, sustainability reporting, and supply chain.

In addition, the People Guideline on HSE communicates E.ON's HSE aspirations and states the expectation that all employees embrace HSE on the job. It also describes E.ON's Safety F1RST principles for the safety mindset and behaviors necessary to prevent accidents. The guideline contains extra tasks for managers, because their responsibilities include leading by example with regard to HSE.

In addition, E.ON updated the Group standard for incident management during the year under review in order to sharpen definitions and processes; the standard applies to E.ON contractors as well. It establishrd consistent rules for classifying, investigating, analyzing, and reporting HSE incidents and for sharing information. It complements PRISMA (Platform for Reporting on Incident and Sustainability Management and Audits), E.ON's IT solution for incident management, which is described below under "Specific Actions."

The Group Standard on HSE Management Expectations was completely revised in 2022. It defines expectations for 15 core elements. It addresses occupational safety and accident prevention as well as the safety of E.ON's facilities and products over their entire life cycle. The chapter entitled Data Protection, Cybersecurity, and Product Safety contains more information about product safety. This standard provides the foundation for all cascading HSE rules and processes at E.ON, thereby supplementing the requirements of the relevant ISO standards. E.ON developed an assessment tool to simplify implementation and assess the status of management systems.

In addition, the HSE department worked more closely with the Supply Chain team to define procurement policies and standards that require E.ON's suppliers to commit to meet minimum standards for HSE. They also firmly embedded HSE issues in all procurement processes. Harmonized minimum HSE requirements for contractors now apply at all E.ON companies in Germany. In addition, E.ON implemented a Group-wide standard for contractor management at year-end 2022. It defines minimum requirements and roles and responsibilities to ensure the consistent evaluation and management of HSE issues and risks in the collaboration with contractors. E.ON companies must integrate the requirements into their processes within 18 months (by May 2024). They are supported by a catalogue of contractor management measures, which also serves as an assessment tool for the implementation of the standard.

Organization and Responsibilities

E.ON is committed to protecting people and the environment. Because the approaches and systems for both are similar, E.ON combines environmental management and occupational H&S management in a single HSE organization. The E.ON Management Board and the management of our units are responsible for E.ON's HSE performance, which includes compliance as well as improvement. They set targets and update policies to foster continuous improvement. They are supported and advised by the HSE department at Corporate Functions and the E.ON HSE Council. The council is composed of senior executives and employee representatives from different business areas and countries in which E.ON is active. It meets at least three times a year and is chaired by the member of the E.ON Management Board responsible for HSE. E.ON units have their own HSE councils and expert teams as well. They define the HSE requirements for their unit and plans to implement them. Every unit must ensure that it meets E.ON's corporate and HSE standards, design and implement HSE plans according local needs, and follow E.ON's HSE Strategy Roadmap for 2021-23.

E.ON reactivated the International Health Experts team to foster health-related improvements and innovations and thus its health strategy. Since 2022 the team has again been sharing knowledge and experience between countries to identify opportunities for collaboration.

Specific Actions

The HSE department oversees strategic H&S training sessions. This includes the training provided to the E.ON Group's top 100 executives, programs for senior managers in the operating business, and training for staff who conduct incident investigations (such as root-cause analysis). With regard to the Group HSE Strategy Roadmap, E.ON's units conduct their own operational H&S training, programs to enhance HSE culture, and training required by law.

A train-the-trainer module further advanced and supplemented the program to establish E.ON's caring culture. The aim is to reach lower management levels as well and to enable trainers in the units to communicate HSE to their teams.

E.ON managers in Germany can enroll in Healthy Leadership, a training module on how to address health issues and thereby promote health in their team. This training continued to be conducted digitally in 2022 and covered aspects such as stress reduction, mental health, and tips for an ergonomic workplace. E.ON employees in Germany had free access to online ergonomics advisors, including for their home office.

In addition, workshops for a common understanding of E.ON's caring culture were held for the top 100 executives and senior managers from operations and administration.

E.ON considers itself a learning company whose ambition is continuous improvement. This includes a constructive culture of failure as well. We thoroughly investigate incidents by conducting root-cause analyses ("RCA"). For this purpose, E.ON has introduced a specific Group standard and, in 2022, further expanded the related training and continuing skills development offerings. The training courses, which were offered in person again for the first time since the pandemic, cover topics such as investigation methods and communication. Lessons learned from incident investigations are shared throughout the Group and are incorporated into the units' activities and into working groups. E.ON also uses the lessons learned to institute preventive measures.

PRISMA, an integrated IT solution, is the main component of E.ON's online incident management system and is used by all E.ON units. It enables us to reach many users, report and manage data, and ensure a high degree of transparency. Incident investigations are entered and stored directly in PRISMA, ensuring that all companies and Corporate Functions always work with the same database. Incident reporting is prompt, and the situation should be clear for everyone involved. All this is intended to help prevent incidents. E.ON has five categories of incidents. They range from 0 (low) to 4 (major). E.ON's HSE Standard on Incident Management requires the units to use PRISMA to report category 4 incidents to the HSE department at Corporate Functions within 24 hours; in addition, the units immediately forward the information to the Management Board. Employees must report all incidents, regardless of their severity, using PRISMA. No employee needs to fear any retribution. In addition, their personal data are always protected and can only be accessed by limited user groups. E.ON

analyses all incidents. If employees or contractors who find themselves in a situation that they believe is potentially dangerous, they have clear instructions to suspend work immediately and, if necessary, leave the work area. They are also instructed to alert their colleagues to potentially dangerous situations. We conducted a Group-wide training module in 2022 to make it clear to all employees how to use PRISMA.

E.ON's managers fulfil their responsibility as health and safety leaders in part by going on safety walks and engaging in dialogue with employees. During management visits, known as gemba walks, they can take a close look at workplaces, talk directly with employees, and deepen their understanding of HSE issues, including risks. The Group-wide HSE app (formerly "Go, See & Talk") facilitates the process. Among other things, it contains questions for each type of work environment, including safety culture and workplace health issues. E.ON managers also use the app to submit answers they received, their own observations, and photos and documents. The information is automatically entered into PRISMA for additional analysis. Since 2022, near misses and unsafe conditions or behaviors can also be recorded in the app. More functions will follow as part of a program called Digitalization@HSE that was launched in the year under review. For example, the app's functions for reporting near misses and for conducting audits and inspections will be simplified to better involve all employees. The overarching objective is to improve E.ON's entire HSE performance. The HSE division has conducted quick checks since August 2021. They involve an outside partner evaluating E.ON's safety culture and identifying possible risks. So far, 21 quick checks have been conducted at our operating units.

E.ON runs an HSE Community that extends across all regions and segments. It helps us be a learning company and serves in particular to share knowledge and experience. The community meets regularly and, as needed, in special expert groups. Experts work together to achieve improvements in key areas like incident prevention. The range of topics in 2022 included pylon safety, electrical safety, HSE in the installation business, and safety in underground engineering.

The units and Corporate Functions also work together on Connect, E.ON's Group-wide social media platform. The form and content of HSE topics on the platform are continually expanded and updated. The additions in 2022 included a central marketplace for good HSE practices to promote mutual learning.

Managers and employees who have questions or concerns about their physical or mental health can contact the Employee Assistance Program ("EAP"). The EAP is a free health-advisory and life-coaching service available in multiple languages to E.ON staff in Germany, the United Kingdom, Sweden, and Hungary. We have similar programs in other countries where we operate. Alongside the EAP, E.ON offers employees and managers one-on-one psycho-social counseling.

There are also supplementary functions and roles at E.ON, including social, addiction, and health counseling. Across the Company, these functions and roles are performed by employees alongside their regular duties. These employees are obliged to maintain confidentiality.

Non-employees working at an E.ON office, such as service providers, can participate in general prevention measures like health days. E.ON employees can also take advantage of specific preventive measures (for example, nutrition counseling, and colon and skin cancer screening), consult company physicians, and take advantage of EAP benefits as well as use company fitness facilities.

E.ON continued to provide information material on Covid-19 in the year under review; it included comprehensive recommendations, guidelines, and frequently asked questions, such as on the safety and health plans of individual facilities and offices. This information was disseminated by email, the intranet, and online Board Chats in which the Management Board outlined E.ON's position on the Covid-19 pandemic situation. The aim of the measures was to ensure safety in the workplace and prevent infections.

Goals and Performance Review

The E.ON Management Board is informed about category 3 and 4 incidents, developments relating to accidents, and related measures and programs by means of monthly reports from HSE and regular consultations with the Senior Vice President Group HSE. The units report fatal and life-threatening incidents directly to the Management Board within 24 hours.

The purpose of E.ON's incident analyses is to understand causes, take measures to prevent them, and identify risks. If accident data indicate that a unit does not meet E.ON standards, the HSE department supports it in optimization. In addition, Group Audit may conduct an HSE audit at the unit.

The findings of the incident investigations and HSE audits completed in 2022 show that HSE management systems are largely effective. The units have adopted the auditors' resulting recommendations and have generally used them to design corrective and preventive actions. It also became clear, however, that employees' safety awareness was not fully adequate in all teams. It therefore remains extremely important to continually point out to E.ON employees and contractor employees all the requirements of HSE management and their own responsibility: they must look after themselves and their colleagues and speak up immediately if they detect a potential safety risk. Overall, E.ON has observed for several years that occupational safety in its units is improving continually. We can clearly see that our measures to prevent serious occupational accidents are having an effect. One example is a discernable shift from serious incidents to less serious incidents. Furthermore, E.ON views audits—and the findings and recommendations they yield—as opportunities to foster continuous improvement.

Health and safety concerns have always been a high priority for the E.ON Management Board. In 2020 E.ON adopted a new HSE strategy ("Roadmap 2021-23"), endorsed by the HSE Council, whose aim is to position E.ON as a leading HSE company. The strategy contains underlying targets for the operating units, including H&S, and their respective board members. In addition, the Management Board set personal H&S targets for top executives. The targets for top executives and units are individual. Their purpose is to further reduce the frequency of serious incidents and fatalities ("SIF") and thus to reach E.ON's ultimate objective of zero major harm as soon as possible. The changes took effect on January 1, 2021. As part of the half-year discussions known as performance dialogues, the units provided feedback on their progress in implementing the strategy and on recommended adjustments. In 2023 E.ON intends to use their feedback to revise its HSE roadmap and targets. In particular, health management (for which there is a new strategy), environmental issues as well as digitalization and contract management will be pursued more intensively.

The extent to which E.ON's health strategy is successful depends in part on whether employees receive information about health and prevention and whether this motivates them to participate in related programs. To increase willingness to participate, health programs are often tailored to the needs of specific target groups. E.ON's network operators in Germany, for example, target their employees aged 50 and over in particular as well as employees in their field offices. Actions include workshops on healthy living in older age and preparing for retirement. There are also special offers, for example, for operational employees such as fitters and administrative staff. The return on investment ("ROI") of many health programs is calculated by comparing costs with avoided absenteeism based on research and statistics. So that all employees feel comfortable, valued, and supported in their work environment, E.ON places particular emphasis on mental health. We provide information on the importance of stress management and show how to recognize signs of mental health issues. In addition, E.ON has assistance and training on stress reduction, self-assessment tests, and a direct support offering, including through the EAP.

Progress and Measures

96.0 percent

E.ON employees' health rate in 2022 (2021: 96.5 percent). It reflects the number of days actually worked in relation to agreed-on work time.

Accident Statistics

Serious incidents and fatalities ("SIF") measures accidents and incidents that have caused serious or fatal injuries and that surpass a predefined severity threshold.

Employee SIF[1]

	2022	2021[2]	2020
Employee SIF	0.04	0.10	0.09

[1]Serious incidents and fatalities measures accidents and incidents per million hours of work that have caused serious or fatal injuries and that surpass a predefined severity threshold per million hours of work.
[2]Prior-year figures have been adjusted due to a change in the scope of consolidation in line with ESG reporting.

At 0.04, employee SIF was significantly below the prior-year level (2021: 0.10).

› Contractor SIF declined to 0.05 (2021: 0.21). Combined SIF was 0.05 in 2022 (2021: 0.15), a reduction of around 64 percent. ‹

Employee LTIF[1]

	2022	2021[2]	2020[2]
Employee LTIF	2.1	2.1	1.6

[1]Lost-time injury frequency measures work-related accidents resulting in lost time per million hours of work.
[2]Prior-year figures have been adjusted due to a change in the scope of consolidation in line with ESG reporting.

Lost-time injury frequency ("LTIF") measures work-related accidents resulting in lost time per million hours of work. Employee LTIF was 2.1 (2021: 2.1).

› Contractor LTIF was 2.0 (2021: 2.0), thus at the prior-year level. Combined LTIF was 2.0 in 2022 (2021: 2.0), also in line with the previous year. ‹

Total recordable injury frequency ("TRIF") is one of E.ON's KPI for safety. It measures the number of recorded work-related injuries and illnesses per million hours of work. E.ON has calculated it since 2010 (employee TRIF) and included contractor employees' in its safety performance since 2011 (combined TRIF).

Employee TRIF and Combined TRIF[1]

	2022	2021[2]	2020
Employee TRIF[1]	2.90	2.60	2.40
Combined TRIF	2.60	2.50	2.30

[1]TRIF measures the number of reported fatalities and occupational injuries and illnesses and also includes injuries that occur during work-related travel that result in lost time or no lost time and/or that lead to medical treatment, restricted work, or work at a substitute work station.
[2]Prior-year figures have been adjusted due to a change in the scope of consolidation in line with ESG reporting.

› TRIF of 2.9 in 2022 was higher than in the prior year (2.6). Contractor TRIF of 2.3 was the same as in the prior year. Combined TRIF rose from 2.5 to 2.6. All accidents were carefully examined, both individually and in comparison. In some cases, this enabled us to identify patterns or multiple predominant causes and

respond directly to them, for example, by means of work groups. Employee TRIF and combined TRIF increased in part because of a reduction in the number of working hours due to the disposal of companies in Hungary and the United Kingdom. Other reasons include fewer pandemic-related restrictions and investments at some units, which resulted in an increase in the number of construction sites. ‹

Employee NMFR[1]

	2022	2021[2]	2020
Employee NMFR	36	34	19

[1]Near-miss frequency rate measures unplanned incidents that had the potential to result in an accident (but did not) per million hours of work.
[2]Prior-year figures have been adjusted due to a change in the scope of consolidation in line with ESG reporting.

› Near-miss frequency rate ("NMFR") measures unplanned incidents that had the potential to result in an accident (but did not) per million hours of work. E.ON analyzes how and why near misses happened and then puts in place controls to minimize or eliminate similar risks in the future. We actively encourage employees to report near misses so that we can continually improve our safety performance. E.ON's NMFR was 36 in 2022. ‹

Fatal Accidents at Work

Regrettably, three people working for E.ON died in 2022 due to occupational accidents. One contractor employee suffered a fatal electric shock, and another contractor employee was fatally injured by a piece of heavy equipment. After a lengthy hospital stay, an E.ON employee died at the end of the year as a result of poisoning. Each fatal accident is thoroughly investigated so that we understand the exact course of events that led to it. Identifying root causes enables us to take the measures necessary to prevent similar accidents in future. Nevertheless, serious and even fatal accidents still occur. E.ON cannot and will not accept this. It has therefore further intensified its efforts to prevent accidents. Examples are the Company's decision to extend the evaluation of HSE maturity to all E.ON DSOs and to make adjustments to the HSE Strategy Roadmap, which place a greater emphasis on risk and contractor management (see "Goals and Performance Review" above).

Non-Core Business: Occupational Health and Safety at PreussenElektra

E.ON's subsidiary PreussenElektra ("PEL") is responsible for the operation, decommissioning, and dismantling of the Company's nuclear power plants ("NPPs"). Its top priorities in all these activities are the health and safety of employees—its own as well as contractors'—and environmental protection. PEL is fully integrated into E.ON's safety organization and is subject to its high standards. PEL's extensive experience in plant operations and decommissioning helps it further optimize its HSE processes and procedures. As there were no serious accidents in 2022, we remain convinced of PEL's high safety standards.

Working Conditions and Employee Development

GRI 2-7, GRI 2-30, GRI 3-3, GRI 401, GRI 404, GRI 405

E.ON's vision is to provide everyone with good energy. E.ON's human resources ("HR") creates the conditions for all employees to make their contribution. The HR function's cornerstones are: attracting great people, developing people, creating a winning culture, and driving digital. They are part of E.ON's HR management vision. First, by being an attractive employer E.ON wants to attract creative talent for a good and innovative energy world. Second, our employees should be able to learn anytime and anywhere—in their daily work, interaction with others, and formal training courses. In addition, E.ON's objective is to establish a culture of inclusion in which all employees can realize their potential and feel valued. Finally, we aim to make HR processes and tools as digital as possible and to foster a digital mindset.

The medium-term HR objectives specify this overarching vision as it is reflected in our Group People Strategy, or GPS@E.ON. This strategy defines the four Group-wide People Priorities: the future of work, diversity and inclusion, sustainability, and leadership. HR activities across the Group are aligned with GPS@E.ON and must fundamentally contribute to the People Priorities and their respective key ambitions. The strategy is implemented through Group-wide and local activities, in particular by means of existing strategic initiatives. The entire implementation process is flexible and modular in order to reflect differences between business units.

E.ON's Approach

GRI 2-30

A common culture, toward which the Company continually works, is crucial for E.ON's success. Five fundamental corporate values guide employees' actions and interactions with each other, customers, and business partners: Putting our customer first, Better together, Delivering on our promises, Exploring new paths, and Behaving mindfully.

In addition, Grow@E.ON, E.ON's Group-wide competency model, is an integral part of GPS@E.ON and defines the specific behaviors to which the Company is committed. It is integrated into all HR-related processes and describes how employees and managers should behave toward each other and customers. It also provides guidance to staff in their daily work and sets out a clear path for their personal development and professional growth. Grow@E.ON's purpose is to enable us to recruit the right employees for the right positions, retain them, and foster their ongoing development. In addition, our competency model is designed to enable us to provide targeted and appreciative feedback on their performance, thereby helping to ensure E.ON's future success as well. Grow@E.ON enables the Company to offer a variety of career paths and opportunities. The purpose is to make E.ON an attractive employer—for people who want a specialist career as well as for those who want to broaden their horizons. Grow@E.ON is designed to prepare the Company for the continually evolving world of work, in which agility, future-oriented skills, and greater individualization and diversity are at the forefront. The model, which was revised in 2020, is updated on a regular basis. All new managers and employees are informed about Grow@E.ON and trained accordingly.

We are currently designing a new process for competence and skills management that will help us automatically recognize skills that are critical for the future; the process will also continuously indicate missing skills and learning needs to departments, managers, and employees.

E.ON aims to provide fair pay that enables our employees to live a decent life. Whenever possible, it offers permanent employment.

› 83 percent of employees are covered by a collective-bargaining agreement, and 94 percent have a permanent employee contract. ‹

Guidelines and Policies

The Group Policy FP-09 (Functional Policy Group HR/Executive HR) specifies the responsibilities of Group HR and Executive HR and their respective tasks. Executive HR, for example, is responsible for the complete life-cycle management of the top 100 executives. The policy details the company-wide instruments for which Group HR is responsible. These include executive compensation including the grading framework, the Grow@E.ON competency model, the employer value proposition ("EVP"), Group-wide diversity targets, global learning technologies and content, the expat policy, the pension framework, and global HR IT governance.

E.ON has a variety of policies and directives in place, including agreements for home offices and rules on flexible work arrangements such as sabbaticals, part-time work, and special leave. The principles are supported by our codetermination committees and are binding for the entire E.ON Group. The units implement them according to their respective legal, cultural, and business circumstances.

Organization and Responsibilities

E.ON's HR work has been largely decentralized since 2018 so that it is closer to the business. In September 2022 E.ON decided to adapt its predominantly decentralized HR governance model: additional topics with a Group-wide value proposition in talent management/diversity and inclusion, learning and development, EVP, and HR tech are to be managed and implemented more centrally. In this context, the Senior Vice President Group HR/Executive HR will set Group-wide annual targets for the HR leaders of the individual units. E.ON will start to implement the process in 2023.

An important task of the central HR function is HR management for the Company's senior leadership positions. This includes leadership development, staffing, succession planning, and long-term talent management. There is also a central framework to

identify and develop talent for executive and non-executive positions and to plan for their succession. The framework encompasses overarching criteria for talent potential and common tools such as talent boards. Units in each country can adapt and expand the framework to ensure it meets their specific needs and challenges.

The Management Board discusses the current status of talent development on a regular basis and gets a picture of the entire talent pool, including lower management levels, once or twice a year. The global approach to talent management includes regular talent board meetings at the unit and Group level. HR and the departments use the meetings to share information about talented employees and their development needs.

E.ON takes its employees' interests very seriously and cooperates closely employee representatives. Almost all E.ON units and Corporate Functions itself have works councils or other forms of employee representation. We can build on the long-standing, constructive, and trusting partnership with employee representatives, especially in times of change; moreover, we actively involve the workforce in all upcoming changes.

Specific Actions

GRI 404-2

Flexible work arrangements have been part of E.ON's corporate culture for many years. In view of the Covid-19 pandemic, E.ON established hybrid work as a Group-wide standard. We did this to make working at E.ON even more attractive and to position our company as a modern employer in the future as well.

In addition to the benefits of the company pension scheme or employer-financed accident insurance, E.ON supports its employees in non-work-related situations or in special life situations, such as when a family member falls ill. Employees in Germany, for example, can take advantage of various services provided or arranged by the Company. These services range from stress and addiction counselling to support in caring for elderly or sick relatives. Employees who fall ill for more than six weeks within a 12-month period receive help with reintegration. In granting these benefits no distinction is made between full-time and part-time employment.

Training and development are likewise important for E.ON's attractiveness as an employer. All employees receive training at their onboarding, HSE training, and functional training relevant to their role as well as soft-skills training and access to talent and leadership development programs. These include many digital, self-directed learning opportunities that employees can access from anywhere at any time. In addition to Group-wide training opportunities, the units have standardized digital learning offerings. E.ON uses them for onboarding new employees and in part for training strategically important topics like digitalization or health and safety. To simplify their learning, employees can take learner journeys on specific specialist topics. The journeys are offered by the central HR function's People Development Team and the Digital Empowerment Team. Currently, each department is conducting projects to develop strategically important learning content. This involves identifying critical skills and learning needs in line with E.ON's strategy and external market requirements. During the year under review, for example, we identified the core competencies our employees need to manage our digital transformation. We conduct upskilling journeys to establish the necessary digital skills in-house. These journeys are training modules with personalized learning offerings that are tailored to the roles and training needs in question.

E.ON believes that the most effective way for employees to learn is through experience and practice. The Company adopts a 70-20-10 learning approach: 70 percent of learning happens on the job, 20 percent through social interaction and knowledge sharing with others, and 10 percent by means of programs such as eLearning, seminars, and formal training. E.ON keeps up with the faster pace of the digital age by increasingly replacing long formats with short digital learning formats and self-directed learning. It is part of employees' workflow, is tailored to their individual needs as much as possible, and is accessible anytime and anywhere. E.ON is currently working to make employees' learning opportunities even more attractive and easier in the future by planning to establish a one-stop shop, a uniform platform that hosts all E.ON-wide learning opportunities. In addition, in late 2022 E.ON drew up a catalogue of measures for learning and development. Its purpose is to ensure a new, Group-wide framework for learning and employee development that will be introduced in all units in 2023. It will be accompanied by an internal communications campaign in the years ahead; initial measures are already under way.

E.ON's mechanism for recruiting executives applies across all units. It aims to optimize the filling of executive positions, make the recruitment process more transparent, and ensure equal opportunity. In addition, a biweekly placement conference is held at which HR representatives from the entire Company gather to share vacancies directly below the top executive level and discuss potential candidates.

E.ON helps people launch their careers by offering apprenticeships for various vocations as well as internships, work-study arrangements, and other programs. Our offerings in Germany include local initiatives to help interested people start their careers with the help of school projects, internships, courses, and expert guidance. We also employ work-study students who can gain work experience at E.ON and simultaneously finance their education. In 2022 we also launched a new, Group-wide E.ON International Graduate Program ("EIGP") to develop next-generation talent personally and professionally and to retain them at E.ON. Cross-functional, national, and international assignments enable participants to get to know our business and network Group-wide. We support them with mentoring, coaching, and training. The first class consists of 15 university graduates from a total of six countries. Another will follow in 2023.

Opportunities and offerings for training and development are important to enable employees to perform at a high level, to

identify opportunities for personal development, and to promote continuous improvement. So too is a feedback culture, which is firmly embedded in GPS@E.ON, E.ON's Group-wide HR strategy. E.ON offers its employees periodic performance and development reviews. The Company also takes a number of steps to foster a feedback culture, including offering training, guidelines for feedback, and support on Connect, its in-house social network.

Goals and Performance Review

In 2022 E.ON's central HR functions began to support its predominantly decentralized HR organization more strongly on issues of Group-wide significance or Group-wide value propositions. In 2023 binding central targets will be set for the first time for topics with a Group-wide value proposition. The HR Board defines, prioritizes, and decides on the specific annual HR targets for the implementation of Group-wide value propositions and their measurement criteria. It consists of the Senior Vice President ("SVP") Group HR and representatives of the local HR organizations. The SVP Group HR is responsible for the final prioritization of the targets, taking into account E.ON's strategy. The targets will be reviewed periodically based on the previously defined measurement criteria.

E.ON wants to retain its people (and their expertise) and enable them to grow professionally. One of E.ON's objectives is therefore also to fill management positions internally. At talent boards, E.ON's HR representatives use a special tool to assess how many candidates have participated in an application process and who ultimately filled a vacant position. It also enables E.ON to monitor whether selected candidates come from its own development pool and whether they meet its diversity targets. E.ON's talent boards not only focus on identifying talent and planning succession, but, since 2021, also on diversity aspects. The objective is in part to increase the proportion of women and employees from underrepresented groups among managers. That is why, since 2020, E.ON has been strengthening its commitment and has made diversity a People Priority in GPS@E.ON, its HR strategy. In 2022 we continued gathering data to enable us to assess our talent management's effectiveness.

E.ON has conducted an annual employee survey, known as a Pulse Check, since 2014 to find out how its people feel about their job, their supervisor, the work atmosphere in their unit, and other topics. The survey includes questions about E.ON's corporate values and current topics, such as, in 2022, the energy crisis. E.ON conducted two surveys in 2022 (in January and November), because the 2021 Pulse Check was postponed until early 2022.

› An important component of these surveys is Employee Net Promoter Score ("eNPS"): it measures employees' willingness to recommend E.ON as an employer. In the January 2022 survey, eNPS improved by two points (+28). The November 2022 survey again resulted in an eNPS of +28. E.ON analyzes survey feedback carefully to identify areas where the Company may need to improve. Employees are also informed about the findings for their particular business unit as well as any measures that may be implemented in response. Alongside the survey, employees have other opportunities to submit feedback, including during live online chats with a member of the E.ON Management Board that are held multiple times each year. ‹

The measures launched in 2020 and 2021 to assess even more advanced surveys and technologies led to an implementation plan in mid-2022, which, following a resolution by the Management Board in August 2022, will be rolled out Group-wide by the end of 2024. At the core of the plan is an employee engagement strategy that aims to record and evaluate employee feedback even more frequently. This will enable organizational units such as departments and individual teams to identify and address engagement issues swiftly and independently.

Progress and Measures

GRI 2-7

Employees: Core Workforce[1]

FTE	2022	2021	2020
Energy Networks	38,542	38,032	39,066
Customer Solutions	25,046	26,067	29,858
Corporate Functions/Other	4,143	3,885	4,124
Core Business	**67,731**	**67,984**	**73,048**
Non-Core Business	1,647	1,749	1,818
E.ON Group	**69,378**	**69,733**	**74,866**

[1]Core workforce includes board members and managing directors but excludes apprentices, interns, and working students.

At year-end 2022, the E.ON Group's core workforce had 69,378 employees. This figure includes part-time positions on a pro rata basis. The number of employees decreased slightly—by 355 FTEs, or 1 percent—in 2022. The proportion of employees working outside Germany (34,184 FTEs) also decreased slightly to 49 percent compared with year-end 2021 (50 percent).

By contrast, the number of employees at Energy Networks increased slightly. This was mainly due to growth activities in Germany and Sweden, but also to the filling of vacancies, particularly in Hungary and the Czech Republic. Efficiency measures and restructuring programs in Germany constituted the principal countervailing effect.

Customer Solutions' core workforce decreased. Restructuring projects, especially in the United Kingdom and Germany, and the sale of innogy e-Mobility Solutions GmbH were main factors.

The increase in the number of employees at Corporate Functions/Other was mainly due to the US business of providing charging systems for electric vehicles. The insourcing of human resources for digital functions was another factor.

Core Workforce by Country[1]

	Headcount		FTE	
	Dec. 31, 2022	Dec. 31, 2021	Dec. 31, 2022	Dec. 31, 2021
Germany	36,549	36,530	35,194	35,174
United Kingdom	8,769	9,786	8,437	9,356
Romania	6,916	6,999	6,759	6,826
Hungary	5,745	5,607	5,726	5,590
Czech Republic	3,201	3,018	3,178	2,999
The Netherlands	2,955	3,016	2,666	2,645
Sweden	2,432	2,422	2,414	2,390
Poland	1,873	1,859	1,861	1,848
Slovakia	1,589	1,594	1,578	1,589
Other	1,584	1,338	1,565	1,316
E.ON Group	**71,613**	**72,169**	**69,378**	**69,733**

[1]Core workforce includes board members and managing directors but excludes apprentices, interns, and working students.

Apprentices in Germany

	Headcount			Percentages		
	2022	2021	2020	2022	2021	2020
Energy Networks	2,037	2,064	2,098	7.2	7.4	7.6
Customer Solutions	67	65	59	1.1	1.0	0.8
Corporate Functions/Other	78	138	199	2.3	4.1	5.4
Core Business	**2,182**	**2,267**	**2,356**	**5.8**	**6.0**	**6.2**
Non-Core Business	31	41	39	1.8	2.2	2.0
E.ON Group	**2,213**	**2,308**	**2,395**	**5.6**	**5.8**	**6.0**

At the end of the year, E.ON had a total of 2,213 apprentices in Germany. This corresponds to an apprenticeship ratio of 5.6 percent. Of the 598 apprentices who completed their training in 2022, 553 were given a permanent or temporary employment contract. This is a very high takeover rate of 93 percent (prior year: 563 of 641, or 88 percent) and is one of the ways E.ON is addressing the shortage of skilled workers.

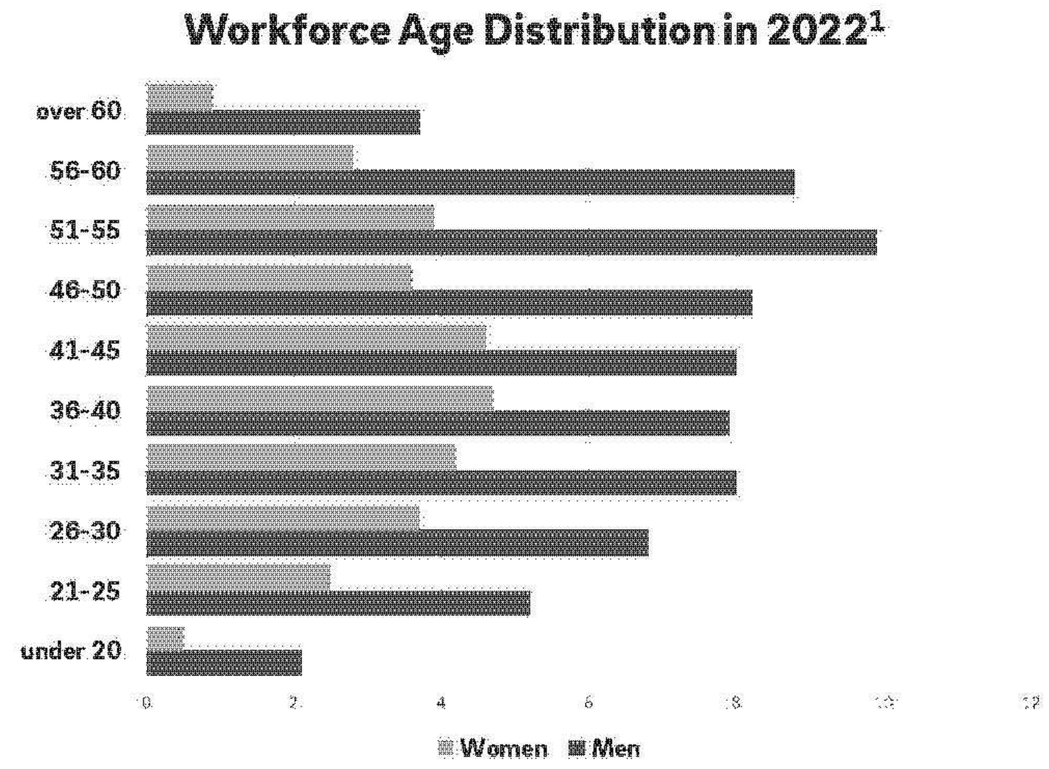
18.2

Average training hours per employee[1]

[1]The completeness of the reported data can only be guaranteed for companies with more than 150 full-time equivalents ("FTE"). There is no reporting requirement for companies with fewer than 150 FTEs. However, this KPI is calculated based on the Group's total number of FTEs.

Workforce Age Distribution

GRI 405-1



[1]Total workforce includes board members, managing directors, apprentices, interns, and working students.

At year-end 2022, the average age of E.ON employees was 42, as in the previous year. This is comparable with the average age at other DAX 40 companies. The age distribution of E.ON's workforce reflects the demographic trend of working-age people. In 2022 around 21 percent of our employees were under the age of 31, 49 percent between 31 and 50, and around 30 percent older than 50.

New Employee Hires and Turnover Rate

GRI 401-1

E.ON hired 9,128 new employees in the year under review. The voluntary turnover rate in 2022 was 6.1 percent, including board members, managing directors, and apprentices (prior year: 4.5).

Customer Satisfaction

GRI 3-3

Customers of all types—households and businesses, cities and government entities—understand that a digital and decarbonized future means that they will not only consume, but also increasingly make and store their own clean energy. These customers are extremely knowledgeable and discerning. They expect E.ON not only to listen to and anticipate their needs, but also to design innovative and sustainable energy solutions, deliver best-in-class services, and provide a consistently good customer experience. Earning and retaining their trust and loyalty is very significant for us to sustainably grow our business. Loyal customers tend to stay with us longer, to purchase additional products and services, and to recommend us to their family and friends. We have made their expectations our own. Our guiding principle for this commitment is "Connecting Everyone to Good Energy."

2022 was a difficult year for our customers: energy prices skyrocketed, making it much harder for people to access affordable and renewable energy. The events also impaired our ability to support economically disadvantaged customers in line with our guiding principle. A team at Corporate Functions analyzed the impact of price increases on our customers and the E.ON brand and worked to mitigate this impact by helping our regional businesses successfully adapt their communications and customer service to the situation.

All E.ON network companies regularly review and optimize their services in response to their customers' concerns. For example, this enabled us to effectively mitigate potential power disruptions in the winter of 2022–2023 and maintain a largely stable supply situation for our customers. More information can be found in the Energy Affordability chapter.

E.ON's Approach

E.ON continually measures and improves the experience we offer to our customers, in order to retain—and, ideally, deepen—their loyalty. It is essential for us to be systematically customer-centric. Because the E.ON brand promises to give our customers what they want in the future energy world: consistently positive experiences within our services and smart, sustainable solutions. E.ON transports energy from where it is produced to where it is needed. We also work to empower people, companies, and cities across Europe to create the sustainable world that they want to live in. The purpose is to build energy communities in which everyone can do their part and meet these needs—from a household opting for green electricity to an entire city committing to sustainability. Delivering on this promise will make the E.ON brand distinctive, and enable us to successfully expand our business. E.ON's objective is to become the number one energy-solutions company in all of its markets.

Guidelines and Policies

In 2022 E.ON developed new principles for customer experience. These overarching principles provide broad guidance for our regional units to design customer journeys and general interactions. They are formulated from the perspective of satisfied customers and reflect the needs E.ON wants to meet in its interactions with them. E.ON:

- makes my life easy: customers have an effortless and barrier-free energy life. We are proactive and communicate in a simple way that gives them confidence that they are in good hands in a complex energy world.

- knows me: customers feel understood. Our digital expertise enables us to anticipate and meet customers' needs and expectations. Our personalized approach supports customers; together, we find the best solution for them.

- offers me choices: we offer individually tailored options for products, services, and communication channels. Customers receive all the important information on which they can base their choice. We deliver what we promise and make customers feel confident about their choices.

- values me: customers feel welcome just as they are. We respond to their needs, treat them fairly, and value their loyalty.

- lets me be part of something bigger: the energy transition is propelled by our customers. We empower them to contribute to a better energy future by showing them how to manage generation and consumption. Choosing E.ON makes them feel part of something bigger, en route to a sustainable community.

Organization and Responsibilities

The Chief Operating Office–Commercial ("COO-C") at Corporate Functions coordinates our brand and marketing strategy with the aim of further developing and strengthening the E.ON brand. The COO-C supports the sales and energy solutions business for all customer segments and in all E.ON markets. The regional units' Customer Experience Teams are responsible for customer satisfaction. They carry out projects and measures in their respective sales territories and exchange information on successful approaches and progress on a monthly basis. There are Customer Experience Teams in Germany, the United Kingdom, Italy, Romania, Sweden, the Czech Republic, Hungary, Poland, and the Netherlands.

E.ON's Global Customer Leadership team, which consists of senior Customer Experience leaders from the entire Group and representatives from the Customer and Market Insights team, successfully continued its work in 2022. Its purpose is to listen to customers more and foster customer centricity in all E.ON markets. The team met four times in the year under review to assess Customer Experience activities, identify areas of focus for cross-regional collaboration, and give customers a stronger voice.

The Customer and Market Insights team studies which trends shape our customers' attitudes and behaviors. It conducts consumer studies, broad-based market research, and advanced data analyses and models possible scenarios. The aim is to obtain practical knowledge and incorporate it into business processes.

Specific Actions

E.ON measures customer loyalty by means of Net Promoter Score ("NPS"), which was introduced in 2009 and became a Group-wide program in 2013. NPS indicates customers' willingness to recommend E.ON and its services. It also helps us identify which issues are currently of particular importance to customers and thus to adapt our activities to current customer needs. E.ON measures two types of NPS:

- Strategic NPS compares E.ON's performance with that of its competitors and is based on the feedback of customers regardless of whether they have had any interaction with E.ON.

- Journey NPS measures the loyalty of customers who have completed an experience with us, such as transferring their energy service to their new residence when they move.

NPS is used by our regional units in Germany, the United Kingdom, Italy, Romania, Sweden, the Czech Republic, Hungary, Poland, and the Netherlands.

A methodology introduced in 2017 enables us to measure strategic NPS consistently across all markets and thus to identify and resolve customer issues experienced in multiple markets. It also makes it easier for us to recognizes the areas in which useful innovations can be offered to customers. The methodology is based on an automated reporting process. It therefore avoids the errors of manual data entry and improves data quality and auditability.

E.ON's Early Warning System ("EWS") examines customer comments and current events in the media and serves as a platform for us to listen and discuss at the Group level as well as in our regional teams.

E.ON addressed the price and supply crisis in the winter of 2022–2023 by establishing a cross-regional program called JOE ("Journey and Operational Excellence"). The aim was to keep our customers' payment experience consistently positive. All regional units participated in the program to develop solutions for new challenges in payment processing. They shared best practices and worked to digitalize processes and customer interactions and to improve cost efficiency. We used JOE to tackle two main issues in 2022. The first focus was on price perception and payment. Specifically, this involved the mitigation of price shock, more transparent invoices, more reliable invoice forecasts, and enhanced payment and cost control capabilities for our customers. The second focus was on improving users' experience with our digital channels. The primary effort was to reduce the effort required for customers to interact with E.ON. More information can be found in the Energy Affordability chapter.

We also refined our brand positioning in 2022 and made it clearer what E.ON stands for: our core message is the brand promise "Connecting Everyone to Good Energy." E.ON's distribution networks form the backbone and foundation of the future energy world. They enable us to deliver on our brand promise by seizing the opportunities of an increasingly self-managing, growing ecosystem consisting of distributed generators, storage operators, and consumers that depend on strong and stable networks. We thus not only ensure the most efficient use of green power, but

also connect people and provide them with sustainable, affordable, and individually tailored energy solutions. This enables us to meet the challenges of climate change and bring about the energy transition in Europe together with our customers and business partners.

Goals and Performance Review

Every year, E.ON sets company-wide targets for strategic and journey NPS. E.ON uses both indicators at the segment and unit level for purposes of management control. Strategic NPS is highly relevant for management control because of the information it provides about competitors. The E.ON Management Board has received a monthly NPS report since September 2020. In addition, periodic market reports enable the Chief Operating Office—Commercial and the CEOs of the regional units to exchange views on NPS issues and customer topics. NPS also plays a role in executives' variable compensation. This consists of two components: one factor reflects an executive's individual performance, the other the company performance. Progress in strategic and journey NPS has accounted for 20 percent of the calculation of the company performance since 2020. The achievement of NPS targets is also factored into determining the E.ON Management Board's compensation. In 2022 this was the case for the first time.

Since 2017, each unit has also established its own measures to systematically improve customer perception. These activities are initiated and overseen by the units' CEO and board members because they are personally responsible for their unit's NPS performance. They review the measures annually and readjust them. They increasingly include sustainability criteria. The measures' duration can cover a period of several years, depending on the scope of the planned adjustments.

Community Involvement

GRI 3-3

E.ON's Approach

E.ON is part of the countries and communities where it does business. We therefore feel obliged to make a contribution to their prosperity, economic development, sustainability, and quality of life. We do this primarily by creating jobs and by offering energy solutions that enhance our customers' sustainability and comfort. In addition, E.ON engages in community involvement and supports employee volunteering in all regions where it operates.

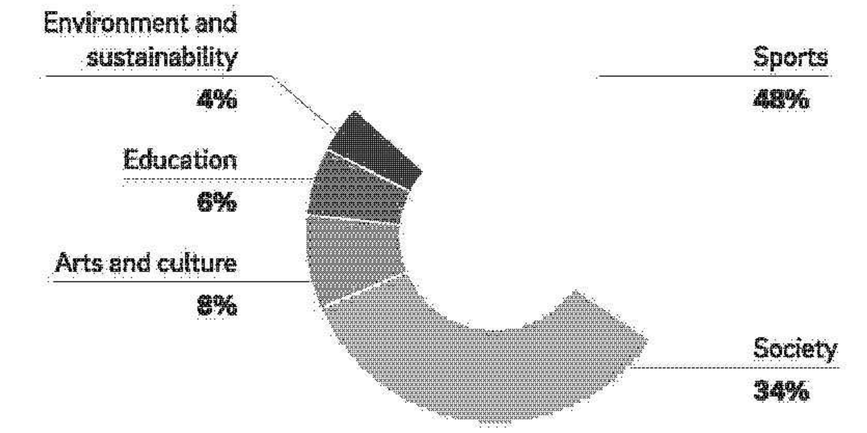
Our unit representatives know their country's needs and challenges best. So E.ON lets them decide which projects and organizations to support. We believe that local decision-making is more suitable than central directives for giving our community involvement activities a societal impact.

In order to better coordinate Group-wide and regional activities as well as the commitment of the E.ON Foundation and to increase its social impact, we have bundled E.ON SE's and the E.ON Foundation's activities and linked them more closely. In this way, we want to ensure that responsibility for content coordination, decisions on projects, and process design lies in one hand.

Our Community Investments

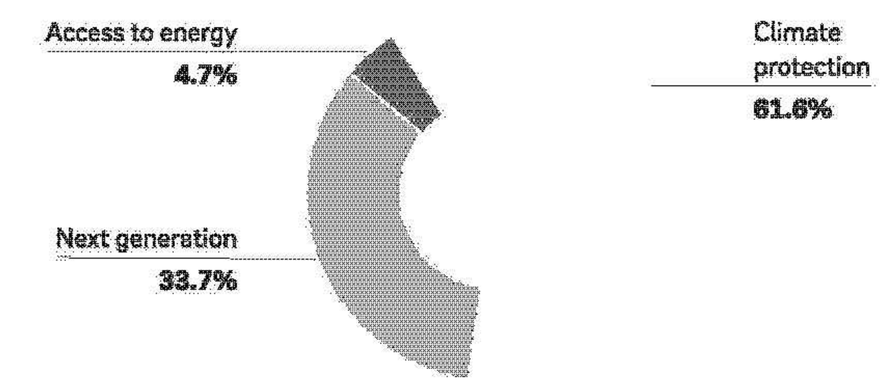
E.ON reports its corporate giving by the categories below.

Corporate Giving by Category



Alongside corporate giving, E.ON makes strategic investments in community involvement, which are typically more long-term in nature. In 2022 the financial resources for sponsorships went toward three focus areas: climate protection, access to energy, and educational support for the next generation.

Strategic Community Involvement



E.ON's corporate giving and strategic community involvement totaled around €18 million in 2022 (prior year: €12 million).

E.ON Foundation

The E.ON Foundation aims to promote a sustainable transformation of the energy system that reflects people and their preferences. Guided by the conviction that a purely government-mandated, over-regulated energy transition will not succeed, it supports projects, events, and practical formats relating to energy and society. In 2022 the foundation made about €42,000 in donations and provided more than €2 million in funding to the projects it supports. Because the foundation is independent, this funding is not included in E.ON's community investments.

Corporate Volunteering

E.ON's employees were again actively involved in non-profit projects across Europe in 2022. In total, 2,273 E.ON employees performed 13,340 hours of volunteer work in 2022. This figure may include double-counting of employees who volunteer more than once.

Data Protection, Cybersecurity, and Product Safety

GRI 3-3, GRI 418

E.ON processes personal data of a variety of stakeholders, primarily customers, employees, enterprise partners, and suppliers. We have a Group-wide data protection organization, which we continually improve. E.ON evaluates its processing activities on an ongoing basis in order to comply with the law and to protect data subjects' rights and personal data. In addition, E.ON has comprehensive measures to ensure cybersecurity, in particular at Energy Networks and Customer Solutions. The aim is to efficiently protect systems and data regardless of where they are accessed from, which devices are used, and where the data are processed. Safeguarding all company information—in oral, written, and digital form—is crucial in order to prevent damage to E.ON competitive position, brand, and reputation.

E.ON offers its customers digital solutions (like the E.ON Home app and the E.ON Drive app) as well as a steadily expanding range of products installed at their premises. This includes solar and battery storage systems, heating systems (including heat pumps and boilers), and electric-vehicle charging points. Ensuring that these products are safe is essential for E.ON to protect its customers' health, retain their trust, and continue to serve them successfully.

E.ON's Approach

E.ON is committed to protecting the rights of the individual (customer, employee, supplier, or other third party) in accordance with the General Data Protection Regulation ("GDPR") and national laws: in principle, individuals themselves may determine the disclosure and use of their personal data. E.ON Group's Data Protection Management System ("DPMS") is an orientation and implementation aid on issues related to data protection. It is based on IDW PS 980, an audit standard for compliance management systems. The DPMS ensures a structured, coordinated, and consistent approach to data protection across the entire Company; it was audited by a law firm. In 2022 internal audits of several E.ON units regarding the status of their data protection management were conducted. These audits confirmed the DPMS's effectiveness and E.ON's compliance with the GDPR. In addition, E.ON studied major data breach cases at other companies that became public and used these insights to further improve its own data protection and IT security measures and to harden its IT infrastructure.

In 2022 E.ON revised its data protection contracts, in particular EU model clauses, and other documents relevant to data protection. Among other things, E.ON focused on implementing and updating contracts for third-country transfers and assessments of the level of protection in the third country (transfer impact assessment). Data protection is an ongoing task amid rapidly evolving technologies and practices. Using the plan-do-check-act ("PDCA") method enables E.ON to continually improve these processes (for more information, see "Goals and Performance Review" below). These activities will continue in 2023.

To protect all company information, E.ON has in place an Information Security Management System ("ISMS") based on the standards of the ISO 2700x series, widely recognized international standards for information security. The ISMS is certified for those parts of the organization where this is required by law. E.ON works to ensure and maintain the confidentiality, availability, and integrity of its information resources. This includes monitoring infrastructure, vulnerabilities, and threats as well as detecting and responding to security events like cyberattacks. In 2022 E.ON updated its cybersecurity strategy and designed a roadmap for implementing it. Items on the roadmap include improving security awareness, identity and access management, cloud security, and new detection and prevention capabilities.

E.ON extend its high standards for occupational health and safety to the products it offers customers. The Company sets uniform standards to ensure that its products are safe throughout their life cycle, from development to recycling. Our ambition is to comply fully with all existing laws and regulations. This applies likewise to applicable safety laws and regulations. If, in the case of innovative products, current laws and regulations lag behind the state of the art, E.ON meets more stringent safety standards. Due to confidentiality constraints and the sensitivity of such data, E.ON cannot provide information about complaints concerning data breaches, regardless of whether these complaints were substantiated or not.

Guidelines and Policies

E.ON's Data Protection Policy defines roles and responsibilities in a uniform manner across the whole Group. The information security standards introduced in 2018, which are based on the ISO 2700x series of standards, apply to the entire Group as well. They enable E.ON employees to design and operate new solutions with the required level of cybersecurity and to protect technology, data as well as customers, critical infrastructure, and society from

negative consequences. E.ON's People Guideline summarizes the most important cybersecurity rules relevant for all employees.

Organization and Responsibilities

Each unit in the Group is responsible for complying with the GDPR and integrating the DPMS. E.ON has established processes across the Group to comply with data protection requirements, for example to respond to data subject inquiries and report data protection breaches. This set of processes also provides guidance when individual units introduce or update their processes in their organization.

The units are responsible for responding to all requests from data subjects, such as access to information on data processing, rectification, deletion, and data portability. The units' systems and policies must also comply with their national data protection laws and regulations and those of any other countries where they operate. Where required by law, the units have appointed Data Protection Officers ("DPOs"). The units' DPOs work closely together and report regularly to the Chief DPO, in particular on information relating to legal and regulatory developments and fines, the protection of data subjects' rights, relations to third parties, fulfilment of documentation duties, and correspondence with supervisory authorities.

E.ON's Chief DPO is responsible for data protection issues at the Group level; for example, he coordinates E.ON's data protection activities. He also reports periodically to the Cyber Security and Data Protection Council, which also includes Management Board members, and to the Supervisory Board's Audit and Risk Committee. In addition, the DPOs and employees are informed on a regular basis about relevant developments related to data protection. These include legislation, technology, and decisions issued by data protection authorities. This information is disseminated by email and through internal communications channels, such as the corporate intranet.

The Cybersecurity function prevents technology and information from having an adverse impact on E.ON's business and customers. Its tasks include designing a Group-wide cybersecurity strategy, monitoring its implementation, and coordinating the cybersecurity organization across E.ON. E.ON's Chief Information Security Officer ("CISO") oversees the Group-wide cybersecurity organization and assigned to the Management Board's digital remit. His responsibilities include formulating E.ON's cybersecurity strategy and monitoring its implementation. The Group-wide cybersecurity organization includes Information Security Officers ("ISOs") appointed by the business units. They report to the CISO as well as to their unit's board on all relevant matters arising in their organizations. The CISO reports on regular basis—as well as ad hoc in the event of serious security incidents—to the E.ON SE Management Board and the Supervisory Board. These vertical and horizontal reporting pathways ensure transparent and consistent reporting.

E.ON's regional units know their customers, their products, and the local market conditions and requirements. Consequently, their Product Development teams take the lead in product safety, supported by their unit's Health, Safety, and Environment ("HSE") department. They also work closely with several divisions and departments at Corporate Functions, primarily B2C/B2SME Solution Management, Innovation, HSE, and Sustainability. In addition, B2C has its own product safety and compliance team.

Specific Actions

E.ON provides data protection training to its employees every two to three years. New employees in all countries receive data protection training in their first year as part of their onboarding process. In addition, E.ON conducts specific training for entities and departments—such as call centers and sales organizations—that process more personal data. Employees use an eLearning module to familiarize themselves with the GDPR's rules annually. As of year-end 2022, more than 81 percent of employees had completed the module.

E.ON uses eLearning, phishing simulations, and in-house workshops such as live hacking demonstrations to familiarize its employees with cybersecurity risks and their obligation to keep confidential company information secure. To enable its employees to handle information properly, E.ON uses a classification tool, including electronic document labelling, which was introduced in 2022. E.ON conducted a phishing awareness campaign that involved simulated phishing emails sent to employees on several days in 2022. In addition, E.ON periodically performs penetration-testing for crucial services in order to further harden key services against cyberattacks.

E.ON takes a variety of steps to address health and safety issues across the entire life cycle of its products. During product development, E.ON closely observes current standards and guidelines and monitors emerging issues. The regional units test all market-ready products, including eMobility solutions, for CE/UKCA conformity in their own test labs or have them tested in E.ON's test lab in Essen or by outside testing firms. Products that are CE-compliant meet EU-wide requirements for safety, health, and environmental protection, while UKCA-compliant products meet the British market's compliance requirements. This provides E.ON with a comprehensive assessment of risks, their likelihood, and other potential implications. Contractors who install and maintain products on E.ON's behalf must undergo prequalification prior to hiring to ensure that they meet specific standards and values. In addition, E.ON engages in ongoing dialogue with its contractors and trains them to ensure that they adhere to all requirements and the latest technical standards. Safety training, for example, is mandatory for all installers of solar and battery solutions in Germany. If a product has a safety-related issue, E.ON needs to be able to recall it immediately. E.ON therefore checks and tracks all hardware product changes so that it can contact customers immediately in the event of safety-related issue. We work to continually improve these processes.

Whenever E.ON is the product manufacturer or deemed to be such, the Company is legally obliged to comply with a number of

requirements. These include establishing a systems to ensure product traceability and putting in place a plan for corrective measures. Other requirements include product certification, CE/UKCA labeling, the issuance of E.ON's own EU/UKCA Declaration of Conformity, and the creation and maintenance of a product's full technical documentation. In the event of safety-related issues, E.ON immediately informs the appropriate market surveillance agency about the issue and the intended corrective measures, such as withdrawal, warning, and recall. E.ON is also obligated to take necessary corrective actions.

Goals and Performance Review

The recurring PDCA cycle results in the DPMS's processes being continually planned, implemented, managed, and improved. This enables E.ON to permanently monitor the DPMS's effectiveness, proactively and repeatedly look for potential blind spots, and take action if need for improvement arises. E.ON units report on the status quo of their compliance with the GDPR on a quarterly basis. The review also includes regular assessments by Group Audit. The units implement Group Audit's recommendations in a timely manner. Where it was possible to conclude ongoing proceedings with data protection agencies, this was done without sanctions. The existing DPMS is therefore effective and robust.

E.ON assesses the maturity of its ISMS domains regularly and reports the findings to the Cyber Security and Data Protection Council on a quarterly basis. E.ON defined a minimum maturity level for all areas and units. If deficiencies or improvement potential are identified, E.ON adjusts its cybersecurity roadmaps accordingly.

Product safety incidents are documented at the unit whose product was involved and at the Group level. The investigation and analysis of such incidents help us identify their causes and determine how to prevent them in future. E.ON shares the insights gained in this process with all relevant departments.

Business Resilience Management

GRI 3-3

The health, safety, and security of employees and customers, environmental protection, and the reliability of the energy supply are particularly important to E.ON. We work continually to ensure the safety, security, and reliability of our infrastructure and customer solutions and to become even more resilient to operational interruptions and disruptions. If a crisis occurs despite comprehensive precautions, E.ON responds swiftly and handles the situation professionally.

The impact of the Russia-Ukraine war in particular presented a new challenge in 2022. Among other things, we faced a potential energy shortage and an overall increased threat to energy infrastructure. By contrast, the implications of the Covid-19 pandemic were less drastic than in prior years. E.ON was able to manage them by means of its regular organizational processes and continued to implement its established infection-control measures systematically and on a risk-adjusted basis.

E.ON's Approach

E.ON has in place a comprehensive framework consisting of various minimum requirements for the purpose of conducting business resilience management. It addresses standard security issues and includes specifications for implementing crisis and business continuity management. Nevertheless, the Company cannot rule out the possibility of crises caused by, for example, a natural disaster, human or technical failure, a cyberattack, a security-related incident, or some other event. That is why integrated business continuity management encompasses, for example, elaborate contingency plans. They specify both organizational and operational measures to enable a fast, efficient, and predefined response. In the event of a crisis, E.ON has a Group-wide crisis organization with several highly specialized crisis management teams; they conduct exercises on a regular basis in order to be able to respond quickly to critical events. E.ON prepares thoroughly to respond to such exceptional situations in the best possible way and prevent escalation and acts quickly and purposefully at the first signs. The main objective of crisis prevention and management measures is to protect human life, the environment, the business, and property. This approach has demonstrated its worth in past crises.

Guidelines and Policies

E.ON's Business Resilience corporate function policy defines responsibilities and roles as well as organizational requirements and provides recommendations on how the units can establish, operate, and continually refine an effective business resilience management system. The E.ON SE Management Board is responsible for approving the function policy. The policy's theme encompasses the following overarching areas of operational resilience: physical security, business continuity management, emergency and crisis management, and travel security. In addition, the policy requires the units to report critical incidents, serious security incidents, and incidents with crisis potential to the Security Response Center, which is operational at all times. These requirements make it possible to manage unpredictable and complex situations that could have a significant impact on E.ON's business, assets, stakeholders, and/or reputation. To the degree necessary, the Group supports the units in establishing the mechanisms and implementing the issues. The Group-wide Business Resilience Community provides additional support and information sharing. More information on the Business Resilience Community can be found below under "Specific Actions."

Organization and Responsibilities

Ultimate responsibility for preventing and managing crises lies with the E.ON Management Board. The strategic implementation of physical security issues is carried out by the Business Resilience function, which is part of the Legal, Compliance, and Security department. With the exceptional of travel security, operational implementation at the business units is conducted by their business resilience managers. Alongside this regular organization,

E.ON has a comprehensive crisis management organization. It is divided into the respective operational business/regional level and at the Group level. The Security Response Center is the central reporting point for crises and emergencies.

Specific Actions

To be able to respond to crisis even more swiftly, E.ON designs and conducts several realistic crisis simulations and training courses each year. In 2022 E.ON conducted four Group-wide crisis simulations in national and international environments, several local crisis exercises at business units, and ongoing training and continuing education for designated crisis management teams. All members of these teams are required to participate in regular training and continuing education. In addition, all members of the crisis management team receive a one-time onboarding training sessions for their respective functions as well as additional training if required. Among other things, crisis team leaders are trained to lead a team in complex, stressful, time-critical, and uncertain situations.

In addition to crisis management activities, the Business Resilience function conducts other measures to enable E.ON to achieve lasting operational resilience. For example, the Business Resilience Community provides a forum in which representatives of the function, all security managers, and business resilience managers engage in dialog on a regular basis. If needed, other stakeholders (HSE, Cyber Security, Risk Management, outside experts) are involved. At meetings, participants share information and current insights from threat situations and security incidents, including at short notice, in order to learn from each other and develop joint solutions in the medium and long term. The Business Resilience Community began meeting monthly in 2022, instead of once a quarter as in the two previous years, in order to increase the maturity of the individual security topics more evenly at all units.

Goals and Performance Review

E.ON relies on valuable security expertise and has effective services and networks to ensure that its operating business can be continuously maintained. This enables the Company to continually increase its own operational resilience. E.ON has set the following objectives for this purpose:

Crisis management enables E.ON to identify crises at an early stage and respond to them swiftly and effectively and to ensure it has the necessary capabilities in place Group-wide. The aim is also to conduct regular checks to make sure that the necessary infrastructure is in place and up to date. The Company also assesses, documents, and uses findings from all crisis management training, simulations, and actual incidents to design and implement improvement measures.

Business continuity management is designed to ensure that E.ON can deal with emergencies and continue operating in the event of an emergency. For this purpose, a business impact analysis must examine all critical processes at least once a year. Its findings are used to design, update, and test business continuity plans and solutions.

E.ON uses its Group-wide services and business resilience processes to minimize employees' travel risks. The aim is to ensure safety and security regardless of the travel destination.

Our objective for physical security is to protect our employees, property, and assets. E.ON conducts security risk analyses for this purpose; depending on their findings, the Company designs and implements physical security plans and solutions.

In the year under review, the change in the global security situation and an adjusted strategy (the digital strategy, for example) were among the factors that made it clear that E.ON needs to raise its awareness of business resilience issues and enhance collaboration and information sharing. If necessary at any point, we will create additional tools and frameworks that will make the Company as a whole more resilient. These initiatives will be coordinated with relevant stakeholders and senior management. As part of this, the Business Resilience function at E.ON SE is to become more active as a second line of defense.

Crisis Prevention at Non-Core Business

PreussenElektra ("PEL") is only allowed to operate a nuclear power plant ("NPP") if it can demonstrate that it has taken all practicable steps to prevent a severe accident. PEL demonstrates its compliance on an ongoing basis to the relevant authorities, such as the Federal Ministry for the Environment, the Reactor Safety Commission, and state-level agencies.

In 2022 there were no known safety-related incidents that significantly affected the safety level at PEL's NPPs. They remained at the normal long-term safety level. On average, ten to 15 reportable events per year occur at PEL's NPPs. PEL headquarters conducts periodic reviews in which it discusses incidents and the findings derived from them with the NPPs that are in operation and those being dismantled. In line with Germany's nuclear ordinances and regulations, the incidents, findings, and any measures taken in response are communicated to state and federal authorities.

PEL regularly conducts statutory nuclear emergency and crisis exercises, notifies Business Resilience Management at E.ON SE, and reports on its results.

Governance

Compliance and Anti-corruption

GRI 2-23, GRI 2-26, GRI 3-3, GRI 205

An important objective for E.ON is to prevent, detect, and respond appropriately to any form of corporate misconduct. customers, business partners, or other stakeholders should not be deceived, lied to, or otherwise deliberately harmed. We are committed to ensuring that laws are strictly obeyed and that integrity and compliance are systematically promoted as core components of our corporate culture. This is the only way for us to retain and deepen our stakeholders' trust for the long term.

Negligence or deliberate violations could lead to fines and criminal prosecution for the employees in question and could harm E.ON's reputation. Corruption is unacceptable for another reason as well: it leads to decisions being made for the wrong reasons. It can thus impede progress and innovation, distort competition and do lasting damage to E.ON and its stakeholders.

We therefore take potential compliance violations very seriously. If they are substantiated, we systematically pursue and punish them. E.ON's approach to compliance and anti-corruption is applicable for all business units and Corporate Functions and extends to suppliers as well. Information on compliance notices can be found in the "Progress and Measures" section below.

E.ON's Approach

E.ON is committed to combating corruption in all its manifestations and supports national and international efforts directed against it. The Company's participation in the United Nations Global Compact underscores its rejection of any form of corruption. The E.ON Management Board has the ultimate responsibility for ensuring that E.ON conducts its business legally and at all times refrains from criminal practices in achieving its business objectives. To ensure this for all business units, we have established a central compliance function. Its task is to support the E.ON Management Board in its responsibility to prevent, detect, and eliminate corporate crime.

E.ON has in place a compliance management system ("CMS") to mitigate the risk of compliance violations. The CMS is based on a number of widely recognized practices, including measures to foster a compliance culture and a commitment to compliance targets (see "Goals and Performance Review"). It also enables us to identify and analyze compliance risks, design a risk-adequate compliance program, and expand our compliance organization.

Guidelines and Policies

Both our Code of Conduct and our Supplier Code of Conduct (both of which are available in the languages of all countries in which we operate) focus on our guiding principle, "Doing the right thing." They provide easy-to-understand guidance for all areas that are relevant to E.ON. These include human rights, anti-corruption, fair competition, and compliant relationships with business partners. The E.ON Code of Conduct also contains an integrity test that employees can use to check whether they are doing the right thing. All employees are obligated under their employment contract to act in accordance with the Code of Conduct's rules. In addition, ten People Guidelines, which apply to all business units, explain in detail how employees can be sure that they are doing things right. Our Code of Conduct is widely recognized by experts. In 2021, for example, it was awarded the highest mark among all DAX companies by the quarterly magazine of BCM, a professional association for compliance managers in Germany.

An important People Guideline that supports the Code of Conduct addresses anti-corruption. It contains a decision-making scheme that uses the familiar green, amber, and red of traffic lights to indicate when accepting or granting offers or gifts is permissible, potentially problematic, or forbidden. Gratuities (such as donations and sponsorships) above a certain threshold, which varies by national law, must be approved by the local Compliance Officer. Particularly strict requirements apply to invitations and gifts from public, elected, or government officials and their representatives. The Code of Conduct clearly states E.ON's prohibition against company donations to political parties, political candidates, political officeholders, or representatives of public agencies.

E.ON's Compliance Function Policy defines basic compliance structures, roles, and responsibilities.

Organization and Responsibilities

E.ON refines and optimizes its CMS on an ongoing basis. Pursuant to the Compliance Function Policy, we have established a Group-wide organizational setup for this purpose. It consists of the Chief Compliance Officer ("CCO"), the Global Head of Compliance & Data Protection along with his Group Compliance team, and the business units' compliance officers. The CCO reports on a quarterly basis to the E.ON Management Board and to the Supervisory Board's Audit and Risk Committee on the CMS's effectiveness and current developments and incidents. In the event of serious incidents, the Management Board and the Audit and Risk Committee are informed without delay. Suspected fraudulent activities directed against the Company are investigated by the internal audit department (Group Audit). The central Group Compliance function is responsible for investigating fraud within the Company.

Specific Actions

In 2022 we continued to make eLearning courses available to all employees and managers Group-wide. They are offered by a variety of departments. The curriculum's topics include compliance and anti-corruption as well as other legal areas such as data protection, cybersecurity, and human rights. Since 2010 all employees have had to complete a Code of Conduct eLearning module on a regular basis. Employees in units without internet access receive this training in written form and also at a face-to-face event.

Since 2021, new employees must complete a new joiner eLearning module along with the module on the E.ON Code of Conduct. It familiarizes them with company rules and whom to contact if they have questions or feel uncertain about a decision. In addition, new

managers receive integrity training that helps them fulfil their function as role models in E.ON's compliance culture.

E.ON also uses a variety of tools to identify the areas of activity where the risk for certain compliance breaches is particularly high. Such compliance risk assessments ("CRAs") are conducted on an ongoing basis. CRAs employ various methods, ranging from spreadsheet-style questionnaires to personal (and confidential, if applicable) discussions with executives and employees. Based on the findings, Group Compliance determines whether specific measures need to be taken to amend and refine the CRAs in order to appropriately address any (new) potential risks identified.

In addition, Group Compliance continually engages in dialogue with the compliance officers appointed by local units' management and monitors their work. If employees suspect misconduct or a violation of laws or company policies, they are instructed to report it. For this purpose, they may use—if they prefer, anonymously—internal reporting channels or an IT-based whistle-blower hotline. The system is available Group-wide and can be accessed via the E.ON homepage or by telephone. Not only E.ON employees, but also business partners, their employees, and other third parties can contact the hotline confidentially. Group Compliance forwards the information to the relevant department or unit.

E.ON wants to ensure that its compliance standards are adhered to in its supply chain as well. We therefore subject potential suppliers to a compliance check to assess whether they act in accordance with our values and principles. To ensure that they meet our compliance standards, we also conduct a prequalification process to verify potential suppliers' identity and integrity. This includes, for example, determining whether a supplier appears in the media in connection with compliance issues such as corruption or on an official sanction and terrorism lists. In some cases, potential suppliers must also complete a questionnaire, which E.ON evaluates carefully. Prequalification is mandatory for all new suppliers. The Human Rights and Supply Chain Management chapter provides more information on the supplier onboarding process.

Our Know Your Counterparty ("KYC") principle also defines minimum requirements for certain business partners and scenarios, other than suppliers. The KYC check is an IT-supported workflow that helps us verify counterparties' integrity and avoid legal, regulatory, and reputational risks related to compliance issues such as corruption, money-laundering, tax evasion, violation of economic sanctions, and terrorism financing. It is covered in our Know Your Counterparty People Guideline.

E.ON is a member of a variety of compliance organizations. One example is the German Institute for Compliance (whose German acronym is DICO), where E.ON also serves as Vice Chairman of DICO's Criminal Law Working Group. DICO's mission is to promote the role of compliance and the establishment of recognized compliance standards in corporate governance in Germany. The institute also serves as a networking platform for compliance experts in and outside Germany. In keeping with strong belief that an effective CMS requires an interdisciplinary approach and an understanding of decision making within organizations, in 2021 E.ON started a new DICO working group devoted to behavioral compliance and ethics.

We conducted surveys and intervention studies in the Group in 2022. They were part of an interdisciplinary project with the Max Weber Institute for Sociology at Heidelberg University, the Max Planck Institute for Human Development in Berlin, and its spinoff, Simply Rational GmbH. One of the topics investigated is how altered situation assessments (interventions) can influence the acceptance and efficiency of preventive compliance measures. The findings will be presented and implemented in 2023.

Goals and Performance Review

We continuously evaluate the CMS's effectiveness to ensure that E.ON is able to prevent, detect, and take appropriate remedial action against illegal or criminal conduct or other rules violations. The CMS's effectiveness is monitored by the E.ON Management Board, the Supervisory Board's Audit and Risk Committee, and also Group Audit. The latter, an independent entity, is the third line of defense of E.ON's CMS.

The CMS's effectiveness depends on how serious and credible our compliance efforts within the Company are. This is reflected by, for example, the resources we devote to compliance as well as the quality, control, and monitoring of our measures. Evaluating E.ON's compliance culture and the perception of its compliance is also relevant for the CMS's effectiveness. Special consideration is given to violations that lead to an internal audit. The audit determines whether a violation resulted from negligence or misconduct by an individual or individuals or from shortcomings in the CMS. We use the findings to implement measures to avoid similar incidents in future. The Management Board and the Audit and Risk Committee are convinced that the CMS was again effective in 2022. Their assessment was based in part on audits as well as surveys of employees and stakeholders.

The CMS at E.ON is structured and follows a uniform roadmap with defined steps for refining our business units' compliance measures. All Compliance Officers must present the status of their unit's compliance roadmap regularly to their board and to Group Compliance. The implementation of the compliance roadmap in 2022 proceeded as planned.

In 2022 our annual employee survey asked employees who had contacted Group Compliance regarding Code of Conduct violations for feedback about their experiences. We used it to assess Group Compliance's readiness to address such violations or behaviors and to determine whether the information in our Group-wide People Guidelines is appropriate. The findings indicated that most respondents trust E.ON's compliance professionals and feel protected when reporting unethical behavior.

Progress and Measures

Number of Compliance Notices[1]

	2020
Fraud	58
Conflicts of interest	6
Other breaches of internal guidelines	71
Total	**135**

	2022	2021
Business integrity concerns, such as potential illegal activity, violation of law and policy, corruption, antitrust, business partner compliance and/or insider trading in E.ON shares	22	30
Fraud against the company concerns, such as theft, embezzlement, and occupational fraud	17	16
HR-related concerns, such as conflict of interest, mobbing, sexual harassment, discrimination, unfair employment practices, and so forth	57	48
Any other Code of Conduct related topics	41	66
Total	**137**	**160**

[1]Categories were adjusted in 2021 which limits comparability to 2020.

In 2022 the number of compliance notices fell from 160 to 137. E.ON adjusted the categories in 2021, which limits the data's comparability with 2020. Since then, E.ON divides compliance notices into four categories: business integrity concerns, fraud against the Company concerns, HR-related concerns, and other concerns related to the Code of Conduct. The resulting investigations found that none of the incidents reported was serious.

Fines for non-compliance

E.ON paid a total of about €365,000 in fines for non-compliance with laws in Romania and for PreussenElektra in 2022. Of this figure, 97 percent was for anti-competitive practices in Romania's gas market (prior year: 98 percent).

Energy Affordability

GRI 3-3

Since the Russia-Ukraine war began, energy has increasingly played a role in power politics. This presents E.ON with more challenges alongside those posed by the energy transition. One thing is certain: the energy supply must remain reliable, secure, and affordable for industry and consumers. E.ON's long-standing approach is for its business to meet societal expectations regarding energy by pursuing three objectives simultaneously: climate protection, security of supply, and affordability. The public's interest, however, is shifting noticeably toward affordability. E.ON therefore advocates swift and decisive action by policymakers and the energy industry to ensure that energy remains available and affordable for all.

E.ON's Approach

To ensure fair prices for our customers and avoid short-term price spikes, we generally procure energy in advance. However, we cannot permanently insulate ourselves from market developments and must factor all cost components into our pricing—both when these components fall and rise. Procurement prices for the Company increased significantly in 2022. This is now affecting our customers as well, who need to expect additional expenditures.

The war in Ukraine and the related supply cuts and uncertainties have temporarily disrupted electricity and gas prices in Europe to an extent that far exceeds typical market reactions. The markets have become part of the political conflict. E.ON therefore believes that it would be sensible to find a (social) policy solution or at least to initiate measures to support the businesses and consumers that have been impacted. During the legislative process, E.ON called for the mechanisms to compensate gas and power suppliers to be as consistent, pragmatic, and legally secure as possible. In particular, liquidity risks and a high administrative workload should be avoided.

The dramatic developments necessitated rapid action by policymakers, above all to ensure secure and affordable supplies for industry and consumers. Taxes, levies, and surcharges still account for a large portion of energy costs. A reduction in energy taxes and levies was therefore the obvious choice. That is why we welcomed the elimination of Germany's renewables surcharge effective July 2022 and the reduction of the VAT on natural gas to 7 percent effective October 2022. We also believe that the amendment of the Fuel Emissions Trading Act was necessary. The amendment enabled lawmakers to postpone for one year the next level of increase in Germany's carbon price for heating oil, natural gas, and fossil fuels, which had been scheduled for the beginning of 2023. Consumers in Germany could receive further relief if legislators reduce the electricity tax to the EU minimum rate and the VAT on electricity to 7 percent. E.ON has long advocated both.

Ideally, these options should be exhausted before market interventions to regulate prices are considered. It is important, however, to address the causes of market uncertainties. In the case of natural gas, a reduction in supply is primarily responsible. Policymakers in Germany are responding to this situation by creating additional gas supply capacity, in particular by importing liquefied natural gas ("LNG"), and by offering commercial and residential consumers (and gas-fired power plants) incentives to conserve energy. On the electricity side, supply is constrained by limited output from nuclear power plants in France and efforts to use as little gas as possible to generate electricity. In the medium term, this can be remedied by more rapid renewables growth; in the short term, energy conservation is imperative.

In view of price developments, especially for natural gas, E.ON believes it is indispensable to swiftly provide support to particularly vulnerable customer groups. We consider direct government payments, such as the heating cost subsidy already adopted in

Germany, as the right way forward. E.ON therefore supports the measures enacted by German policymakers to reduce energy costs and has implemented them accordingly. For example, we endeavor that the government support payments foreseen in relief packages reach customers quickly. This included the German federal government's payment of heating bills for December 2022 as well as to the gas and electricity price caps, which took effect on March 1, 2023, retroactively for the period beginning January 1, 2023. Governments are enacting consumer assistance programs in other countries where E.ON operates. The Netherlands, for example, introduced a price cap for electricity and gas in January 2023, while variable standard tariffs were capped in the United Kingdom by the so-called Energy Price Guarantee. In these and other E.ON regions, we focus on designing customer-specific solutions and communicating openly so that our customers can identify what makes the most sense for them. In addition, we have taken steps for E.ON itself to conserve energy. "Specific Actions" below contains more information.

Organization and Responsibilities

E.ON responded quickly to the altered situation and established a variety of task forces at Corporate Functions and at some of its regional units to deal with the energy crisis. The task forces coordinate with each other on a regular basis regarding current developments and initiatives at the units. In addition, affordability is the key topic of discussion in periodic video conferences on the energy crisis, in which the CEOs of all the regional units participate.

Moreover, members of E.ON's in-house consulting team joined customer-service and communications experts from several regional units in an affordability project. It developed a set of initiatives to share best practices and thus help the E.ON Group address the high prices faced by end-customers. The regional units can implement the initiatives in a way that is tailored to their needs. The focus is on energy conservation, support for vulnerable customer groups, communications (with customers, employees, and the media), and the lobbying of policymakers.

E.ON has already introduced several of the project's initiatives to support customers. For example, we have expanded the range of installment payment plans and cash payment vouchers. The latter option enables customers to pay in cash by means of QR code at places like supermarkets and gas stations. This makes it particularly easy for them to settle outstanding amounts.

Periodic reporting keeps the Management Board fully informed of current developments in the task forces; the results of the affordability project were presented in 2022.

Specific Actions

We want to provide our customers with effective and reliable assistance in dealing with their challenges. Our German sales units offer individual advice through a variety of channels (telephone, online, mail) and stay in touch with our customers. The energy-saving tips we offer on our website and other channels are important as well.

Our customers in Germany can turn to the payment assistance team. It supports customers facing financial difficulties by working with them to find a suitable installment payment plan. One solution, for example, foresees installment payments without interest or fees.

This team also helps customers in financial emergencies. Its services include arranging contact with job centers, telephone debt counseling, and third-party debtor portals. We also explain to them how they can conserve energy effectively, what options are available for adjusting their payments, and how they can avoid high additional payments in the next annual bill. When customers encounter payment difficulties, we have always tried to work with them to find a mutually acceptable solution. Disconnecting should always be the last resort. There is usually a lengthy process before a disconnection is announced or actually takes place. We dialogue extensively with customers who could potentially face a disconnection to prevent it from happening.

Support for vulnerable customers is based on their individual needs, the market situation, and the government programs available in different countries. This support is therefore the responsibility of the regional units. For example, their advisors help customers with payment difficulties find out whether they qualify for government support programs. They also check what opportunities are available from other organizations, such as obtaining prefinancing for insulation for a customer's home.

We think individually tailored advice is important: individual solutions are often more effective than a blanket incentive, such as a lump sum payment for everyone. Some people may be less interested in a cash benefit than others; instead they are more likely interested in switching to renewables in the near future. For them and us, there are always good reasons to consider climate protection when making energy decisions: the transition to a climate-neutral energy supply independent of fossil fuels is essential. That is why our own short-term conservation measures are accompanied by efforts to use energy and heat at our facilities as efficiently as possible and to deploy smart technologies to progressively optimize energy consumption. We are also gradually converting our buildings to green electricity and heat and, wherever possible, installing solar panels to power them. In addition, we are optimizing building controls, exterior lighting, and heat systems and using the flexible options of our hybrid working arrangements to reduce energy consumption. In general, we factor the characteristics of our various facilities into our conservation measures and work to ensure that we systematically comply with all applicable occupational health and safety rules.

Goals and Performance Review

Every kilowatt-hour counts this winter in order to reduce electricity and gas consumption. E.ON's goal is therefore to reduce the energy consumption of its own buildings by at least 20 percent on average compared with a similar period in the previous year (the heating period from October to mid-April). Across all its facilities in Germany, E.ON wants to limit the illumination of all non-essential light sources, such as logos and outdoor lighting, or to switch them off entirely. The guideline was to reduce the room temperature to around 19 degrees Centigrade and to switch off hot water where possible. A particularly effective measure is to shut down entire

sections of a building and only heat them to a temperature at which the building and its infrastructure are not damaged. Employees in different departments began sharing offices back in October 2022 to better utilize heated areas and leave other areas unheated. These measures apply for the entire heating period until mid-April 2022. For example, Corporate Functions in Essen aims to reduce its energy consumption by 25 percent.

Even before the current developments, E.ON had set a target of making the operation of its own buildings climate-neutral by 2030. The E.ON SE Management Board reaffirmed this target by reiterating its support for the CEO Alliance's Sustainable Corporate Building Climate Pledge. The CEO Alliance is an international, cross-sector coalition of the CEOs of 13 major European companies; its targeted projects are intended to help shape a more sustainable and resilient Europe. The aim of their Building Pledge is to make the operation of their corporate buildings climate-neutral by 2030 and to encourage other companies to join in.

Diversity and Inclusion

GRI 3-3, GRI 405

Society is diverse. So is our workforce. At E.ON, people work together who differ from each other in many ways, including nationality, generation, gender, culture, religion, physical and mental abilities, sexual orientation and identity as well as ethnic and social background. E.ON encourages and benefits from this diversity and creates an inclusive environment, because the interaction of people with different backgrounds, abilities, and personalities results in good ideas. We want to become a diversity pacesetter. We are aware that changing an organizational culture takes time, and are therefore tackling the issue step by step, committed to implementing the necessary measures with conviction.

E.ON's Approach

Diversity is one of the dimensions of E.ON's sustainability strategy and an essential aspect of our vision and values. We want to ensure equal opportunity for all our employees. Diversity is a prerequisite for creativity and innovation, and we therefore aim to take a targeted approach to promoting it. E.ON signed the German Diversity Charter in 2008, publicly affirming its long-standing commitment to a tolerant and inclusive corporate culture. The Company has been an active member since 2020. In 2022 we again participated in initiatives organized by the charter, such as those in conjunction with German Diversity Day. In mid-May 2022 E.ON held its own Digital Diversity Week and made "Allyship" the main theme. This was to draw attention to the fact that everyone can use their privileges to stand up for underrepresented groups in particular and thus become an ally. The week-long campaign included brief training sessions on allyship in German and English. We also published a video on the intranet in which our employees share their personal stories. E.ON's diversity website went online that week as well.

Guidelines and Policies

The E.ON Management Board and E.ON SE Works Council signed the Diversity and Inclusion Declaration in 2016. It pledges their commitment to creating a diverse and inclusive work environment that empowers all employees to realize their individual potential. In April 2018 the E.ON Management Board, the E.ON SE Works Council, and the Group representation for severely disabled persons signed the Shared Understanding of Implementing Inclusion at E.ON, creating an important foundation for integrating people with disabilities into the Company.

Organization and Responsibilities

E.ON believes that diversity is crucial for a successful work environment. The challenges of achieving this in practice vary by country. E.ON's approach to HR is mostly decentralized; each of our units therefore addresses diversity in its particular cultural context. This gives them the opportunity to meet challenges purposefully and to develop programs that reflect the country or regions in which they operate. Diversity is managed by Group HR/Executive HR together with a network of HR professionals that meets face-to-face or virtually on a regular basis. Supported by Group HR/Executive HR, the E.ON Management Board is responsible for setting diversity targets for E.ON as a whole and its units. Some targets may reflect the laws of a particular country.

Specific Actions

E.ON promotes diversity and equal opportunity through a variety of programs and networks, such as a mentoring program in Germany to prepare female employees for management positions. The Women@E.ON network aims to increase the visibility and influence of women at E.ON. In addition, the LGBT+ & Friends network promotes equality, diversity, and an inclusive work environment. Also, E.ON is a member in various initiatives, such as the Initiative Women into Leadership ("IWiL") and the European Round Table ("ERT").

In March 2021 the E.ON Management Board adopted measures to achieve more diversity and inclusion in the near term at E.ON in Germany. It also recommended that the measures be implemented, to the degree feasible, at E.ON units in other countries as well. One example is the promotion of co-leadership, in which two part-time executives share a leadership position, giving them greater flexibility in balancing their professional and private lives. Another flexible option is a part-time leadership position, in which an executive works at least 80 percent, with full time as an option. In addition, recruitment policies for management positions were adjusted so that at least one candidate on the shortlist is from the underrepresented gender. Other measures include diversity training for all executives. Workshops on using inclusive language in job advertisements will also be conducted.

Another measured adopted is for E.ON Management Board members to begin to personally sponsor a diversity network in

2021; the financial support comes from E.ON.[3] They currently sponsor the following networks:

- **Three dimensions/adaptABILITY**, an initiative for disability and mental health. Sponsor: Chief Executive Officer ("CEO")
- **LGBT+ & Friends**, the second-placed diversity initiative at the 2021 CEO Award for D&I. Sponsor: Chief Financial Officer ("CFO")
- **Women@E.ON**, an alliance of and for women, which won the 2020 CEO Award for D&I as best network group. Sponsor: Chief Operating Officer–Networks ("COO-N")
- **Diversity@EKN**, a group promoting greater diversity awareness at e.Kundenservice Netz GmbH, which won the 2021 CEO Award for D&I as best initiative. Sponsor: Chief Operating Officer–Digital ("COO-D")
- **Diversity@Westenergie Metering**, a diversity team of the Westenergie Group based in the Metering business unit, which won the initiative CEO Award for D&I in 2020. Sponsor: Chief Operating Officer–Commercial ("COO-C").

In 2022 the CEO Award for Diversity and Inclusion was conferred for the fourth time; the motto was "Allyship." The awards pay tribute to individuals (category: Diversity Champion) and activities (category: Diversity Initiative) at E.ON that strive to make a difference in diversity and inclusion. In 2022 the CEO Award winners were, for the first time, chosen in a Group-wide vote. Jeannyfar Gelpcke was honored in the Champion category: she supports and serves as a senior advisor to E.ON CEO Leo Birnbaum and is valued by many employees as a point of contact on various diversity issues. The 2022 CEO Award for Diversity and Inclusion in the Initiative category went to "Ich pack' das!" ("I can do it!"), an introductory training program run by Westnetz GmbH since 2004. The program gives young people with different backgrounds and qualifications the opportunity to enter professional life or vocational training. Individual support and assistance as well as low barriers to entry give participants new prospects. Most move on to an apprenticeship at Westnetz GmbH or are placed in an apprenticeship elsewhere.

In the first half-year of 2022, E.ON joined other companies to co-create a diversity audit for companies as part of a project initiated by the Stifterverband and the Charta der Vielfalt (Diversity Charter). The aim is to offer a holistic tool that helps companies permanently embed diversity and inclusion, design or refine their diversity strategy, and initiate suitable measures to implement it. Participating in the co-creation process gave E.ON the opportunity to help shape the audit's content and to share ideas with other companies on this important topic.

Goals and Performance Review

› E.ON SE and E.ON companies in Germany must comply with the German Law for the Equal Participation of Women and Men in Leadership Positions in the Private Sector and the Public Sector, which took effect on May 1, 2015. In May 2017 the Management Board set a target quota for the proportion of women for E.ON SE regarding the composition of the first level of management below the Management Board of 30 percent and a quota of 35 percent for the second level of management below the Management Board, with an implementation deadline of June 30, 2022. Although a large number of measures were taken during the implementation period to increase the proportion of women in management positions, E.ON unfortunately has not met the targets at either level yet. As of June 30, 2022, the proportion of women in the first management level below the E.ON Management Board was 26.9 percent; in the second, 29.3 percent. In February 2022 the E.ON Management Board set new target quotas of 36 percent for the proportion of women occupying both the first and the second levels of management below the Management Board. The targets are to be met by June 30, 2027. ‹

In 2022 the Management Board consisted of four men and one woman. As a result, the statutory minimum composition requirement of at least one woman and at least one man, which applied from August 1, 2022, was already met before the requirement took effect.

In 2021 E.ON set a voluntary company-wide target that goes beyond statutory requirements. The target is to increase the proportion of women in management positions in all business units in all countries to at least 32 percent by year-end 2031. This figure corresponds to the proportion of women in E.ON's workforce at year-end 2021. Group HR monitors progress toward the target once a year and reports the findings to the E.ON Management Board. E.ON discloses the respective figures at year-end for the E.ON Group as a whole.

Share of Female Executives[1]

Percentages	2022	2021	2020
E.ON Group	23	21	21

[1]Relative to the total number of executives.

E.ON aims to provide equal pay to women and men for comparable jobs at all Group companies. Due to its decentralized management approach, E.ON does not collect data at the Group level or assess the pay gap (with the exception of the United Kingdom due to the requirements by law).

[3] The LGBT+ & Friends and Diversity@EKN networks did not draw down a budget in 2022.

Progress and Measures

GRI 405-1

Proportion of Female Employees by Segment[1]

Percentages	2022	2021	2020
Energy Networks	23	23	22
Customer Solutions	44	44	44
Corporate Functions/Other	47	49	49
Core Business	**32**	**32**	**33**
Non-Core Business	14	14	14
E.ON Group	**31**	**32**	**32**

[1]Total workforce includes board members, managing directors, apprentices, interns, and working students.

The proportion of female employees declined very slightly year on year. At year-end 2022, women accounted for 31 percent of our workforce.

Proportion of Severely Disabled Employees in Germany[1]

Percentages	2022	2021	2020
Energy Networks	4.9	5.3	5.4
Customer Solutions	4.3	4.6	4.0
Corporate Functions/Other	4.2	4.9	5.6
Core Business	**4.8**	**5.1**	**5.2**
Non-Core Business	9.2	8.8	8.6
E.ON Group	**5.0**	**5.3**	**5.4**

[1]Total workforce includes board members, managing directors, apprentices, interns, and working students.

At the end of 2022, 1,782 people with severe disabilities or equivalent were employed at E.ON companies in Germany (prior year: 1,948).

The Human Rights Policy Statement commits E.ON to freedom, equality, and respect for all people without distinction. The aim is to provide a fair and mutually trustful working environment to all

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The number of nationalities represented in our workforce in 2022 (2021: 119).

employees. E.ON therefore does not ask for or collect information about employees' ethnicity, marital status, and so forth. In fact, the laws of some countries prohibit doing so. Germany, however, obliges companies to collect and publish data about the number of employees with severe disabilities at their operations.

Composition of the Supervisory Board

Percent	2022	2021
Share of women on the Supervisory Board[2]	30	30
Share of independent Supervisory Board members	100	100

[1]Refers to shareholder representatives.

The proportion of women among the shareholder representatives on the Supervisory Board is 30 percent, as in the previous year. All members of the Supervisory Board were independent at the end of 2022.

Human Rights and Supply Chain Management

GRI 2-6, GRI 2-23, GRI 2-26, GRI 3-3, GRI 205, GRI 412

Sustainability is integral to E.ON's corporate strategy and guides its actions today and will do so in the future as well. This obliges us to ensure respect for human rights in all aspects of our business, including our supply chain. E.ON therefore expects its suppliers worldwide to meet minimum standards in their environmental, social, and governance ("ESG") performance, including in relation to human rights. E.ON procures goods and services almost entirely from countries in the Organization for Economic Cooperation and Development ("OECD"). OECD members have shared guiding principles for human rights, fair work practices, environmental protection, and anti-corruption. The lack of such shared principles at companies outside the OECD may increase the risk of practices or incidents that harm people and the environment. Business with such companies accounts for less than 6.5 percent of E.ON's purchase volume. E.ON assesses its suppliers' ESG performance prior to doing business with them and subject suppliers in higher-risk countries or categories to greater scrutiny. In addition, E.ON strives to comply with the legal requirements for transparency along its supply chain, which in many countries are becoming increasingly more demanding.

E.ON's Approach

E.ON takes its responsibilities seriously and is therefore committed to doing business in a compliant way, respecting human rights, protecting the environment, and ensuring proper work conditions. E.ON expects that its suppliers are likewise to high ESG standards and have processes in place to ensure that they do. Engaging in dialogue with stakeholders and participating in industry initiatives help E.ON to pay particular attention to human rights issues. For example, E.ON is a member of econsense, a network of Germany-based multinational companies dedicated to promoting sustainable business development and respect for human rights. E.ON also participates in a working group at the German Compliance Institute DICO focusing on the same objectives.

E.ON launched a Group-wide human rights due diligence project in the summer of 2022 to prepare the Company for the requirements of Germany's Supply Chain Due Diligence Act. The project was led by the Group's Sustainability department. All other affected departments—such as Supply Chain, Human Resources ("HR"), Compliance, and Health, Safety, and Environment ("HSE") —are closely involved. As part of the project, E.ON developed a Group-

wide approach to human rights management, which took effect on January 1, 2023. More information can be found below under "Organization and Responsibilities."

Guidelines and Policies

To prevent human rights violations, E.ON aims to always adhere to external standards and for this purpose has its own policies and guidelines. E.ON's Code of Conduct (more information can be found in the Compliance and Anti-corruption chapter) obliges all employees to contribute to a non-discriminatory and safe work environment and to respect human rights. E.ON's Human Rights Policy Statement was signed by all Management Board members and published on the E.ON website. The statement acknowledges the International Bill of Human Rights and the Declaration on Fundamental Principles and Rights at Work of the International Labour Organisation ("ILO") of the United Nations ("UN") and its fundamental conventions. It also refers to E.ON's own guidelines, such as the Supplier Code of Conduct. In addition, a People Guideline provides guidance to employees so that they procure goods and services in line with E.ON's ESG standards. The rules and regulations E.ON follows also include the European Convention for the Protection of Human Rights and the principles of the United Nations Global Compact ("UNGC"). E.ON has been a participant in the UNGC since 2005.

The E.ON Supply Chain Function Policy describes the mandate and organizational setup of the Supply Chain function. The function encompasses the management of procurement processes, activities, policies, tools, and supplier relationships for all units to which the policy applies. In addition, the Function Policy (in conjunction with the Supply Chain Handbook) defines Group-wide principles, processes, and responsibilities for non-fuel procurement by the above-mentioned units. Excluded from this are the special cases on a specific list (for example energy and fuel procurement, financial and real estate transactions, insurance, and taxes).

The standards for human rights, working conditions, environmental protection, and compliant business practices that E.ON require its suppliers to meet are defined in the Supplier Code of Conduct, which was updated in 2020. It applies to all suppliers. The updated version contains a more detailed description of requirements for corporate social responsibility ("CSR"), including information about how to contact E.ON's whistle-blower hotline. E.ON's supplier on-boarding process includes self-registration, a formal agreement to adhere to the Supplier Code of Conduct, and a compliance check. Non-fuel suppliers that are not subject to supplier onboarding must agree to E.ON's General Terms and Conditions for Purchase Contracts, which are legally binding. These oblige non-fuel suppliers, among other things, to comply with the minimum standards of our Supplier Code of Conduct.

› In addition, E.ON has issued a Slavery and Human Trafficking Statement annually since 2017. It describes the steps E.ON takes to prevent and combat human rights violations along its supply chain. E.ON publishes it annually on the Sustainability Channel of E.ON's corporate website and on its UK website. ‹

E.ON is committed to procuring the fuel for its biomass-fired assets responsibly and sustainably. Suppliers of solid biomass must, like non-fuel suppliers, contractually agree to comply with our Supplier Code of Conduct. Until March 2023, the E.ON Biomass Purchasing Amendment from 2010 defined our policies and procedures, which include risk assessments, supplier audits, and provisions for joint ventures. Effective March 2023, we redefined the terms for the purchase of solid biomass for our Energy Infrastructure Solutions ("EIS") business and thus replaced the former Biomass Purchasing Amendment. The purpose of the new rules is to ensure that all units act in accordance with applicable EU regulations and meet E.ON's sustainability standards when procuring and using solid biomass for their business activities. All biomass suppliers must pledge to respect human rights, safeguard the general living conditions of persons affected by biomass production, and protect biodiversity and the environment.

Organization and Responsibilities

The role of Chief Human Rights Officer was previously held by the Chairman of the E.ON Management Board, Leonhard Birnbaum, who continues to serve as Chief Sustainability Officer and Chairman of the Sustainability Council. As part of the Group-wide human rights due diligence project, the task areas of the future Chief Human Rights Officer were expanded in line with the German Supply Chain Due Diligence Act, with greater focus being placed on legal aspects. In order to meet the associated new requirements, in January 2023 E.ON transferred the role to the General Counsel and Chief Compliance Officer. The new Chief Human Rights Officer is also a permanent member of the Sustainability Council. The Group-wide human rights due diligence project, which is led by the Group Sustainability department, will continue. Staff in the Sustainability and Legal Affairs & Compliance divisions deal with human rights issues, such as changes in legislation.

All employees of Group units are responsible for ensuring that requirements are met at our own company. The Supply Chain division, on the other hand, deals with the full range of ESG aspects along the supply chain. It carries out the related tasks in observance of legal requirements as well as company policies, including HSE and sustainability standards.

Specific Actions

E.ON's Covid-19 Supply Chain Task Force, which was established in 2020, has developed a variety of processes for addressing supply risks. Due to the Russia-Ukraine war, additional measures, such as a sanctions list check by external service providers, were introduced to ensure a reliable supply chain.

E.ON has used a digital solution since year-end 2018 to check whether new suppliers meet its minimum requirements. This helps mitigate potential HSE and CSR risks. Every non-fuel supplier whose individual transaction volume exceeds €25,000 or whose HSE risk is medium or high must complete an online onboarding process. As of year-end 2022, the suppliers involved in 98.3

percent of non-fuel purchase orders and call-off contracts had completed the onboarding process. New suppliers are asked by the manager responsible for their product or service category to register using the supplier onboarding solution. Depending on the transaction volume and HSE risk, suppliers must complete one or more questionnaires. In certain cases, E.ON may take additional steps. These include a supplier audit to check whether the supplier complies with E.ON's standards for human rights, working conditions, and environmental protection. E.ON may also require a supplier to have in place an environmental management system certified to ISO 14001 or Eco-Management and Audit Scheme ("EMAS") III or ISO 45001. Suppliers that participate in tenders as part of a public procurement act do not use the above-described process but instead follow the qualification procedures required under their country's laws.

Building on the assessment procedures introduced in 2018, in the year under review E.ON continued to evaluate its suppliers' performance and, based on the findings, make decisions about its relationship with them. In addition, E.ON determines annually which of its non-fuel suppliers it deems important; for this purpose, E.ON evaluates them on the basis of five KPIs: quality, commercial aspects, delivery, innovation, and corporate sustainability, including human rights. E.ON discusses the results with its suppliers in feedback meetings. During this meeting, E.ON also decides whether E.ON will require a supplier to take specific improvement measures if the business relationship is to be maintained. Due to the crisis situation, E.ON held many additional discussions with suppliers that were not considered discussions of their performance.

The human rights due diligence check[4] introduced in 2021 is based on a human rights risk matrix that E.ON developed together with outside experts. The risks of the different categories of goods and services E.ON procures are plotted on one axis; the risks of the countries in which suppliers operate are plotted on the other. The risks of individual countries are based on the results of several human rights studies, such as the Global Rights Index of the International Trade Union Confederation ("ITUC") and the Human Development Report of the United Nations Development Programme ("UNDP"). Potentially risky suppliers first had to pass additional checks, such as a more detailed questionnaire or audit, and agree to make improvements and provide evidence of their implementation. In 2022 more than 2,500 new and existing suppliers answered the questionnaire. Many high-risk suppliers successfully completed the human rights due diligence check. Nevertheless, E.ON is aware that the complexity of international supply chains poses a challenge to transparency. E.ON is therefore also active in industry initiatives to develop industry-specific standards for improved transparency in supply chains. Examples can be found in the chapter entitled ESG Materiality and Stakeholder Engagement.

A sustainability roadmap developed by the Supply Chain department in 2021 with short-, medium- and long-term goals is aligned with E.ON's ESG targets. It consists of four elements: environment, diversity, occupational health and safety, and governance. In 2022 E.ON also developed two key content items whose implementation has already been initiated; they are described below.

In the second quarter of 2022 E.ON began introducing a digital solution for ongoing risk assessment of suppliers with medium and high human rights risk. They are assessed in a variety of categories, including sustainability, finance, cybersecurity, supply chain disruption, and compliance. The program specifically gathers and evaluates information on risks relevant to Germany's Supply Chain Due Diligence Act. It looks at several elements called points of interest ("PoIs"): the holding company of suppliers, branches, plant locations, and logistics routes. Since the program's introduction, over 2,500 PoIs have been monitored on an ongoing basis, thereby covering 60 percent of E.ON's annual spend.

A first step toward decarbonizing supply chains is to make the current CO_2 emissions of purchased goods and services more transparent. E.ON therefore conducted a heatmap analysis of the greenhouse gas emissions in its supply chains. E.ON used third-party emissions factors and cost-based data to create a CO_2 heatmap that gives it a more accurate overview of the climate footprint of its product and service categories. The Company intends to build on this in 2023 and derive additional measures for more transparency. More information on our reduction efforts can be found in the Climate Protection chapter.

Various regulatory requirements currently oblige companies to integrate their human rights due diligence into their business and supply chain. Examples include Germany's Supply Chain Due Diligence Act, which came into force on January 1, 2023, as well as the EU taxonomy and the European Corporate Sustainability Reporting Directive ("CSRD"). The latter will apply for the first time to reporting for the 2024 financial year. E.ON prepared for these requirements by launching a Group-wide human rights due diligence project in the summer of 2022. The Sustainability Department is responsible for the project; it works closely with Legal, Supply Chain, Group Accounting, HSE, and HR, and is supported by outside experts. In addition, the Sustainability Council serves as a steering committee. Since the summer of 2022, E.ON has examined the status quo of existing processes and measures, identified gaps, and developed optimization measures. A concept for conducting a risk analysis was adopted and will be implemented at E.ON's operations in 2023. E.ON identified the potential for minor improvements in matters relating to its supply chain, such as in the Supplier Code of Conduct and its approach to supplier risk management, which will likewise be updated in 2023.

E.ON continually improves its eLearning tools for employees, such as the annual web training module on human rights, compliance, and cyber and data security, which was updated in September

[4] Focus on Tier 1 and, on particular occasions, also suppliers beyond Tier 1.

2022. Around 81 percent of employees had completed the module by the end of 2022.

In addition, E.ON trained about 560 Supply Chain employees on respecting human rights along the supply chain and on E.ON's risk matrix for human rights. After this training, E.ON answered questions about the use of the matrix in meetings held at regular intervals.

E.ON also made intranet-based training videos available to employees. The videos highlight the tangible positive impacts of a more sustainable supply chain and corresponding individual purchasing decisions. In addition, E.ON held three information events called Lunch & Learn, which focused on the environment, diversity, and occupational health and safety. Furthermore, six HSE events were held with suppliers in 2022, in part online due to the pandemic.

A large proportion of our biomass capacity is installed in Sweden. E.ON Energiinfrastruktur AB operates district heating businesses in Örebro, Nörrköping, and parts of Stockholm and Malmö. Since 2014, E.ON has assessed the CSR performance of its suppliers there using a method developed by E.ON Energiinfrastruktur AB. In addition, key requirements for biomass suppliers—such as the Supplier Code of Conduct and compliance with the EU Renewable Energy Directive II ("RED II")—have been integral to contracts with suppliers since 2021. In 2022 E.ON introduced an expanded in-house assessment of sustainability-related risks.

Goals and Performance Review

E.ON's objective is to avoid violations of human rights, environmental standards, and its corporate principles. For this purpose, E.ON endeavors to identify the relevant risks along its value chain. Periodic risk assessments can help E.ON detect actual or suspected violations. If violations occur, the Supply Chain Compliance Officer and the respective Supply Chain Director are notified immediately and corrective measures are demanded from the supplier. Implementation is precisely monitored by E.ON. If the situation does not improve, E.ON terminates its business dealings with the supplier. No business dealings were terminated in 2022.

Employees can report possible violations of human rights through internal reporting channels and a Group-wide, IT-supported external whistle-blower hotline. The hotline service, which is published on the internet, can take calls in the official languages of all countries in which E.ON operates. Not only E.ON employees, but also business partners, their employees, and other third parties can contact the hotline, anonymously if they wish. The information is forwarded to the responsible department at Corporate Functions. Depending on the type and severity of the potential violation, Compliance immediately reports it to the E.ON Management Board, files criminal charges, initiates its own investigation, or takes other measures. In 2022 the whistle-blower hotline was used to report four potential human rights violations. The investigation found that the allegations were not a violation of human rights or E.ON's Code of Conduct.

Non-Core Business: Uranium Procurement

E.ON subsidiary PreussenElektra will continue to operate Isar 2 nuclear power plant until April 15, 2023, owing to political decisions made in the year under review, after which the plant will stop producing electricity. No additional fuel had to be procured for this. PreussenElektra stopped procuring uranium in 2020.

Tax

GRI 3-3

E.ON considers good corporate governance to consist primarily of responsible and value-oriented management. This also includes having a transparent tax strategy. E.ON's tax strategy and corporate strategy are closely aligned. The aim is to manage the Company's taxes sustainably in order to help ensure that it continue to invest, to operate flexibly and efficiently, and to provide attractive dividends to shareholders. E.ON's tax strategy is therefore designed to be fully compliant with tax law. It ensures that management of E.ON's taxation is efficient, responsible, transparent, and accurate, both for the Group as a whole and in individual tax jurisdictions.

E.ON's Approach

E.ON is aware that taxes, which fund public services, are important for governments and authorities. E.ON thus optimizes its overall tax position prudently. It aims for full tax compliance and supports all national and international tax legislation and standards. E.ON also has in place policies and procedures to prevent tax evasion. This includes the obligation of all employees to report any suspicions or concerns to their supervisor, Group Tax, their unit's Tax function, Group Compliance, or the whistle-blower hotline; if they wish, they may do so anonymously (for more information about the hotline, see the Compliance and Anti-corruption chapter).

Guidelines and Policies

E.ON's tax function encompasses Group Tax as well as the units' Tax departments. It actively and continually identifies, assesses, monitors, and manages tax risks to make sure that the Company's tax practices are in line with its strategic objectives. To achieve this and to ensure appropriate responses to risks, E.ON has in place a governance framework, which includes a Tax Function Policy. The framework and policy were approved by the E.ON Management Board and are mandatory for all Group companies. They are embedded into E.ON's overall compliance management system and supplemented by substantial risk control management procedures, continual self-assessment as well as regular internal and external audits. The tax function has also published the aforementioned tax strategy.

E.ON has issued a binding Group-wide Transfer Pricing Policy to ensure that intra-Group transactions are conducted in accordance with the arm's-length principle. This principle of international tax law states that the transfer prices of cross-border transactions between Group units, including all ownership interests above 25 percent, must be set as they would be in a comparable transaction between independent third parties in an external market. Group Tax is responsible for monitoring adherence to the arm's-length principle and is involved in all major intra-Group transactions. It does this through various means, including regular meetings with relevant E.ON business units and functions as well as fixed Group-wide transfer pricing processes. In addition, participants from relevant business units and functions (in Germany and elsewhere) meet at least once a year to align cross-border intra-Group transactions to meet operational as well as tax requirements. Transfer pricing processes are monitored on an ongoing basis.

Organization and Responsibilities

The E.ON Management Board has overall responsibility for the Group's corporate strategy, which includes managing and monitoring the tax function. It has delegated the responsibility for this function to the Senior Vice President ("SVP") Group Tax, who reports directly to the Chief Financial Officer. The heads of the Tax departments in Germany and other countries report directly to Group Tax as well as to their unit's management board. Furthermore, E.ON SE has appointed a Tax Compliance Officer ("TCO"), whose role is to ensure that the existing tax compliance management system is effective and efficient. The TCO reports directly to the SVP Group Tax. Additionally, local tax compliance management systems were put in place at the subsidiary level.

The SVP Group Tax defines E.ON's tax principles and is responsible for ensuring that these principles and concomitant procedures are in place, maintained, and complied with Group-wide. He reports to the E.ON Supervisory Board's Audit and Risk Committee on tax-related issues and risks. In addition, financial tax risks are reported to Group Controlling and Risk, which examines these risks from a Group perspective and prepares reports for the consolidated risk assessment of the E.ON Group. The tax function disseminates guidelines and policies to ensure tax compliance, including related tasks, processes, and responsibilities. E.ON has in place tax compliance management systems according to IDW audit standard PS 980 at its major operations in Germany. The systems' purpose is to identify and classify all material tax risks and to map the findings in a detailed risk control matrix ("RCM"). The RCMs are continually updated and maintained.

Specific Actions

E.ON's tax function takes a variety of steps to stay on top of new developments. Teams and managers hold meetings at various intervals (weekly, biweekly, or monthly) to discuss emerging tax issues. E.ON's tax experts also meet at slightly longer intervals (monthly, quarterly, or annually) to discuss country-specific and international tax issues. These meetings, which take place both physically and virtually, promote continuous collaboration and coordination between Group Tax and the units' Tax departments. In addition, Tax teams and managers also receive in-house training. E.ON strives to continually improve processes, particularly by deploying and using digital solutions that ensure tax compliance while enhancing efficiency. Our digital solutions include an integrated toolset that calculates income tax for quarterly and annual financial statements and tax returns. Tax tools are updated on a regular basis to reflect changes in tax laws. This enables us to ensure that our calculations always comply with the law and that we can make them more simply, efficiently, and reliably. Where reasonable, we implement software interfaces to ensure data integrity and to minimize the risk of manual errors.

E.ON employees participate in a variety of working groups and committees of trade associations, such as the Federation of German Industries (German abbreviation: "BDI"), the German Association of Energy and Water Industries (German abbreviation: "BDEW"), and Chambers of Commerce. This enables them contribute to the discussion on new tax legislation as well (for more information on E.ON's work in associations, see the ESG Materiality and Stakeholder Engagement chapter).

Goals and Performance Review

E.ON and its tax function place great emphasis on maintaining transparent and mutual communications with the tax authorities in the countries where the Company does business. As a good corporate citizen we prepare and file all required tax returns and pay the correct amount of tax on time. When necessary, we seek advice from independent experts to clarify uncertainties.

To achieve a higher level of certainty, E.ON regularly discusses binding tax rulings or advance pricing agreements ("APA") with tax authorities if this is possible, convenient, and of general or economic importance to E.ON. This enables us to prevent subsequent disagreements between the tax authorities of different states and our business units.

E.ON partners with external tax experts that help it supervise company audits and prepare tax returns and declarations as well as tax payments. The collaboration with external partners is based on open, mutually trustful communications. Each partner performs its own independent quality assurance, which, in the aggregate, leads to adequate quality checks. E.ON constantly aims for certainty in its tax positions and, where appropriate, obtains internal or external advice to verify and validate its positions. In case our assessment does not match that of the tax authorities, we communicate the divergent opinion openly in order to prevent misunderstandings.

Sustainable Finance and Investment

› The transition to a sustainable and carbon-neutral economy is in full swing. Sustainable energy is not essential for propelling economic and social development, but a key factor in tackling climate change. Meeting the global challenges of climate change will require that the financial system changes so that it promotes sustainable businesses and climate-friendly solutions. E.ON's ambitious climate targets set it on an emissions-reduction path that is systematically aligned with the new energy world. Sustainability is at the core of our corporate strategy and is also the guiding principle for our actions. Our strategy accords with the European Union's decarbonization agenda and the EU Green Deal. Energy networks—one of E.ON's core businesses—are the backbone of Europe's energy transition. Our investment program therefore aims to be largely aligned with the EU taxonomy. More than half of these investments will be financed by the issuance of green bonds. Our strategy thus also reflects capital markets' increasing interest in sustainable investments. ‹

EU Taxonomy

General Principles

The European Commission's action plan on financing sustainable growth defined a series of measures to channel capital toward environmentally sustainable activities and thus to help enable the European Union to become climate-neutral by 2050 as foreseen by the European Green Deal. The Commission laid the foundation for this in Regulation 2020/852, the EU Taxonomy Regulation, which describes what is considered an "environmentally sustainable activity" and which criteria are used to classify an economic activity as environmentally sustainable. The aim is to classify economic activities EU-wide on the basis of defined requirements with regard to their contribution to the six defined environmental objectives (Article 9 of the EU taxonomy) and thus to support the European Union's transformation to a climate and environmentally friendly economy. The six objectives are:

1. Climate change mitigation
2. Climate change adaptation
3. The sustainable use and protection of water and marine resources
4. The transition to a circular economy
5. Pollution prevention and control
6. The protection and restoration of biodiversity and ecosystems

Article 3 of the EU taxonomy defines economic activities as environmentally sustainable if they:

- contribute substantially to at least one of six environmental objectives (Articles 10 to 16)
- do no significant harm to any of the other five environmental objectives (Article 17)
- comply with minimum standards for occupational safety, human rights, anti-corruption, fair competition, and taxation (Article 18)
- comply with technical screening criteria defined by the European Commission.

For the 2022 financial year, as for 2021, only the first two environmental objectives are to be considered for the question of a substantial contribution. Sets of criteria are available for defining the substantial contribution toward achieving the objectives.

Known as technical screening criteria ("TSC"), they specify which economic activities are considered taxonomy-aligned. The other environmental objectives (three to six) will probably have to be reported from the 2023 financial year onward.

An economic activity makes a substantial contribution to environmental objective 1, "climate change mitigation," if it contributes substantially to the stabilization of greenhouse-gas ("GHG") concentrations in the atmosphere at a level that prevents dangerous anthropogenic interference with the climate system, consistent with the Paris Agreement's long-term temperature target through the avoidance or reduction of GHG emissions.

Economic activities that contribute to environmental objective 2, "climate change adaptation," include or provide solutions that either avoid or substantially reduce the risk of the adverse impacts of the current and the future climate on the economic activity itself or on people, nature, or assets.

E.ON has been required beginning with the 2021 financial year to disclose the proportion of investments, revenues, and operating expenses that were attributable to taxonomy-eligible and taxonomy-non-eligible economic activities. Activities are taxonomy-eligible if they are described in principle in Annexes I and II to the Delegated Act on environmental objectives and can be assigned, regardless of whether or not the corresponding TSC for environmentally sustainable activities are met.

In addition to the information required by law, E.ON voluntarily disclosed its taxonomy-aligned investments, revenues, and operating expenditures for the 2021 financial year. Activities are taxonomy-aligned if the corresponding taxonomy-eligible activities also meet all the criteria in Article 3 of the EU Taxonomy. This information is mandatory effective 2022.

The European Commission has defined taxonomy criteria for various economic activities under which conditions these activities make a substantial contribution to climate protection and, at the same time, do not significantly harm the achievement of the EU's five other environmental objectives. However, the criteria's provisions, formulations, and terms are still subject to uncertainties of interpretation. The following presents our interpretation of the sets of criteria.

The figures for taxonomy-relevant economic activities were determined with reference to the FAQ documents published by the

European Commission to date, which address questions of interpretation regarding Article 8 of the EU Taxonomy Regulation.

In early March 2022 the European Commission published a supplementary Delegated Taxonomy Act on the environmental objectives 1, "climate change mitigation," and 2, "climate change adaption." It now defines criteria for other economic activities under which investments in gas and nuclear power activities can be classified as environmentally sustainable. This is intended to accelerate the transition toward a carbon-neutral future characterized predominantly by renewable energy sources. Application of the supplementary act is already mandatory for the 2022 financial year.

Regarding nuclear energy, E.ON has come to the conclusion, based on a comprehensive review, that the temporary continued operation of our last nuclear power plant, Isar 2, does not fall under any of the activities described in the supplementary delegated act. Activity 4.28 also does not apply to power generation in the last reactor unit still operated by PreussenElektra, since the decision made by the German federal government to temporarily extend operations until April 2023 does not correspond to an extension of the plant's operation within the meaning of the criteria of 4.28.

The sets of criteria for generating electricity, heat, and/or cooling from fossil gas are fundamentally relevant for E.ON. E.ON installs and operates plants that are taxonomy-aligned within the meaning of the EU's new gas economic activities. E.ON did not, or did not fully, meet the criteria for taxonomy alignment in the 2022 financial year.

Of the activities relevant to E.ON as a whole, the following activities are of particular importance. By conducting them the Group makes a substantial contribution to climate change mitigation:

- Distribution of electricity
- Distribution networks for renewable and low-carbon gases
- Data-driven solutions for GHG emissions reductions
- Construction, extension and operation of water collection, treatment and supply systems
- Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings
- Cogeneration of heat/cool and power from bioenergy
- Power generation by means of photovoltaic technology
- District-heating distribution
- Infrastructure for personal mobility
- Generation of heat/cooling from renewable non-fossil gaseous and liquid fuels.

E.ON reports on activities that already contribute to taxonomy compliance or are enabling activities. Transition activities were not identified.

E.ON's taxonomy-eligible and taxonomy-aligned economic activities are conducted predominantly at the Energy Networks and Customer Solutions segments.

E.ON's Approach

E.ON has had a regular process in place since 2021 to ensure the appropriate assessment of all taxonomy requirements related to the EU's environmental objectives 1, "climate change mitigation," and 2, "climate change adaption." E.ON's business activities are continually mapped to the relevant taxonomy criteria. The next step is an alignment check in which the mapping's finding are analyzed and checked in interviews, expert discussions, and workshops with the relevant operational contacts and experts from the specialist departments of the segments and business units as well as major Group companies to determine whether corresponding taxonomy criteria for the economic activities are actually met. The check's findings are documented for any taxonomy-relevant economic activities identified. This documentation is collated in an EU taxonomy manual that is binding for all E.ON companies. The companies use the manual's specifications to determine the extent to which their business activities actually meet the taxonomy's technical screening criteria and create suitable records for this purpose.

E.ON conducts the analysis of taxonomy compliance in detail as follows:

Assessment of Substantial Contribution

Compliance with the technical screening criteria is generally assessed and documented individually for each economic activity and at the companies on a decentralized basis. If the criteria provide for simplifications that allow compliance with the criteria to be assessed at the level of the entire economic activity, an operating segment, or for the entire Group, E.ON makes use of them.

Assessment of Doing No Significant Harm ("DNSH")

The DNSH criteria mainly refer to compliance with legal requirements or, in the case of the "circular economy" objective, to fundamental aspects of the economic activity. DNSH conformity is therefore to be assessed at the level of an economic activity on a regular basis. DNSH conformity regarding EU environmental objective 2, "climate change adaptation," is identified and assessed in E.ON's established risk management process. For this purpose, E.ON makes use of existing systems and processes for financial and non-financial risk management, which it has expanded to include EU taxonomy matters. Details can be found in the Risks and Chances Report.

Assessments of Minimum Safeguards

E.ON uses established processes and documentation at the Group level to assess and comply with the minimum safeguards. The Group ensures that the EU taxonomy's requirements are fully met in this regard by means of appropriate guidelines and related training and monitoring measures. E.ON companies are required to implement such policies and guidelines in a binding manner. Responsibility for compliance lies with the respective companies.

Taxonomy-Aligned Economic Activities

The assessment included a review of all activities relevant for E.ON to determine whether they make a substantial contribution to climate change mitigation and meet the criteria contained in Article 3 of the EU taxonomy. The review identified the following economic activities as taxonomy-aligned:

- 4.1 Electricity generation using solar photovoltaic technology
- 4.3 Electricity generation from wind power
- 4.5 Electricity generation from hydropower
- 4.6 Electricity generation from geothermal energy
- 4.9 Transmission and distribution of electricity
- 4.10 Electricity storage
- 4.14 Transmission and distribution networks for renewable and low-carbon gases
- 4.15 District heating/cooling distribution
- 4.16 Installation and operation of electric heat pumps
- 4.19 Cogeneration of heating/cooling and power from renewable non-fossil gaseous and liquid fuels
- 4.20 Cogeneration of heating/cooling and power from bioenergy
- 4.21 Production of heating/cooling from solar thermal energy
- 4.23 Production of heating/cooling from renewable non-fossil gaseous and liquid fuels
- 4.24 Production of heating/cooling from bioenergy
- 5.1 Construction, extension, and operation of water collection, treatment, and supply systems
- 6.13 Infrastructure for personal mobility, cycle logistics
- 6.15 Infrastructure enabling low-carbon road transport and public transport
- 7.4 Installation, maintenance, and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)
- 7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings
- 8.2 Data-driven solutions for GHG emissions reductions

E.ON identified no economic activities in 2022 that make a significant contribution to environmental objective 2, "climate change adaptation."

Substantial Contribution to Climate Change Mitigation

By definition, electricity generation from wind and solar as well as run-of-river hydropower plants makes a substantial contribution to climate change mitigation within the meaning of the taxonomy. No other criteria for the assessment of their substantial contribution to climate protection need to be assessed. The same applies to the installation of devices such as solar panels, smart energy meters, and electric-vehicle charging stations in buildings.

E.ON's activities to establish infrastructure for personal eMobility meet the required criteria for creating low-carbon road transport.

E.ON's electricity networks make a substantial contribution to climate change mitigation within the meaning of the taxonomy, since they are downstream distribution networks and thus part of the European interconnected system.

E.ON operates a large number of heating networks. This activity is in principle taxonomy-eligible. Some of these heating networks are "efficient" within the meaning of the taxonomy's criteria. This means that they transmit at least 50 percent renewable heat, at least 50 percent waste heat, at least 75 percent CHP heat, or at least 50 percent of a combination of these energy sources. Such heating networks thus make a substantial contribution to climate protection.

In addition, E.ON operates water supply systems, the majority of which make a substantial contribution to climate change

mitigation because they meet the energy-efficiency criterion (less than 0.5 kWh per cubic meter of water) and/or the leakage threshold of 1.5. For water supply systems that do not meet these criteria, investments made in the financial year to improve their energy efficiency and/or leakage rate by at least 20 percent are classified as taxonomy-aligned investments. These water supply systems revenues are classified as taxonomy-aligned if the investments enabled them to meet the aforementioned criteria for taxonomy-aligned water supply systems.

In the case of gas networks, in particular investments in existing infrastructure that increase the possibility of blending hydrogen and other low-carbon gases were classified as taxonomy-aligned. Pilot projects to establish dedicated hydrogen infrastructure were as well. So too were investments and operating expenses related to the detection and/or prevention of methane leaks.

E.ON operates a large number of CHP and heat generation plants. Depending on the energy source used, there are various sets of criteria, some of which are met by E.ON plants. Plants fueled solely by natural gas will be classified as taxonomy-eligible under the new sets of criteria but are not classified as taxonomy-aligned at present.

Investments in the development of broadband data infrastructure are classified as taxonomy-aligned because the data and analyses provided by them lead directly to the reduction of GHG emissions at E.ON or its customers.

Do No Significant Harm

Protecting assets against the physical impacts of climate change ("climate change adaptation") is economically relevant for E.ON and is therefore factored into investment decisions. Climate-related risks and opportunities are also recorded in E.ON's risk management system. The Risks and Chances Report contains more information.

The criteria for the EU's environmental objective 3, "the sustainable use and protection of water and marine resources," mainly refer to legal and regulatory requirements in the energy sector. Compliance with these requirements is a prerequisite for obtaining construction and operating permits. The same applies in principle to the criteria for the EU's environmental objective 5, "pollution prevention and control." Details can be found in the Environmental Management chapter.

There are general criteria for the environmental objective 4, "the transition to a circular economy," such as long durability, easy disassembly, or reparability. Most components are designed for a very long lifespan, are recyclable, and still have economic value at the end of their useful life (such as steel, aluminum, and copper). Such components of assets can be recycled within the E.ON Group or sold to third parties for further use.

With regard to the EU's environmental objective 6, "the protection and restoration of biodiversity and ecosystems," E.ON, where required, conducts environmental impact assessments and comparable assessments, which are a key prerequisite for obtaining permits to build and operate asset. Furthermore, one of E.ON's important ambitions is to conduct ecological corridor management or to convert to this approach.

Compliance with the Minimum Safeguards

E.ON is committed to respecting human rights in all business processes. To prevent human rights violations, E.ON adheres to external standards and defines its own principles and policies. E.ON's Human Rights Policy Statement explicitly acknowledges the United Nations' International Bill of Human Rights and the International Labour Organization's Declaration on Fundamental Principles and Rights at Work and the latter's fundamental conventions. The statement also makes reference to E.ON's own policies, such as the Supplier Code of Conduct and the Code of Conduct for employees. The standards for human rights, work conditions, environmental protection, and compliant business practices that E.ON requires its suppliers to meet are defined in the Supplier Code of Conduct.

Conducting a periodic risk assessment serves to indicate potential threats. E.ON promotes compliance with its standards and minimize potential threats by means of numerous measures and processes. The principle focus of these activities at E.ON's own business is on occupational safety and fair work conditions. Additional information about the assurance of a responsible supply chain, compliance and anti-corruption, and tax is contained in the chapters on these topics.

EU Taxonomy Key Figures

E.ON's reporting applies the indicators defined in Article 8 of the Taxonomy Regulation: taxonomy-eligible and taxonomy-aligned investments, revenues, and operating expenses. All business operations identified at E.ON are assigned to precisely one of the EU taxonomy's economic activities in order to prevent double counting.

E.ON reports the following three indicators for investments, revenues, and operating expenses:

1. Taxonomy-eligible activities as a ratio of the total amount shown in the E.ON Group's Consolidated Financial Statements prepared according to IFRS
2. Taxonomy-aligned activities as a ratio of the total amount shown in the E.ON Group's Consolidated Financial Statements prepared according to IFRS
3. Taxonomy-aligned activities as a ratio of taxonomy-eligible activities

Investments

Investments were calculated on a gross basis; that is, without taking into account revaluations or depreciation and amortization or impairment charges. They consist of investments in non-current tangible and intangible assets (fixed assets), including assets acquired in asset deals (recorded directly) and share deals (investment amount determined by the purchase-price allocation). More specifically:

- Property, plant, and equipment pursuant to IAS 16.73 (e) (i) and (iii)
- Intangible assets pursuant to IAS 38.118 (e) (i)
- Investment property pursuant to IAS 40.76 (a) and (b), IAS 40.79 (d) (i) and (ii)
- Agriculture pursuant to IAS 41.50 (b) and (e)
- Leasing pursuant to IFRS 16.53 (h).

Group investments consist of additions to fixed assets plus additions to property, plant, and equipment, and intangible assets from business combinations, which are shown in Note 15.

Of E.ON's taxonomy-eligible investments, property, plant, and equipment accounted for €3,910 million, intangible assets for €292 million, and right-of-use assets for €262 million. €3,850 million of property, plant, and equipment, €273 million of intangible assets, and €262 million of right-of-use assets are taxonomy-aligned.

In accordance with the taxonomy's specifications, E.ON also includes non-cash-effective investments, but not additions to financial assets. The taxonomy's definition of investments differs from E.ON's performance indicator for investments, namely cash-effective investments. E.ON therefore reconciles total investments pursuant to the taxonomy to the investments disclosed in the "Financial Situation" section of the Business Report:

Reconciliation to Cash-effective Investments

€ in millions	Q1–Q4 2022
EU taxonomy: total investments (excluding Non-Core Business)	**5,477**
./. Right-of-use assets	-455
./. Non-cash-effective investments	-194
+ Cash-effective financial investments	176
./. Investment subsidies	-251
Cash-effective investments	**4,753**

At E.ON, all investments in the 2022 financial year fall under category a) of the Annex to the Taxonomy Regulation. An investment plan according to category b) or investments according to category c) do not exist at E.ON.

Revenues

Revenues correspond to net sales excluding electricity and energy taxes as shown in the Consolidated Income Statements of the Integrated Annual Report.

Operating Expenses

The denominator for operating expenses is to be specified in accordance with the taxonomy requirements. Ecologically sustainable operating expenses are to include individually attributable, non-capitalized expenses for research and development, building renovations, short-term leasing, maintenance and repairs, other direct expenses in connection with the maintenance of assets, and other expenses necessary for the maintenance of ecologically sustainable economic activities. At E.ON, this mainly includes expenditures for repair and maintenance performed by third parties, which are reported under cost of materials and other operating expenses.

Investments

In the 2022 financial year, 82 percent of core-business investments were within the scope of the EU taxonomy (taxonomy-eligible). Due to the discontinuation of power operations at PreussenElektra's Isar 2 nuclear power plant, it had hardly any investments in 2022. Taxonomy-aligned activities accounted for 98 percent of taxonomy-eligible investments.

The Energy Networks segment made a significant contribution. About 91 percent of its investments were taxonomy-eligible; nearly all of them were taxonomy-aligned. At roughly €3.4 billion, the largest contribution came from E.ON's electricity distribution networks, which are part of the European interconnected system. They continually integrate renewable generating facilities, thereby propelling the energy transition in Europe and connecting customers to sustainable energy. E.ON invested significantly more in taxonomy-aligned electricity networks compared with the previous year. This trend is supported by the digitalization of E.ON's networks through the expansion of fiber-optics and broadband technology. E.ON invested €294 million in this area in the year under review.

In addition, €312 million of investments in gas networks were taxonomy-aligned. This figure is slightly lower than in the prior year. In Germany in particular, these investments serve to establish and expand hydrogen infrastructure or enable hydrogen to be admixed to E.ON's existing gas networks. €69 million of the investments in our water networks were taxonomy-aligned.

The Customer Solutions segment's energy infrastructure business (€0.3 billion of taxonomy-aligned investments) was its main contributor to the EU taxonomy. The expansion of its assets for district heating distribution and for biofuel-fired electricity and heat cogeneration as well as investments in plants for heat production with combined feedstocks are covered by the taxonomy. The eMobility charging infrastructure business, the installation, maintenance, and repair of renewables technologies and of devices for controlling buildings' overall energy efficiency are likewise taxonomy-aligned. The procurement and sale of power and gas are not covered by the taxonomy. E.ON's distributed solar generating facilities contributed additional amounts. We invested in solar projects in 2022, for example in Germany and Croatia.

Investments reported at Corporate Functions/Other did not fall within the EU taxonomy's scope.

EU Taxonomy Investments[1]

€ in millions	Taxonomy-eligible Investments					EU taxonomy ratios		
Q1–Q4 2022	Taxonomy-aligned	Not taxonomy-aligned	Total	Not taxonomy-eligible	Total	% Taxonomy-eligible (of total)	% Taxonomy-aligned (of total)	% Taxonomy-aligned (of eligible)
Energy Networks	4,074	46	4,120	398	4,518	91	90	99
Customer Solutions	310	35	345	542	887	39	35	90
Corporate Functions/Other	-	-	-	65	65	-	-	-
Core Business	**4,384**	**81**	**4,465**	**1,005**	**5,470**	**82**	**80**	**98**
Non-Core Business	-	-	-	7	7	-	-	-
E.ON Group	**4,384**	**81**	**4,465**	**1,012**	**5,477**	**82**	**80**	**98**
Q1–Q4 2021								
Energy Networks	3,467	33	3,500	447	3,947	89	88	99
Customer Solutions	251	80	331	426	757	44	33	76
Corporate Functions/Other	9	-	9	98	107	9	9	100
Core Business	**3,727**	**113**	**3,840**	**971**	**4,811**	**80**	**77**	**97**
Non-Core Business	-	-	-	432	432	-	-	-
E.ON Group	**3,727**	**113**	**3,840**	**1,403**	**5,243**	**73**	**71**	**97**

[1]Based on EU taxonomy regulations (includes non-cash items, excludes financial investments).

Operating Expenses

In the 2022 financial year, E.ON had around €1.3 billion in operating expenses that meet the definitions of the EU taxonomy. €340 million of these expenses were not taxonomy-eligible, and €911 million were taxonomy-aligned. This corresponds to around 97 percent of taxonomy-eligible expenses.

As with investments, the majority of aligned expenses resulted from maintenance activities for E.ON's electricity network (€797 million). Smaller amounts related to gas distribution networks, particularly to prevent or reduce methane leaks (€19 million).

The business with decentralized electricity and/or heat/cooling generation plants accounted for around €22 million. €57 million was related to the installation and maintenance of renewable technologies at the Customer Solutions segment, particularly in its sales business in the United Kingdom.

EU Taxonomy Operating Expenses

€ in millions	Taxonomy-eligible operating expenses					EU taxonomy ratios		
Q1–Q4 2022	Taxonomy-aligned	Not taxonomy-aligned	Total	Not taxonomy-eligible	Total	% Taxonomy-eligible (of total)	% Taxonomy-aligned (of total)	% Taxonomy-aligned (of eligible)
Energy Networks	831	6	837	185	1,022	82	81	99
Customer Solutions	80	21	101	96	197	51	40	79
Corporate Functions/Other	-	-	-	36	36	-	-	-
Core Business	**911**	**27**	**938**	**317**	**1,255**	**75**	**73**	**97**
Non-Core Business	-	-	-	23	23	-	-	-
E.ON Group	**911**	**27**	**938**	**340**	**1,278**	**73**	**71**	**97**
Q1–Q4 2021								
Energy Networks	630	-	630	199	829	76	76	100
Customer Solutions	31	15	46	100	146	32	21	67
Corporate Functions/Other	-	-	-	39	39	-	-	-
Core Business	**661**	**15**	**676**	**338**	**1,014**	**67**	**65**	**98**
Non-Core Business	-	-	-	97	97	-	-	-
E.ON Group	**661**	**15**	**676**	**435**	**1,111**	**61**	**60**	**98**

Revenues

As in the prior year, in 2022 the Customer Solutions segment again generated the majority of E.ON's external sales. However, revenues from the sale of electricity and gas to end-customers are not covered by the EU taxonomy. As expected, therefore, only 13 percent of external sales were taxonomy-eligible.

Nearly all taxonomy-eligible revenues were also taxonomy-aligned, of which the vast majority—€13.7 billion—related to electricity transmission fees in E.ON's distribution networks. E.ON reports €10.0 billion as external revenues in the Energy Networks segment and €3.7 billion in the Customer Solutions segment from sales revenues for network charges insofar as these were attributable to E.ON's own distribution network territory.

E.ON generated additional aligned revenues of around €0.7 billion relating to the energy efficiency of buildings and renewable energy technologies, such as the installation, maintenance, and repair of photovoltaic systems, heat pumps, and solar-powered systems for water heating.

Our energy infrastructure business, which generates decentralized electricity and/or heat/cooling from a variety of sources, generated around €0.2 billion in aligned revenues.

EU Taxonomy Revenues

€ in millions	Taxonomy-eligible revenues					EU taxonomy ratios		
Q1–Q4 2022	Taxonomy-aligned	Not taxonomy-aligned	Total	Not taxonomy-eligible	Total	% Taxonomy-eligible (of total)	% Taxonomy-aligned (of total)	% Taxonomy-aligned (of eligible)
Energy Networks	10,058	55	10,113	3,914	14,027	72	72	99
Customer Solutions	4,737	393	5,130	69,743	74,873	7	6	92
Corporate Functions/Other	-	-	-	26,749	26,749	-	-	-
Core Business	**14,795**	**448**	**15,243**	**100,406**	**115,649**	**13**	**13**	**97**
Non-Core Business	-	-	-	11	11	-	-	-
E.ON Group	**14,795**	**448**	**15,243**	**100,417**	**115,660**	**13**	**13**	**97**
Q1–Q4 2021								
Energy Networks	8,616	68	8,684	4,361	13,045	67	66	99
Customer Solutions	4,998	120	5,118	50,524	55,642	9	9	98
Corporate Functions/Other	-	-	-	8,364	8,364	-	-	-
Core Business	**13,614**	**188**	**13,802**	**63,249**	**77,051**	**18**	**18**	**99**
Non-Core Business	-	-	-	307	307	-	-	-
E.ON Group	**13,614**	**188**	**13,802**	**63,556**	**77,358**	**18**	**18**	**99**

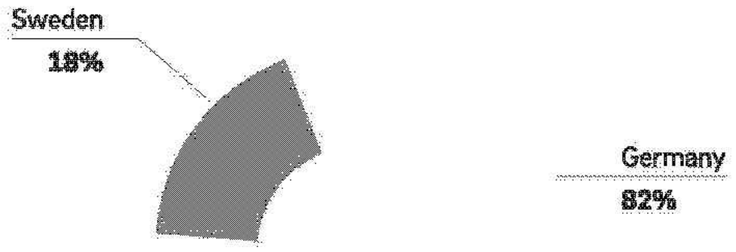
Sustainable Finance

Debt capital represents an important financing source for the E.ON Group to implement its strategy. Sustainability aspects play an increasingly important role in many international investors' decision for or against a particular investment. Accordingly, since 2019 E.ON has also systematically considered sustainability in the structuring of its financing as well, both in debt and credit markets.

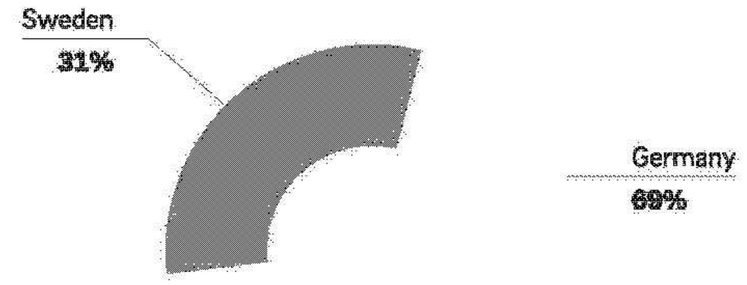
In 2019 E.ON presented its first Green Bond Framework under which it issues green bonds. E.ON issued its first green bonds that same year. In 2021 E.ON then became the first company to fully align its revised Green Bond Framework not only with the ICMA Green Bond Principles—the current market standard for green bonds—but also with the EU Taxonomy. The taxonomy defines which economic activities are classified as environmentally sustainable, thereby setting a Europe-wide standard for sustainable investment. E.ON had €7.65 billion of green bonds outstanding at year-end 2022, making it Germany's largest issuer of green bonds. The green bonds issued in the year under review accounted for €2.3 billion of this amount. E.ON raised bond financing of €1.8 billion in January 2023, of which a €1 billion tranche is structured as a green bond. Going forward, E.ON intends to cover more than 50 percent of its annual financing requirements with green bonds.

E.ON's Green Bond Framework focuses on sustainable projects in the categories Electricity Networks, Renewable Energy, Energy Efficiency, and Clean Transportation, both in E.ON's electricity network and customer solutions businesses. E.ON's Green Bond Portfolio, a portfolio of qualifying assets in line with the Green Bond Framework, consisted of assets worth €22.4 billion at year-end 2022. E.ON's power networks in Germany and Sweden account for the largest share.

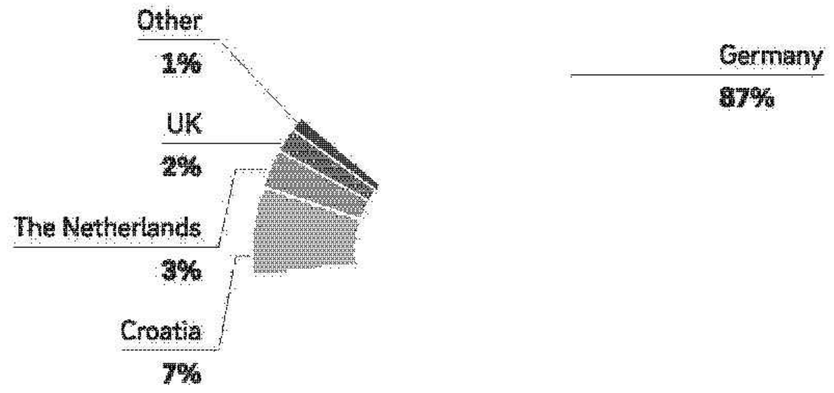
Power Networks



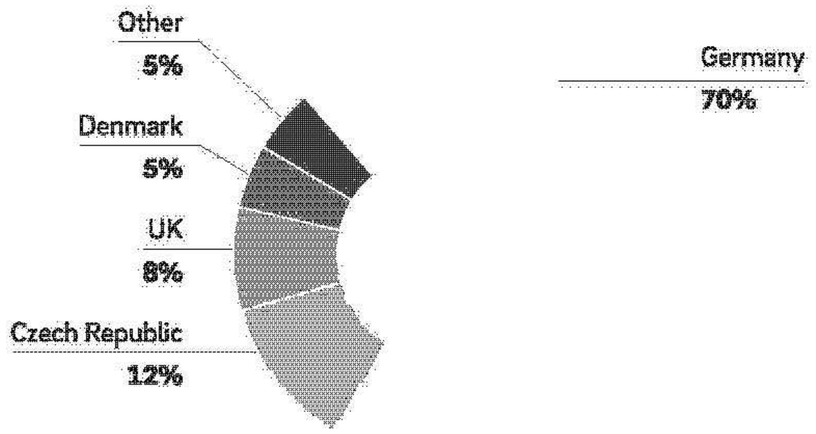
Energy Efficiency



Renewable Energy



Clean Transportation



Alongside its focus on green bonds, E.ON's corporate financing includes a sustainability-based €3.5 billion syndicated credit facility that was concluded in 2019. After two options to extend the facility were exercised, its term ends in October 2026. The facility's credit margin is linked, among other things, to the development of certain ESG ratings. This gives us additional financial incentives to pursue a sustainable corporate strategy. The ESG ratings are set by three renowned agencies: ISS ESG, MSCI ESG Research, and Sustainalytics. The facility serves as a reliable and sustainable liquidity reserve for the E.ON Group and can be drawn on as needed.

ESG Ratings

E.ON has been included in numerous ESG ratings for years. In addition, our regional and national sustainability activities regularly receive awards. In the new compensation system for Management Board members, ESG ratings are a component of the E.ON Sustainability Index and represent a performance criterion that is taken into account in the Management Board's long-term variable compensation. In the ESG ratings that are important to us, E.ON has received predominantly good score for years. The Sustainability Channel at eon.com presents the most relevant and current results. The next section takes a closer look at four ratings that are relevant for E.ON.

CDP Climate Change

CDP once again placed E.ON on its A List for environmental reporting. The rating is in the Leadership Level, placing E.ON among the top 296 companies out of nearly 15,000 assessed to make the A List in 2022.

ISS ESG

International Shareholder Services ("ISS") gave E.ON a C+ rating. The letter ratings range from D- to A+. Companies at or above a threshold of B- are among the leaders in their industry. In addition, E.ON's decile rank is 2. The decile rank indicates in which decile of its industry (tenth of the total number) a company's rating falls. The ranks go from 1 (best: a company's rating is in the top decile of its industry) to 10 (lowest).

MSCI ESG Research

MSCI is one of the world's best-known index providers. MSCI uses its own ESG ratings to create its sustainability indices. MSCI gave E.ON a rating of AA. Its rating scale extends from CCC to AAA.

Sustainalytics

Sustainalytics is a global leader in providing ESG and corporate governance research and ratings. In 2022 E.ON received overall Sustainalytics ESG Risk Rating score of 23.8, which is at the medium risk level. E.ON's position among multi-utilities is 22nd out of 84 companies.

ESG Asset Management and Pension Assets

E.ON links the provision and investment of pension assets to sustainable purposes: by financing a company pension plan and by considering sustainability criteria when making decisions about how the plan's assets are invested. E.ON draws, for example, on the Norwegian State Pension Fund's research and embargo lists in order to avoid questionable investments. We also select asset managers whose investment processes systematically take ESG aspects into account. In addition, E.ON continually develops its own ESG approach to the investment process in order to adapt to the latest developments at the Company and in the market.

Business Report

Macroeconomic and Industry Environment

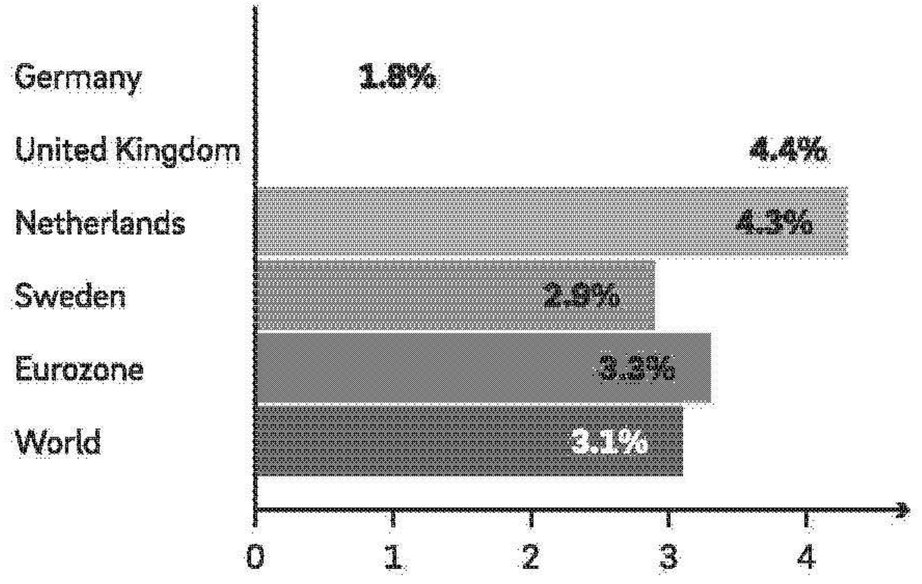
Macroeconomic Environment

The Russia-Ukraine war, high inflation, and the repercussions of the Covid-19 pandemic weighed heavily on the economy in 2022, which is reflected in the forecasts for growth in gross domestic product ("GDP"). The OECD estimates that global GDP grew by 3.1 percent in 2022, which was lower than 5.6-percent growth in 2021.

Economic Developments in the EU

The outbreak of the war abruptly changed the initially positive economic outlook for the entire EU and affected anticipated GDP growth in the eurozone. According to the OECD, eurozone GDP only grew by 3.3 percent in 2022. Due to persistently high inflation throughout the eurozone during the year, in mid-2022 the European Central Bank ("ECB") reversed its monetary policy. In July the ECB raised the prime interest rate—for the first time in 16 years—by 0.5 percentage points. The next rate hike of 0.75 points—the biggest increase since the introduction of the common currency—followed in September, with additional increases of 0.75 and 0.5 points coming in late November and in mid-December. The ECB's aim in raising interest rates is to make credit more expensive, dampen demand, and thus counteract high inflation rates in order, over the medium term, to reduce inflation to the ECB's target of 2 percent. In the short term, the interest rate increase, which has already led to a rise in banks' interest rates, is likely to further dampen economic growth in Europe.

GDP Growth in Real Terms in 2022
Annual change in percent



Source: OECD, November 2022.

In addition, the sanctions against Russia imposed by the international community were and continue to be an important factor affecting the eurozone economy. Because Europe is highly dependent on Russia for energy, the sanctions have caused commodity prices to rise sharply. This resulted in general uncertainty on markets, which also adversely impacted the economy and, together with the historically high inflation rates in the EU and the United States, markedly worsened the economic outlook. Looming over all this was the additional threat of a European energy crisis, whose effect was felt not only in Germany but also in the other member states and significantly worsened the economic situation in Europe as a whole. The tense energy supply situation was exacerbated by Russia's suspension of gas deliveries through the Nord Stream 1 pipeline at the end of August and the damage to both Nord Stream pipelines.

Despite the challenges for the winter of 2022/2023, Europe has managed to replace most of the discontinued supply of gas from Russia. The European Union procured additional natural gas, for example from Norway, as well as liquefied natural gas ("LNG") from the United States and Canada. The greater challenge will come in the winter of 2023/2024. The European Commission estimates that at the end of this summer there could be 30 billion cubic meters of gas less than is needed to fill the EU's storage facilities.

Economic Developments in Germany

In the fall of 2021 the economic forecasts for Germany in 2022 painted an initially optimistic but also complex overall picture. In the view of the ifo Institute, although GDP was expected to increase significantly—by 5.1 percent—economic growth would not benefit all sectors equally. The main reason for this, according to the assumptions, was the Covid-19 pandemic, whose impact, as in previous years, would vary by sector. The German economy entered 2022 with this mixed outlook.

The outbreak of the war dashed hopes for growth. Chancellor Olaf Scholz, addressing the Bundestag shortly afterward, spoke of a "historical turning point." The reorientation that was also announced has since then characterized policy decisions and legislation, especially in the energy sector. Since the start of the war and the concomitant accelerated rise in energy prices, the German federal government has initiated numerous laws to ensure the functioning of the gas market, to guarantee supply security, to ease the burden on industry and citizens, and thus also to help rein in the extremely high degree of uncertainty about future economic developments.

In March, Federal Economics Minister Robert Habeck proclaimed the early warning stage of the gas emergency plan and, in late June, the alarm stage. To stabilize electricity and gas prices and then allow them to fall, in October the Bundestag also approved a €200 billion set of safeguards. After initially placing Gazprom Germania, now operating under the name SEFE Securing Energy for Europe GmbH ("SEFE"), in trusteeship in April, in late September the federal government took over Uniper, Germany's biggest gas importer, as an additional measure to secure the energy supply. The takeover by the federal government also ended

its plans to introduce a gas levy to support exposed companies. SEFE too was nationalized in November. According to the Federal Network Agency, security of supply in Germany continues to be ensured, partly because by late November gas storage facilities had been refilled faster than expected thanks to extensive purchases. The situation remains under close observation, however, due to the continuing tense situation on the gas market.

In mid-October the German Cabinet adopted an amendment to the Atomic Energy Act to further manage risks. The law, which took effect in early December, stipulates that Emsland, Isar 2, and Neckarwestheim 2 nuclear power plants ("NPPs") can only use their remaining fuel rods to continue operating on a temporary basis. The NPPs must cease operating on April 15, 2023, at the latest. The use of new fuel rods is not permitted. In the case of Isar 2 NPP, which is operated by PreussenElektra GmbH, a wholly owned E.ON Group subsidiary, this required a brief shutdown, which was suitably prepared for, to overhaul pressurizer pilot valves. This measure was successfully carried out at the end of October. As it did for most generation technologies, the German federal government introduced a levy on so-called excess earnings from nuclear energy from December 1, 2022, onward.

Despite all the support measures taken by policymakers in the wake of the geopolitical upheavals, which can only gradually take effect, the economy was hit to a considerable extent by developments on energy markets and other commodity markets, which experienced similarly massive price increases. The economic recovery that had been predicted by research institutes last year proved to be a false hope. The strong start to the year initially gave cause for optimism. Beginning in the summer at the latest, however, Germany's economy cooled noticeably. According to Destatis, GDP did not increase or increased only slightly in the second and third quarters of 2022 (0.0 percent and 0.3 percent, respectively, compared with the previous quarter). The OECD anticipates that Germany's GDP grew by 1.8 percent in 2022.

Rising inflation was felt by businesses and citizens throughout the year. The German government's fall forecast in mid-October assumed an average inflation rate of 8 percent for 2022 and 7 percent for 2023. The German Council of Economic Experts' November forecast had the same figure for 2022 and predicted inflation of 7.4 percent for 2023. One of the main reasons for high inflation is the development of energy prices.

The Covid-19 pandemic remained an important factor influencing the German economy in the year under review as well. Supply chains in particular continued to be severely disrupted worldwide, delaying a faster economic recovery. Although individual companies are already reporting improvements in their supply chain, the problems are likely to continue well into 2023. China, an important trading partner for Germany, plays a major role. The country continued, until the end of 2022, to adopt a strict and increasingly unpopular zero-covid strategy consisting of lockdowns, strict control, contact tracing, and forced quarantine. This repeatedly led to prolonged disruptions and supply bottlenecks for certain products such as semiconductors.

Infection rates in Germany remained at a high level throughout 2022. On the positive side, the omicron variant of the virus now dominates infections and is less likely to lead to severe illness. In addition, vaccinated people require hospital treatment less frequently than unvaccinated people. As a result, high infection rates continued to lead to increased sick leave at companies, but no longer to the same extent to a burden on the healthcare system and to fatalities as was the case in the first waves.

Development of Energy Prices

Energy prices—and gas prices in particular—moved upward in 2022, in some cases sharply. The waning of the Covid-19 pandemic in the fall of 2021 favored an economic upswing and thus promoted an increase in energy demand, which put upward pressure on prices. In addition to this development, the Russia-Ukraine war and the subsequent sanctions triggered a shortage on the supply side, which likewise pushed up prices.

At the peak of the upward price spiral at the end of August 2022, the month-ahead contract for one MWh of gas at TTF, a virtual trading point in the Netherlands, cost €346, and the spot price rose above €300 as well. Prices settled at €64 and €82, respectively, at year-end 2022. Geopolitical uncertainty was one reason for last year's massively exaggerated prices. The other was that German market area manager Trading Hub Europe GmbH in particular was very active in order to fill gas storage facilities, which were still unusually empty in the spring of 2022, as quickly as possible and to comply with the new legal requirements for filling gas storage facilities issued in May 2022. Storage facilities in Germany account for around 24 percent of EU-wide capacity; their accelerated filling therefore also affected the price situation in the EU as a whole.

The statutory requirement for Germany's gas storage facilities to be 95 percent full was met before the mandatory November 1 deadline. By mid-November, these facilities were 100 percent full. In addition, the exceptionally mild weather in October and the first half of November put downward pressure on prices. Although gas prices have now settled at a rather moderate level compared with the summer of 2022, it can be assumed that prices will remain at a high level even after the war and Covid-19.

Policy Measures to Control Energy Costs

Shortly after the start of the Russia-Ukraine war, individual member states called for Brussels to introduce a price cap on wholesale markets for natural gas. Different price-cap mechanisms were discussed during 2022. In May 2022, Spain and Portugal obtained the European Union's consent—dubbed the Iberian exception—to institute a price cap to reduce the impact of gas prices on energy prices for end-consumers. On December 19 the Council of the European Union decided to introduce a market correction mechanism. When its preconditions are met, the dynamic price cap is to remain in effect for 28 days and, under certain conditions, may be suspended automatically or by a decision by the Commission.

The German federal government too responded to the sharp rise in energy prices by adopting far-reaching measures to ease the burden on citizens and industry. The value-added tax on gas was reduced from 19 percent to 7 percent for the period from October 1, 2022, to March 31, 2024. In addition, the increase in the carbon price of €5 per metric ton for heating oil, natural gas, and fuels, which was originally scheduled for the beginning of 2023, was postponed for one year. The carbon price rose to €30 per metric ton in 2022. The government took several steps for low-wage earners and social-transfer recipients, such as raising the tax-exempt amount, adjusting the housing allowance upward, and enacting heating cost subsidies.

The most far-reaching proposals, however, came from the Expert Commission on Gas and Heat formed by the federal government, which included E.ON CEO Leonhard Birnbaum. The commission submitted its final report to the government on October 31. It proposed to relieve gas and district heating customers in two steps. The first step was for the government to make all payments for December, with the exception of payments for industry and power plants that generate electricity.

The second step was to cap gas and heat prices from the beginning of March 2023 until at least the end of April 2024. The German federal government embraced the recommendations and transposed them into legislation. The government adopted the one-off one-month gas rebate recommended by the commission and passed a law to this effect on November 10. Households that use gas or district heating benefited from the emergency aid. SMEs that have standard load profile ("SLP") billing and that consume less than 1.5 million kWh of gas per year also had their December payment waived, as did, regardless of their annual consumption, social institutions such as hospitals, care facilities, and education institutions.

The commission also addressed the question of how to deal with imminent payment arrears in the customer relationship. It recommended the introduction of a hardship fund to cushion emergencies in a targeted and needs-based manner. The federal government and the German states largely followed this suggestion in the legislation on the electricity and gas price cap.

Gas price cap. The Bundestag enacted the gas price cap in mid-December 2022. The German federal government's draft legislation largely followed the recommendations of the Expert Commission on Gas and Heat. The European Commission also gave the green light. From March 1, 2023, to April 30, 2024, at the latest, essentially those SLP customers that were also eligible for emergency aid will be granted relief by means of a guaranteed gas gross price of 12 cents per kWh for 80 percent of their projected annual consumption; for district heating, it is 9.5 cents per kWh. The contract price applies to the remaining 20 percent of consumption. The gas price cap applies retroactively to January 1, 2023. In March 2023 SLP customers were thus also credited with the relief amounts for January and February 2023.

The gas price cap applies to industry from January 1, 2023, onward. Industrial customers with consumption of more than 1.5 million kWh pay 7 cents per kWh as a net working price for gas for 70 percent of their consumption and 7.5 cents per kWh for district heating, although the law defines different refence figures for different end-consumers with regard to determining annual consumption. They are refunded the difference to their contractually agreed-on working price. The gas price cap applies to around 25,000 companies and around 1,900 hospitals nationwide. It is expected to cost about €54 billion. Suppliers will be fully compensated with funds from the Economic Stabilization Fund.

Electricity price cap. The Bundestag passed the Electricity Price Cap Act at the end of December. The electricity price cap applies from March 1, 2023, to April 30, 2024, at the latest. However, January and February are included retroactively. The electricity price for private consumers and SMEs with electricity consumption of up to 30,000 kWh will be capped at €0.40, including all taxes, levies, charges, and network fees. This rule applies to 80 percent of the forecast annual consumption or the prior year's consumption, which is calculated based on the distribution system operator's annual consumption forecast. This gives distribution system operators—and thus E.ON in particular—an important role to play in implementing the cap. Industrial customers pay €0.13 plus taxes, levies, and surcharges for 70 percent of their prior-year's consumption. Suppliers will be fully compensated for the electricity price cap as well.

Stabilization of the network fees for power transmission systems. The federal government's third relief package stabilizes the network fees for power transmission systems as well. They are set at 3.12 cents kWh for the transmission system in 2023. This measure will cost just under €13 billion and will initially be financed from the budget of the Renewable Energy Sources Act (German abbreviation: "EEG"), which had a positive balance of €18 billion late in 2022. Permanent relief of power transmission fees is to be provided by revenue from windfall profit tax on generation assets, which was established as part of the electricity price cap. So far there has been no direct relief for the distribution networks operated by E.ON.

In the wake of the Ministry of Economic Affairs' decision, the German Association of Energy and Water Industries (German abbreviation: "BDEW") rightly pointed out that rising costs can be expected at distribution systems as well. These increases will burden households proportionally more than industry. The BDEW contends that relief is therefore also necessary for distribution system fees.

Taxing windfall profits. EU member states decided at the end of September, on the basis of a proposal from the European Commission, to introduce a revenue cap of €180 per MWh in the wholesale electricity market. It applies to renewables, nuclear power, and lignite. The EU also decided to impose a solidarity charge on suppliers of oil, gas, and fuels. The Bundestag decided to tax the windfall profits of electricity producers not retroactively to September 1, 2022, but retroactively to December 1. The term of

the tax is initially limited to June 30, 2023, but could be extended by ordinance to April 2024 at the latest.

Energy Policy and Regulatory Environment

Global

The question of by what means and how quickly climate change should be slowed continued to dominate the global debate on energy policy in 2022.

At the United Nations Framework Convention on Climate Change, 27th Conference of the Parties ("COP27") in Sharm el-Sheikh, a final declaration was issued that provides for the establishment of a joint fund to compensate poorer countries for climate damage. Developing countries that are particularly vulnerable are to benefit. However, no amounts are specified, and it remains unclear who is to pay into the fund. In addition, various countries reaffirmed the decision made in Glasgow last year to phase out coal. For the first time, the final document of a climate conference also calls for the expansion of renewables. However, the final declaration lacks a plan as to whether and by when the sum of $100 billion for climate protection and climate adaptation—this is how much the industrialized countries should have been paying to poor countries annually since 2020—must be paid in arrears. The $100 billion are to go toward measures for climate adaptation that are still possible, while the new fund compensates for damage that has already occurred. Furthermore, countries are called on to improve their climate protection plans by the next climate conference at the latest, but the call is voluntary and not binding.

The next UN climate conference, COP28, is expected to take place in Dubai in 2023.

Although the G20 meeting in Bali was overshadowed by the Russia-Ukraine war, the fight against climate change was on its agenda as well. In their final communiqué, the heads of state and government reaffirmed their intention to act decisively against global warming and called for more efforts and better funding for projects and measures. In addition, renewables expansion should be pursued as a high priority and solutions should be found to keep energy markets stable and energy prices affordable.

Europe

Impact of Climate Change on the Economy and Energy Supply in 2022

The series of heat waves across Europe along with unusually dry conditions posed significant challenges not only for people and nature, but also for Europe's economy and energy suppliers last year. 2022 was one of Europe's warmest years on record. According to data from the EU's Copernicus Climate Change Service, average temperatures from June to August were 0.4 degrees Celsius higher than the peak figures recorded in 2018 and 2021.

The heat and the lack of rain led to significant restrictions on shipping, especially on the Rhine. Low water levels prevented ships from carrying their usual loads, which increased transport costs and delivery times amid already strained supply chains.

At times less than half of France's 56 nuclear reactors were operating at full capacity because of maintenance and repair work, but also as a result of heat and drought and thus a shortage of cooling water from rivers. As a result, the share of nuclear power in the French electricity mix fell significantly, which in turn affected prices on the European wholesale markets.

Amid the energy crisis caused by the Russia-Ukraine war and the increasingly apparent consequences of climate change for people, the environment, economy, and energy supply, the EU and the German federal government intensified measures, or intend to institute measures, to accelerate renewables expansion and propel the decarbonization of the economy.

The need for such policy measures is explained in the first biennial report of the Council of Experts on Climate Change. If Germany wants to achieve its climate targets for 2030, the amount of climate-damaging emissions displaced from 2022 to 2030 would have to more than double compared with 2011 to 2021. The Council of Experts states that the energy and building sectors in particular have contributed to the reduction of climate-damaging emissions achieved to date. For Germany to still achieve its climate targets by 2030, the industrial sector would have to increase its annual emissions savings roughly tenfold, the transport sector fourteenfold.

In line with its own corporate objectives, E.ON unambiguously supports policymakers' efforts to expand renewable power generation faster than planned and thus achieve climate targets. For this reason, last year E.ON also provided its expertise in support of much proposed legislation at both the European and federal level and advocated an ambitious climate policy backed by a clear regulatory framework for the energy sector.

EU climate legislation. In response to the Russia-Ukraine war, in May the European Commission presented REPowerEU, a large package of proposals to accelerate renewables expansion and the move away from fossil fuels. It is designed to lessen dependence on Russian energy imports, reduce carbon emissions, and speed up renewables expansion. The plans, which will be incorporated into the Renewable Energy Directive ("RED IV") as a legislative revision, call, among other things, for raising the 2030 target for the proportion of renewables in the EU energy mix to 45 percent. This is to be achieved by accelerating the construction of renewable generating facilities, including in "go-to areas" for renewables, which are to be defined by the member states. Existing legislation requires renewable energy facilities to meet at least 32 percent of the EU's energy needs by 2030.

On December 19 the Council of the European Commission also adopted, under Article 122, a temporary emergency regulation for expanding renewables. It took effect in late December 2022. The regulation accords renewables and the distribution networks to which they are connected an "overriding public interest." The

Commission has thus prioritized the expansion of renewables and power lines over other public concerns, such as bird and species protection. Other measures in Commission's emergency regulation shorten approval procedures for solar facilities and heat pumps and simplify the repowering of existing facilities.

E.ON generally welcomes the measures proposed in REPowerEU and, partially, the accelerated rollout foreseen by the emergency regulation and is carefully following the consultation on RED IV. Yet E.ON points out that the expansion of smart energy grids in European member states must keep pace with renewables expansion. Without expanded infrastructure for transmitting and distributing energy, the EU's ambitious targets, which were raised last year, cannot be achieved.

Similarly ambitious expansion is needed for eMobility charging infrastructure. The EU decided at the end of October to allow only zero-emission vehicles in Europe from 2035 onward. It also wants to take a closer look at the use of eFuels. This fundamental decision will support the shift to electric vehicles ("EVs") and will thus the expansion of EV charging infrastructure. E.ON welcomes the decision as an effective climate policy to decarbonize the mobility sector, but points out that rapid expansion will require, in particular, simpler approval procedures and faster decisions on subsidy programs.

Germany

Shortly before the parliamentary summer break, the Bundestag passed the so-called Easter package of legislation to accelerate renewables expansion. In particular, the Energy Industry Act (German abbreviation: "EnWG"), the Renewable Energy Sources Act (German abbreviation: "EEG"), and the Offshore Wind Energy Act (German abbreviation: "WindSeeG") were substantially amended. A total of 19 individual laws were amended. It was one of the largest energy policy amendments in recent decades.

Lawmakers increased the targets for renewables' share of gross electricity consumption from the previous 50 percent to 80 percent. The focus will be shifted to the expansion of solar energy. Germany now aims to more than double its installed photovoltaic capacity, from 100 GW to more than 215 GW. To achieve this, renewables expansion is enshrined as an "overriding public interest." This means that renewable energy generation will be given priority in approval processes over, for example, considerations of construction and road law, water protection areas as well as forestry, emission control, and nature conservation law. This step aims to accelerate planning and approval processes.

In addition, lawmakers passed the Onshore Wind Energy Act to accelerate the expansion of onshore wind energy. It requires the federal states to designate 2 percent of their federal territory for wind energy by 2032. By 2027, 1.4 percent of this land is to be set aside for wind energy. Preference will be given to repowering old turbines at existing wind farms.

In line with its corporate strategy, E.ON has provided substantial assistance to the German federal government's initiatives to accelerate renewables expansion and thus to the Easter package. We will also work to support fast-track renewables growth by expanding our smart distribution grids. This will require, in particular, that the mechanisms for speeding up planning and approval processes prove to be effective. This is the only way for Germany to achieve its ambitious climate targets.

The amendment of the Metering Point Operation Act was another key piece of legislation for accelerating the energy transition. The federal government wants this law to accelerate the rollout of smart energy meters. A legislative initiative adopted by the cabinet in December aims to restart the smart energy meter rollout and achieve the goals of Germany's smart energy meter plan. The plan stipulates that every meter must be smart or at least equipped with a digital interface by 2032. Overall, the rollout of smart energy meters has been slow owing to technical and regulatory hurdles. E.ON had installed 4.9 million smart energy meters in Germany by year-end 2022.

The Charging Infrastructure Master Plan II is intended to provide more impetus to the decarbonization of road transport. The federal government intends to ensure the charging of millions of additional EVs. It plans to spend €6.3 billion through 2025 to fund the expansion. E.ON welcomes the federal government's intention to no longer measure success in expanding eMobility charging infrastructure on a predefined number of charging points, but to look instead at actual demand, while considering a variety of charging solutions. Federal, state, and local governments also need to demonstrate that they can accelerate approval and funding processes.

Redispatch 2.0 dragged on for more than a year until the Federal Network Agency provided clarity in November 2022. System operators conduct redispatch by modifying the feed-in from generation resources like power stations in order to avoid network congestion. Since November, balancing group managers must receive immediate and detailed notification of redispatch measures, including the planned date, scope, and duration of the adjustment of active or reactive power generation. In addition, the Federal Network Agency clarified that prepayments to balancing group managers must be settled precisely. Network operators are therefore required to estimate lost load as accurately as possible. The agency also requires network operators to ensure that the balancing calculation factors in balance-sheet compensation as well.

In the Act on the Introduction of an Electricity Price Cap, lawmakers gave the Federal Network Agency, among other things, the option under the Energy Industry Act to deviate from previous practice and set reference periods or reference figures for calculating the return on equity of distribution system operators. We expect the Federal Network Agency to address the problem of increased terms for debt financing without delay.

United Kingdom

The United Kingdom is facing its worst energy crisis in decades. The U.K. government is spending around £16 billion (€19 billion)

to subsidize household utility bills—including those of prepayment customers—just for October 1, 2022, to March 31, 2023. The Energy Price Guarantee caps variable standard tariffs. A typical U.K. household will save about £900 over this period compared with undiscounted energy prices under the price cap. The U.K. government's 2022 Autumn Statement announced that the Energy Price Guarantee will be extended from April 2023 to April 2024. A typical U.K. household's energy bill will lowered to around £3,000 over this period. Forecasts for undiscounted energy prices indicate that the capping of variable standard tariffs will yield savings of about £500.

Netherlands

In 2022 the Dutch government adopted a roughly €11.2 billion relief package for its citizens. The government is using the money to finance a price cap in effect since January 2022 on a portion of households' and small businesses' electricity and gas consumption. In addition, the Netherlands paid a €190 lump-sum rebate to all households for November and December. Low-income citizens will receive an additional payment of €1,300. The government took the additional step of lowering the VAT on energy from 21 to 9 percent.

Italy

The previous government under Prime Minister Mario Draghi adopted several aid packages. It supported companies in Italy and relieved the burden on citizens by providing aid loans and reducing the VAT on fuels. The government extended the applicable fuel discount of 30 cents per liter several times during the year. The new government under Prime Minister Giorgia Meloni, on the other hand, reduced the fuel discount to 18 cents per liter effective December 1. It is also increasing the minimum pension by 20 percent and reducing non-wage labor costs by 2 percent, or 3 percent in the case of low incomes. The new government's budget law provides a total of €66 billion in relief.

Sweden

After the Social Democratic government was voted out of office in September, a right-wing three-party coalition was formed and confirmed in office in October. High electricity prices were a key topic of the energy policy debate in Sweden as well. In particular, the country's existing four price zones were called into question. In 2021, for example, the price level in southern Sweden was more than twice as high as in the North. This structural problem remained in 2022. An amendment to electricity network regulation took effect on June 1, 2021. The Ministry of Environment and Energy is currently working on an electrification strategy. The Ministry of Infrastructure established a Commission for Electrification that was active until the end of 2022.

East-Central Europe

The Czech Republic enacted a gas price cap and an electricity price cap for households and small consumers. Electricity costs 6 crowns (25 cents) per kWh; gas, 3 crowns (12 cents). The government estimates that the resulting costs are equal to about €5.3 billion. Large consumers, such as those in industry, can apply for subsidies.

Poland has been particularly hard hit by high energy prices. It still imported 60 percent of its coal from Russia in 2021 and thus has taken far-reaching measures to ease the burden on citizens. Among other things, the Polish parliament passed an electricity price cap in the fall. Households up to an annual consumption of 2,000 to 3,000 kWh will pay the 2022 electricity price equal to €88.70 per MWh. Companies up to a certain size will pay no more than the equivalent of around €167 net per MWh between December 1, 2022, and December 31, 2023. The same cap applies to public entities. Since many people in Poland still use coal for heating, the government has already paid out a one-time coal subsidy equal to €650 per household and set a price cap equal to about €420 per metric ton of coal that municipalities sell to citizens from January 1, 2023, onward.

The Romanian government capped gas and electricity bills for consumers up to a certain level of monthly consumption. The cap for an average household is equal to €136 per MWh for electricity and €62 per MWh for gas. In return, suppliers receive compensation from the state to cover the shortfall.

Hungary's government discontinued the residential utility cost cap introduced in 2014 due to soaring energy prices. However, it emphasized that subsidized prices for gas and electricity would only rise for those households that consume more than the average. These households must pay the market price for the difference since August 1, 2022. This, in turn, will amount to a multiple of the subsidized prices.

Special Events in the Reporting Period

Corporate Bonds Issued

The following bonds were issued in the 2022 financial year:

- €500 million bond that matures in January 2026 and has a coupon of 0.125 percent (January 2022)
- €800 million green bond that matures in October 2034 and has a coupon of 0.875 percent (January 2022)
- €750 million green bond that matures in January 2025 and has a coupon of 0.875 percent (March 2022)
- €750 million green bond that matures in March 2031 and has a coupon of 1.625 percent (March 2022)
- €600 million bond that matures in August 2028 and has a coupon of 2.875 percent (August 2022)
- NOK 1,500 million private placement that matures in September 2032 and has a coupon of 5.02 percent. It is fully hedged for interest rate and currency. Including the hedging transaction, this yields a euro-denominated liability of roughly €150 million

with an interest rate of 3.70 percent per annum (September 2022).

- CHF 155 million bond that matures in December 2025 and has a coupon of 1.860 percent. It is fully hedged for interest rate and currency. Including the hedging transaction, this yields a euro-denominated liability of roughly €158 million with an interest rate of 3.49 percent per annum (December 2022).

- CHF 145 million bond that matures in December 2029 and has a coupon of 2.503 percent. It is fully hedged for interest rate and currency. Including the hedging transaction, this yields a euro-denominated liability of roughly €148 million with an interest rate of 3.98 percent per annum (December 2022).

Russia-Ukraine War Creates Significant Macroeconomic Uncertainty and Impacts the Energy Sector

Russia attacked Ukraine on February 24, 2022. The situation on energy markets has since then remained tense. E.ON's priority in these turbulent times is to secure the energy supply. The power, gas, and heat networks that E.ON operates in various regions of Europe are running stably, even in the current situation.

The war's repercussions also have implications for E.ON's business, in particular the rise in commodity prices during the year. These implications are described in greater detail below in the chapters entitled "Earnings Situation" and "Financial Situation." In addition, the stake in Nord Stream AG held in pension plan assets was reduced to its fair value of zero at December 31 2022. The write-down, which reduced equity, was recognized in other non-operating income. The situation assessable at the balance-sheet date indicated no other triggering events directly related to the war that would necessitate impairment charges on non-current assets.

Conclusion of a Future Consolidation Agreement with ZSE Shareholders

On April 8, 2022, the shareholders of Západoslovenská energetika a.s. ("ZSE") and of Východoslovenská energetika Holding a.s. ("VSEH"), E.ON SE, and the Slovak Republic, concluded a Future Consolidation Agreement to combine ZSE and the VSEH Group. The agreement provides, among other things, for 100 percent of VSEH shares to be transferred to ZSE, the sale of all or selected VSEH subsidiaries to ZSE, and the implementation of corporate law changes at VSEH.

The transfer of VSEH shares to ZSE will result in ZSE becoming VSEH's sole shareholder (and thus also shareholder of selected VSEH subsidiaries). The ownership interests in ZSE will remain unchanged; that is, E.ON will have a 49-percent stake in VSE and the Slovakian state a 51-percent stake. The new ZSE shareholders agreement, which has yet to be concluded, will essentially correspond to the current shareholders agreement. After the transaction, ZSE will thus continue to be included in E.ON's Consolidated Financial Statements as a jointly owned company and accounted for using the equity method. After closing, the VSEH's business operations, which previously had been fully consolidated, will be accounted for using the equity method.

The transaction is expected to close in the second quarter of 2023.

Disposal of Universal Service Provider Business in Hungary

To further optimize E.ON's portfolio in Hungary, E.ON Hungária Zrt. signed an agreement with MVM Zrt. on February 23, 2022, to sell 100 percent of its stake in E.ON Áramszolgáltató Kft. ("EÁS"). EÁS holds a regional universal service provider license under which it supplies electricity to customers in certain regions of Hungary. The transaction closed on April 14, 2022.

E.ON and Igneo Establish Joint Venture for Accelerated High-Speed Broadband Rollout

In mid-July E.ON and Igneo Infrastructure Partners signed an agreement to found a joint venture for the rollout of high-speed broadband infrastructure in Germany. For this purpose, Igneo acquired a 50-percent stake in Westconnect GmbH (formerly Westenergie Breitband GmbH), which was previously a wholly owned E.ON SE subsidiary. The transaction closed on October 31, 2022. In the future, the joint venture intends to provide fiber-optic broadband connections to more than 1.5 million households and wholesale customers in Germany.

E.ON subsidiary Westenergie remains a 50-percent shareholder; the company's activities will be recorded in E.ON's Consolidated Financial Statements using the equity method.

On Capital Markets Day in the fall of 2021, E.ON announced that it planned to conduct €2 to €4 billion of portfolio optimization. The Igneo transaction is the first such measure.

Contract of Management Board Chairman Leonhard Birnbaum Extended to 2028

At its meeting in late September 2022, the E.ON SE Supervisory Board extended the contract of Management Board Chairman Leonhard Birnbaum by five more years until June 30, 2028. Birnbaum has been a member of the E.ON Management Board since 2013 and its Chairman since April 2021.

Agreement on the Temporary Continued Operation of Germany's Remaining Nuclear Power Plants

E.ON supports the amended Atomic Energy Act which makes possible the temporary continued operation of the three nuclear power plants ("NPPs") that remain online. This has enabled generating capacity to be maintained in the winter of 2022/2023 to stabilize the German power grid. The authorization of Emsland, Neckarwestheim 2, and Isar 2 NPPs (the latter of which is operated by PreussenElektra, an E.ON subsidiary) to operate does

not expire until the close of April 15, 2023. Germany's NPPs can make a valuable contribution toward securing the energy supply amid the crisis and put downward pressure on prices.

Isar 2 may operate with its existing reactor core until April 15, 2023, at the latest. From January 1, 2023, onward PreussenElektra could earn power-market revenues for about 2 TWh of Isar 2's electricity output. These potential revenues must be set against the additional costs arising from the extension and the provisions of the Act on the Introduction of Electricity Price Caps and the Amendment of Other Energy Law Provisions (German abbreviation: "StromBP") on the recovery of electricity market proceeds, which took effect on December 24, 2022.

E.ON plans that any possible revenues resulting from Isar 2's continued operation will be used for the energy transition, such as for network infrastructure and the development of its hydrogen business.

LNG Terminal in Brunsbüttel Connected to E.ON Subsidiary's Gas Distribution Network

In December 2022, after less than three months of actual construction time, the technical requirements for the connection of the liquefied natural gas ("LNG") terminal in Brunsbüttel in Schleswig-Holstein were established. In this phase of the project, the jetty for the floating LNG terminal was connected to the gas distribution network of Schleswig-Holstein Netz AG ("SH Netz"), which belongs to E.ON subsidiary HanseWerk AG, by means of a three-kilometer pipeline belonging to Gasunie. SH Netz has enabled the onward transport of the LNG gas to Germany by installing a large new special pipe network station in Brunsbüttel to regulate the gas flow as well as by making a variety of technical specifications at various gas transfer stations in its distribution network. SH Netz's pipelines are future-proof and in the future could transport hydrogen as well.

Subsequent Events

E.ON Successfully Issues Two Bonds in January 2023

E.ON successfully issued two bonds totaling €1.8 billion:

- €800 million bond that matures in January 2028 and has a coupon of 3.5 percent
- €1 billion green bond that matures in January 2035 and has a coupon of 3.875 percent.

Earthquakes in Southeast Turkey and Northern Syria

Southeastern Turkey and northern Syria experienced several major earthquakes on February 6, 2023, and in the days afterward. They resulted in electricity and gas service outages. As a precaution, natural gas and crude oil flows were suspended. At E.ON, Enerjisa Enerji's supply territory was affected; it the affected area it supplies around 8.5 million inhabitants. Enerjisa Üretim had outages at lignite-fired and hydro power plants. In addition, near freezing temperatures and rainfall hampered ongoing operations. E.ON is working to restore service in the area as quickly as possible and to repair damage. From today's perspective, it is not yet possible to estimate the earthquake's cumulative impact.

Business Performance

E.ON's operating business delivered a positive performance in the 2022 financial year, and E.ON surpassed its forecast for several key performance indicators.

Sales in the 2022 financial year increased by 50 percent to €115.7 billion. Customer Solutions delivered a large part of the increase, which to a great extent reflected price increases on commodity markets. This primarily affected the sales business in Germany, the United Kingdom, and the Netherlands.

Adjusted EBITDA for the E.ON Group of €8.1 billion was €0.2 billion above the prior-year figure and also above the forecast range of €7.6 to €7.8 billion. Energy Networks recorded adjusted EBITDA of €5.5 billion, which was at the upper end of the forecast range of €5.3 to €5.5 billion that was revised in November 2022 (previously: €5.5 to €5.7 billion). Customer Solutions' adjusted EBITDA of €1.7 billion was also at the upper end of the forecast range of €1.5 to €1.7 billion. Adjusted EBITDA recorded under Corporate Functions/Other of -€0.2 billion reflects the forecast of -€0.2 billion. Non-Core Business posted adjusted EBITDA of €1.1 billion, which was at the upper end of the forecast range of €0.9 to €1.1 billion, which was revised in November 2022 (previously: €0.6 to €0.8 billion). Adjusted net income of €2.7 billion was around €0.2 billion above the prior-year figure and above the forecast range of €2.3 to €2.5 billion. Earnings per share, which are based on adjusted net income, amounted to €1.05 in the year under review (prior year: €0.96) and thus surpassed the forecast range of €0.88 to €0.96. The core business achieved a large share of the positive developments in the operating business. At the network business they are attributable to a variety of items, including cost savings, the leveraging of synergies, and further growth in the regulated asset base due to additional investments. The increase at Customer Solutions was generated primarily by the sales business as well as the EIS business. The main factors in the positive earnings performance were relatively mild weather, a significant reduction in customer churn amid the energy crisis, and the leveraging of synergies.

Cash-effective investments of €4.8 billion were at the prior-year level of €4.8 billion and thus below the target figure of €5.3 billion. Energy Networks' investments of €3.8 billion were below the forecast figure of €4.1 billion due to delays in the implementation of network projects. Customer Solutions' investments of €0.8 billion were likewise below the forecast figure of €1.1. billion. The deviation is largely attributable to delays in the realization of the EIS business's projects. Investments of €0.1 billion at Corporate Functions/Other were in line with the forecast figure. Non-Core Business's investments were negligibly low and reflected the forecast figure of €0 billion.

Acquisitions, Disposals, and Disposal Groups in 2022

In 2022 E.ON executed the following significant transactions and made the following reclassifications pursuant to IFRS 5. Note 5 to the Consolidated Financial Statements contains detailed information about them:

- Westenergie AG's consortium agreement with RheinEnergie and the reclassification of the stake in Stadtwerke Duisburg as an asset held for sale
- Partial disposal of Stromnetzgesellschaft Essen GmbH & Co. KG and the reverse leasing model.
- Partial disposal of Westconnect GmbH and thus its inclusion as a company accounted for by means of the equity method
- Continued classification of VSEH as a disposal group due to the planned combination with ZSE in Slovakia
- Sale of the universal service provider ("USP") business in Hungary.

Cash provided by investing activities of continuing operations included cash-effective disposal proceeds totaling €1.1 billion in 2022 (prior year: €1.0 billion).

Earnings Situation

Sales

The E.ON Group's sales in the 2022 financial year rose by €38.3 billion year on year to €115.7 billion.

Energy Networks' sales of €20.3 billion were €2 billion above the prior-year figure. The network business in Germany contributed this development, due in part to the expansion of its regulated asset base and to the increased upstream network costs of power transmission systems, which, pursuant to statutory regulations, distribution network operators must pass through in their network fees.

The €34.8 billion increase in Customer Solutions' sales to €96.2 billion mainly reflects price increases on commodity markets caused by the energy crisis and impacts, in particular, the sales business in Germany, the United Kingdom, and the Netherlands.

Sales at Non-Core Business declined by €0.6 billion year on year to €1.1 billion, mainly because Brokdorf and Grohnde nuclear power plants were shut down as planned on December 31, 2021. The decrease was only partially offset by higher sales prices on power marketed from Isar 2 nuclear power plant.

Sales recorded at Corporate Functions/Other rose by €40.5 billion year on year to €57.8 billion. The increase is mainly attributable to the fact that E.ON Energy Markets, our central commodity procurement unit, expanded its business operations by acquiring the portfolios of additional business units. In addition, the settlement of derivatives (+€3.7 billion relative to the prior year) amid rising prices on commodity markets led to significantly higher sales. The internal service relationships from central energy procurement are offset by corresponding consolidations.

Sales

	Fourth quarter			Full year		
€ in millions	2022	2021	+/- %	2022	2021	+/- %
Energy Networks	5,656	5,005	13	20,258	18,273	11
Customer Solutions	32,963	23,209	42	96,221	61,428	57
Non-Core Business	308	559	-45	1,060	1,632	-35
Corporate Functions/Other	26,761	8,624	210	57,776	17,265	235
Consolidation	-31,621	-8,126	-289	-59,655	-21,240	-181
E.ON Group	**34,067**	**29,271**	**16**	**115,660**	**77,358**	**50**

Other Line Items from the Consolidated Statements of Income

The Consolidated Statements of Income can be found in the Consolidated Financial Statements.

Own work capitalized of €997 million was 31 percent above the prior-year level (€761 million). Own work capitalized consisted predominantly of network investments as well as ongoing and completed IT projects.

Other operating income totaled €73,193 in 2022 (prior year: €47,383 million). Income from derivative financial instruments alone rose by €25,497 million year on year to €70,234 million owing mainly to the development of prices on commodity prices during the course of the year.

Income from currency-translation effects of €853 million was €375 million above the prior-year figure (€478 million). Corresponding amounts resulting from currency-translation effects and derivative financial instruments are recorded under other operating expenses. Income from sale of equity interests and securities totaled €999 million (prior year: €360 million). This mainly consists of the income of €810 million on the partial disposal of Westconnect GmbH.

Costs of materials of €108,627 million were significantly above the prior-year level (€78,096 million). The increase is primarily attributable to higher energy prices on commodity markets. This led to higher direct procurement costs, but also meant that forward procurement contacts, which under IFRS are accounted for as derivative financial instruments, had to be adjusted to the current market price at the time of settlement. Income from the marking to market of commodity derivatives is recorded under other operating income. In addition, a change in provisions for pending transactions was recognized in costs of materials. These provisions were mainly created for contracted sales transactions that are not subject to IFRS 9 (failed own-use transactions) but that are commercially part of a portfolio that is partially offset by procurement transactions that are accounted for as derivative financial instruments.

Personnel costs of €5,437 million were €400 million below the prior-year figure of €5,837 million. The change is mainly attributable to a decline in the number of employees and lower expenditures for pension schemes. Lower expenditures for restructuring measures were an additional factor.

Depreciation charges declined from €3,922 in the prior year to €3,378 million. This is principally attributable to a decrease in scheduled depreciation charges of -€397 million (prior year: +€29 million). This decline mainly reflects the closure of Grohnde and Brokdorf nuclear power plants.

Other operating expenses of €71,736 million were €40,071 million above the prior-year level (€31,665 million), chiefly because expenditures relating to derivative financial instruments (including currency-translation changes) rose by €40,177 million to €66,663 million. Expenditures relating to currency-translation effects declined by €361 million to €524 million.

Income from companies accounted for under the equity method of €279 million was significantly below the prior-year level (€505 million). The decline resulted mainly from adverse earnings effects in conjunction with the application of IAS 29 (Financial Reporting in Hyperinflationary Economies) in Turkey.

Adjusted EBITDA

Effective January 1, 2022, we use earnings before interest, taxes, depreciation, and amortization adjusted to exclude extraordinary effects ("adjusted EBITDA") for the internal control of our intended growth and as an indicator of our business units' sustainable earnings strength.

Adjusted EBITDA

	Fourth quarter			Full year		
€ in millions	2022	2021	+/- %	2022	2021	+/- %
Energy Networks	1,390	1,118	24	5,459	4,988	9
Customer Solutions	269	171	57	1,686	1,493	13
Thereof: Energy Infrastructure Solutions ("EIS")	203	170	19	568	479	19
Corporate Functions/Other	-14	-48	71	-165	-213	23
Consolidation	-2	5	-140	-5	4	-225
Adjusted EBITDA from core business	**1,643**	**1,246**	**32**	**6,975**	**6,272**	**11**
Non-Core Business	306	366	-16	1,084	1,617	-33
E.ON Group adjusted EBITDA	**1,949**	**1,612**	**21**	**8,059**	**7,889**	**2**

The core business's adjusted EBITDA in the 2022 financial year rose by €703 million, from €6,272 million in the prior year to €6,975 million.

Energy Networks' adjusted EBITDA climbed by €471 million year on year to €5,459 million. This segment recorded a variety of effects. The positive factors in Germany included further growth in the regulated asset base due to additional investments, the leveraging of planned synergies from the integration of innogy, cost savings, and the recovery of adverse earnings effects. These effects were partially offset by higher commodity prices and warmer weather. Earnings in Sweden declined because of higher costs for upstream networks and a reduction of wheeling volume due in part to warmer weather. The earnings decline at East-Central Europe/Turkey is chiefly attributable to higher procurement costs for network losses (especially in Romania and Hungary), the disposal of two network operators in Hungary in the third quarter of 2021, and lower wheeling volume due in part to weather factors.

Adjusted EBITDA at Customer Solutions increased by €193 million year on year to €1,686 million. Lower acquisition costs in Germany due to reduced customer churn and the leveraging of synergies as part of the innogy integration had a positive effect on earnings. Positive weather effects and earnings effects from the dynamic procurement strategy contributed to the increase in the Netherlands. Earnings in the United Kingdom declined owing to weather and consumption factors as well as precautionary measures related to payment defaults, particularly for residential customers and small and medium-sized enterprises, which could only be partially offset by cost savings achieved by the ongoing restructuring program. Distributed Energy Infrastructure Solutions ("EIS") is another unit of the Customer Solutions segment. Adjusted EBITDA at EIS increased from €479 million in the prior year to €568 million, primarily owing to investments.

Adjusted EBITDA recorded at Corporate Functions/Other improved by €48 million year on year to -€165 million, in particular because of cost savings.

Adjusted EBITDA at Non-Core Business decreased by €533 million to €1,084 million. This is primarily attributable to the non-recurrence of the one-off effect recorded in 2021 relating to the agreement between the German government and nuclear power plant operators on nuclear power output rights and the resulting refund of residual power purchases. The fact that Brokdorf and Grohnde nuclear power plants were shut down as planned on December 31, 2021, adversely affected earnings as well. These factors were partially offset by higher sales prices relative to the prior year. The provisions of the Act on the Introduction of an Electricity Price Cap and the amendment of other energy laws (such as "StromBP") to tax windfall electricity market profits (which apply from December 1, 2022, onward) adversely impacted earnings for the first time.

The E.ON Group recorded adjusted EBITDA of €8,059 million, which was €170 million above the prior-year figure. This improvement resulted from the aforementioned developments in the core business, which were partially offset by lower earnings at Non-Core Business.

E.ON generates a large portion of its adjusted EBITDA in very stable businesses. Regulated, quasi-regulated, and long-term contracted businesses accounted for the overwhelming proportion of E.ON's adjusted EBITDA in 2022.

E.ON's regulated business consists in part of operations in which revenues are largely set by law and based on costs. The earnings with regard to such approved cost components are therefore extremely stable and predictable. E.ON's quasi-regulated and long-term contracted business consists of operations in which earnings have a high degree of predictability because key determinants (price and/or volume) are largely set for the medium to long term. Examples include the operation of industrial customer solutions with long-term supply agreements and the operation of heating networks.

Merchant activities are all those that cannot be subsumed under either of the other two categories.

Reconciliation to Adjusted Earnings Metrics

Non-Operating Adjustments

	Fourth quarter		Full year	
€ in millions	2022	2021	2022	2021
Net book gains (+)/losses (-)	807	-8	748	26
Restructuring expenses	-3	-222	-88	-511
Effects from derivative financial instruments	-4,394	1,625	-3,123	3,250
Carryforward of hidden reserves (+) and liabilities (-) from the innogy transaction	-31	-119	-112	-188
Other non-operating earnings	-217	106	-961	432
Non-operating adjustments of EBITDA	**-3,838**	**1,382**	**-3,536**	**3,009**
Depreciation of hidden reserves (+) and liabilities (-) from the innogy transaction	-115	-158	-504	-603
Other non-operating impairments/reversals	-64	-439	-86	-453
Non-operating interest expense (+)/income (-)	484	110	1,817	391
Non-operating taxes	738	65	1,306	62
Non-operating adjustments of net income/loss	**-2,795**	**960**	**-1,003**	**2,406**

Reconciliation to Adjusted EBITDA

	Fourth quarter		Full year	
€ in millions	2022	2021	2022	2021
Adjusted EBITDA	**1,949**	**1,612**	**8,059**	**7,889**
Non-operating adjustments of EBITDA	-3,838	1,382	-3,536	3,009
Income/loss from continuing operations before depreciation, interest result, and income taxes	**-1,889**	**2,994**	**4,523**	**10,898**
Scheduled depreciation/impairments and amortization/reversals	-965	-1,413	-3,453	-4,222
less income/loss from equity investments	16	-68	7	-167
Income/loss from continuing operations before financial results and income taxes	**-2,838**	**1,513**	**1,077**	**6,509**

Net income pursuant to IFRS includes earnings items that are not directly related to the E.ON Group's ordinary business activities or that are non-recurring or rare. Internal management control considers these non-operating items separately. Adjusted EBITDA and adjusted net income reflect the E.ON Group's long-term profitability and are key performance indicators for purposes of internal management control. They are therefore adjusted to exclude non-operating items.

Net book gains surpassed the prior-year figure owing to a partial disposal and the agreement between E.ON and igneo to found a joint-venture company for the purpose of expanding high-speed broadband infrastructure in Germany (see "Special Events in the Reporting Period").

Restructuring expenses were lower than in the 2021 financial year and consisted, as in the prior year, primarily of expenditures in connection with the restructuring of the sales business in the United Kingdom.

Effects in conjunction with derivative financial instruments changed by -€6,373 million to -€3,123 million. The settlement of sales and procurement transactions recognized in the prior year as derivatives with positive fair values and the decline in the fair value measurement of unrealized sales and procurement transactions in line with price developments at year-end were mainly responsible for this change.

Non-operating earnings consist mainly of valuation effects for non-current provisions as well as earnings effects in the equity valuation of shareholdings in Turkey in conjunction with the application of IAS 29. This was partially offset by valuation effects for bonds denominated in foreign currencies. The prior-year figure was adversely affected by valuation effects for repurchase obligations pursuant to IAS 32 and by non-current provisions as well as realized effects resulting from hedging transactions for certain currency risks.

In addition to the above-described non-operating earnings components of EBITDA, the reconciliation to adjusted net income includes the following items:

Reconciliation of Adjusted Net Income

	Fourth quarter		Full year	
€ in millions	2022	2021	2022	2021
Adjusted net income	602	314	2,728	2,503
Operating earnings attributable to non-controlling interests	153	128	517	396
Non-operating adjustments of net Income	-2,795	960	-1,003	2,406
Net income	**-2,040**	**1,402**	**2,242**	**5,305**

Alongside the separately disclosed depreciation charges in conjunction with the innogy purchase-price allocation, impairment charges were recorded in the 2022 financial year in particular at Energy Networks' business in Slovakia (mainly on goodwill owing to this business's reclassification as a disposal group). Impairment charges were recorded in the prior year principally at Energy Network's business in Romania and at Customer Solutions' business in Slovakia.

Non-operating interest expense/income results from the effects of interest-rate changes for non-current provisions. The positive effect from the difference between the nominal interest rate and the effective interest rate of former innogy bonds adjusted due to the purchase-price allocation was another factor.

The non-operating tax result includes significant amounts that result mainly from additions to deferred tax assets in conjunction with the valuation of pension obligations in the United Kingdom and commodity derivatives in Germany.

Non-controlling interests' share of operating earnings increased mainly because of higher operating earnings at minority-owned companies.

Financial Situation

Finance Strategy

E.ON's finance strategy focuses on capital structure. At the forefront of this strategy is ensuring that E.ON always has access to capital markets commensurate with its debt level.

With its target capital structure E.ON aims to sustainably secure a strong BBB/Baa rating.

E.ON manages its capital structure using debt factor, which is equal to economic net debt divided by adjusted EBITDA; it is therefore a dynamic debt metric. Economic net debt includes not only financial liabilities but also provisions for pensions and asset-retirement obligations.

The increase in interest rates—including on asset-retirement obligations—put to an end the negative real interest rates that prevailed through September 30, 2022. Unlike in the prior year, the actual amount of asset-retirement obligations (without factoring in discounting and cost-escalation effects) exceeded the provisions shown in the balance sheet. This eliminates the limitation of economic net debt's relevance as key figure for purposes of management control that existed from year-end 2016 to September 30, 2022. Effective year-end 2022, E.ON therefore again uses the provisions shown in the balance sheet to calculate economic net debt.

Pursuant to IFRS valuation standards, innogy's financial liabilities at the time of initial consolidation were recorded at their fair value. This fair value is significantly higher than the original nominal value because interest-rate levels have declined since innogy's bonds were issued. The purchase-price allocation yielded a difference between the nominal value and the fair value, which results in additional liabilities of €1.7 billion at year-end 2022. This amount will be recorded in financial earnings as a reduction in expenditures and spread out over the maturity period of the respective bonds (see Note 10 to the Consolidated Financial Statements. These balance-sheet and earnings effects do not alter the interest and principal payments. To manage economic net debt, E.ON continues to use the nominal amount of financial liabilities, which deviates from the figure shown in its balance sheets.

E.ON so far aimed for a debt factor of 4.8 to 5.2. Debt factor at year-end 2022 of 4.1 was significantly below this target range. Going forward, E.ON aims for a debt factor of up to 5.0.

Economic Net Debt

Economic net debt declined by €6.1 billion relative to year-end 2021 (€38.8 billion) to €32.7 billion.

Financial liabilities of €32.5 billion reflect E.ON SE's issuance of bonds in the year under review as well as the repayment of five bonds (details on page 106). Short-term interim financing was paid down as well.

E.ON's net financial position improved by €3.1 billion compared with year-end 2021 to about -€21.6 billion. E.ON SE's dividend payment and investment expenditures as well as margin payments in conjunction with the development of commodity prices were more than offset by operating cash flow.

The increase in actuarial discount rates for pensions, which led to a reduction in defined benefit obligations, offset the decline in the return on plan assets and, on balance, had a positive impact on economic net debt (see Note 25 to the Consolidated Financial Statements). The reduction in provisions for asset-retirement obligations mainly resulted from the utilization of provisions for asset-retirement obligations in the nuclear energy business (see Note 26 to the Consolidated Financial Statements). Because the utilization affects operating cash flow, it had no overall effect on economic net debt.

Economic Net Debt

	December 31,	
€ in millions	2022	2021
Liquid funds	9,378	5,965
Non-current securities	1,347	1,699
Financial liabilities[1]	-32,483	-32,730
FX hedging adjustment	196	391
Net financial position	**-21,562**	**-24,675**
Provisions for pensions	-3,735	-6,082
Asset-retirement obligations[2]	-7,445	-8,016
Economic net debt	**-32,742**	**-38,773**

[1] Bonds formerly issued by innogy are recorded at their nominal value. The figure shown in the Consolidated Balance Sheets is €1.7 billion higher (year-end 2021: €1.9 billion higher).
[2] This figure is again the same as the asset-retirement obligations shown in theBalance Sheets (€7,445 million at December 31, 2022). The figure at December 31, 2021, is calculated in part based on the actual amount of E.ONs' obligations and therefore differs from the Balance Sheet amount of €9,230 million.

Funding Policy and Initiatives

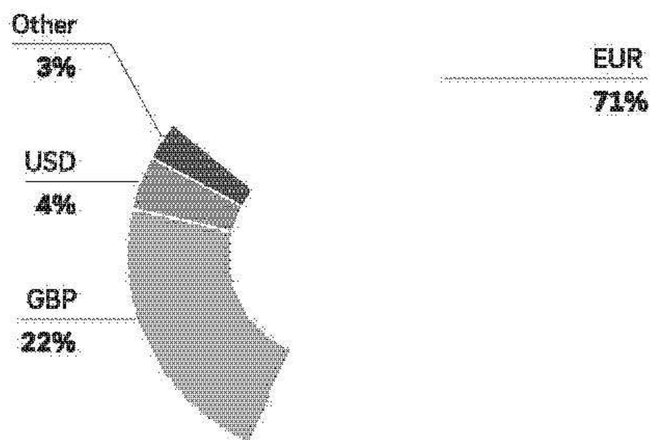
The key objective of E.ON's funding policy is for the Company to have access to a variety of financing sources at all times. E.ON achieves this objective by using different markets and debt instruments to maximize the diversity of its investor base. E.ON issues bonds with tenors that give its debt portfolio a balanced maturity profile. Moreover, large-volume euro-denominated benchmark issues may in some cases be combined with bonds denominated in foreign currencies, smaller euro-denominated issues, private placements, and/or promissory notes. Furthermore, from 2019 onward E.ON has issued green bonds and has since established them in its financing mix. E.ON intends to cover more than 50 percent of its annual long-term financing requirements with green bonds (the "E.ON on Capital Markets" chapter contains information about the E.ON Green Bond Framework).

External funding is generally carried out by E.ON SE, and the funds are subsequently on-lent in the Group. In the past, external funding was also carried out by the Company's Dutch finance subsidiary, E.ON International Finance B.V. ("EIF"), under guarantee of E.ON SE. In 2022 E.ON paid back in full maturities of

€2.7 billion. E.ON issued new debt totaling €3.9 billion (see "Special Events in the Reporting Period").

With the exception of a U.S.-dollar-denominated bond issued in 2008, all of E.ON SE and EIF's currently outstanding bonds were issued under a Debt Issuance Program ("DIP"). Similarly, innogy and innogy Finance B.V. bonds were formerly issued under the former innogy Group's DIP. A DIP simplifies a company's ability to issue debt to investors in public and private placements in flexible time frames. E.ON SE's DIP was last updated in March 2022 with a total volume of €35 billion, of which about €18.4 billion was utilized at year-end 2022. E.ON SE intends to renew the DIP in 2023.

Split by Currency at December 31, 2022



In addition to its DIP, E.ON has a €10 billion Commercial Paper ("CP") program and a US$10 billion CP program, under which it can issue short-term notes. After years of inactivity, the U.S. dollar CP program was utilized again in 2022. €0.8 billion of CP was outstanding at year-end 2022 (prior year: €1.5 billion).

E.ON also has access to €3.5 billion syndicated credit facility, which was concluded on October 24, 2019. It originally had a five-year term and includes two options to extend the facility, in each case for one year. After both options to extend the facility were exercised, the term of the credit facility ends on October 24, 2026. The credit margin is linked, among other things, to the development of certain ESG ratings, which gives E.ON financial incentives to pursue a sustainable corporate strategy. The ESG ratings are set by three renowned agencies: ISS ESG, MSCI ESG Research, and Sustainalytics. The facility serves as a reliable, ongoing general liquidity reserve for the E.ON Group and can be drawn on as needed. The credit facility is made available by 21 banks which constitute E.ON's core group of banks.

Financial Liabilities

	December 31,	
€ in billions	2022	2021
Bonds[1]	27.2	26.4
EUR	*19.3*	*18.0*
GBP	*6.1*	*7.1*
USD	*1.0*	*0.9*
JPY	*0.3*	*0.3*
Other currencies	*0.6*	*0.1*
Promissory notes	0.0	0.0
Commercial paper	0.8	1.5
Other liabilities	4.5	4.8
Total	**32.5**	**32.7**

[1] Includes private placements.

Alongside financial liabilities, E.ON has, in the course of its business operations, entered into contingencies and other financial obligations. These include, in particular, guarantees, obligations from legal disputes and damage claims, as well as current and non-current contractual, legal, and other obligations. Notes 27, 28, and 32 to the Consolidated Financial Statements contain more information about E.ON's bonds as well as liabilities, contingencies, and other commitments.

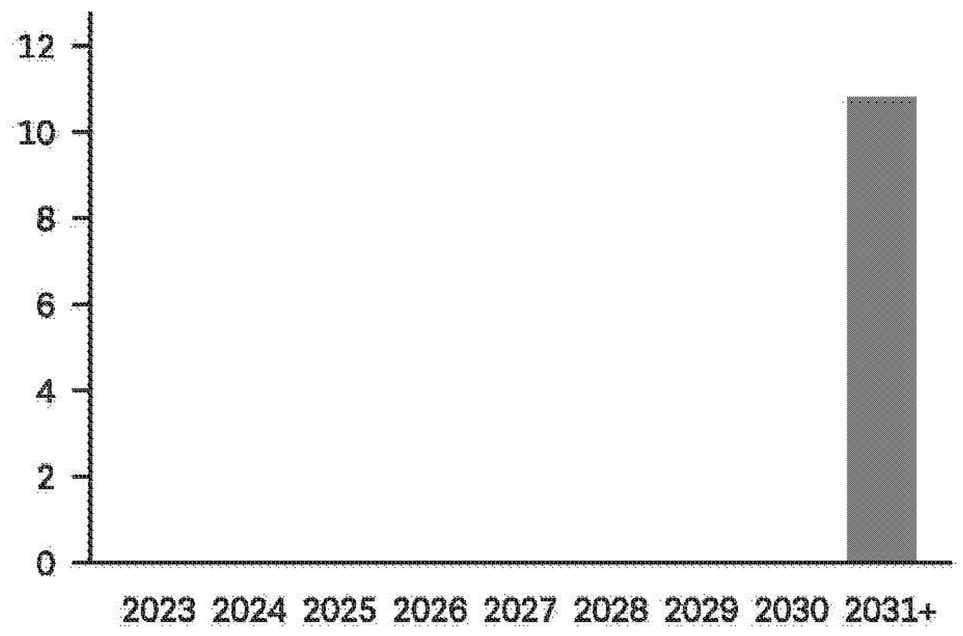
E.ON's creditworthiness has been assessed by Standard & Poor's ("S&P") and Moody's with long-term ratings of BBB and Baa2, respectively. The outlook for both ratings is stable. In both cases the ratings are based on the expectation that, over the near to medium term, E.ON will be able to maintain a debt ratio commensurate with these ratings. S&P's and Moody's short-term ratings are unchanged at A-2 and P-2, respectively.

In May 2022 E.ON decided to commission Fitch Ratings to assess its creditworthiness as well. The Company is therefore assessed by all three major rating agencies. Fitch rates E.ON's corporate credit risk at BBB+ with a stable outlook, its bonds at A-, and its commercial paper at F2.

E.ON SE Ratings

	S&P	Moodys[1]	Fitch
Long term	BBB	Baa2	BBB+
Outlook	Stable	Stable	Stable
Bonds	BBB	Baa2	A-
Short term	A-2	P-2	F-2

Maturity Profile of Bonds Issued by E.ON SE and E.ON International Finance B.V.



E.ON will continue to take into account the trust of rating agencies, investors, and banks at all times by means of a clear strategy and transparent communications. Alongside the ongoing dialog with capital market investors (at roadshows, for example) and rating analysts, E.ON organizes events that include an annual informational meeting for its core group of banks.

Investments

The E.ON Group's cash-effective investments of €4.8 billion in the 2022 financial year were almost at the prior-year level. Investments in in property, plant, and equipment and intangible assets amounted to €4.6 billion (prior year: €4.5 billion). Share investments totaled €177 million versus €275 million in the prior year.

Investments

	December 31	
€ in millions	2022	2021
Energy Networks	3,845	3,520
Customer Solutions	831	710
Thereof: Energy Infrastructure Solutions ("EIS")	523	409
Corporate Functions/Other	69	238
Consolidation	1	-4
Investments in core business	**4,746**	**4,464**
Non-Core Business	7	298
E.ON Group investments	**4,753**	**4,762**

Investments in the core business rose relative to the prior year. Energy Networks' investments of €3.8 billion were 9 percent above the prior-year figure of €3.5 billion. Investment activity in all regions focused primarily on new connections and network expansion in conjunction with the energy transition.

Customer Solutions' investments increased by 17 percent to €0.8 billion (prior year: €0.7 billion). Across all its regional markets, the Energy Infrastructure Solutions ("EIS") unit alone accounted for €0.5 of total investments. Key items relative to the prior year were the acquisition of a minority stake in Horisont Energi (a Norway-based company specializing in the production of blue ammonia and in carbon-storage technologies) along with higher investments in E.ON's district-heating networks and in the installation of additional smart energy meters in the United Kingdom.

Investments at Corporate Functions/Other declined by 71 percent to €0.1 billion (prior year: €0.2 billion). The reason is that the prior-year figure includes subsequent purchase-price payments in conjunction with the innogy acquisition.

Non-Core Business's investments decreased by €0.3 billion, because unlike in 2021 no residual power output rights were acquired.

Cash Flow

Cash provided by operating activities of continuing operations before interest and taxes of €11.5 billion was €5.9 billion above the prior-year level (€5.6 billion). Energy Networks recorded a significant increase of €2.3 billion to €7 billion, in particular because of higher cash-effective earnings and positive changes in working capital at the network business in Germany. Operating cash flow before interest and taxes rose at Customer Solutions as well, increasing by €1.9 million to €2.4 billion; the business in the United Kingdom and in Germany contributed to this development. The consequences of the energy-price crisis varied significantly across this segment's individual markets depending on whether government support was provided or not; the consequences in some cases offset each other. Notably, operating cash flow in the United Kingdom was €1.3 billion above the prior-year figure. This will lead to correspondingly lower customer payments in subsequent quarters. The shutdown of power plants reduced Non-Core Business's operating cash flow by €0.8 billion. Corporate Functions/Other's operating cash flow was about €2.4 billion above the prior-year level, primarily because of internal settlements between E.ON Energy Markets GmbH and the segments due to the central procurement of power and gas. Cash provided by operating activities of continuing operations benefited from lower interest and tax payments (€0.1 billion).

Cash provided by investing activities of continuing operations of -€3.1 billion was €2.3 billion above the prior-year figure of -€5.4 billion. This development is primarily attributable to a change in the balance of cash inflows and outflows on commodity futures transactions. Investments and disposals were at the prior-year level. Disposals include in particular a payment inflow from the partial sale of Westconnect GmbH. Activities in Hungary were among those divested in the 2021 financial year.

Cash Flow

€ in millions	2022	2021
Operating cash flow	10,045	4,069
Operating cash flow before interest and taxes	11,511	5,639
Cash provided by (used for) investing activities	-3,146	-5,399
Cash provided by (used for) financing activities	-3,146	2,263

Cash provided by financing activities of continuing operations of -€3.1 billion was €5.4 billion below the prior-year figure of €2.3 billion. The net of the issuance and repayment of bonds, commercial paper, and bank liabilities in the year under review had an adverse impact on cash provided by financing activities, as did the balance of cash inflows and outflows on margins resulting from the settlement of derivative transactions.

Cash-Conversion Rate

Cash-conversion rate ("CCR") indicates how much of the E.ON Group's earnings are transformed into cash flow. CCR is equal to operating cash flow before interest and taxes divided by adjusted EBITDA, without factoring in payments for the dismantling of nuclear power stations. E.ON's CCR in 2022 was 151 percent (prior year: 80 percent).

Asset Situation

Total assets and liabilities of €134 billion were about €14.3, or 12 percent, above the figure at year-end 2021. Non-current assets rose by €1.1 billion to €81.8 billion. This is mainly attributable to an increase in the value of companies accounted for using the equity method. Investments in property, plant, and equipment constituted another factor.

Current assets increased by 33.5 percent, from €39.1 billion to €52.2 billion This resulted mainly from the change in receivables on derivative financial instruments as well as an increase in trade receivables and inventory.

Equity attributable to E.ON SE shareholders was about €21.9 billion at year-end 2022. Equity attributable to non-controlling interests was roughly €5.9 billion. The equity ratio (including non-controlling interests) at year-end 2022 was 16 percent, which is 1 percentage point higher than at year-end 2021. Primarily the remeasurement of pension obligations contributed to this development. Alongside net income, positive effects relating to interest-rate and commodity cash-flow hedges recorded under other comprehensive income were the other main factor.

Non-current debt rose by €13.3 billion, or 21.7 percent, chiefly because of the development of liabilities relating to derivative financial instruments. This was partially offset by a reduction in provisions for pension and a reduction in provisions for nuclear asset-retirement obligations.

Current debt of €37.5 billion was 7.5 percent below the figure at year-end 2021, due principally to a decrease in other provisions for contingent losses from pending transactions because of their utilization following the settlement of the underlying transactions and to a decline in liabilities relating to derivative financial instruments. An increase from trade accounts payable was a countervailing factor.

Consolidated Assets, Liabilities, and Equity

€ in millions	Dec. 31, 2022	%	Dec. 31, 2021	%
Non-current assets	81,769	61	80,637	67
Current assets	52,240	39	39,122	33
Total assets	**134,009**	**100**	**119,759**	**100**
Equity	21,867	16	17,889	15
Non-current liabilities	74,670	56	61,359	51
Current liabilities	37,472	28	40,511	34
Total equity and liabilities	**134,009**	**100**	**119,759**	**100**

The Notes to the Consolidated Financial Statements contain more commentary on E.ON's asset situation.

Energy Networks

Power and Gas Wheeling Volume

Overall, power and gas wheeling volume in the year under review declined relative to the prior year. The main reasons in Germany were the Russia-Ukraine war and the associated conservation of electricity. The significant decline in gas wheeling volume resulted from mild weather as well as the war and the related tense gas situation.

Power wheeling volume in Sweden decreased year on year owing to weather factors as well as the tense situation on energy markets. The same reasons applied at East-Central Europe/Turkey along with the sale of two network operators in Hungary, ETI and ÉMÁSZ. Gas wheeling volume was likewise under the prior-year figure due to weather effects and the tense gas and macroeconomic situation amid the war.

Wheeling Volume

	Germany		Sweden		East-Central Europe/Turkey		Total	
Billion kWh	2022	2021	2022	2021	2022	2021	2022	2021
Fourth quarter								
Power	58.3	62.3	8.9	10.0	14.4	15.3	81.6	87.6
Network loss, station use, etc.	2.0	1.9	0.2	0.4	0.8	0.2	3.0	2.4
Gas	43.8	54.5	0.0	0.0	12.8	17.6	56.6	72.1
Full year								
Power	229.6	234.7	33.7	36.9	57.0	66.2	320.3	337.8
Network loss, station use, etc.	7.0	7.1	1.0	1.2	3.2	3.9	11.2	12.1
Gas	159.8	183.9	0.0	0.0	43.0	49.8	202.8	233.7

System Length and Network Customers

E.ON's power system in Germany was about 691,000 kilometers long, slightly below the prior-year figure (700,000 kilometers). At year-end it had about 14.8 million network customers for power in its service territory (prior year: 14.9 million). E.ON's gas system likewise declined slightly to about 98,000 kilometers (prior year: 101,000 kilometers). By contrast, the number of network customers, 1.9 million, was essentially unchanged from 2021.

The length of E.ON's power system in Sweden was 141,000 kilometers (prior year: 140,000 kilometers). The number of customers in the power distribution system was about 1.1 million, unchanged from the prior year.

E.ON operates electricity networks in East-Central Europe/Turkey with a total system length of 275,000 kilometers (prior year: 274,000 kilometers) and supplies about 8.4 million network customers (prior year: 8.3 million). As in the prior year, gas networks operated by E.ON were roughly 49,000 kilometers long. The number of gas network customers was unchanged at 2.7 million (prior year: 2.7 million).

Sales and Adjusted EBITDA

Energy Networks

	Germany		Sweden		East-Central Europe/Turkey		Total	
€ in millions	2022	2021	2022	2021	2022	2021	2022	2021
Fourth quarter								
Sales	4,535	4,076	266	261	855	668	5,656	5,005
Adjusted EBITDA	1,041	779	92	111	257	228	1,390	1,118
Full year								
Sales	16,248	14,661	1,007	962	3,003	2,650	20,258	18,273
Adjusted EBITDA	4,153	3,458	452	507	854	1,023	5,459	4,988

Sales and adjusted EBITDA in Germany amounted to €16,248 million and €4,153 million, respectively. Sales were thus €1,587 million above the prior-year figure. The factors contributing to this development included further growth in the regulated asset base due to additional investments and increased upstream network costs of transmission systems, which, pursuant to statutory regulations, distribution network operators must pass through in their network fees. Adjusted EBITDA improved by €695 million relative to the prior year. The increase resulted from a variety of effects, including further growth in the regulated asset base due to additional investments, the leveraging of planned synergies from the innogy transaction, cost savings, and the recovery of adverse earnings effects. These positive effects were partially offset by higher commodity prices and warmer weather.

Sales in Sweden of €1,007 million were slightly above the prior-year figure (€962 million). Tariff adjustments were the reason for this development. Adjusted EBITDA declined by €55 million to €452 million. Earnings were reduced primarily by higher costs for upstream networks, adverse volume effects due in part to mild weather during the year, and higher expenditures for network losses and storm damage.

East-Central Europe/Turkey's sales of €3,003 million were higher (prior year: €2,650 million), whereas adjusted EBITDA of €854 million was below the prior-year figure (€1,023 million). The decline in earnings is chiefly attributable to higher procurement costs for network losses (especially in Romania and Hungary) and the disposal of two network operators in Hungary in the third quarter of 2021. The adverse earnings effect of increased expenditures for network losses is only temporary. Existing regulatory mechanisms enable these expenditures to be recovered by higher earnings in subsequent periods.

Security of Supply

GRI 2-6, GRI 3-3, GRI G4 Sector Disclosures Electric Utilities

E.ON's objective as an energy company and distribution system operator is to ensure a secure supply of electricity to its customers. A reliable electricity supply is essential for industrialized countries to be able to maintain their economy and meet their inhabitants' needs. For example, industrial customers that operate high-precision production facilities require a constant network frequency. If frequency fluctuates, machinery can break down, resulting in additional costs. A complete interruption of the electricity supply can have serious consequences, and not just for industrial customers. At companies, government agencies, and households, most processes are no longer possible without electricity. One challenge in power supply is that energy is increasingly being generated decentrally and consequently fed into the E.ON network from many different points. Moreover, renewables feed-in fluctuates because it depends on the weather and other factors beyond E.ON's control.

E.ON's Approach

E.ON wants to operate secure and stable networks in a future energy world as well and thus offer its customers a reliable electricity supply at reasonable costs. That is why E.ON is upgrading to smart grids by equipping networks with sensors and control technology, increasing the level of automation, and adding a digital layer. This will enable us to manage energy flows in line with demand and to monitor our grids in real time and with much greater granularity than today. Additionally, as is described in greater detail below under "Specific Actions," smart-grid technology makes it possible for us to avoid or delay some grid expansion.

Going forward, smart grids will serve as the platform for the innovative technologies and business models that contribute to the energy transition's success. Examples include:

- Flexible tariff models that use price incentives to influence demand and thus help stabilize networks
- The aggregation of multiple distributed power generating units into virtual power plants that respond dynamically to changes in consumption
- Peer-to-peer sharing solutions, such as for households and businesses
- Fluctuation-tolerant local energy systems that have battery, gas, or heat storage devices and their own generating units.

We launched the E.ON Lab in 2022 to study more potential innovations. In Arnsberg/Sundern and Lüneburg, Germany, E.ON is testing the extent to which various aspects of a future energy world are feasible, useful, and scalable. E.ON is expanding its digital equipment in these communities and assessing the value that such smart solutions add for customers and networks. We are also exploring whether and how current energy-market regulation can better reflect customer needs. E.ON's smart solutions promote secure and efficient network operation. This gives us a transparent view of the operating status of network equipment and energy flows and enables us to make targeted use of the flexibility available in our networks.

Guidelines and Policies

In 2021 E.ON adopted a strategy for deploying more smart technology (smartification) in its low- and medium-voltage grids. The strategy applies in Germany and all other countries in Europe where the Company operates. E.ON's smart-tech deployment targets vary by country but generally far exceed those set by each country's regulatory scheme. We monitor progress using key performance indicators ("KPIs") on a regular basis.

Organization and Responsibilities

E.ON's regional network companies are responsible for the safe and reliable operation of its distribution networks. Network control centers manage network operations. They are also responsible for resolving unforeseeable outages in their service territory. E.ON's crisis management system defines the responsibilities and procedures for dealing with widespread disruptions. The Incident and Crisis Management policy provides guidelines for such situations. The Chief Operating Officer–Networks ("COO–N") oversees the Energy Networks segment. Under his leadership, three departments (Energy Networks Europe, Energy Networks Germany, and Energy Networks Technology & Innovation) at Corporate Functions manage the segment's regional units. These departments' tasks include strategic development, investment planning, and asset management.

Specific Actions

E.ON has an investment and maintenance programs under which it expands and maintains its networks in line with demand. E.ON will invest €26 billion in network expansion from 2023 to 2027. This is intended to enable us to ensure that all our network customers are connected to the network and receive a reliable energy supply. Our regional network companies are responsible for carrying out the measures, which are planned for one or more years. Part of the investment budget goes toward the gradual expansion of smart grids: E.ON's network structure is being progressively equipped with sensors, control and relay technology as well as being automated and digitally networked. The increasing use of smart-grid technology makes it possible to avoid or delay costly investments in network expansion, for example, by using new technology to making better use of existing overhead lines. Investment decisions always consider the efficiency of each measure alongside security of supply. This means that E.ON chooses those solutions that make the most sense from both a technical and business standpoint. This is because network investments also affect network fees, which account for a portion of the electricity price paid by customers.

Goals and Performance Review

E.ON's regional network companies record all planned and unplanned service interruptions in their distribution networks. The data collected are aggregated into the system average interruption duration index ("SAIDI") for electricity. It indicates the average interruption duration per customer and year.

E.ON reports the SAIDI of its fully consolidated network companies by country. The figures for Germany reflect the weighted average of its fully consolidated network companies there. They are calculated using the method prescribed by the Federal Network Agency (known by its German acronym, "BNetzA"). The calculations are based on service interruptions that have been verified by the BNetzA. All other countries in which E.ON operates networks have similar quality standards. Their national regulatory agencies verify and validate network operators' outage reports. The SAIDI figures for each country therefore reflect the methodology prescribed by its regulatory agency.

› Our network companies also calculate the system average interruption frequency index ("SAIFI"). This measures the average number of interruptions per customer and year. The data collection process for SAIFI is the same as for SAIDI. ‹

By the end of the data collection period in 2022, no regulatory agency had completed the process of validating outages for 2022. This report is intended to contain final figures on the continuity of supply that have been officially validated. Consequently, the country-specific figures for the prior year are disclosed below.

Although E.ON's does not use SAIDI and SAIFI for management control purposes, these figures provide important information on network reliability. At regular intervals, our network operators inform the E.ON Management Board member responsible for network operations about their supply reliability.

The following presentation of key figures on service quality considers different causes when classifying disruption-related interruptions in individual countries because their respective national regulatory agencies use different methodologies.

SAIDI Power[1] *G4-EU29*

	2022			2021			2020		
Minutes per customer	Scheduled	Unsched-uled	Total	Scheduled	Unsched-uled	Total	Scheduled	Unsched-uled	Total
Germany[2]	7	16	24	7	15	22	7	16	23
Sweden	30	91	121	26	91	116	25	121	146
Hungary[3]	87	54	141	117	58	175	117	61	178
Czech Republic[4]	144	308	451	134	47	181	145	47	192
Romania	293	89	382	297	259	556	288	358	646
Slovakia[4]	80	66	146	70	58	128	143	65	208
Poland[3]	11	39	50	7	38	45	9	44	53

[1] Totals may deviate due to rounding.
[2] Unscheduled figures do not include force majeure events; the flood event in the Ahr valley was therefore not taken into account.
[3] Unscheduled figures do not include force majeure events.
[4] Due to a change in scope, unscheduled figures for 2022 (as opposed to previous years) include force majeure events and vandalism.

The positive trend in service reliability in Germany continued in 2022 (based on data from 2021). A similar development can be observed in Poland and Sweden. The significant reduction in unplanned service interruptions in Romania is attributable to extensive investments in technological upgrades and maintenance. The improvement in Hungary is due to the sale of distribution system operators ("DSOs") ETI and EMÁSZ. E.ON's networks in Germany have the Group's best service reliability. The exceptionally high unscheduled outages in the Czech Republic are related to a tornado in southern Moravia that left several dead and hundreds injured, as well as causing severe damage in the region.

SAIFI Power[1] *G4-EU28*

Interruptions per customer	2022			2021			2020		
	Scheduled	Unsched-uled	Total	Scheduled	Unsched-uled	Total	Scheduled	Unsched-uled	Total
Germany[2]	0.30	0.60	0.90	0.10	0.30	0.40	0.10	0.30	0.40
Sweden	0.40	1.30	1.70	0.20	0.90	1.10	0.20	1.20	1.40
Hungary[2]	0.30	0.80	1.10	0.40	0.80	1.20	0.40	0.80	1.30
Czech Republic[3]	0.60	0.50	1.10	0.50	0.60	1.10	0.60	0.80	1.40
Romania	0.80	0.90	1.70	1.00	2.70	3.60	0.90	3.60	4.60
Slovakia[3]	0.40	0.90	1.30	0.30	1.10	1.40	0.50	1.20	1.70
Poland[2]	0.10	0.90	1.00	0.10	0.60	0.70	0.20	0.80	1.00

[1]Totals may deviate due to rounding.
[2]Unscheduled figures do not include force majeure events.
[3]Unscheduled figures do not include force majeure events and vandalism.

Progress and Measures

The table below provides information on our system lengths through the end of 2022.

System Length at Year-end

Thousand kilometers	Power			Gas		
	2022	2021	2020	2022[2]	2021[2]	2020
Germany[1]	691	700	705	98	101	101
Sweden	141	140	139	0	0	0
Hungary	84	84	133	18	18	18
Czech Republic	67	67	66	5	5	5
Romania	83	83	82	25	24	23
Slovakia	23	23	50	0	0	0
Poland	18	18	0	0	0	0
Total	**1,107**	**1,115**	**1,176**	**146**	**148**	**147**

[1]Figures for Germany are for the respective previous year: 2021 for 2022, 2020 for 2021, and so forth.
[2]Excluding Croatia.

Customer Solutions

Power and Gas Sales Volume

Power sales in the 2022 financial year declined by 111.1 billion kWh to 261.7 billion. Gas sales of 462.9 billion kWh were slightly above the prior-year figure of 448 billion kWh. The wholesale market business was responsible for the slight increase, which resulted primarily from the optimization of the procurement portfolio.

Power and gas sales to the customer groups decreased. The primary reasons for the decline in power and gas sales in almost all of E.ON's regional markets were portfolio streamlining in line with our B2B strategy, mild weather as well as crisis-related energy conservation and the associated decline in consumption.

Power Sales

	Germany		United Kingdom		The Netherlands		Other		Total	
Billion kWh	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Fourth quarter										
Residential and SME	9.0	8.8	4.6	6.0	1.7	1.7	6.0	8.2	21.4	24.7
I&C	7.2	6.9	5.7	8.7	0.6	1.1	4.7	6.1	18.4	22.8
Sales partners	4.9	13.4	0.8	–	–	–	1.2	1.8	6.9	15.2
Customer groups	**21.1**	**29.1**	**11.1**	**14.7**	**2.3**	**2.8**	**11.9**	**16.1**	**46.7**	**62.7**
Wholesale market	19.0	50.5	1.2	28.1	3.2	2.3	2.3	2.4	25.6	83.0
Total	**40.1**	**79.6**	**12.3**	**42.8**	**5.5**	**5.1**	**14.2**	**18.5**	**72.3**	**145.7**
Full year										
Residential and SME	33.2	32.7	19.9	21.8	5.3	6.3	23.6	32.5	82.0	93.3
I&C	27.6	28.5	26.1	32.0	2.6	4.7	16.2	24.5	72.6	89.7
Sales partners	18.8	49.8	2.4	2.2	–	–	5.5	6.9	26.7	59.1
Customer groups	**79.6**	**111.0**	**48.4**	**56.0**	**7.9**	**11.1**	**45.3**	**64.0**	**181.3**	**242.3**
Wholesale market	53.5	77.0	6.0	35.8	11.2	8.2	9.8	9.7	80.4	130.7
Total	**133.1**	**188.0**	**54.4**	**91.8**	**19.1**	**19.2**	**55.1**	**73.6**	**261.7**	**372.8**

Gas Sales

	Germany		United Kingdom		The Netherlands		Other		Total	
Billion kWh	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Fourth quarter										
Residential and SME	13.5	15.6	11.1	16.0	6.3	8.2	10.6	12.6	41.5	52.4
I&C	8.8	5.6	2.4	5.9	3.6	5.3	3.1	5.3	17.9	22.1
Sales partners	6.5	12.1	2.6	2.0	–	–	0.1	–	9.3	14.1
Customer groups	**28.8**	**33.3**	**16.1**	**23.9**	**9.9**	**13.5**	**13.8**	**17.9**	**68.7**	**88.6**
Wholesale market	30.9	38.0	10.2	31.9	13.1	10.7	3.9	2.5	58.1	83.1
Total	**59.7**	**71.3**	**26.3**	**55.8**	**23.0**	**24.2**	**17.7**	**20.4**	**126.8**	**171.7**
Full year										
Residential and SME	41.6	46.4	39.9	49.0	19.9	26.8	33.0	35.9	134.4	158.1
I&C	24.9	26.0	9.9	14.0	14.4	23.1	11.0	20.9	60.2	84.0
Sales partners	19.9	36.6	7.2	7.4	–	–	0.7	0.7	27.8	44.7
Customer groups	**86.4**	**109.0**	**57.0**	**70.4**	**34.3**	**49.9**	**44.7**	**57.4**	**222.4**	**286.7**
Wholesale market	92.8	80.3	95.9	41.0	41.1	32.6	10.7	7.4	240.5	161.3
Total	**179.2**	**189.3**	**152.9**	**111.4**	**75.4**	**82.5**	**55.4**	**64.9**	**462.9**	**448.1**

Customer Numbers

Customer Solutions' fully consolidated companies had a total of about 35.9 million customers at year-end 2022, less than the prior-year figure of 38.8 million.[5] The number of customers in Germany remained unchanged year on year at 14.4 million. In the United Kingdom the number of customers declined slightly to 9.1 million because of the challenging market conditions (prior year: 9.3 million). This was also the reason why the number of customers in the Netherlands decreased slightly to 4 million (prior year: 4.1 million). The total number of customers in the other regions declined from 11 million to 8.4 million. Customer losses are attributable almost exclusively to power customers in Hungary due to the return of the ELMÜ universal service provider ("USP") license and the resulting restructuring of the business. Customer losses relate to both power and gas customers.

Sales and Adjusted EBITDA

The €34.8 billion increase in Customer Solutions' sales to €96.2 billion mainly reflects price increases on commodity markets during the energy crisis and impacted, in particular, the sales business in Germany, the United Kingdom, and the Netherlands. Adjusted EBITDA increased by €193 million to €1,686 million. Distributed energy infrastructure solutions ("EIS") for customers account for a significant portion of Customer Solutions. Adjusted EBITDA of these activities totaled €568 million in the year under review.

Adjusted EBITDA in Germany rose by €66 million to €760 million. The main reasons were lower acquisition costs due to less customer churn as well as the leveraging of synergies in the wake of the innogy integration.[6] On balance, the adjustment of end-customer prices offset increased procurement costs as well as the costs for anticipated payment defaults due to the passthrough of high energy prices.

Adjusted EBITDA in the United Kingdom decreased by €53 million to €208 million. The decline resulted mainly from weather and consumption effects as well as precautionary measures for payment defaults, especially in the business with residential customers and small and medium-sized enterprises. These items were only partially offset by cost savings delivered by the ongoing restructuring program.

Adjusted EBITDA in the Netherlands rose by €172 million to €324 million. Positive weather effects and the dynamic procurement strategy including the optimized use of gas storage facilities made a significant contribution to this positive earnings performance.

The other regions generally delivered a positive sales and adjusted EBITDA performance as well. Sales increased by €4,556 million to €15,315 million and adjusted EBITDA by €8 million to €394 million. The sale of the regulated retail business had a particularly positive effect on earnings in Hungary, whereas the regulatory scheme had an adverse impact in Romania.

Customer Solutions

	Germany		United Kingdom		The Netherlands		Other		Total		Thereof EIS	
€ in millions	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Fourth quarter												
Sales	11,974	11,564	12,789	6,392	3,591	1,730	4,609	3,523	32,963	23,209	–	–
Adjusted EBITDA	285	161	-302	-35	115	50	171	-5	269	171	203	170
Full year												
Sales	38,732	28,711	31,992	17,870	10,182	4,088	15,315	10,759	96,221	61,428	–	-
Adjusted EBITDA	760	694	208	261	324	152	394	386	1,686	1,493	568	479

[5]The adjustment resulted from the harmonization of npower in the United Kingdom.

[6]Cash-effective costs of €105 million were recorded in 2022 for innogy's integration into the E.ON Group.

Sustainable Products and Services

GRI 3-3

Greenhouse gas emissions cannot be limited only by the way energy is generated. Energy efficiency and other methods of reducing consumption as well as energy recovery can lower emissions too. E.ON has a broad portfolio of such solutions, which it markets to residential customers and to industrial, commercial, and municipal customers. E.ON continually adjusts this portfolio to better meet its customers' needs, respond to market changes, and utilize new technologies.

E.ON's Approach

E.ON offers distributed energy systems for households under the brand name Future Energy Home. Customers can use a variety of solutions: solar modules for generating their own energy and battery systems for storing it as well as charging stations for electric vehicles ("EVs"), heat pumps, and other heating solutions. The devices are connected to E.ON Home, an energy-management app; launched in 2018, it was available in six countries in the year under review. Three more countries are to be added in 2023. Regardless of where they are, customers can use the app to view their home's energy output and consumption, control their devices, and reduce their energy use and carbon emissions. E.ON added new functions to the app in 2022, particularly for electromobility ("eMobility"). More solutions are being tested, such as solar charging.

For digital energy-management solutions to function seamlessly, smart energy meters are essential. An EU Directive from 2009 stipulates that, to the degree technically and financially feasible, all customers should have a smart energy meter. Member states must transpose this directive into national law. Germany's Act on the Digitalization of the Energy Transition of 2016, for example, specifies that all customers must be equipped with a smart energy meter by 2032. More information can be found below under "Goals and Performance Review."

Also eMobility will play a significant role in the energy transition. Germany's transport sector emitted around 148 million metric tons of CO_2 equivalents ("CO_2e") in 2021. The German Climate Protection Act, which was amended in 2021, calls for these emissions to be reduced to a maximum of 85 million metric tons of CO_2e per year by 2030. To achieve this, passenger car and road freight transport must be climate-neutral and the range of alternative drive trains and the infrastructure to supply them with energy must be massively expanded. One million publicly accessible charging points are to be installed in Germany alone by 2030. In addition, there will be charging points in eCar drivers' private and business environments and at the premises of EV fleet operators. E.ON's objective is to use its experience in the energy sector to simplify EV charging in public places, at work, and at home.

E.ON offers comprehensive infrastructure solutions to make charging both economical and climate-friendly. Under its E.ON Drive brand, E.ON plans and installs charging stations and connects them to the power grid. E.ON is also responsible for supplying energy and operating the equipment. We further optimized our eMobility business in the year under review and will concentrate on three areas in the future: E.ON Drive Solutions serves private and business users. Its focus is on offerings for charging at work, on the go, and at home, which include a variety of wall-mounted charging stations as well as related installation and energy services. In addition, E.ON Drive eTransport is engaged in the electrification of commercial vehicles. E.ON Drive Infrastructure is responsible for charging in public places.

Distributed, flexible, and connected supply systems are crucial for the future energy world. E.ON wants to propel their development with Energy Infrastructure Solutions ("EIS"). It consists of two units, City Energy Solutions ("CES") and Business-to-Business ("B2B"), which develop, own, and operate distributed energy infrastructure. EIS aims to help commercial, industrial, municipal, and real estate customers achieve their sustainability goals. The relevant assets are installed at customers' premises or in their vicinity. EIS specializes in four areas: comprehensive embedded generation solutions for electricity, heat, and steam as well as the supply of district heating and cooling. Its portfolio also includes distributed solutions for city districts and industrial and commercial customers as well as products and services for greater energy efficiency. EIS's offerings incorporate the latest technology, including combined-heat-and-power ("CHP") and energy-recovery plants as well as waste-heat recovery and low-temperature heating and cooling networks. Some solutions are complemented by software-based solutions and analytics that enable customers to reduce their energy consumption, costs, and greenhouse gas emissions by visualizing and optimizing their energy use.

Organization and Responsibilities

Our Chief Operating Officer—Commercial, who is a member of the E.ON Management Board, has overall responsibility for the entire customer business, including the Customer Solutions segment. The segment also includes concepts that enable customers to create social, environmental, and financial value. E.ON Energy Infrastructure Solutions ("EIS") and Business-to-Customer ("B2C") work with various E.ON business units on a wide range of topics, such as product development, plant operation, and sustainability management. Responsibility for this lies with the regional units for their respective market (including Western, Central, and Eastern Europe, the United Kingdom, and Scandinavia).

E.ON's distribution system operators ("DSOs") across Europe, which are part of the Energy Networks segment, are responsible for installing smart energy meters in their service territories; the exception is the United Kingdom, where E.ON's retail organization provides them to its customers. German law created two roles for the provision of smart energy meters. The first role, the default metering provider, is responsible for the mass rollout of the standard smart energy meter mandated by German law. At E.ON, this role is performed by its DSOs. The second role, the competitive metering service provider, offers the standard smart energy meter as well as other metering solutions. At E.ON, this role is performed by its German retail sales unit. In addition, E.ON

subsidiaries act as smart energy meter service providers for municipal utilities and regional energy suppliers in Germany.

Of E.ON's three business units active in eMobility, E.ON Drive Solutions plays a Group-wide role as a competence center for effective and attractive charging solutions. E.ON Drive Solutions is represented across Europe, and its task areas include sales, operations, and IT management.

Specific Actions

E.ON Plus enables residential customers in Germany to bundle two or more energy contracts for power or gas and to benefit from 100 percent green power at no extra charge. By meeting certain conditions, they can receive an annual discount of €60 per contract. E.ON contracts throughout Germany are eligible. Moreover, customers can bundle their own contracts or participate in E.ON Plus with family members, friends, or neighbors. E.ON Plus electricity is certified green by TÜV Süd.

As an eMobility provider ("EMP"), we give eCar drivers access to our charging network. This network also includes charging points from other providers that are available to E.ON customers as roaming options. In addition, we offer residential customers innovative charging stations and specific electricity tariffs. We supply our commercial customers with both regular and fast charging stations. Furthermore, we support them with solutions for EV fleet management.

In addition, since 2018 E.ON has been a member of the Climate Group's global EV100 initiative, which aims to make EVs the new normal by 2030. To lead the way, E.ON is gradually electrifying its vehicle fleet and car parks for employees, guests, and customers. For more information about EV100, visit the Environmental Management chapter.

On the commercial vehicle side, E.ON Drive aims to capitalize on growth in the market segments of electric road haulage and public passenger transport as well. Battery-powered commercial vehicles are still the exception, especially in the heavy-duty category. Unlike the passenger car market, the transportation sector is only at the beginning of its evolution toward zero-emissions mobility. But interest among companies and municipalities in electrifying their truck, bus, and van fleets is growing. Climate targets, increasing freight transport, and the growth trajectory of electric drives in local and long-distance public transport will pose greater challenges for charging infrastructure, land use, and grid connections as well. E.ON wants to help fleet operators meet these challenges by significantly expanding its portfolio of products and services for charging fleets of electric commercial vehicles. We want to expand E.ON Drive eTransport, which provides charging solutions for commercial vehicles, to become one of the leading offerings in Europe by 2025.

EIS pursues a partnership-based business approach both in its B2B unit and in CES's products for business customers and municipalities. It develops integrated solutions for heating, cooling, electricity, and mobility. These holistic concepts that integrate the individual sectors; for example, electricity from photovoltaic systems can be used to power heat pumps and eMobility charging infrastructure. E.ON enters into long-term partnerships, such as the cooperation agreement it signed with Deutsche ErdWärme GmbH ("DEW") in 2022. Together, we want to develop and implement geothermal projects to provide our business customers with green, regionally generated heat.

CES customers increasingly link their sustainability targets to the United Nations Sustainable Development Goals ("UN SDGs"), especially SDGs 7 (Affordable and Clean Energy), 11 (Sustainable Cities and Communities), and 13 (Climate Action). CES formed partnerships with municipal and real estate customers across Europe in 2022 to support them in achieving their sustainability targets. By assisting them with development projects that have long-lasting effects, we also aim to help safeguard their assets' long-term value.

E.ON continues to take part in research projects at universities and research institutions. The purpose is to develop the technologies, systems, and approaches that will make it possible to meet the needs of tomorrow's energy world. Our flagship partnership is with the E.ON Energy Research Center at RWTH Aachen University. Its research has an interdisciplinary approach and focuses mainly on distributed generation, smart grids, and efficient building technologies.

Goals and Performance Review

E.ON wants to offer its customers pioneering energy solutions for the energy world of today and tomorrow. We want our solutions to help them save money, use less energy where possible, and emit less carbon dioxide. E.ON has set a target for this: by 2030, the Company aims to reduce customers' carbon dioxide emissions by 50 percent relative to 2016 (you can find out more about E.ON's climate targets in the Climate Protection chapter).

E.ON's goal is to equip all its customers with a smart energy meter in the markets covered by the EU directive. However, regulatory delays in the certification of the communication units, known as smart energy meter gateways, prevented DSOs in Germany from starting to gradually rollout smart energy metering systems until February 2020. Until the responsible federal authority withdrew the market declaration in May 2022, the rollout of smart energy metering systems in Germany proceeded according to plan. Since then, it has continued on a reduced scale. A renewed ramp-up requires a legal change, which E.ON expects in 2023.

The E.ON Drive Infrastructure team invests in, builds, and operates charging infrastructure at publicly accessible locations to support the development of a Europe-wide network. It aims to expand its network by 1,000 charging points per year and is focusing on three key use cases to achieve this target:

- in the immediate vicinity of densely populated residential areas, city centers, and attractions

- in partnership with high-traffic destinations, such as supermarkets or hotels and restaurants

- along freeways.

The impact of our B2B projects on our customers' sustainability can be measured by a variety of KPIs. These KPIs range from carbon-emissions savings to reductions in energy costs and consumption including reductions in final energy consumption (such as electricity) as well as primary energy usage (for example, fuel consumption to generate electricity or heat). Due to country-specific standards and reporting obligations, however, these KPIs are not consistently consolidated Group-wide.

Depending on the project and customer requirements, we also use a variety of KPIs to evaluate the effectiveness of CES solutions for customers. These KPIs include primary energy consumption (such as the use of gas to generate heat), avoided emissions (typically CO_2), and the deployment of renewable generation technologies (such as geothermal energy and heat pumps) in new property developments. Targets differ based on customer demands and market standards. Teams from our regional units monitor these projects on a regular basis.

Progress and Measures

242,402 kt of CO_2e

The reduction in carbon dioxide emissions through year-end 2022 achieved by B2B customers in Germany through the use of large-scale CHP plants installed by E.ON.

68,740,886 MWh

Green power sales

44%

Share of green power sales

20,417

Number of charging points sold by E.ON in Europe.

Installed Smart Energy Meters by Country

Thousand units	2022	2021	2020
Rollout countries			
United Kingdom	5,300	4,738	4,208
Germany[1]	4,874	3,112	2,540
Sweden	1,050	1,047	1,044
Pilot countries			
Romania	346	306	288
Slovakia	105	100	231
Hungary	330	188	142
Czech Republic	10	5	2
Poland	163	158	0
Total	**12,178**	**9,654**	**8,455**

[1] Includes digital meters.

Non-Core Business

Fully Consolidated and Attributable Generating Capacity

PreussenElektra's fully consolidated and attributable generating capacity at year-end 2022 was 1,058 MW, unchanged from year-end 2021.

PreussenElektra's Power Generation

Owned generation and purchases of 9.1 billion kWh in the 2022 financial year were significantly below the prior-year level owing to the shutdown of Brokdorf and Grohnde nuclear power plants ("NPPs") on December 31, 2021, pursuant to Germany's Atomic Energy Act.

Power Generation

	PreussenElektra	
Billion kWh	2022	2021
Fourth quarter		
Owned generation	2.0	7.7
Purchases	0.4	0.2
Jointly owned power plants	–	–
Third parties	0.4	0.2
Total	**2.4**	**7.9**
Station use, line loss, etc.	-0.1	–
Power sales	**2.3**	**7.9**
Full year		
Owned generation	8.7	30.5
Purchases	0.6	1.1
Jointly owned power plants	–	–
Third parties	0.6	1.1
Total	**9.3**	**31.6**
Station use, line loss, etc.	-0.2	-0.1
Power sales	9.1	31.5

Sales and Adjusted EBITDA

Non-Core Business's sales declined by €572 million year on year to €1,060 million. Adjusted EBITDA fell as well, by €533 million to €1,084 million.

The year-on-year reduction in sales at PreussenElektra resulted mainly from the fact that Brokdorf and Grohnde NPPs were shut down as planned on December 31, 2021. This was partially offset by higher sales prices on power marketed from Isar 2 NPP. The decline in adjusted EBITDA is primarily attributable to the non-recurrence of the one-off effect recorded in 2021 in conjunction with the agreement between the German federal government and NPP operators on nuclear power output rights and the resulting refund of residual power purchases.

Non-Core Business

	PreussenElektra		Generation in Turkey		Total	
€ in millions	2022	2021	2022	2021	2022	2021
Fourth quarter						
Sales	308	559	–	–	308	559
Adjusted EBITDA	277	346	29	20	306	366
Full year						
Sales	1,060	1,632	–	–	1,060	1,632
Adjusted EBITDA	922	1,563	162	54	1,084	1,617

Brokdorf and Grohnde NPPs as planned on December 31, 2021, was another factor. This was partially offset by higher sales prices relative to the prior year. The provisions of the Act on the Introduction of an Electricity Price Cap and the amendment of other energy laws (such as "StromBP") to tax windfall electricity market profits (which apply from December 1, 2022, onward) adversely impacted earnings for the first time.

At the power generation business in Turkey, by contrast, equity earnings on E.ON's stake in Enerjisa Üretim surpassed the prior-year figure, primarily because of operating improvements, which were partially offset by currency-translation effects resulting from the weakening of the Turkish lira.

E.ON SE's Earnings, Financial, and Asset Situation

The 2022 Financial Year

E.ON SE prepares its Financial Statements in accordance with the German Commercial Code, the SE Ordinance (in conjunction with the German Stock Corporation Act), and the Electricity and Gas Supply Act (Energy Industry Act).

Balance Sheet of E.ON SE (Summary)

	December 31	
€ in millions	2022	2021
Intangible assets	1	22
Property, plant, and equipment	12	13
Financial assets	45,743	46,059
Non-current assets	**45,756**	**46,094**
Receivables from affiliated companies	13,515	12,553
Other receivables and assets	2,442	2,257
Liquid funds	5,224	1,666
Current assets	**21,181**	**16,476**
Accrued expenses	73	62
Asset surplus after offsetting of benefit obligations	0	4
Total assets	**67,010**	**62,636**
Equity	11,723	11,440
Provisions	1,141	1,055
Bonds	15,601	13,731
Liabilities to affiliated companies	37,769	34,714
Other liabilities	547	1,451
Deferred income	229	245
Total equity and liabilities	67,010	62,636

The decline in financial assets resulted mainly from impairment charges on equity interests in affiliated companies (-€649 million) and from the assumption and issuance of loans to affiliated companies (€300 million). The increase in receivables from affiliated companies and the increase in liabilities to affiliated companies mainly reflected changes in cash-pooling balances.

The increase in other receivables results mainly from the acquisition of money market funds; the decline in other liabilities results mainly from the repayment of short-term financial liabilities and from a reduction in liabilities relating to other taxes.

The change in equity reflects changes in treasury shares under the employee stock-purchase program conducted in 2022 along with a €271 million increase in net income available for distribution.

The increase in provisions mainly results from the provision for recultivation and remediation obligations.

E.ON SE issued new bonds and commercial paper in the amount of €3,852 million in the 2022 financial year and repaid bonds in the amount of €1,250 million. The increase in cash and cash equivalents results chiefly from cash inflows from external financing and an increase in liabilities to affiliated companies.

Information on treasury shares can be found in Note 11 to Financial Statements of E.ON SE and Note 20 to the Consolidated Financial Statements.

Income Statement of E.ON SE (Summary)

€ in millions	2022	2021
Income from equity interests	2,954	2,107
Financial result	-876	-26
Other expenditures and income	-635	-101
Taxes	106	26
Net income	**1,549**	**2,006**
Profit carryforward from the prior year	1,276	898
Net income transferred to retained earnings	0	-350
Net income available for distribution	**2,825**	**2,554**

E.ON SE is the parent company of the E.ON Group. As such, its earnings situation is affected by income from equity interests. The main contributors to positive income from equity interests were income from the transfer of profits from E.ON Beteiligungen GmbH in the amount of €1,333 million, E.ON Finanzanlagen GmbH in the amount of €984 million, and E.ON Energie AG in the amount of €501 million.

The financial result for 2022 includes expenses from impairment charges on equity interests in affiliated companies and a deterioration in net interest expense, mainly due to the increase in interest rates.

The negative balance of other income and expenses in 2022 resulted primarily from €221 million in expenses for purchased third-party services, €215 million in personnel-related expenses, €60 million in auditing and consulting services, and €14 million in net expenses from currency effects. In addition, €109 million of the expenses reflect the increase in the provision for recultivation and remediation obligations. The prior-year figure included income of €368 million relating to the reversal of impairment charges on equity interests in affiliated companies.

The activities of the company E.ON SE within the meaning of Section 6b (3) of the Energy Industry Act consist mainly of other activities outside the electricity and gas sector. In addition, E.ON SE provides a relatively limited degree of energy-specific services to affiliated network operators for network operations relating to electricity distribution and/or gas distribution and prepares activity statements for these services. The resulting earnings, individually and in total, are minimal (about -€1 million).

In the year under review, total income from taxes amounted to €106 million relating to taxes for prior years. This consists of an income tax income of €118 million and an expense from other taxes of €12 million.

At the Annual Shareholders Meeting in 2023, the Management Board will propose that net income available for distribution be used to pay a dividend of €0.51 per ordinary share and the remaining amount of €1,494 million to be carried forward to the next financial year. Management's proposal for the use of net income available for distribution is based on the number of ordinary shares on March 6, 2023, the date the Financial Statements of E.ON SE were prepared.

The complete Financial Statements of E.ON SE, with an unqualified opinion issued by the auditor, KPMG AG, Düsseldorf, will be announced in the Bundesanzeiger.

Outlook

The E.ON SE Management Board has decided on a dividend policy that foresees annual growth in the dividend per share of up to 5 percent through the dividend for the 2027 financial year. This also applies to dividend growth of up to 5 percent for the 2023 financial year. E.ON will aim for an annual increase in dividend per share after 2027 as well. In E.ON's strategy, sustainability with an emphasis on climate-neutral economic activities is a key growth factor that will enable E.ON to meet its dividend targets.

Forecast Report

Business Environment

Macroeconomic Situation

Amid the ongoing crises and challenges, the global economy lost pace in 2022. Persistently high inflation spread across countries and products. In addition, the Russia-Ukraine war increases the risk of a debt crisis in low-income countries. In view of this situation, the OECD's November 2022 economic outlook projects global economic growth of 2.2 percent in 2023 and 2.7 percent in 2024. Emerging economies in Asia will account for almost three quarters of global growth in 2023, whereas the upswing in the United States and Europe will lose momentum. Furthermore, inflation rates are expected to remain at a high level in 2023.

The European Union's autumn economic forecast assumes that GDP growth is likely to reach 0.3 percent in 2023 in both the EU and the eurozone. It predicts economic growth averaging 1.6 percent in 2024 in the EU and 1.5 percent in the eurozone. At the same time, the inflation rate is expected to decline in 2023 but remain high at 7 percent in the EU and 6.1 percent in the eurozone, before easing to 3 percent and 2.6 percent, respectively, in 2024.

The German Council of Economic Experts had forecast as recently as the spring of 2022 that Germany would achieve GDP growth of 3.6 percent in 2023. It corrected its prediction in the fall of 2022 and now expects GDP to decline by 0.2 percent in 2023. The OECD published a similar forecast. It assumes that Germany will record negative economic growth of 0.3 percent. By contrast, it expects GDP to recover by 1.5 percent in 2024. This will require that foreign demand picks up as anticipated, pressure on energy prices decreases, and the inflation rate declines.

General Statement on E.ON's Anticipated Development

The growth strategy adopted in 2021 as a continuation of the Group's far-reaching transformation in the preceding years proved to be correct and resilient even in the crisis year 2022. In our view, the strategic elements of sustainability and digitalization, which remain valid and underscore E.ON's growth ambitions, are precisely the success factors that will accelerate the transformation of the energy system. We anticipate that in 2023 our operating business will continue to be shaped by the high level of inflation and interests rates as well as volatile and higher wholesale energy prices than before the start of the crisis. Policy and regulatory measures will have an indirect and direct impact on our business operations in individual countries. However, they are now more concrete than in the previous year. The forecast therefore includes the impact of the energy crisis to the extent that we can estimate macroeconomic factors and regulatory intervention.

Anticipated Earnings and Financial Situation

Forecast Earnings Performance

The most important key performance indicators for managing the E.ON Group are adjusted EBITDA, investments, and earnings per share from adjusted net income ("EPS"). E.ON expects adjusted Group EBITDA of €7.8 to 8.0 billion in the 2023 financial year. It anticipates adjusted net income of €2.3 to 2.5 billion, or €0.88 to €0.96 per share in 2023 (based on around 2,610 million shares outstanding). We report on the E.ON Group's dividend policy and planned annual dividend growth in the "E.ON on Capital Markets" chapter.

Forecast by segment:

Adjusted EBITDA[1]: 2023 Plan

€ in billions	
Energy Networks	6.0 to 6.2
Customer Solutions	1.8 to 2.0
Corporate Functions/Other	circa -0.1
E.ON Group	**7.8 to 8.0**

[1]Adjusted for non-operating effects.

E.ON expects Energy Networks to record a significant earnings increase in 2023 compared with the past financial year. This performance will result from further growth in the regulated asset base due to additional investments. In addition, lower adverse effects from the procurement of loss energy compared with the previous year and catch-up effects from previous years are expected.

Earnings at Customer Solutions are expected to be above the prior-year level. The Company expects a positive performance, particularly in the United Kingdom, as a result of successful restructuring and a more stable market environment compared with the prior year. In addition, this segment will benefit from further growth in distributed EIS activities.

Earnings at Corporate Functions/Other are expected to be above the prior-year level. The earnings streams from generation activities in Turkey, which are reported under Corporate Functions/Other effective the start of the 2023 financial year, will have a positive impact.

Adjusted net income and earnings per share from adjusted net income ("EPS") are expected to be below the prior-year level. In addition to the above-described developments in adjusted EBITDA, higher depreciation charges due to increased investments in the

energy transition and a slight increase in interest costs will have a negative impact.

Planned Investments

Investments in the sustainable expansion and digital transformation of energy networks and customer solutions operations form the basis for the value-driven growth E.ON aims to achieve. Investments of around €5.8 billion are therefore planned for the 2023 financial year.

Cash-Effective Investments: 2023 Plan

	€ in billions	Percentages
Energy Networks	~4.6	79
Customer Solutions	~1.1	19
Corporate Functions/Other	~0.1	2
E.ON Group	**~5.8**	**100**

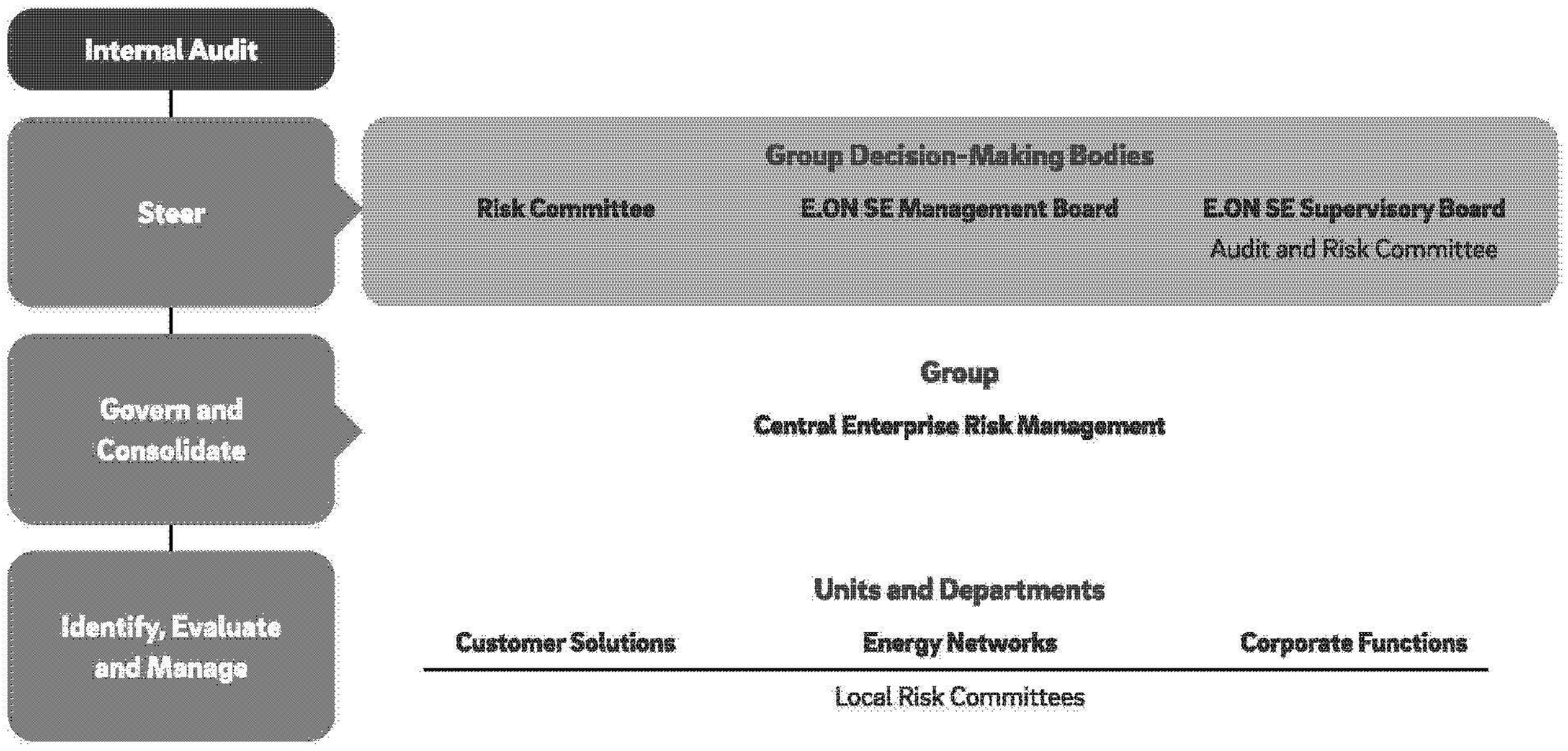
E.ON will make most of these investments in its Energy Networks segment, the backbone of a successful energy transition. Investments will go toward expanding, enhancing, and modernizing networks, switching equipment, and metering and control technology in order to ensure the reliable, uninterrupted, and sustainable distribution of electricity and to meet rising energy demand. In addition, E.ON will invest in the digitalization of network planning, monitoring, and control.

Customer Solutions' investments will largely be channeled into the expansion of the EIS business of providing climate-friendly, distributed energy infrastructure solutions, particularly in our markets in Sweden, Germany, and the United Kingdom. E.ON will also invest in advanced IT platforms, smart energy meters (primarily in the United Kingdom), smart charging solutions for eMobility, and integrated energy solutions.

Corporate Functions/Other's investments will go mainly toward Group-wide IT infrastructure and digital platforms for the networks and customer solutions business.

Risks and Chances Report

Enterprise Risk Management System in the Narrow Sense



Objective

E.ON's Enterprise Risk Management ("ERM") provides the management of all units as well as the E.ON Group with a fair and realistic view of the risks and chances resulting from their planned and contracted business activities. It provides:

- meaningful information about risks and chances to the business, thereby enabling the business to derive individual risks/chances as well as aggregate risk profiles within the time horizon of the medium-term plan
- transparency on E.ON's risk position in compliance with legal requirements including KonTraG, BilMoG, and BilReG.

The ERM is based on a centralized governance approach that defines standardized processes and tools covering the identification, evaluation, countermeasures, monitoring, and reporting of risks and chances. Overall governance is provided by the Group Controlling & Risk division's Group Risk department on behalf of the E.ON SE Risk Committee.

All risks and chances have an accountable member of the Management Board, have a designated risk owner who remains operationally responsible for managing that risk/chance, and are identified in a dedicated bottom-up process.

Scope

E.ON's risk management system in the broader sense has a total of four components:

- an internal monitoring system
- a management information system
- preventive measures
- the ERM, which is a risk management system in the narrow sense.

The purpose of the internal monitoring system is to ensure the proper functioning of business processes. It consists of preventive organizational measures (such as policies and work instructions) and internal controls and audits (particularly by Internal Audit).

The E.ON internal management information system identifies risks early so that steps can be taken to actively address them. Close consultation between the business units and with departments at Corporate Functions such as Controlling, Finance, and Accounting as well as Internal Audit is of particular importance in early risk detection.

General Measures to Limit Risks

E.ON takes the following general preventive measures to limit risks.

Managing Legal and Regulatory Risks

E.ON engages in extensive and constructive dialog with government agencies and policymakers in order to manage the risks resulting from the E.ON Group's policy, legal, and regulatory environment. Furthermore, the Company strives to conduct proper project management so as to identify early and minimize the risks attending major investments.

E.ON attempts to minimize the operational risks of legal proceedings and ongoing planning processes by managing them appropriately and by designing appropriate contracts beforehand.

Managing Operational and IT Risks

To limit operational and IT risks, E.ON continually improves its network management and the optimal dispatch of its assets. At the same time, E.ON implements operational and infrastructure improvements that will enhance the reliability of its generation assets and distribution networks, even under extraordinarily adverse conditions. In addition, E.ON has factored the operational and financial effects of environmental risks into its emergency plan. They are part of a catalog of crisis and system-failure scenarios prepared for the Group by the Incident and Crisis Management team.

E.ON IT systems are maintained and optimized by qualified E.ON Group experts and outside experts and by a wide range of technological security measures. In addition, the E.ON Group has in place a range of technological and organizational measures to counter the risk of unauthorized access to data, the misuse of data, and data loss.

Managing Health, Safety, and Environmental ("HSE"), Human Resources ("HR"), and Other Risks

The following are among the comprehensive measures E.ON takes to address such risks (including in conjunction with operational and IT risks):

- systematic employee training, advanced training, and qualification programs for employees
- further refinement of production procedures, processes, and technologies
- regular facility and network maintenance and inspection
- company guidelines as well as work and process instructions
- quality management, control, and assurance
- project, environmental, and deterioration management
- crisis-prevention measures and emergency planning
- management systems for health, safety, and environmental protection certified to ISO standards; in some cases, technical safety management ("TSM") as well
- defined continual improvement processes ("CIPs").

Should an accident occur despite the measures taken, E.ON has a reasonable level of insurance coverage. Detailed information can be found in various chapters of the Combined Group Management Report.

Managing Market Risks

E.ON uses a comprehensive sales-management system and extensive customer management to manage margin risks caused by market prices. E.ON conducts systematic risk management to limit exposure to risks of price changes. Its key elements are, in addition to binding Group-wide policies and a Group-wide reporting system, the use of quantitative key figures, the limitation of risks, and the strict separation of functions between departments. Furthermore, E.ON utilizes derivative financial instruments that are commonly used in the marketplace. These instruments are transacted with financial institutions, brokers, power exchanges, and third parties whose creditworthiness is monitored on an ongoing basis. E.ON's local sales units and the remaining generation operations conduct local risk management under central governance standards to monitor these underlying commodity risks and to minimize them through hedging.

Managing Strategic Risks

E.ON has comprehensive preventive measures in place to manage potential risks relating to acquisitions and investments. These measures include, in addition to the relevant company guidelines and manuals, comprehensive due diligence, legally binding contracts, a multistage approvals process, and shareholding and project controlling. Comprehensive post-acquisition projects also contribute to successful integration.

Managing Finance and Treasury Risks

This category encompasses credit, interest-rate, currency, tax, and asset-management risks and chances. E.ON uses systematic risk management to monitor and control its interest-rate and currency risks and manage these risks using derivative and non-derivative financial instruments. Here, E.ON SE plays a central role by aggregating risk positions through intragroup transactions and hedging these risks in the market. Due to E.ON SE's intermediary role, its risk position is largely closed.

In the context of Group-wide credit risk management, E.ON systematically assesses and monitors the creditworthiness of its business partners on the basis of Group-wide minimum standards. E.ON manages credit risk by taking appropriate measures, which include obtaining collateral and setting limits. The E.ON Group's Risk Committee is regularly informed about credit risks. A further component of E.ON's risk management is a conservative investment strategy for financial funds and a broadly diversified portfolio.

Note 31 to the Consolidated Financial Statements contains detailed information about the use of derivative financial instruments and hedging transactions. Note 32 describes the general principles of E.ON's risk management and applicable risk metrics for quantifying risks relating to commodities, credit, liquidity, interest rates, and currency translation.

Enterprise Risk Management ("ERM")

E.ON's ERM, which is the basis for the risks and chances described in the next section, encompasses:

- systematic risk and chance identification
- risk and chance analysis and evaluation
- management and monitoring of risks and chances by analyzing and evaluating countermeasures and preventive systems
- documentation and reporting.

As required by law, E.ON's ERM's effectiveness is reviewed regularly by Internal Audit. In compliance with the provisions of Section 91, Paragraph 2, of the German Stock Corporation Act relating to the establishment of a risk-monitoring and early warning system, E.ON has a Risk Committee for the E.ON Group and for each of its business units. The Risk Committee's mission is to achieve a comprehensive overview of E.ON's risk exposure at the Group and unit level and to actively manage risk exposure in line with E.ON's risk strategy.

The ERM applies to all fully consolidated E.ON Group companies and all companies valued at equity whose gross book value in the Consolidated Financial Statements is greater than €50 million. E.ON takes an inventory of its risks and chances at each quarterly balance-sheet date.

To promote uniform financial reporting Group-wide, E.ON has in place a central, standardized system that enables effective and automated risk reporting. Company data are systematically collected, transparently processed, and made available for analysis both centrally and decentrally at the units.

Risks and Chances

Methodology

E.ON's IT-based system for reporting risks and chances has the following risk categories:

Risk Category	Examples
Legal and regulatory risks	Policy and legal risks and chances, regulatory risks, risks from public consent processes
Operational and IT risks	IT and process risks and chances, risks and chances relating to asset operations and new-build projects
HSE, HR, and other	Health, safety, and environmental risks
Market risks	Risks and chances from the development of commodity prices and margins and from changes in market liquidity
Strategic risks	Risks and chances from investments and disposals
Finance and treasury risks	Credit, interest-rate, foreign-currency, tax, and asset-management risks and chances

E.ON uses a multistep process to identify, evaluate, simulate, and classify risks and chances. Risks and chances are generally reported on the basis of objective evaluations. If this is not possible, estimates by in-house experts are used. The evaluation measures a risk's/chance's financial impact on the current earnings plan while factoring in risk-reducing countermeasures. The evaluation therefore reflects the net risk.

For quantifiable risks and chances, E.ON then evaluates the likelihood of occurrence and the potential loss or damage. In the commodity business, for example, commodity prices can rise or fall. This type of risk is modeled with a normal distribution. Modeling is supported by a Group-wide IT-based system. Extremely unlikely events—those whose likelihood of occurrence is 5 percent or less—are classified as tail events. Tail events are not included in the simulation described below.

This statistical distribution makes it possible for E.ON's internal risk management system to conduct a Monte Carlo simulation of these risks. This yields an aggregated risk distribution that is quantified as the deviation from the Company's current earnings plan for adjusted EBITDA.

E.ON uses the 5th and 95th percentiles of this aggregated risk distribution as the worst case and best case, respectively. Statistically, this means that with this risk distribution there is a 90 percent likelihood that the deviation from the Company's current earnings plan for adjusted EBITDA will remain within these extremes.

Impact Classes	
Low	x < €50 million
Moderate	€50 million ≤ x < €200 million
Medium	€200 million ≤ x < €500 million
Material	€500 million ≤ x < €2 billion
High	x ≥ €2 billion

The last step is to assign, in accordance with the 5th and 95th percentiles, the aggregated risk distribution to impact classes—low, moderate, medium, major, and high—according to their quantitative impact on planned adjusted EBITDA. The impact classes are shown in the table above.

The impact classes were reviewed as part of the ERM process in the fourth quarter and in view of the change from EBIT as a key performance indicator to EBITDA. For example, the impact class "high" increased for the 2022 financial year, for example, from "x ≥ €1 billion" to "x ≥ €2 billion."

General Risk Situation

The table below shows the maximum annual aggregated risk position (aggregated risk distribution) across the time horizon of the medium-term plan for all quantifiable risks and chances (excluding tail events) for each risk category based on E.ON's most important financial key performance indicator, adjusted EBITDA. E.ON altered its methodology in the 2022 financial year from considering its average risk position over the time horizon of the medium-term plan to its maximum annual risk position.

The following description of risks by category alludes to the aforementioned impact classes. It also addresses major/high tail events and major/high qualitative risks. In the case of qualitative risks (which by definition are more difficult to assess both in terms of their loss amount and their probability), a further distinction is made between risks with a low probability (6 percent < x ≤ 25 percent) and a medium probability (26 percent < x ≤ 50 percent). Example: in category x, there is a risk y (medium, high) and a risk z (low, major).

Risk Position

Risk category	Worst case (5th percentile)	Best case (95th percentile)
Legal and regulatory risks	Medium	Moderate
Operational and IT risks	Moderate	Low
HSE, HR, and other	Low	Low
Market risks	Material	Material
Strategic risks	Low	Low
Finance and treasury risks	Material	Medium

In the case of tail events and qualitative risks, the focus is not only on E.ON's key performance indicator, adjusted EBITDA, but also on other indicators relating to its asset and financial position.

The E.ON Group has major risk positions in the following categories: market risks as well as finance and treasury risks. As a result, the aggregate risk position of E.ON SE as a Group is major. In other words, the E.ON Group's maximum annual adjusted EBITDA risk ought not to exceed -€500 million to -€2 billion in 95 percent of all cases.

The further sharp increase in commodity prices in 2022 in conjunction with the Russia-Ukraine war has significant implications for the assessment of individual risks as well as, on the positive side, individual chances. On the one hand, the increase can affect wheeling volume and prices in the sales business; on the other, it is a material risk factor for possible bad debts in the sales business. Higher commodity prices also lead to a further increase in counterparty risks; however, our major suppliers' good credit ratings and system relevance continue to render the likelihood of occurrence very low (tail/high).

The network business could likewise experience a decline in wheeling volumes, credit losses, and price increases for network losses which result in lower earnings. A distinctive feature of several of the regulatory jurisdictions in which we operate networks is that regulatory mechanisms generally foresee that a decline in wheeling volume and price-driven cost increases for network losses can generally be recovered in subsequent years by corresponding adjustments to network tariffs.

Risks and Chances by Category

E.ON's major risks and chances by risk category are described below. Also described are major risks and chances stemming from tail events as well as qualitative risks that would impact adjusted EBITDA by more than €500 million. Also included are risks and chances that would affect planned net income and/or cash flow by more than €500 million.

Legal and Regulatory Risks

The political, legal, and regulatory environment in which the E.ON Group does business is a source of risks. This could confront E.ON with direct and indirect consequences that could lead to possible financial disadvantages. New risks—but also opportunities—arise from energy-policy decisions at the European and national level. Foremost among them are the European Commission's Green Deal (which was presented in 2019 and revised and expanded in late 2020), the REPowerEU plan, and the proposal for a directive on common rules for the internal markets for renewable gases, natural gas, and hydrogen (at the end of 2021). Others include the German federal government's decision to phase out conventional hard-coal- and lignite-fired power generation (the Coal Phaseout Law of August 2020) and the laws to set price caps on electricity, natural gas, and heat (at the end of 2022), whose purpose is to provide relief to households and companies for higher energy costs. The achievement of these (environmental) policy objectives will require legal and regulatory implementation measures that themselves could in the future pose new risks for certain E.ON Group business operations.

In the wake of the economic and financial crisis in many EU member states, interventionist policies and regulations have been adopted in recent years, such as additional taxes and additional reporting requirements (for example, EMIR, MAR, REMIT, MiFID2). The relevant agencies monitor compliance with these regulations closely. This leads to attendant risks for E.ON's operations. The same applies to price moratoriums, regulated price reductions, statutory price adjustment requirements, and changes to support schemes for renewables, which could pose risks to, as well as create chances for, E.ON's operations in the respective countries.

The operation of energy networks is subject to a large degree of government regulation. New laws and regulatory periods cause uncertainty for this business. In addition, matters related to Germany's Renewable Energy Sources Act, such as issues regarding solar energy, can cause temporary fluctuations in cash flow and adjusted EBITDA. The rapid growth of renewables is also creating new risks for the network business. For example, insolvencies among renewables operators or feed-in tariffs unduly paid by grid operators lead to court or regulatory proceedings.

This risk category also includes major risks arising from possible litigation, fines, and claims, governance and compliance issues, as well as risks and chances related to contracts and permits. Changes to this environment can lead to considerable uncertainty with regard to planning and, under certain circumstances, to impairment charges, but can also create chances. This results in a medium risk and a moderate chance position.

The operations of the E.ON Group's Customer Solutions segment subject it to certain risks relating to legal proceedings, ongoing planning processes, and regulatory changes. But these risks also relate, in particular, to legal actions and proceedings concerning contract and price adjustments to reflect market dislocations or (including as a consequence of the energy transition) an altered business climate in the power and gas business, alleged price-rigging, and anticompetitive practices. This poses a major risk (tail/high).

A significant change will result from Germany's implementation of the European Court of Justice's ruling requiring it to form a largely independent national regulatory agency, which could have an impact on the other EU countries in which E.ON conducts regulated business activities (low/major).

PreussenElektra's business is substantially influenced by regulation as well. External risks associated with the policy and regulatory environment (such as liability risks, the approval of containers for the final storage of nuclear waste, the granting of approval for the dismantling of decommissioned nuclear power plants) are addressed, for example, by constructive cooperation with supervisory and regulatory agencies and by the monitoring of legislation and court rulings (tail/high).

Operational and IT Risks

The operational and strategic management of the E.ON Group relies heavily on complex information technology ("IT") and complex operational technology ("OT"). Consequently, there are risks and chances in conjunction with information security and the security of operating processes in E.ON's business segments.

Cybersecurity and the continuous protection of IT and OT systems against cyberattacks constitute a focus area of E.ON's risk management. Examples include the analysis of attacks on the systems of the network business (which could affect the operation of E.ON's critical infrastructure), on the sales business (which could result in the loss of customer data), and on internal systems (which E.ON uses to control commercial processes in all its business units). It is important that the operating units and the Cybersecurity and Enterprise Risk Management divisions jointly and proactively evaluate and manage risks for E.ON.

Technologically complex production facilities are used in the production and distribution of energy, resulting in major risks from procurement and logistics, construction, operations and maintenance of assets as well as general project risks. The risks at PreussenElektra encompass dismantling activities as well. E.ON's operations in and outside Germany face major risks of a power failure, power-plant shutdown, and higher costs and additional investments resulting from unanticipated operational disruptions or other problems. Operational failures or extended production stoppages of facilities or components of facilities as well as environmental damage could negatively impact earnings, affect

the cost situation, and/ or result in the imposition of fines. In unlikely cases, this could lead to a high risk. Overall, it results in a moderate risk position and a low chance position in this category. General project risks can include delays and increased capital requirements.

Extraordinary environmental events could also affect the operation of energy networks or equipment and equipment components. This could pose a liquidity risk for E.ON (tail/major).

E.ON could also be subject to environmental liabilities associated with its power generation operations that could have a significant adverse impact on its business. In addition, new or amended environmental laws and regulations may result in cost increases for E.ON.

HSE, HR, and Other Risks

Health and occupational safety are important aspects of E.ON's day-to-day business. The Company's operating activities can therefore pose risks in these areas and create social and environmental risks and chances. In addition, E.ON's operating business potentially faces risks resulting from human error and employee turnover. It is important that E.ON act responsibly along its entire value chain and that it communicates consistently, enhances the dialog, and maintains good relationships with key stakeholders. E.ON actively considers environmental, social, and corporate governance issues. These efforts support the Company's business decisions and public relations. E.ON's objective is to minimize reputational risks and retain public acceptance so that the Company can continue to operate its business successfully. These matters result in a low risk and chance position.

In the past, predecessor entities of E.ON SE conducted mining operations, resulting in obligations in North Rhine-Westphalia and Bavaria (low/major). E.ON SE can be held responsible for damage. This could lead to major individual risks that E.ON currently only evaluates qualitatively.

Market Risks

E.ON's units operate in an international market environment that is characterized by general risks relating to the business cycle. In addition, the entry of new suppliers into the marketplace along with more aggressive tactics by existing market participants and reputational risks have created a keener competitive environment for the Company's sales business in and outside Germany, which could reduce margins. However, market developments could also have a positive impact on E.ON's business. Such factors include wholesale and retail price developments, customer churn rates, and temporary volume effects in the network business. This results in a major risk and chance position in this category.

The demand for electric power and natural gas is seasonal, with E.ON's operations generally experiencing higher demand during the cold-weather months of October through March and lower demand during the warm-weather months of April through September. As a result of these seasonal patterns, E.ON's sales and results of operations are higher in the first and fourth quarters and lower in the second and third quarters. E.ON procures the required quantities of electricity and gas for its customers based on robust demand forecasting methods. Nevertheless, actual customer demand may deviate from the forecast owing to various factors (such as the weather and the economy). Such deviations could have a positive or negative business impact, particularly in an environment of highly volatile prices. E.ON aims to reduce these impacts by, for example, pursuing a prudent hedging strategy in conjunction with a proactive approach to reforecasting or by pricing its risks vis-à-vis customers.

After the Uniper spinoff, E.ON established its own procurement organization for its sales business and ensured market access for the output of its remaining energy production in order to manage the remaining commodity risks accordingly. In addition, E.ON founded a subsidiary, E.ON Energy Markets GmbH ("EEM"), which functions as a central interface to wholesale markets. EEM's main purpose is to consolidate E.ON's commodity positions in order to diversify and mitigate credit and margin risks.

EEM has so far acted on behalf of the main E.ON procurement portfolios in Germany and the Netherlands. Procurement activities in the United Kingdom are in the process of being added. OTC transactions were migrated to EEM in 2022; exchange transactions for gas will be migrated in 2023.

Strategic Risks

E.ON's business strategy involves acquisitions and investments in its core business as well as disposals. This strategy depends in part on the ability to successfully identify, acquire, and integrate such companies that enhance, on acceptable terms, the Company's energy business. In order to obtain the necessary approvals for acquisitions, E.ON may be required to divest other parts of its business or to make concessions or undertakings that affect its business. In addition, there can be no assurance that E.ON will be able to achieve the returns expected from any acquisition or investment. It is also possible that E.ON will not be able to realize its strategic ambition of enlarging its investment pipeline and that significant amounts of capital could be used for other opportunities. The overall risk and chance position in this category was low at the balance-sheet date.

Furthermore, acquisitions and investments in new geographic areas or lines of business require E.ON to become familiar with new sales markets and competitors and to address the attending business risks.

In the case of planned disposals, E.ON faces the risk of disposals not taking place or being delayed and the risk that E.ON receives lower-than-anticipated disposal proceeds. In addition, after transactions close E.ON could face major liability risks resulting from contractual obligations (tail/major).

Finance and Treasury Risks

E.ON is exposed to credit risk in its operating activities and through the use of financial instruments. Credit risk results from non-delivery or partial delivery by a counterparty or customer of the agreed consideration for services rendered, from total or partial failure to make payments owed on existing accounts receivable, and from replacement risks in open transactions. In addition, in unlikely cases joint and several liability for jointly operated power plants could lead to a major risk.

E.ON's international business operations expose it to risks from currency fluctuation. One form of this risk is transaction risk, which arises when payments are made in a currency other than E.ON's functional currency. Another form of risk is translation risk, which arises when currency fluctuations lead to accounting effects when assets/liabilities and income/expenses of E.ON companies outside the eurozone are translated into euros and entered into E.ON's Consolidated Financial Statements. Positive developments in foreign-currency rates can also create chances for E.ON's operating business.

E.ON faces earnings risks relating to net income from financial liabilities, planned funding, and interest-rate derivatives that are based on variable interest rates and from non-current asset-retirement obligations.

Derivative transactions may result in short-term cash inflows or outflows. This relates in particular to margin payments for electricity and gas procurement transactions on energy exchanges. The additional liquidity requirements potentially resulting from this are factored into E.ON's financing strategy.

In addition, the price changes and other uncertainty relating to the current and non-current investments E.ON makes to cover its non-current obligations (particularly pension and asset-retirement obligations) could, in individual cases, be major.

In principle, E.ON could also encounter tax risks and chances.

This category has a major risk and a medium chance position.

Furthermore, declining or rising discount rates could lead to increased or reduced provisions for pensions and asset-retirement obligations, including non-current liabilities (tail, major). This can create a high balance-sheet risk for E.ON.

Refinancing terms on debt capital markets depend in part on rating agencies' credit ratings. Rating agencies Moody's, S&P, and Fitch have given E.ON a strong investment-grade rating. E.ON has contracts that would trigger additional collateral requirements if certain rating levels were not met. Consequently, significant rating downgrades could lead to additional liquidity requirements (tail/high). On the other hand, positive business performance or further debt reduction could have a positive impact on E.ON's rating.

ESG Risks and Chances

E.ON strives to operate responsibly at all times and therefore monitors all the material impacts of its business activities. Alongside financial aspects, E.ON also considers environmental, social, and governance ("ESG") aspects along its value chain. This encompasses monitoring and assessing ESG risks and chances as well as their possible impact on the E.ON Group, but also the impact of E.ON's business activities on the climate, the environment, employees, suppliers, and customers. The systematic consideration of non-financial issues enables the Company to identify opportunities and risks for business development at an early stage.

E.ON has integrated the reporting of non-financial risks related to ESG and their impact on the Group into the ERM. All risks and chances related to ESG are made identifiable in the ERM system. E.ON views ESG risks as factors in the known risk categories listed below. Sustainability risks can have a considerable impact on all of these known risk categories and can be a factor in contributing to their materiality.

In addition, E.ON analyzes potential reportable risks within the meaning of Section 289c, Paragraph 3, Sentence 1, Items 3 and 4 of the German Commercial Code (German abbreviation: "HGB"), while taking into account its ESG materiality analysis, management approaches, and the ERM's findings. This involves considering risks relating to environmental, employee, and social matters as well as human rights, anti-corruption, and anti-bribery. At year-end 2022, E.ON had not identified any major risks related to its own business activities and business relationships as well as products and services pursuant to Section 289c, Paragraph 3, Sentence 1, Items 3 and 4 of the HGB that are very likely to have or will have serious negative impacts on ESG aspects.

E.ON places an emphasis on analyzing its climate risks, in part because of E.ON's support of the recommendations of the Task Force on Climate-Related Financial Disclosures ("TCFD"). Safeguarding its assets against climate-change impacts and the climate resilience of its business model are economically relevant to E.ON. Our analysis therefore includes both physical risks (direct impacts of climate change, such as extreme weather and rising temperatures) and transitory risks resulting from the transition to a low-carbon and more climate-resilient economy (such as changes in consumer preferences, the regulatory environment, and carbon pricing).

Physical climate risks are also the focus of the EU Taxonomy Regulation's do-no-significant-harm ("DNSH") provisions (see the "EU Taxonomy" chapter). They are assigned to the EU environmental objective 2 "climate change adaptation." E.ON assesses DNSH compliance with climate change adaptation at the

Group level. Each E.ON Group business unit is required to comprehensively assess and record climate risks as part of its risk reporting. Any risks that significantly jeopardize climate change adaptation are identified in the risk management process. This basic approach to identifying any potential harm to climate change adaptation is verified in consultation with relevant specialist departments.

In addition, in 2021 E.ON for the first time developed a qualitative scenario analysis describing the impact of three different climate scenarios on E.ON and on individual E.ON business units through 2050. This involved defining three reference scenarios (conservative, ambitious, and fully committed) and assessing and identifying the relevant business units on the basis of key value drivers and related key performance indicators ("KPIs"). The next step was to develop a qualitative scenario impact analysis by analyzing the key value drivers identified by the business units and by performing a risk assessment as well as by evaluating the business impacts. The last step was to develop strategic recommendations.

This scenario analysis was enlarged in 2022 and applied to the climate risks defined in the EU taxonomy. First, E.ON's main EU taxonomy-aligned economic activities and its companies making the main contribution to the corresponding investments were identified centrally. Next, these companies used a bottom-up process to determine the climate risks for the relevant economic activities or investments in accordance with the EU taxonomy catalog. These risks were then subjected to a scenario analysis. A qualitative risk assessment was performed for each identified climate risk and economic activity in line with the IPCC scenarios SSP1-2.6 and SSP5-8.5 for the reference period 2041 to 2060. This risk assessment does not differ in nature from the risks already reported and managed in the ERM. As for the amount of damage estimated in the scenario analysis, there are also no significant deviations from the century events for weather or climate risks already reported in the ERM.

Management Board's Evaluation of the Risk and Chances Situation

The E.ON Group's overall risk and chances situation at year-end 2022 changed materially relative to year-end 2021, in particular because of higher commodity prices. Although the maximum annual risk for the E.ON Group's adjusted EBITDA over the period under consideration is classified as major and despite the increase in counterparty risk resulting from the development of commodity prices and risks resulting from lawsuits and legal proceeding relating to contract and price adjustments at Customer Solutions, from today's perspective E.ON does not perceive any risk profile that could threaten the existence of E.ON SE, the E.ON Group, or individual segments.

Disclosures Pursuant to Section 289, Paragraph 4, and Section 315, Paragraph 4 of the German Commercial Code on the Internal Control System for the Accounting Process

General Principles

E.ON applies Section 315e, Paragraph 1, of the German Commercial Code (German abbreviation: "HGB") and prepares its Consolidated Financial Statements in accordance with International Financial Reporting Standards ("IFRS") and the interpretations of the IFRS Interpretations Committee ("IFRSIC") that were adopted by the European Commission for use in the EU as of the end of the fiscal year and whose application was mandatory as of the balance-sheet date (see Note 1 to the Consolidated Financial Statements). Energy Networks (Germany, Sweden, and East-Central Europe/Turkey), Customer Solutions (Germany, United Kingdom, Netherlands, Other), Non-Core Business, and Corporate Functions/Other are the Company's IFRS-reportable segments.

E.ON SE prepares its Financial Statements in accordance with the German Commercial Code, the SE Ordinance (in conjunction with the German Stock Corporation Act), and the German Energy Act.

E.ON prepares a Combined Group Management Report which applies to both the E.ON Group and E.ON SE.

Accounting Process

All companies included in the Consolidated Financial Statements must comply with E.ON's uniform Accounting and Reporting Guidelines for the Annual Consolidated Financial Statements and the Interim Consolidated Financial Statements. These guidelines describe applicable IFRS accounting and valuation principles. They also explain accounting principles typical in the E.ON Group, such as those for provisions for nuclear-waste management, the treatment of financial instruments, and the treatment of regulatory obligations. E.ON regularly analyzes amendments to laws, new or amended accounting standards, and other important pronouncements for their relevance to, and consequences for, the Consolidated Financial Statements and, if necessary, update its guidelines and systems accordingly.

Corporate Functions defines and oversees the roles and responsibilities of various Group entities in the preparation of E.ON SE's Financial Statements and the Consolidated Financial Statements. These roles and responsibilities are described in a Group Policy document.

E.ON Group companies are responsible for preparing their financial statements in a proper and timely manner. They receive substantial support from Business Service Centers in Regensburg, Germany; Cluj, Romania; and Kraków, Poland. E.ON SE combines the financial statements of subsidiaries belonging to its scope of consolidation into its Consolidated Financial Statements using standard consolidation software. Group Accounting is responsible for conducting the consolidation and for monitoring adherence to the guidelines for scheduling, processes, and contents. Monitoring by means of system-based automated controls is supplemented by manual checks.

In conjunction with the year-end closing process, additional qualitative and quantitative information relevant for accounting is compiled. Furthermore, dedicated quality-control processes are in place for all relevant departments to discuss and ensure the completeness of important information on a regular basis.

E.ON SE's Financial Statements are prepared with SAP software. The accounting and preparation processes are divided into discrete functional steps. Bookkeeping processes have largely been outsourced to E.ON's Business Service Centers. Cluj has the primary responsibility for processes relating to subsidiary ledgers and several bank activities. Regensburg has the principal responsibility for processes relating to the general ledgers. Automated or manual controls are integrated into each step. Defined procedures ensure that all transactions and the preparation of E.ON SE's Financial Statements are recorded, processed, assigned on an accrual basis, and documented in a complete, timely, and accurate manner. Relevant data from E.ON SE's Financial Statements are, if necessary, adjusted to conform with IFRS and then transferred to the consolidation software system using SAP-supported transfer technology.

The following explanations about E.ON's internal control system ("ICS") and its general IT controls apply equally to the Consolidated Financial Statements and to E.ON SE's Financial Statements.

Internal Control System

The purpose of the ICS framework and the annual ICS process is to provide sufficient assurance to prevent error or fraud from resulting in material misrepresentations in the Financial Statements, the Combined Group Management Report, the Half-Year Financial Report, the Quarterly Statements, as well as ESG reporting. Furthermore, it serves to assure compliance to significant internal and external regulations and to assure effectiveness and efficiency of business activities. The management of each unit in the E.ON Group is legally responsible for establishing and maintaining an adequate and effective internal control system ("ICS"). The Compliance function is responsible for the implementation of the compliance management system ("CMS") which is described in the Corporate Governance Declaration. The ICS department at Corporate Audit is responsible for the oversight and coordination of the overall ICS process in order to ensure an effective ICS in the E.ON Group. For this purpose, the ICS department at Corporate Audit provides the ICS framework and the necessary tools. An ICS Business Partner ("ICS BP") is assigned to each unit which is of particular importance to the E.ON Group and therefore in the ICS documentation scope. The ICS BP is responsible for coordinating and monitoring the unit's ICS activities and advises and supports management in implementing an effective internal control system. The unit's

management remains responsible for the appropriateness and effectiveness of the implemented ICS. The ICS BP system ensures a uniform approach as well as consistent and efficient collaboration and fosters continuous improvement by means of extensive information-sharing among Group companies.

E.ON's ICS Framework

E.ON's ICS is based on the globally recognized COSO framework from May 2013 (COSO: The Committee of Sponsoring Organizations of the Treadway Commission).

The catalog of ICS Principles, which defines the minimum requirements for an effective internal control system, is a key component of E.ON's ICS. It contains overarching principles such as authorization, segregation of duties, and master data management as well as specific requirements for managing potential risks in various areas and processes, such as supplier monitoring, project management, invoice verification, payments, and ESG reporting. All fully consolidated companies and majority-owned units are subject to the ICS Principles.

In addition to the ICS Principles, certain units of special importance to the E.ON Group's Consolidated Financial Statements must fulfill several additional ICS requirements for selected processes. These requirements relate to the documentation and assessment of the relevant processes and controls—the ICS model—as well as reporting to Corporate Audit. The ICS model, which incorporates company- and industry-specific aspects, defines potential risks for accounting (financial reporting), for ESG reporting (non-financial reporting), for compliance with important internal and external rules, and for the operating units' of their operating targets, and serves as a checklist, and provides guidance for the establishment of internal controls as well as their documentation and implementation.

A functionally managed digital organization and third-party service providers provide IT and digital services for the E.ON Group. IT systems used for accounting as well as IT systems relevant for the ESG-Reporting are subject to the internal control system framework, which includes IT general controls, such as access controls, segregation of duties, processing controls, measures to prevent the intentional and unintentional falsification of the programs, data, and documents as well as controls related to supplier monitoring. The documentation of the IT general controls is stored in E.ON's documentation system.

Each year, qualitative criteria and quantitative materiality aspects are used to determine which processes and controls must be documented and assessed by which E.ON units.

E.ON units in the ICS documentation scope use a central documentation system (SAP-GRC) for this purpose. The system contains the scope, detailed documentation requirements, the assessment requirements for process owners, and the final Sign-Off process.

Management Self-Assessment and Control Tests

After E.ON units have documented their processes and controls, the individual process owners conduct an annual assessment of the design and the operational effectiveness of the controls embedded in these processes and the ICS principles. This is known as a management self-assessment. The assessment is supported by tests of control effectiveness for selective risk areas. Corporate Audit's ICS department defines the methodology for these tests, which are conducted by the process owners or employees assigned by them.

In addition, the effectiveness of the internal controls is audited by Internal Audit. These audits are conducted based on a risk-oriented audit plan. Any identified deficiencies are reported to the relevant companies.

Furthermore, the general IT controls, the controls of the Business Service Centers in Regensburg and Cluj, the controls of the Human Resources Service Center in Germany (E.ON Country Hub Germany GmbH), and the controls of the Pension Service Company in Germany (Energie Pensions-Management GmbH) were audited as part of the audit of the Group's Consolidated Financial Statements.

The findings of the management self-assessments and the audits are included in the annual report on the effectiveness of the entire E.ON Group's ICS and are reported to the E.ON SE Management Board.

Sign-Off Process

Based on the self-assessment result and internal and external audit findings, the respective management of the unit conducts the final Sign-Off. The final step of the internal evaluation process is the submission of a formal written declaration confirming the ICS's effectiveness ("Sign-Off"). The Sign-Off process is conducted at all levels of the Group companies before E.ON SE, as the final step, conducts it for the Group as a whole. The Chairman of the E.ON SE Management Board and the Chief Financial Officer perform the final Sign-Off for the E.ON Group.

Corporate Audit regularly informs the E.ON SE Supervisory Board's Audit & Risk Committee about the ICS for financial reporting and about any significant deficiencies identified in the E.ON Group's various processes.

Disclosures Pursuant to Section 289a and Section 315a of the German Commercial Code and Explanatory Report

Composition of Share Capital

The share capital totals €2,641,318,800 and consists of 2,641,318,800 registered shares without nominal value. Each share of stock grants the same rights and one vote at a Shareholders Meeting.

Restrictions on Voting Rights or the Transfer of Shares

An employee stock-purchase program was offered in 2021 and 2022. Shares acquired by employees under the employee stock-purchase program are subject to a blackout period that begins the day ownership of such shares is transferred to the employee and that ends on December 31 of the next calendar year plus one. As a rule, an employee may not sell such shares until the blackout period has expired.

Pursuant to Section 71b of the German Stock Corporation Act (German abbreviation: "AktG"), the Company's treasury shares give it no rights, including no voting rights.

Legal Provisions and Rules of the Company's Articles of Association Regarding the Appointment and Dismissal of Management Board Members and Amendments to the Articles of Association

Pursuant to the Company's Articles of Association, the Management Board consists of at least two members. The Supervisory Board decides on the number of members as well as on their appointment and dismissal.

The Supervisory Board appoints members to the Management Board for a term not exceeding five years; reappointment is permissible. If several persons are appointed as members of the Management Board, the Supervisory Board may appoint one of the members as Chairperson of the Management Board. If there is a vacancy on the Management Board for a required member, the court makes the necessary appointment upon petition by a concerned party in the event of an urgent matter. The Supervisory Board may revoke the appointment of a member of the Management Board and of the Chairperson of the Management Board for serious cause (for further details, see Sections 84 and 85 of the AktG).

Resolutions of the Shareholders Meeting require a majority of the valid votes cast unless mandatory law or the Articles of Association explicitly prescribe otherwise. An amendment to the Articles of Association requires a two-thirds majority of the votes cast or, in cases where at least half of the share capital is represented, a simple majority of the votes cast unless mandatory law explicitly prescribes another type of majority.

The Supervisory Board is authorized to decide by resolution on amendments to the Articles of Association that affect only their wording (Section 10, Paragraph 7, of the Articles of Association).

Furthermore, the Supervisory Board is authorized to revise the wording of Section 3 of the Articles of Association upon utilization of authorized or conditional capital.

Management Board's Power to Issue or Buy Back Shares

Pursuant to a resolution of the Shareholders Meeting of May 28, 2020, the Management Board is authorized, until May 27, 2025, to have the Company acquire treasury shares. The shares acquired and other treasury shares that are in possession of or to be attributed to the Company pursuant to Sections 71a et seq. of the AktG must altogether at no point account for more than 10 percent of the Company's share capital.

At the Management Board's discretion, the acquisition may be conducted:

- through a stock exchange
- by means of a public offer directed at all shareholders or a public solicitation to submit offers
- by means of a public offer or a public solicitation to submit offers for the exchange of liquid shares that are admitted to trading on an organized market, within the meaning of the German Securities Purchase and Takeover Law, for Company shares
- by the use of derivatives (put or call options or a combination of both).

These authorizations may be utilized on one or several occasions, in whole or in partial amounts, in pursuit of one or more objectives by the Company and also by its affiliated companies or by third parties for the Company's account or one of its affiliates' account.

With regard to treasury shares that will be, or have been, acquired based on the aforementioned authorization and/or prior authorizations by the Shareholders Meeting, the Management Board is authorized, subject to the Supervisory Board's consent and excluding shareholder subscription rights, to use these shares—in addition to a disposal through a stock exchange or an offer granting a subscription right to all shareholders—as follows:

- to be sold and transferred against cash consideration
- to be sold and transferred against contributions in kind

- to be used in order to satisfy the rights of creditors of bonds with conversion or option rights or, respectively, conversion obligations issued by the Company or its Group companies

- to be offered, with or without consideration, for purchase and transferred to individuals who are or were employed by the Company or one of its affiliates as well as to board members of affiliates of the Company

- to be used for the purpose of a scrip dividend where shareholders may choose to contribute their dividend entitlement to the Company in the form of a contribution in kind in exchange for new shares.

In addition, the Management Board is authorized to cancel treasury shares, without such cancellation or its implementation requiring an additional resolution by the Shareholders Meeting.

These authorizations may be utilized on one or several occasions, in whole or in partial amounts, separately or collectively, including with respect to treasury shares acquired by affiliated companies or companies majority-owned by the Company or by third parties for their account or the Company's account.

In each case, the Management Board will inform the Shareholders Meeting about the utilization of the aforementioned authorization, in particular about the reasons for and the purpose of the acquisition of treasury shares, the number of treasury shares acquired, the amount of the registered share capital attributable to them, the portion of the registered share capital represented by them, and their equivalent value.

By shareholder resolution adopted at the Annual Shareholders Meeting of May 28, 2020, the Management Board was authorized, subject to the Supervisory Board's approval, to increase, until May 27, 2025, the Company's share capital by a total of up to €528 million through one or more issuances of new registered no-par-value shares against contributions in cash and/or in kind (authorized capital pursuant to Sections 202 et seq. of the AktG; "Authorized Capital 2020"). Subject to the Supervisory Board's approval, the Management Board is authorized to exclude shareholders' subscription rights.

At the Annual Shareholders Meeting of May 28, 2020, shareholders approved a conditional increase of the Company's share capital (with the option to exclude shareholders' subscription rights) up to the amount of €264 million ("Conditional Capital 2020"). Note 20 to the Consolidated Financial Statements contains more information about Conditional Capital 2020.

Significant Agreements to Which the Company Is a Party That Take Effect on a Change of Control of the Company Following a Takeover Bid

The underlying contracts of debt issued since 2007 contain change-of-control clauses that give the creditor the right of cancellation. This applies, inter alia, to bonds issued by E.ON SE and E.ON International Finance B.V. and guaranteed by E.ON SE and other instruments such as credit contracts. Granting change-of-control rights to creditors is considered good corporate governance and has become standard market practice. More information about financial liabilities is contained in the section of the Combined Group Management Report entitled Financial Situation and in Note 27 to the Consolidated Financial Statements.

Settlement Agreements between the Company and Management Board Members or Employees in the Case of a Change-of-Control Event

In the event of a premature loss of a Management Board position due to a change-of-control event, the service agreements of Management Board members entitle them to severance and settlement payments.

To the extent that the Company has agreed to settlement payments for Management Board members in the case of a change of control, the purpose of such agreements is to preserve the independence of Management Board members.

A change-of-control event would also result in the early payout of virtual shares under the E.ON Performance Plan.

Other Disclosures Regarding Takeovers

The Company has been notified about the following **direct or indirect interests in its share capital that exceed 10 percent of the voting rights:**

- notification on December 10, 2020, by RWE Aktiengesellschaft for 15 percent of the voting rights.

Stock with special rights granting power of control has not been issued. In the case of **stock given by the Company to employees,** employees exercise their rights of control directly and in accordance with legal provisions and the provisions of the Articles of Association, just like other shareholders.

Corporate Governance Declaration in Accordance with Section 289f and Section 315d of the German Commercial Code

Declaration of the Executive Board and Supervisory Board of E.ON SE pursuant to Section 161 of the German Stock Corporation Act on the German Corporate Governance Code

The Executive Board and Supervisory Board declare that the recommendations of the "Government Commission German Corporate Governance Code" (version of December 16, 2019) published by the Federal Ministry of Justice and Consumer Protection in the official section of the Federal Gazette on March 20, 2020, have been fully complied with since the submission of the last declaration in December 2021.

The Executive Board and Supervisory Board further declare that the recommendations of the "Government Commission on the German Corporate Governance Code" (version dated April 28, 2022) published by the Federal Ministry of Justice and Consumer Protection in the official section of the Federal Gazette on June 27, 2022, will be complied with in full.

Essen, December 14, 2022

For the Supervisory Board of E.ON SE:
Karl-Ludwig Kley
(Chairman of the Supervisory Board of E.ON SE)

For the Executive Board of E.ON SE:
Leonhard Birnbaum
(Chairman of the Board of Management of E.ON SE)

All compliance declarations of the past five years are continuously available to the public on the Company's Internet page.

Compensation Report and Compensation System

The resolution adopted by the Annual Shareholders Meeting on May 19, 2021, pursuant to Section 113, Paragraph 3 of the German Stock Corporation Act (known by its German abbreviation, "AktG") on the compensation of the members of the Supervisory Board and the applicable compensation system for the Management Board pursuant to Section 87a, Paragraphs 1 and 2, Sentence 1 of the AktG, which was also approved by the Annual Shareholders Meeting on May 19, 2021, are available on the Internet at eon.com.

The Compensation Report and the auditor's report pursuant to Section 162 of the AktG are also made publicly available at eon.com/compensation-report.

Relevant Information about Management Practices

Corporate Governance

E.ON views good corporate governance as a central foundation of responsible and value-oriented management, efficient collaboration between the Management Board and the Supervisory Board, transparent disclosures, and appropriate risk management.

In the past financial year, the Management Board and Supervisory Board paid close attention to E.ON's compliance with the German Corporate Governance Code's recommendations and suggestions. The changes resulting from the amended version of the German Corporate Governance Code of April 28, 2022, published in the official section of the Federal Gazette on June 27, 2022, were also discussed. It was determined that E.ON SE fully complies with all of the Code's recommendations. In addition, E.ON fully complies with all of the Code's suggestions.

Compliance

The goal of compliance at E.ON is to prevent or at least detect and put a stop to corporate misconduct. It is E.ON's responsibility never to deceive, lie to, or otherwise deliberately harm its customers, business partners, or other stakeholders. Strict compliance with laws and company policies is therefore the foundation of good corporate governance.

E.ON has in place a compliance management system ("CMS") to mitigate the risk of compliance violations. The CMS is based on a number of widely recognized practices, including the promotion of a compliance culture. This encompasses an active commitment to compliance targets, the identification and analysis of compliance risks, and the design of a risk-adequate compliance program and a compliance organization.

E.ON's Supplier Code and its Code of Conduct (both of which are available in the languages of all countries in which E.ON operates) focus on the guiding principle, "Doing the right thing." They provide easy-to-understand guidance, in particular human rights, anti-corruption, fair competition, and compliant relationships with E.ON's business partners. The Code of Conduct also contains an integrity test that employees can use to check whether their assessment of a situation is in compliance with E.ON principles and values. Every employee in the E.ON Group is obliged to act in accordance with the Code of Conduct's rules. The Code is therefore part of E.ON employees' duties under their employment contract. Employees and third parties can report violations of the Code of Conduct, anonymously, if they wish, by means of a whistle-blower hotline. The Code of Conduct is published on the Internet. It is supplemented by ten Group-wide People Guidelines which explain in greater detail how employees can be sure that they are doing things right.

Sustainability

Sustainability is one of the key aspects of the strategy E.ON updated in 2021. E.ON's business activities are guided by the

principle that commercial success can only be achieved through a consistent focus on responsible, sustainable business practices and long-term added value for all stakeholders: for customers, employees, shareholders, business partners, and for the environment.

E.ON is committed to acting sustainably and to factoring the short- and long-term impacts on tangible and intangible resources and stakeholders into all its business decisions. E.ON's strategy sets ambitious sustainability targets to provide guidance. Their main theme is the fight against climate change and E.ON's contribution to decarbonizing the energy world: E.ON aims for its Scope 1 and Scope 2 emissions to be climate-neutral by 2040 and also to reduce its Scope 3 emissions by 100 percent by 2050 (relative to 2019). The climate crisis requires swift action. E.ON therefore intends to reduce its Scope 1 and 2 emissions by 75 percent by 2030. For this purpose, E.ON has put in place a Group-wide system to manage its CO_2 emissions.

In addition, four key sustainability targets are part of the compensation system for the E.ON Management Board and for all senior executives: the reduction of direct emissions (Scope 1 and Scope 2), the increase in proportion of female executives, the reduction of serious safety incidents among our employees ("Mission ZERO"), and the Group's performance in ESG ratings. Sustainability issues' high degree of relevance for E.ON is underscored by the CEO's Sustainability Council, which meets on a regular basis and includes representatives from various E.ON business units.

E.ON's risk management system addresses major ESG risks as well. High-quality ESG data form the basis for holistic business decisions. Furthermore, E.ON has stepped up the collection of ESG data in its reporting and internal control systems in order to continually improve data quality and data availability.

Transparent Management

Transparent management is a high priority of the Management Board and Supervisory Board. E.ON's shareholders, all capital market participants, financial analysts, shareholder associations, and the media regularly receive up-to-date information about the situation of, and any material changes to, the Company. E.ON primarily uses the Internet to provide equal access to comprehensive and timely information.

E.ON SE issues reports about its and the E.ON Group's situation and earnings by the following means:

- Integrated Annual Report and Annual Finance Statements,
- Half-Year Financial Report and Quarterly Statements
- Annual press conferences and other analysts conferences
- Press releases
- Telephone conferences held on most releases of the quarterly and annual results
- Numerous discussions with financial analysts in and outside Germany
- Periodic events for investors
- E.ON Green Bond Report and the "Supporting paper on E.ON's decarbonization strategy and climate-related aspects."

A financial calendar lists the dates on which the Company's periodic financial reports are released.

The Company issues ad hoc statements about information that could have a significant impact on the price of E.ON stock.

The Supervisory Board Chairman is involved to a suitable extent in E.ON's communications with investors at an annual corporate governance roadshow. The main topics are the scope of the Supervisory Board Chairman's duties and responsibilities, the influence of regulatory requirements on the Supervisory Board's work, and the Annual Shareholders Meeting. Alongside governance issues, interest in environmental and social issues has become increasingly important in investor dialog. These issues are therefore an essential part of the corporate governance roadshow.

The financial calendar and ad hoc statements are available on the Internet.

Management Board

Management Board Members

In 2022 the Management Board consisted of five members and had one Chairman. The members were four men and one woman. As a result, the statutory minimum composition requirement of at least one woman and at least one man, which applied from August 1, 2022, was already met before the requirement took effect. No Management Board member has more than two supervisory board memberships in listed non-Group companies or on the supervisory bodies of non-Group companies that require a similar commitment. No Management Board member has reached the general retirement age.

More detailed information about the members of the Management Board and their CVs, which are updated annually, are available on the E.ON SE website.

Management Board's Way of Working

The E.ON SE Management Board manages the Company's businesses, with all its members bearing joint responsibility for its decisions. It determines the Group's objectives, corporate policy, organizational setup, and, in consultation with the Supervisory Board, its fundamental strategic direction. The Management Board has in place policies and procedures for the business it conducts

and, in consultation with the Supervisory Board, has assigned areas of responsibility to its members.

The Management Board reports to the Supervisory Board on a regular, timely, and comprehensive basis on all relevant issues, particularly those relating to strategy, planning, business development, risk situation, risk management, relevant sustainability aspects, and compliance. It also submits the Group's investment, finance, and personnel plan for the next financial year as well as the medium-term plan to the Supervisory Board, generally at the last meeting of each financial year.

The Chairman of the Management Board informs, without undue delay, the Chairman of the Supervisory Board of important events that are of fundamental significance in assessing the Company's situation, development, and management and of any defects that have arisen in the Company's monitoring systems. Transactions and measures requiring the Supervisory Board's approval are also submitted to the Supervisory Board in a timely manner.

Members of the Management Board are required to promptly report conflicts of interest to the Chairman of the Supervisory Board and the Chairman of the Management Board and to inform the other members of the Management Board. Members of the Management Board may only assume other corporate positions, particularly appointments to the supervisory boards of non-Group companies, with the consent of the Executive Committee of the Supervisory Board.

Any material transactions between the Company and members of the Management Board, their relatives, or entities with which they have close personal ties require the consent of the Executive Committee of the Supervisory Board. No such transactions took place in the reporting period.

Management Board Committees

The Management Board has no board committees but has established a number of committees that support it in the fulfillment of its tasks. The members of these committees are senior representatives of various departments of E.ON SE whose experience, responsibilities, and expertise make them particularly suited for their committee's tasks. Among these committees are the following:

The Management Board has established a Disclosure Committee and an Ad hoc Committee for issues relating to financial disclosures. These committees ensure that all information is disclosed in a correct and timely fashion.

In addition, a Risk Committee ensures the correct application and implementation of the legal requirements of Section 91 of the AktG. This committee monitors the E.ON Group's risk situation and its risk-bearing capacity and devotes particular attention to the early identification of developments that could potentially threaten the Company's continued existence. In this context, the Risk Committee also deals with risk-mitigation strategies (including hedging strategies). In collaboration with relevant departments, the committee ensures and refines the implementation of, and compliance with, company policies regarding commodity risks, credit risks, and enterprise risk management.

Statement on the E.ON Group's Internal Control System and Enterprise Risk Management System in the Narrow Sense

The entire E.ON SE Management Boards affirms that it is aware of its responsibility to establish and maintain a suitable and effective Internal Control System ("ICS") and a Enterprise Risk Management System ("ERM") for the E.ON Group and that its examination of the ICS and ERM along with the reports of the Corporate Audit and Group Risk departments have not made it aware of any circumstances that would speak against these systems' suitability and effectiveness.

Diversity Concept and Long-term Succession Plan for the Management Board

With regard to the Management Board's composition, the Supervisory Board of E.ON SE has developed a diversity concept that considers the recommendations of the German Corporate Governance Code.

Diversity Concept

When appointing members of the Management Board, the candidates' outstanding professional qualifications, long-term leadership experience and past performance, as well as value-driven management shall be of paramount importance. Members shall be capable of taking forward-looking strategic decisions. In particular, they shall be capable of managing businesses sustainably and of ensuring that they are consistently focused on customer needs.

The Management Board as a whole must have expertise and experience in the energy sector as well as in the fields of finance and digitization.

The members of the Management Board shall be leaders and as such shall act as role models for the employees through their own performance and conduct.

Attention shall be paid to diversity when appointing members of the Management Board. For the Supervisory Board, diversity means, in particular, different complementary academic profiles, professional and personal experience, personalities, as well as internationality and a reasonable age and gender structure.

The appointment period of a member of the Management Board shall end, at the latest, at the end of the month on which the Management Board member reaches the general retirement age.

Achievement of Objectives

The composition of the Management Board meets all the appointment objectives described above.

Long-term Succession Plan

In consultation with the Executive Committee and the Management Board, the Supervisory Board is in charge of long-term succession planning for the Management Board. Appointment decisions are made on the basis of specific requirement profiles for Management Board members.

In addition to its own experience, the Supervisory Board draws on the expertise of outside consultants to ensure that the Company's succession planning is appropriate and creates value.

The Supervisory Board is informed on a regular basis (once a year) by the Management Board on the progress in talent identification and development as well as succession planning for top executives on the basis of the qualifications required for business success and the continually evolving personnel development processes. It discusses the respective status accordingly.

Supervisory Board

Supervisory Board Members

To ensure that, after the acquisition of the majority of the shares of innogy SE (in 2019), innogy's employees are represented without delay on the Supervisory Board of E.ON SE as the Group's parent company, the Supervisory Board was enlarged to 20 members for a limited period of time. The Articles of Association provide for the Supervisory Board to again consist of 12 members from the conclusion of the 2023 Annual Shareholders Meeting. Pursuant to E.ON SE's Articles of Association, the Supervisory Board is composed of an equal number of shareholder and employee representatives. The shareholder representatives are elected by the shareholders at the Annual Shareholders Meeting; the Supervisory Board nominates candidates for this purpose. The Annual Shareholders Meeting decides on the elections by individual vote. Pursuant to the agreement regarding employees' involvement in E.ON SE, the other currently ten members of the Supervisory Board are appointed by the SE Works Council, with the provision that at least three different countries are represented and one member is selected by a trade union that is represented at E.ON SE or one of its subsidiaries in Germany.

The current members of the Supervisory Board are listed on the E.ON SE homepage along with information about their other directorships and their CVs.

Competence and Diversity Concept

In view of recommendation C.1 of the German Corporate Governance Code (version dated April 28, 2022) and Section 289f, Paragraph 2, Item 6, of the German Commercial Code, the Supervisory Board defined specific targets for its composition, including a diversity concept and competency profile for the entire body, that go beyond the applicable legal requirements and are as follows:

"The composition of the Supervisory Board of E.ON SE shall comply with the specific SE requirements and Germany's Stock Corporation Act, and with the recommendations of the German Corporate Governance Code.

a) The following **general** objectives shall be observed:

- At least more than half of the shareholder representatives shall according to their estimation – be independent from the Company and the Executive Board. Members shall be deemed to be independent if they have no personal or business relationship with the Company or its Executive Board, where such relationship may give rise to a material and not merely temporary conflict of interests. In assessing the independence of its members from the Company and its Executive Board, the shareholder side shall in particular consider whether the Supervisory Board member or a close family member was a member of the Executive Board of the Company in the two years prior to the appointment, currently or up to the year of appointment, directly or as a shareholder or in a responsible function of a company outside the Group maintains or has maintained a significant business relationship with the Company or a company dependent on it, is a close family member of a member of the Executive Board or has been a member of the Supervisory Board for more than 12 years.
- The Chairman of the Supervisory Board, the Chairman of the Audit Committee and the Chairman of the Executive Committee shall be independent of the Company and the Executive Board.
- The Supervisory Board shall not include more than two former members of the Executive Board.
- Members of the Supervisory Board must not have seats on the boards of, or act as consultants for, any of the Company's major competitors or have a personal relationship with a competitor.
- Supervisory Board membership shall be limited to no more than 12 years.
- All Supervisory Board members must have sufficient time available to perform their duties on the boards of various companies. Anyone who is not a member of the Executive Board of a listed company shall only be a member of the Supervisory Board of E.ON if he or she does not hold more than five Supervisory Board mandates at non-group listed companies or comparable functions, whereby a Supervisory Board chairmanship counts double. A person who is a member of the Executive Board of a listed company shall only be a member of the Supervisory Board of E.ON if he/she does not hold more than two Supervisory Board mandates in total at non-group listed companies or comparable functions and does not chair the Supervisory Board of a non-group listed company.

b) In addition, the Supervisory Board has adopted the following **diversity concept** so as to ensure a balanced structure of the Supervisory Board in terms of age, gender, personality, educational background and professional experience.

- In the search for qualified Supervisory Board members, due consideration shall be given to diversity. When preparing nominations for the election of Supervisory Board members, due consideration shall be given in each case to the question as to whether complementary academic profiles, professional and life experience, a balanced age mix, various personalities and a reasonable gender balance benefit the Supervisory Board's work. In this context, care shall be taken to ensure that a gender quota of 30 percent will be achieved; this shall apply to the Supervisory Board as a whole and to the shareholders' and employees' representatives separately.

- The members of the Supervisory Board shall usually not hold office for longer than the age of 75. They shall not be older than 72 years at the time of their election.

- At least four Supervisory Board members shall have international experience, i.e. they shall have spent, for instance, part of their professional career outside Germany.

c) In addition, the following **skills profile** shall apply; especially the Nominations Committee will strive to apply the skills profile when preparing nominations of candidates for the shareholders' representatives to be proposed to the Annual General Meeting.

- The majority of the members should have specific knowledge in the energy sector.

- At least two members should have specific knowledge of sales and customer business.

- At least two members shall have specific knowledge related to regulated industries.

- At least two members should have specific knowledge in the areas of new technologies, digitization and IT.

- At least two members should have specific knowledge related to new business models, innovation and disruption.

- At least two members should have specific knowledge of the functioning of the capital and financial markets.

- At least one independent shareholder representative shall have special knowledge and experience in the application of accounting principles and internal control and risk management systems, and at least one other independent shareholder representative shall have special knowledge and experience in auditing.

- At least two members should have specific knowledge in the field of sustainability, specifically in the dimensions of environmental concerns (especially reduction of CO_2 emissions), employee and social concerns as well as human rights and anti-corruption.

- At least two members should have specific knowledge in the subject areas of human resources and cultural change.

- At least two members should have specific knowledge in the areas of law and compliance.

- At least four members shall have experience, as Executive or Supervisory Board members, in the strategic management or supervision of listed organizations."

In view of continually changing business requirements, the Supervisory Board will continue to identify necessary competencies early to ensure that these are covered.

Current Composition of the Supervisory Board

a) The members of the E.ON SE Supervisory Board fulfill all requirements imposed by applicable law and the German Corporate Governance Code for the acceptance of a Supervisory Board position. In particular, the Supervisory Board believes that all of its members, in particular the Chairmen of the Supervisory Board and the Chairpersons of all its committees, are independent. No former Management Board member or a close family member of a Management Board member sits on the Supervisory Board. Furthermore, no Supervisory Board member currently has or had in the year up to his or her appointment, either directly or as a shareholder or in a responsible role in a company outside the Group, a significant business relationship with the Company or one of its affiliates. No Supervisory Board member exercises any executive or advisory functions for major competitors, has a personal relationship with a major competitor, or has been a Supervisory Board member for more than 15 years.

The Supervisory Board's assessment of independence considered the fact that Karen de Segundo has been a Supervisory Board member since 2008 and is thus the only member to have been a member for more than 12 years. In view of the changes in the composition of the Management Board and Supervisory Board in recent years, Ms. de Segundo continues to maintain the objective detachment from the Company and its Management Board necessary to perform her monitoring role. Furthermore, she does not and has not at any time in the past had a significant business or personal relationship with the Company, one of its affiliates, or the Management Board, either directly or as a shareholder or in a responsible capacity in a company outside the Group. She is therefore independent within the meaning of the German Corporate Governance Code.

The Supervisory Board believes that in the case of no Supervisory Board member there are specific indications of relevant situations or relationships that could give rise to a conflict of interest. The Supervisory Board included only one serving member of the executive board of listed companies during the course of the year,

namely until her departure in late June 2022 Carolina Dybeck Happe, who has been CFO of General Electric Company since March 2020. In addition, Ms. Dybeck Happe had no more than two seats on the supervisory boards of non-Group listed companies or exercised comparable functions. None of the other Supervisory Board members had seats on more than five supervisory boards of non-Group listed companies or exercised comparable functions. In the reporting year, no conflicts of interest of individual members were reported to the Chairman of the Supervisory Board. Such an obligation is stipulated in Section 18 of the Supervisory Board's Rules of Procedure.

b) In its current composition the Supervisory Board meets the objectives of its diversity concept. The Supervisory Board's composition of women and men complies with the legal requirements for minimum percentages; separate compliance with the statutory gender quota by the employee and shareholder sides occurred from the 2018 Annual Shareholders Meeting. The age range of the Supervisory Board is currently 47 to 76 years. At 76, Ms. de Segunda has surpassed the age of 75. Consequently, she will end her service at the conclusion of her appointment, which coincides with the conclusion of the 2023 Annual Shareholders Meeting. At least four members have international experience.

In their entirety, the members bring a wide range of specific knowledge to committee work and have special expertise in one or more businesses and markets relevant to the Company.

The Supervisory Board believes that the requirements of the Supervisory Board's competency profile are met by the current members of the Supervisory Board. The following qualification matrix indicates the status of implementation:

Qualification Matrix for Shareholder Representatives

Competencies (and other characteristics)	Kley	Clementi	de Segundo	Fröhlich	Grillo	Groth	A. Schmitz	R. Schmitz	Wilkens	Woste
Experience as officer or director in other publicly listed companies	✓	✓		✓	✓	✓	✓	✓	✓	
Expertise in capital and/or financial markets	✓	✓			✓	✓	✓	✓	✓	
Energy industry	✓	✓	✓		✓	✓	✓	✓	✓	✓
Sales and customer business	✓	✓		✓	✓	✓	✓	✓		✓
Regulated industries	✓	✓	✓			✓	✓	✓	✓	✓
New technologies, digitalization, IT				✓		✓				
New business models, innovation, disruption	✓	✓	✓	✓						✓
Accounting	✓				✓	✓	✓		✓	
Auditing of financial statements	✓				✓	✓	✓		✓	
Legal affairs and compliance	✓		✓		✓	✓	✓			
Human resources, cultural change	✓	✓	✓	✓	✓	✓				
Sustainability	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
International experience	✓	✓	✓	✓	✓	✓			✓	
Independence	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Qualification Matrix for Employee Representatives

Competencies (and other characteristics)	C. Schmitz	Zettl	Schulz	Bauer	Luha	May	Pelouch	Pinczesne Marton	Pöhls	Wallbaum
Experience as officer or director in other publicly listed companies	✓									
Expertise in capital and/or financial markets	✓				✓					
Energy industry	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sales and customer business	✓	✓	✓	✓	✓		✓		✓	
Regulated industries	✓	✓	✓		✓	✓	✓	✓	✓	✓
New technologies, digitalization, IT	✓				✓	✓	✓	✓		✓
New business models, innovation, disruption				✓						
Accounting			✓						✓	✓
Auditing of financial statements			✓						✓	✓
Legal affairs and compliance					✓	✓	✓			
Human resources, cultural change	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Sustainability	✓				✓	✓		✓		
International experience			✓		✓		✓	✓		
Independence	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

All members of the Audit and Risk Committee have knowledge in the preparation and auditing of financial statements.

Andreas Schmitz and Ulrich Grillo in particular fulfill the requirements for expert knowledge and experience in the application of accounting principles, internal control and risk management systems, and the auditing of financial statements. Andreas Schmitz has many years of experience in banking and has been a member of the Audit and Risk Committee of E.ON SE since April 2017 and its Chairman since May 2018. He was a member of the Audit and Risk Committee of various other companies and has been extensively involved and familiar with accounting topics, sustainability reporting and auditing, and internal control and risk management systems for many years. Ulrich Grillo, who holds a degree in business administration, worked in the past as audit manager at auditing firm Arthur Andersen LLP. In addition, Mr. Grillo is a member of the Rheinmetall AG Supervisory Board and has been a member of its Audit Committee as well since 2017 and has therefore been involved with issues relating to accounting, internal control and risk management systems, and the audit of financial statements for many years. Both also qualify as independent in the opinion of the Supervisory Board.

New members of the Supervisory Board initially complete an onboarding process. In addition to individualized thematic onboarding, in which external Supervisory Board members are familiarized in depth with the structures, processes, and specific topics of E.ON's business activities, such as its business areas, market development, strategy, and capital market story, all new Supervisory Board members receive a collection of all relevant information and documents.

The Supervisory Board's Way of Working

The Supervisory Board oversees the Company's management and advises the Management Board on an ongoing basis. The Management Board requires the Supervisory Board's prior approval for significant transactions and measures. The transactions requiring prior approval are listed in particular in Section 10 the Rules of Procedure, which are published on the Company's Internet page.

The Supervisory Board holds at least four regular meetings in each financial year. Its rules and procedures include mechanisms by which, if necessary, a meeting of the Supervisory Board or one of its committees can be called at any time at the request of a Management Board member. Specific details on the number of meetings and their preparation, the attendance of Supervisory Board members, and the relevant topics can be found in the 2022 Report of the Supervisory Board.

The Supervisory Board has established Rules of Procedure for itself, which are available on the Company's Internet page.

Committees

The Supervisory Board has established four committees: the Executive Committee, the Audit and Risk Committee, the Innovation and Sustainability Committee, and the Nomination Committee.

The specific members of the committees and their chairpersons and deputy chairpersons are named at eon.com/en/about-us/supervisory-board.html. The Supervisory Board's Rules of Procedure stipulates the individual committees' respective tasks and the number of their members.

The Executive Committee is, in particular, responsible for preparing the meetings of the Supervisory Board and advising the Management Board on matters of general policy relating to the Company's strategic development. It decides on the Supervisory Board's behalf in urgent cases and in the case of measures requiring prior approval that do not exceed certain thresholds stipulated in the Supervisory Board's Rules of Procedure. In addition, it is responsible for the preparation and implementation of the Supervisory Board's personnel decisions.

In particular, the Audit and Risk Committee deals with the monitoring of accounting including the accounting process; the effectiveness of the internal control system, the internal risk management system, and the internal audit system; compliance as well as the auditing of financial statements.

The Innovation and Sustainability Committee advises the Management Board on innovation issues and growth opportunities as well as E.ON's digital transformation. In addition, the committee advises the Supervisory Board and the Management Board on environmental, social, governance ("ESG"), and sustainability issues.

The Nomination Committee recommends to the Supervisory Board suitable candidates for election to the Supervisory Board by the Annual Shareholders Meeting. For this purpose, the members of the Nomination Committee are in contact with potential candidates on an ongoing basis. In particular, candidate screening is conducted in part with the support of personnel consultants, during which the members of the Executive Committee satisfy themselves that the selection of candidates will meet the targets for the Supervisory Board's composition and that the candidates are able to commit the necessary time to their role. The Chairman of the Nomination Committee keeps the Supervisory Board informed on an ongoing basis of the status of considerations regarding the nomination of new Supervisory Board members.

The Audit and Risk Committee, Executive Committee, and the Innovation and Sustainability Committee meet at regular intervals and when specific circumstances require it in accordance with their task areas as defined in the Rules of Procedure. The Nomination Committee has adopted a resolution at least once annually since 2016. The Report of the Supervisory Board contains information about the activities of the Supervisory Board and its committees in the year under review.

Report on the Supervisory Board's Self-evaluation

In the year under review, the Supervisory Board conducted a regularly scheduled self-assessment (efficiency review) of the Supervisory Board's work. An online questionnaire provided the Supervisory Board members with the opportunity to evaluate the effectiveness of the Supervisory Board's work and to make suggestions for improving it. The Chairman then held detailed one-on-one discussions with the members of the Supervisory Board for the purpose of improving the Supervisory Board's work. The findings were used to design specific measures to improve the Supervisory Board's work, which are being implemented on an ongoing basis. They relate primarily to the content of the meetings and their preparation.

Shareholders and Annual Shareholders Meeting

E.ON SE shareholders exercise their rights and vote their shares at the Annual Shareholders Meeting. The convening of the Annual Shareholders Meeting and the reports and documents required by law for the Annual Shareholders Meeting, including the Annual Report, are published on the Company's Internet page together with the agenda and the explanation of the conditions of participation, shareholders' rights, and any countermotions and election proposals submitted by shareholders. The Company's financial calendar, which is published in the Annual Report, in the quarterly statements or financial reports, and on the Internet, regularly informs shareholders about important Company dates.

At the Annual Shareholders Meeting, shareholders may vote their shares themselves, through a proxy of their choice, or through a Company proxy who is required to follow the shareholder's voting instructions.

Due to the ongoing pandemic, the 2022 E.ON SE Annual Shareholders Meeting as well was not held as an in-person event in order to protect the Company's shareholders and employees. Instead, in accordance with the law it was held as a virtual Annual Shareholders Meeting without the physical participation of shareholders or their proxies.

As stipulated by German law, the Annual Shareholders Meeting votes to select the Company's independent auditor.

On May 19, 2021, the Annual Shareholders Meeting appointed KPMG AG Wirtschaftsprüfungsgesellschaft, Düsseldorf, to audit the Condensed Consolidated Interim Financial Statements and Interim Group Management Report for the first quarter of 2022. On May 12, 2022, the Annual Shareholders Meeting appointed KPMG AG Wirtschaftsprüfungsgesellschaft to be independent auditor and Group independent auditor and to audit the Condensed Consolidated Interim Financial Statements and Interim Group Management Reports for the 2022 financial year and the first quarter of the 2023 financial year. The Supervisory Board intends to recommend to the 2023 Annual Shareholders Meeting to appoint KPMG AG Wirtschaftsprüfungsgesellschaft to be independent auditor and Group independent auditor and to audit the Condensed Consolidated Interim Financial Statements and Interim Group Management Reports for the 2023 financial year and the first quarter of the 2024 financial year.

Stipulation to Promote the Inclusion of Women and Men in Leadership Positions

In May 2017 the Management Board set a target quota for the proportion of women for E.ON SE regarding the composition of the first level of management below the Management Board of 30 percent and a quota of 35 percent for the second level of management below the Management Board, with an implementation deadline of June 30, 2022. At the time of the deadline, the proportion of women in first and second levels of management below the Management Board was 26.9 percent and 29.3 percent, respectively.

E.ON has undertaken a variety of measures during the implementation period to increase the proportion of women in leadership positions. Examples include an in-house mentoring program and membership in the Initiative Women into Leadership ("IWiL") as well as, since the beginning of 2021, the option of a part-time leadership position and the promotion of co-leadership. This is an arrangement under which two part-time managers can share a leadership position and thus achieve a more flexible work-life balance. Another example is that E.ON's recruitment policy for management positions was adjusted so that the short list should include at least one candidate of the underrepresented gender.

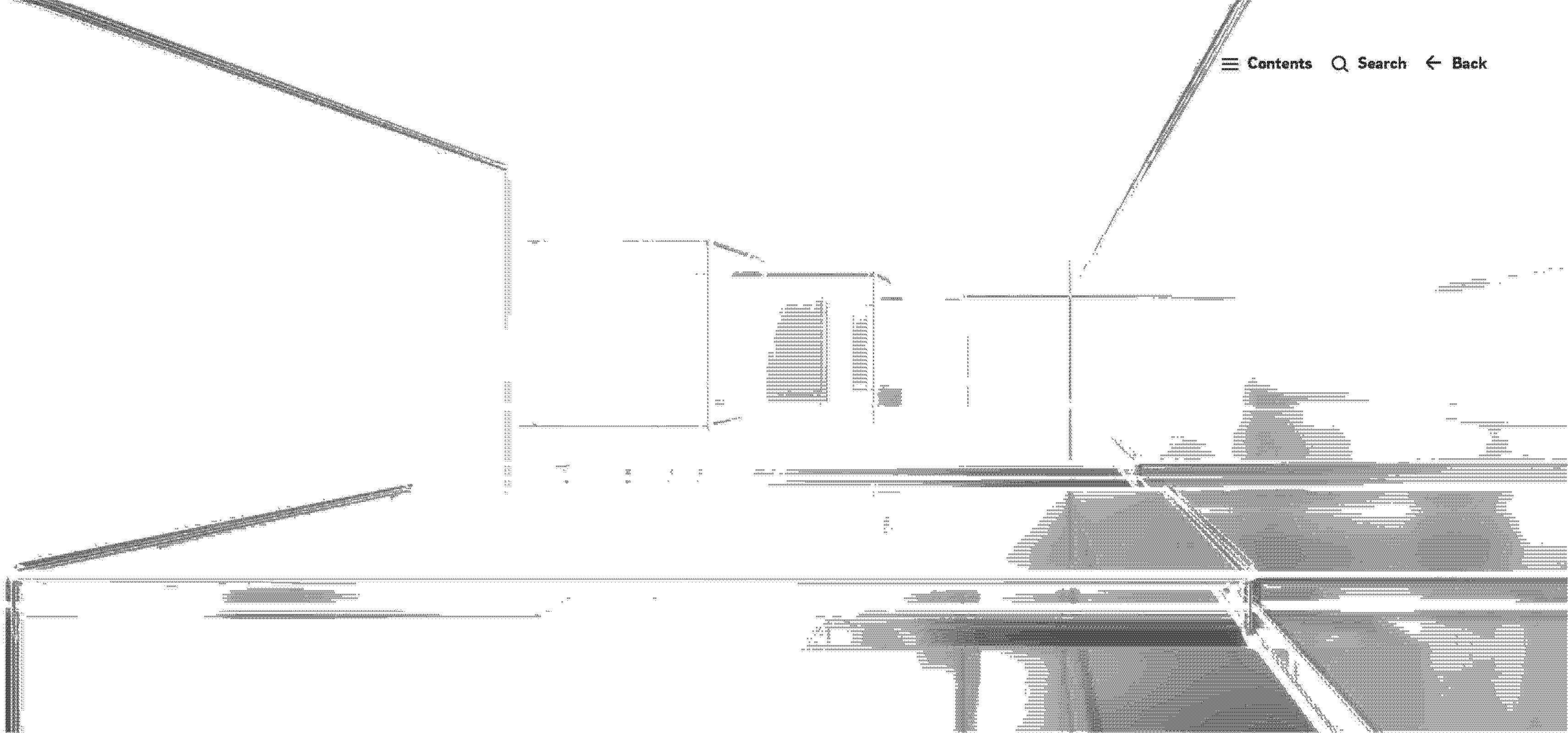
Despite these specific measures, the targets have been achieved yet. The target of 30 percent for the first management level below the Management Board was achieved at the end of both 2019 and 2020. However, the total number of positions at this management level is small. Even minor changes—like departures or the elimination of individual positions—therefore have a significant impact in percentage terms. As a result, E.ON has recorded a lower proportion of women at this level since year-end 2021.

After setting the target in 2017, E.ON recorded a significant decline in the proportion of women for E.ON SE at the second management level below the Management Board in 2018 because of organizational effects. Since then, the proportion of women at this level has increased to 29.3 percent.

E.ON aims to continually increase the proportion of women at all levels. In addition, the targets for the Group as a whole are among our long-term targets relevant for executive compensation. In February 2022 the Management Board adopted new target quotas of 36 percent for the proportion of women regarding appointments to both the first and second management levels below the Management Board. The implementation deadline is June 30, 2027.

The E.ON SE Management Board has recommended to those E.ON Group companies that are legally obligated to set targets for the proportion of women on their supervisory board, management board, and the next two levels of management that they select

ambitious targets. In addition, it was recommended that other relevant E.ON Group companies set appropriate quota targets even if they are not legally obligated to do so. This will enable the joint Group target of 32 percent women in management positions by 2031 to be supported by specific individual targets.



Compensation Report



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Compensation Report

I. Introduction

This Compensation Report describes the basic features and design of the compensation for the E.ON SE Management Board and Supervisory Board. It was prepared by the E.ON SE Management Board and Supervisory Board in accordance with the requirements of Section 162 of the German Stock Corporation Act (known by its German abbreviation, "AktG") and complies with the recommendations as well as the suggestions of the German Corporate Governance Code (known by its German abbreviation, "DCGK").

The Compensation Report and the report on the formal and substantive audit of the Compensation Report by KPMG AG Wirtschaftsprüfungsgesellschaft can be found on E.ON's Internet page.

The figures presented in the tables of the Compensation Report may not add up precisely due to rounding. The same applies to the percentages shown, which may not represent the exact absolute figures due to rounding.

II. Letter from the Chairman of the Supervisory Board

Dear Shareholders,

The Compensation Report provides you with detailed insights into all relevant aspects and facts regarding the compensation of the Management Board and Supervisory Board for the 2022 financial year.

In the following, I summarize the most important compensation-related events of the past financial year.

Business Performance and Management Board Compensation in the 2022 Financial Year

We introduced a new compensation system from January 1, 2022, onward. This system was approved by 92.56 percent at the 2021 Annual Shareholders Meeting. This system links the compensation of the members of the Management Board even more closely to E.ON's business performance, in particular by strengthening long-term performance-based compensation as well as the strategically relevant performance criteria and promotes our Company's long-term performance.

E.ON had a successful 2022 financial year and surpassed its forecast for several earnings metrics. Adjusted EBITDA of €8.1 billion was above both the prior-year figure (€7.9 billion) and the forecast range of €7.6 to €7.8 billion. In addition, adjusted net income rose by 9 percent to €2.7 billion and, thus surpassed the forecast range of €2.3 to €2.5 billion. Earnings per share (EPS), which are based on adjusted net income, amounted to €1.05 in the year under review (prior year: €0.96). The positive earnings performance relative to the prior year was to a large degree due to the core business. At the network business it resulted from different effects, including cost savings, the leveraging of synergies, and further growth in the regulated asset base due to additional investments. The increase at Customer Solutions was generated primarily by the sales business as well as the EIS business. The main factors in the positive earnings performance were relatively mild weather, a significant reduction in customer churn amid the energy crisis, and the leveraging of synergies. As a result of EPS and Net Promoter Score (NPS) achieved in the 2022 financial year as well as individual performance, the target achievement of the 2022 bonus for Management Board members is 157 percent.

The third tranche of the E.ON Performance Plan (2019–2023), which ended at the conclusion of the 2022 financial year and will be paid out in the 2023 financial year, was calculated pursuant to the old compensation system exclusively on the basis of the performance of E.ON's total shareholder return (TSR) compared with the TSR performance of the companies in the STOXX® Europe 600 Utilities. For the third tranche of the E.ON Performance Plan, the target achievement in the relative TSR performance and the absolute share price performance result in a payout of 117 percent of the target amount.

Approval of the Compensation Report 2021

As a result of the changes in regulatory requirements brought about by the Act Implementing the Second Shareholders' Rights Directive (known by its German abbreviation, "ARUG II"), the Compensation Report was for the first time submitted to the 2022 Annual Shareholders Meeting for approval. The Annual Shareholders Meeting approved the Compensation Report for the 2021 financial year by 89.25 percent of the votes. The Supervisory Board subsequently considered the feedback from shareholders and proxy advisors received as part of the consultative vote on the Compensation Report. In addition to much positive feedback due to the high level of detail and transparency, individual investors and proxy advisors expressed criticism on the compensation system applied in the 2021 financial year. It should be noted that the compensation system introduced in 2017 was applied for the last time in the 2021 financial year. The new compensation system implemented in the 2022 financial year addresses a large number of the points of criticism. In addition, the transparency in the reporting of the EPS target value was increased further.

Entry into Force of the New Compensation System for the Management Board

The new compensation system has been applied for all Management Board members since January 1, 2022. It takes account of the changed legal requirements under ARUG II and the current recommendations of the DCGK. In addition, the new compensation system is even more strongly linked to E.ON's corporate strategy and the associated corporate objectives. It establishes clear incentives for successful and sustainable corporate governance and thus continues to promote the Company's long-term development. The most important

adjustments compared with the previous compensation system can be summarized as follows:

Most Important Adjustments Effective January 1, 2022

Compensation component/provision	Adjustment	Background
Annual bonus	• Reduce the range of the individual performance factor to 0.8 – 1.2 • Factor in a non-financial performance indicator alongside EPS with a weighting of 20 percent (currently NPS) • Lower the payout cap to 180 percent of the target amount	Adapt to investors' expectations • NPS as a non-financial performance indicator shows the central importance of retaining existing and acquiring new customers for E.ON as a customer-oriented company • Reduction of the cap to a market customary level within the short-term variable compensation
E.ON Performance Plan	• Implement the E.ON Sustainability Index as another performance criterion with a weighting of 25 percent • Introduce return on capital employed (ROCE) as a second financial performance criterion with a weighting of 25 percent alongside relative TSR with a weighting of 50 percent	• Sustainability as a core element of E.ON's strategy and in the future a standard for the Company's actions in every dimension • Reflect the sustainability strategy in the most heavily weighted compensation component by focusing on the four most relevant environmental, social, governance (ESG) aspects at E.ON. Currently these are: climate action, diversity and inclusion, health and safety, and ESG ratings • Further improve the efficiency of capital employed as a priority
Pension substitute	• Eliminate the company pension plan and introduce a pension substitute for all Management Board members • Determine the pension substitute taking into account the Company's contributions under the previously applicable "Contribution Plan E.ON Management Board"	• Transfer pension provision and investment risk to the Management Board member • Adapt to investors' expectations • Eliminate long-term financing including accruals and risk for the Company
Maximum compensation	• Set maximum compensation • The maximum compensation for the Management Board Chairman is €10 million and for each ordinary Management Board member €5.5 million	• Comply with regulatory requirements of the AktG • Limit the compensation granted for a financial year
Share ownership guidelines	• Extend the holding period for shares to two years after departure from the Management Board	• Further strengthen the alignment of interests between the Management Board and shareholders • Adapt to investors' expectations
Other contractual provisions	• Introduce malus and clawback provisions • Set severance caps in accordance with DCGK recommendations	• Strengthen the Supervisory Board's position in the event of serious compliance violations • Establish compensation provisions in line with best practice

Adjustment of Management Board Compensation

The Supervisory Board firmly believes that the members of the Management Board are already intrinsically highly motivated to lead E.ON into a successful future. Nevertheless, competitive Management Board compensation is of great importance in order to attract and retain the best possible candidates as members of the Management Board. This is particularly true in view of the extraordinary and continually evolving challenges in the energy market as well as E.ON's vital role in enabling the successful implementation of the energy transition in Europe.

In the course of the implementation of the new compensation system in Management Board members' service agreements, the Supervisory Board also dealt with the compensation levels and ratios of the individual compensation components. The analysis was based on a variety of aspects, including in particular the development of Management Board compensation, the Company's situation, the development of employee compensation as well as the competitiveness of Management Board compensation. As a result of careful consideration of the findings of this analysis and related extensive discussions, the Supervisory Board was of the opinion that an adjustment of Management Board compensation as of January 1, 2022, had become necessary. In order to reflect the clear pay-for-performance concept as a central principle of Management Board compensation at E.ON, the compensation adjustment was made with the clear intent of placing greater emphasis on variable compensation in general and long-term variable compensation in particular. For more information and background on the adjustment of Management Board compensation, please refer to the "Compensation Governance" section.

Composition of the Management Board and Supervisory Board

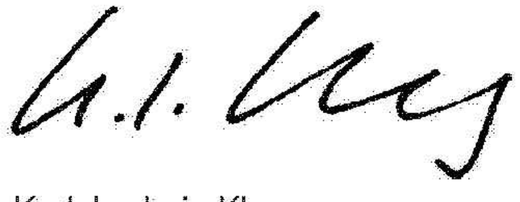
There were no personnel changes on the Management Board in the 2022 financial year. The appointment and service agreement of Management Board Chairman Leonhard Birnbaum were extended by five additional years to June 30, 2028.

Carolina Dybeck Happe (as of June 30, 2022) and Monika Krebber (as of March 31, 2022) ended their service on the Supervisory Board during the financial year. Katja Bauer and Anke Groth were appointed to the Supervisory Board as their successors.

Supervisory Board Compensation

The Supervisory Board's compensation system was submitted to the 2021 Annual Shareholders Meeting for resolution and confirmed by it with 99.31 percent of votes in favor. The amount and system of Supervisory Board compensation remained unchanged in the 2022 financial year.

We stand by our objective of providing you with comprehensive transparency on the compensation of the E.ON Management Board and Supervisory Board and look forward to your support on this topic.



Karl-Ludwig Kley

Chairman of the E.ON SE Supervisory Board

III. Compensation of the Management Board in the 2022 Financial Year

The compensation of the Management Board in the 2022 financial year is presented and disclosed in detail below.

1. Compensation Governance

The Supervisory Board as a whole is responsible for determining the compensation system as well as the amount and structure of Management Board compensation. The compensation system for the members of the Management Board is determined by the Supervisory Board in accordance with Section 87, Paragraph 1, and Section 87a, Paragraph 1 AktG on the basis of a proposal by the Executive Committee. After the Supervisory Board passes this resolution, the compensation system is submitted to the Annual Shareholders Meeting for approval.

The new compensation system for the Management Board resolved by the Supervisory Board on March 23, 2021, and approved by the 2021 Annual Shareholders Meeting has applied since January 1, 2022.

Furthermore, for the respective upcoming financial year, the Supervisory Board sets the target values used to measure the Management Board's performance for the performance criteria that are applied in the financial year.

In addition, the Supervisory Board sets the specific target compensation for the members of the Management Board. In setting Management Board members' compensation, the Supervisory Board ensures, in accordance with Section 87, Paragraph 1 AktG, that it is commensurate with the duties of the individual Management Board member, their individual performance, and the Company's economic situation, and that it does not exceed the customary compensation without special reasons. Furthermore, when setting the compensation, the Supervisory Board ensures that the compensation structure is geared towards the Company's sustainable and long-term development.

With the Executive Committee's support, the Supervisory Board reviews the appropriateness of Management Board members' compensation on a regular basis. In assessing the appropriateness of Management Board compensation, a horizontal comparison is made with the compensation paid to Management Board members of comparable companies. The DAX® companies are used as a peer group for this purpose due to their comparable size and governance structures as well as in view of the regulatory requirements and local market practice. Since September 20, 2021, the peer group therefore consists of 40 companies. In addition, a vertical comparison of compensation within E.ON is also carried out, taking into account the ratio of Management Board compensation to that of the Company's executives and the rest of its workforce. Both the current ratio and the change in the ratio over time are reviewed on a regular basis.

In the course of the implementation of the new compensation system, the Supervisory Board also dealt with the compensation levels and ratios of the individual compensation components. The analysis of the compensation levels was conducted on the basis of the following aspects:

The Company's Situation and Special Challenges in the Energy Market

E.ON's business performance over the last few years has been positive. The Company's situation is good and stable, even in a complex energy policy and economic environment. E.ON has consistently increased its dividend since the 2016 financial year and, in November 2021, pledged continuous dividend growth of up to 5 percent per year. In addition, the foundations for a comprehensive strategic realignment of the business have been laid in recent years, among others with the spinoff of Uniper and the integration of innogy, which was completed in June 2020. The new E.ON strategy published in the fall of 2021 with its three dimensions sustainability, digitalization, and growth is being systematically concretized and implemented.

Overall, many new challenges have arisen for E.ON over the last few years, especially also in the current situation of the global energy crisis, that have made the business environment considerably more complex. This has led to a significant increase in Management Board members' responsibilities and tasks, also in connection with successfully shaping the energy transition in Europe.

Development of Management Board Compensation

The last general adjustment to the compensation level of the Management Board took place more than ten years ago. Such a long period of a constant compensation level is unusual in the market. It is customary to adjust Management Board compensation on a regular basis and in much shorter intervals based on various factors, such as the Company's performance and the development of employee compensation as well as developments in the market.

Development of Employee Compensation

Adjustments to the compensation of senior executives as well as other employees of E.ON have taken place at regular intervals in recent years. These compensation adjustments are based on the Company's business situation and take into account market trends and other economic indicators. On balance, over the last ten years prior to the decision on the adjustment, the compensation of the workforce (employee groups: covered by tariff agreements, not covered by tariff agreements, and management, including senior executives) was increased by around 23 percent.

Competitiveness

Competitive compensation is of central importance to attracting and retaining the best possible candidates as Management Board members. In the course of the annual review of compensation levels and structure, in which the Supervisory Board was supported by an independent external compensation expert, it became apparent that the level of Management Board compensation to date and also the relative proportion of long-term variable compensation in particular compared with the relevant peer group were significantly below the customary level for comparable companies, both for the Management Board Chairman and for the ordinary Management Board members.

The relevant peer group for E.ON is composed of the largest publicly listed companies in Germany. In addition, the level of Management Board compensation is mainly influenced by the respective local market practice and applicable regulations. For this reason, the DAX® companies are used as the peer group, as described above. After comprehensive review, the Supervisory Board considers the use of an international peer group as the primary comparative market to be inappropriate, in particular in view of the different governance structures.

On the basis of size criteria (revenues, employees, and market capitalization) at the time of the review of compensation levels, E.ON positioned itself at the 65th percentile; that is, approximately at the lower edge of the upper third of the comparative market. The placement in the comparative market based on size criteria ensures that compensation reflects E.ON's size in the relevant comparative market.

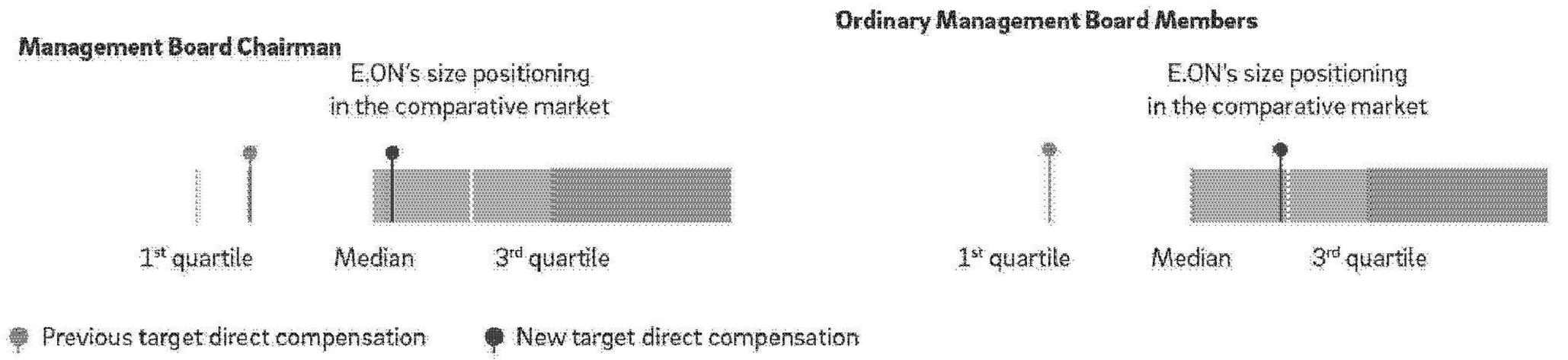
In contrast, the Management Board Chairman's previous target direct compensation (base salary, target amount annual bonus, and target amount E.ON Performance Plan) was at the 33rd percentile and thus significantly below the size-derived position, while ordinary Management Board members' previous target direct compensation was at the 30th percentile.

Findings of the Analysis and Conclusion

Based on the analysis of compensation levels carried out and the aspects presented, after extensive deliberations and discussion, the Supervisory Board resolved to adjust the Management Board Chairman's target direct compensation to €5.375 million and that of ordinary Management Board members to €2.82 million effective January 1, 2022. The maximum compensation remains unchanged.

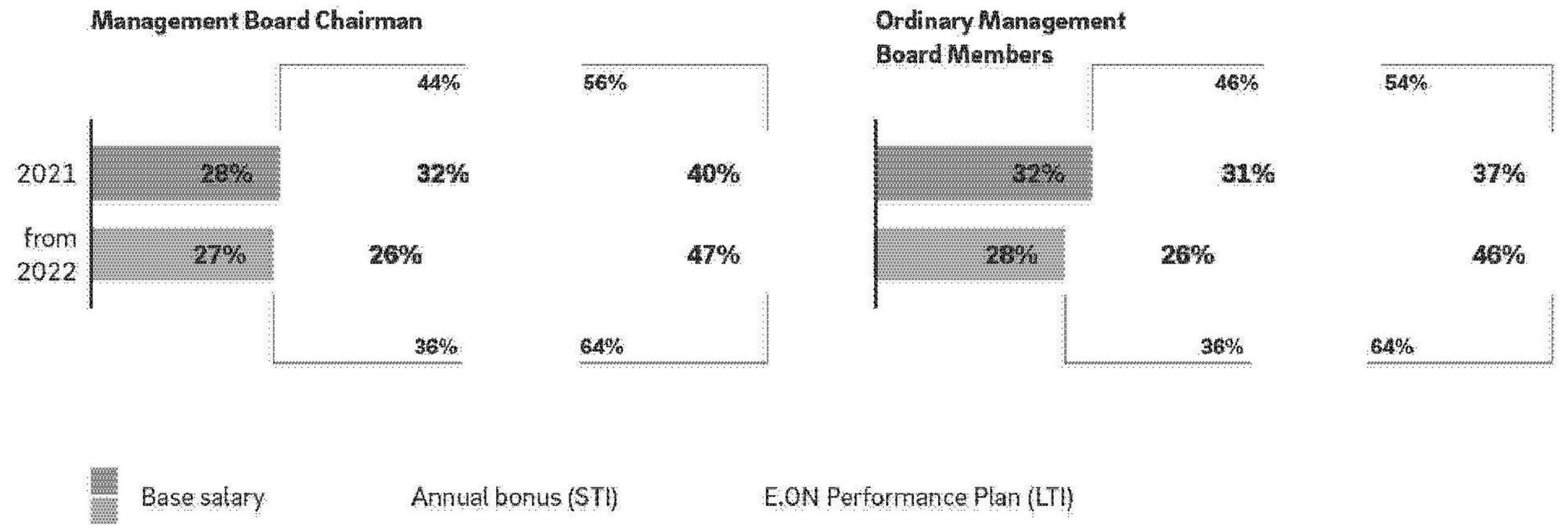
The Management Board Chairman's new target direct compensation is at the 53rd percentile and that of ordinary Management Board members is at the 64th percentile of the comparative market. The new target direct compensation thus remains below E.ON's size position.

Benchmark



The adjustments focus in particular on increasing the target amount of the E.ON Performance Plan, which under the new Management Board compensation system is even more aligned with long-term and sustainable business development through the implementation of the E.ON Sustainability Index and the addition of ROCE. For this reason, from the 2022 financial year onward the E.ON Performance Plan will account for a significantly higher proportion of target direct compensation than before, further strengthening the notion of pay-for-performance. The new structure of target direct compensation is as follows:

Compensation Structure from 2022



The adjustment to compensation effective January 1, 2022 was made at the same time as the new compensation system took effect. The details of the new target direct compensation are as follows:

Target Direct Compensation

	Management Board Chairman			Ordinary Management Board members		
in €k	From 2022	2021	Δ in %	From 2022	2021	Δ in %
Base salary	1,440	1,220	18	800	700	14
Annual bonus	1,380	1,420	-3	720	675	7
E.ON Performance Plan	2,555	1,750	46	1,300	825	58
Target direct compensation	**5,375**	**4,390**	**22**	**2,820**	**2,200**	**28**

The Supervisory Board's review of the level and structure of compensation was supported by an independent external compensation expert. This review resulted in the appropriateness of the adjusted Management Board compensation being confirmed.

2. Basic Features of Management Board Compensation

E.ON aims to strengthen and expand its leading position in the European energy market. The objective is to shape the new energy world, which is increasingly characterized by autonomous and proactive customers, and to be their leading partner. In this context, E.ON's strong performance culture in the interests of its various stakeholders is to be further promoted and anchored.

Management Board compensation represents an important governance element for implementing the corporate strategy and creates incentives for achieving the objectives that have been set. The compensation of the Management Board is linked to E.ON's performance to a high degree and has a clear pay-for-performance orientation.

In designing and determining the Management Board compensation, the Supervisory Board follows in particular the following principles:

Principles of Management Board Compensation

Principle	Implementation
Promote the corporate strategy	The Management Board's compensation is closely linked to the strategy of E.ON via defined targets for variable compensation and thus promotes the Company's business strategy.
Conformity with regulatory requirements	Management Board compensation fulfills all requirements of the AktG and follows the current recommendations of the DCGK.
Appropriateness of the compensation	Management Board compensation is appropriate from a horizontal perspective in comparison with competitors as well as from a vertical perspective in an internal comparison with other employees.
Pay-for-performance	The majority of the compensation consists of performance-based compensation components that are especially geared to the Company's success by means of setting ambitious targets.
Long-term business development	To reinforce the long-term aspect, performance-based compensation is predominantly assessed on a multi-year basis.
Sustainability	E.ON's sustainability strategy is anchored in the Management Board's compensation system, in particular by means of the E.ON Sustainability Index.
Consideration of shareholder interests	In order to align management's and shareholders' interests and objectives, long-term variable compensation is based not only on the performance of E.ON's share price in absolute terms but also on a comparison with competitors. Share ownership guidelines further strengthen the capital market orientation.

Management Board compensation in the 2022 financial year consisted of non-performance-based and performance-based compensation components. The non-performance-based components consist of a base salary, fringe benefits, and a pension substitute, while the performance-based components include the annual bonus and long-term variable compensation in the form of the E.ON Performance Plan.

In addition, other compensation provisions exist for Management Board members, including share ownership guidelines and malus and clawback provisions.

The following table provides an overview of the components of the Management Board's compensation system for the 2022 financial year as well as their respective metrics and parameters:

Summary Overview of Compensation Components

Compensation component 2022	Metric/parameter
Non-performance-based compensation	
Base salary	Fixed compensation paid in twelve equal monthly installments
Fringe benefits	Chauffeur-driven company car, telecommunications equipment, insurance protection (including risk coverage in the event of disability or death), medical examination
Pension substitute	Annual pension substitute to be paid out in cash for personal provision instead of the entitlement to a company pension plan
Performance-based compensation	
Short-term variable compensation: annual bonus	• Term: one year • Amount depends on - Company performance: o 80 percent: EPS o 20 percent: NPS - Individual performance factor: o multiplicative factor (0.8 – 1.2) to consider collective performance and individual performance • Cap: 180 percent of target bonus
Long-term variable compensation: E.ON Performance Plan	• Granting of virtual E.ON shares • Performance period: four years • Final number of virtual shares depends on - 50 percent: relative TSR compared to the TSR of companies in the STOXX® Europe 600 Utilities - 25 percent: ROCE - 25 percent: E.ON Sustainability Index • Allocation limit; that is, the maximum number of virtual shares: 150 percent • Cap: 200 percent of target amount

Summary Overview of Compensation Components

Compensation component 2022	Metric/parameter
Other compensation provisions	
Maximum compensation	•Limit total compensation paid out for a financial year pursuant to Section 87a, Paragraph 1, Sentence 2, Number 1 AktG - Management Board Chairman: €10 million - Ordinary Management Board members: €5.5 million
Share ownership guidelines	• Obligation to buy E.ON shares • Obligation to hold shares acquired for the duration of appointment to the Management Board as well as for two additional years after departure • Investment amount equaling - 200 percent of base salary (Management Board Chairman) - 150 percent of base salary (other Management Board members) • Until the required investment is reached, obligation to invest net payouts from long-term compensation in E.ON shares
Malus and clawback provisions	Possibility for the Supervisory Board to reduce or reclaim performance-based compensation, in part or in full, in the event of: • deliberate breaches of duty in the form of - non-compliance with material provisions of the E.ON internal Code of Conduct and/or material contractual duties - significant breach of due diligence obligations as defined in Section 93 AktG • a determination or payout of variable compensation on the basis of incorrect Consolidated Financial Statements
Severance cap	Maximum of two years' total compensation or the total compensation for the remainder of the service agreement
Severance for change-of-control	Severance payment in the amount of no more than two years' target compensation (base salary, target bonus, and fringe benefits), but no more than the total compensation for the remaining term of the service agreement
Non-compete clause	• Non-compete clause for a period of six months after termination of the service agreement • Prorated compensation payment in the amount of base salary and target bonus, at a minimum 60 percent of most recently received compensation, for the duration of the non-compete clause • Severance payments are credited against the compensation payment

3. Management Board Compensation in the 2022 Financial Year in Detail

3.1. Non-Performance-Based Compensation

Non-performance-based compensation consists of a base salary, fringe benefits, and a pension substitute.

3.1.1. Base Salary

Management Board members receive their fixed compensation in twelve identical monthly payments.

3.1.2. Fringe Benefits

Management Board members receive a number of contractual fringe benefits, including the use of a chauffeur-driven company car. The Company also provides them with the necessary telecommunications equipment, covers costs that include those for a periodic medical examination, and pays the premium for an accident insurance policy. In addition, as part of the changeover to the pension substitute, the previous risk coverage by means of the supplementary amount in the event of disability or death will be continued as a fringe benefit.

3.1.3. Pension Substitute

Since the beginning of the 2022 financial year, Management Board members receive a lump-sum, earmarked pension substitute, to be paid out annually. The amount of the pension substitute is defined in individual contractual provisions and is not linked to any other compensation components. The introduction of the pension substitute ended the company pension scheme granted to Management Board members until the end of the 2021 financial year under the "Contribution Plan E.ON Management Board." Pension entitlements already acquired under the "Contribution Plan E.ON Management Board" shall remain in force, but will not increase further.

The change to a pension substitute has significant advantages for the Company. Pension provision and investment risk are transferred to the Management Board member. This eliminates long-term financing through the creation of accruals and thus the risk for the Company. In order to ensure a fair change for Management Board members in view of the benefits for the Company, the amount of the pension substitute – €560,000 for the Management Board Chairman and €350,000 for ordinary Management Board members – was determined taking into account the contributions made by the Company up to and including the 2021 financial year under the previously valid "Contribution Plan E.ON Management Board," which were equal to 21 percent of pensionable income (base salary and target annual bonus). With regard to these contributions by the Company, it should be noted that in the previous compensation reporting the service cost for the company pension plan was presented in accordance with IAS 19. This is an accounting figure that is based on actuarial methods, fluctuates with the underlying assumptions (in particular the actuarial interest rate) and therefore differs from the contribution made in the past. The pension substitute is also taken into account in the assessment of the appropriateness of the compensation level of Management Board members.

The service cost and present value of the existing pension entitlements as of December 31, 2022, are as follows for each member of the Management Board:

Pension Entitlements in €k

	IAS 19	
	Service cost	Present value of pension entitlement
	2022	2022
Leonhard Birnbaum	0	2,317
Thomas König	0	2,609
Patrick Lammers	0	178
Victoria Ossadnik	0	750
Marc Spieker	0	867

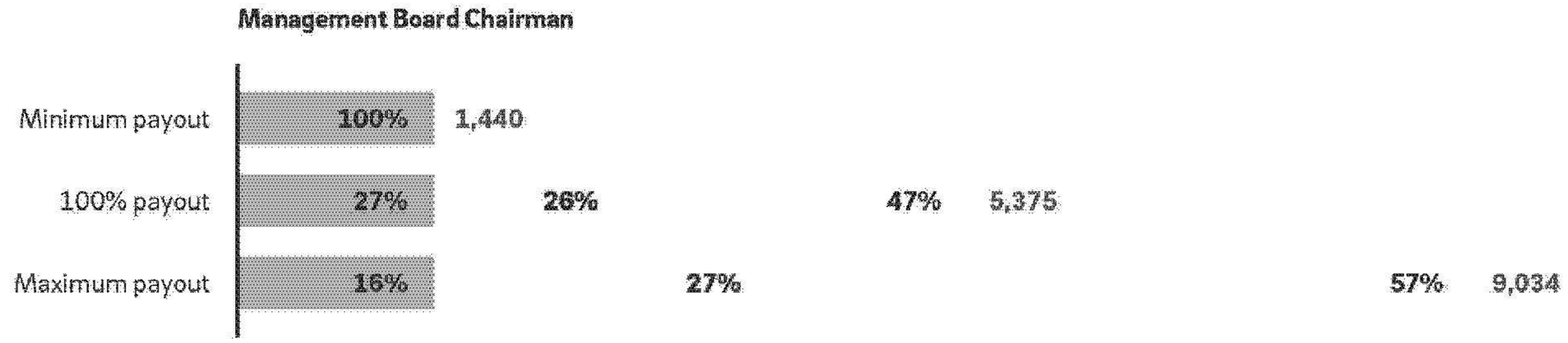
3.2. Performance-Based Compensation

Performance-based compensation accounts for the majority of Management Board members' compensation. It consists of the annual bonus (short-term incentive, STI) and the E.ON Performance Plan (long-term incentive, LTI), which have terms of one and four years, respectively. The target amount of the annual bonus accounts for 36 percent of performance-based compensation, the target amount of the E.ON Performance Plan for 64 percent. By basing variable compensation predominantly on a multi-year metric, the Supervisory Board ensures the promotion of E.ON's sustainable and long-term development.

The pay-for-performance concept of Management Board compensation represents a key principle of Management Board compensation. Alongside target direct compensation's high proportion of variable compensation (about 73 percent for the Management Board Chairman, about 72 percent for ordinary Management Board members), the Supervisory Board ensures this by setting ambitious performance criteria. The Supervisory Board defines these criteria for the annual bonus and for the E.ON Performance Plan prior to the start of each financial year and the start of each tranche, respectively, thereby incentivizing operational as well as strategic corporate goals.

The following diagram illustrates the pay-for-performance concept of Management Board compensation in light of three performance scenarios:

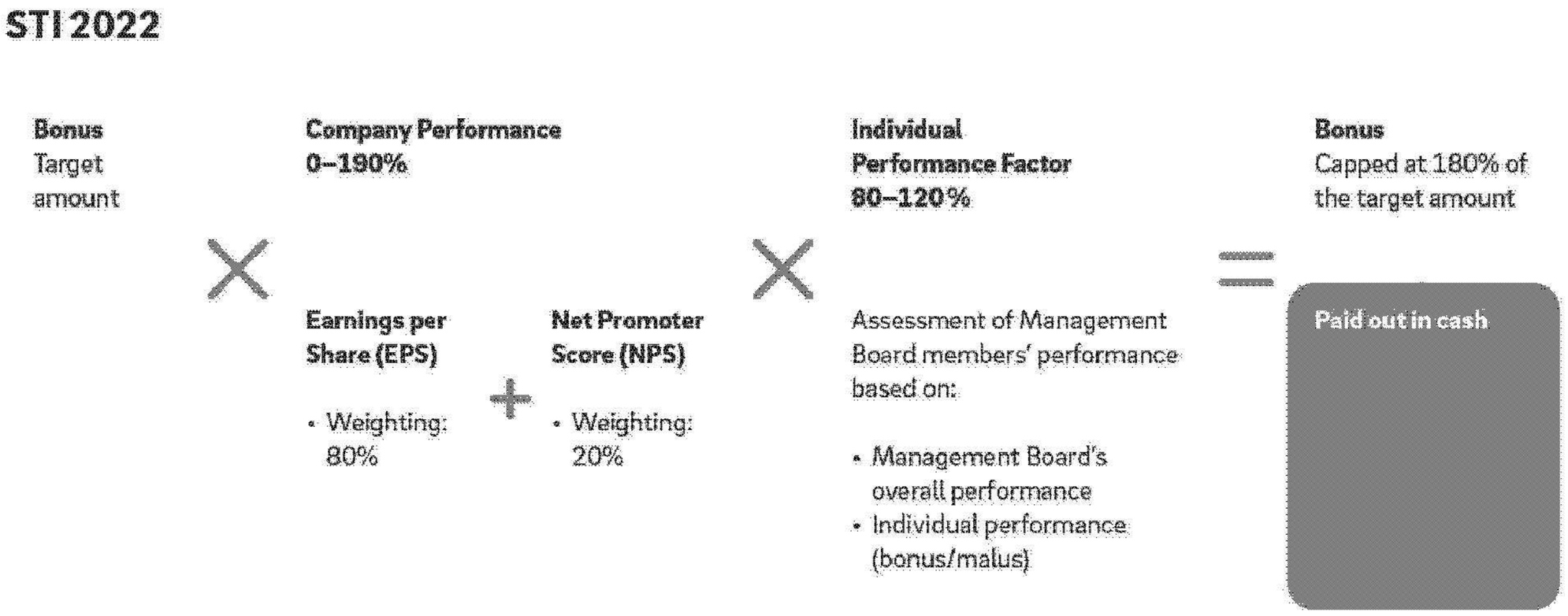
Pay-for-Performance



Scenario	Explanation
Minimum payout	Bonus: 0% of the target amount; E.ON Performance Plan: 0% of the target amount
100% payout	Bonus: 100% of the target amount; E.ON Performance Plan: 100% of the target amount
Maximum payout	Bonus: 180% of the target amount; E.ON Performance Plan: 200% of the target amount

3.2.1. Annual Bonus

The annual bonus (STI) consists of a cash payment made after the end of the financial year. Its amount is based on the achievement of predefined performance criteria. These measure both company performance and individual performance using an individual performance factor. The bonus is capped at a maximum of 180 percent of the contractually agreed-on target bonus (cap). Its payout is calculated as follows:



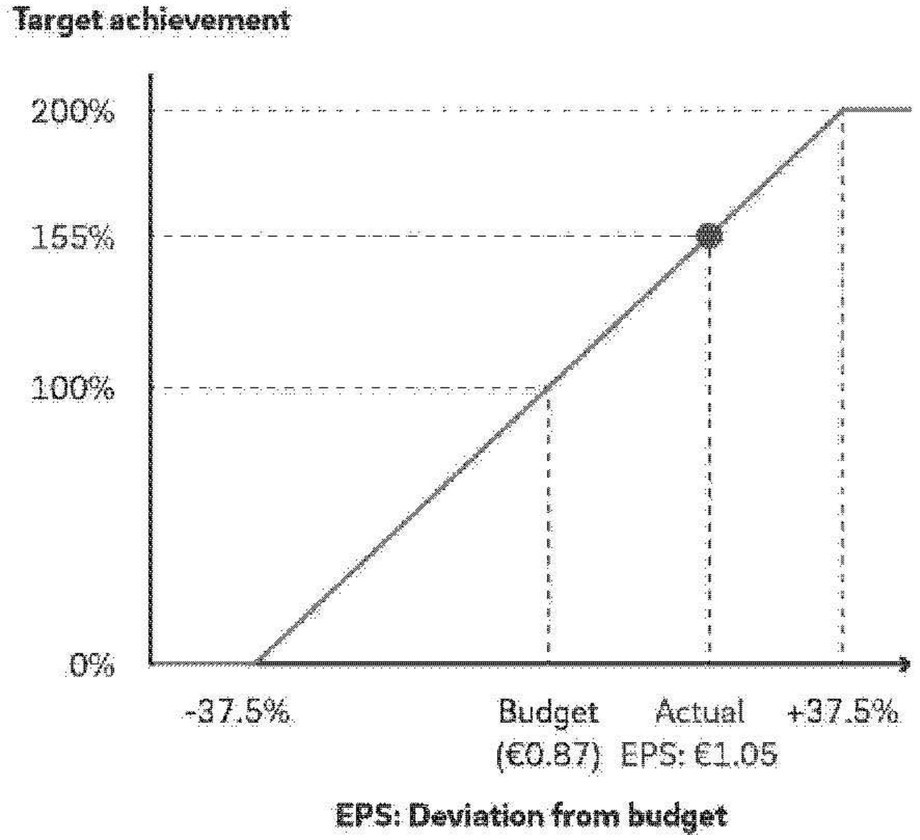
Company-Performance

The performance criteria for company performance are EPS, E.ON's key performance indicator, with a weighting of 80 percent, as well as a non-financial performance indicator, NPS for the 2022 financial year, with a weighting of 20 percent.

Earnings per Share

EPS used for this purpose is derived from adjusted net income as disclosed in the Annual Report. EPS is used to incentivize E.ON's operating success. In this context, the Company's attractiveness is to be further enhanced through dividend growth. This objective is also supported by an ambitious EPS target.

Company Performance 2022 – EPS



EPS: Deviation from budget

The EPS target for each financial year is set by the Supervisory Board, taking into account the approved budget. The target achievement is 100 percent if actual EPS is equal to the target. If actual EPS is 37.5 percent or more below the target, this constitutes zero percent target achievement. If actual EPS is 37.5 percent or more above the target, this constitutes 200 percent target achievement. Linear interpolation is used to translate intermediate EPS figures into percentages. The target for the 2022 financial year was €0.87.

EPS, which is based on adjusted net income, amounted to €1.05 in the year under review. The positive earnings performance relative to the prior year was to a large degree due to the core business. At the network business it resulted from different effects, including cost savings, the leveraging of synergies, and further growth in the regulated asset base due to additional investments. The increase at Customer Solutions was generated primarily by the sales business as well as the EIS business. The main factors in the positive earnings performance were relatively mild weather, a significant reduction in customer churn amid the energy crisis, and the leveraging of synergies.

This results in a target achievement of 155 percent.

Net Promoter Score

Attracting new customers and retaining existing ones are crucial to E.ON's business success. As a customer-oriented company, E.ON wants to continually increase customer satisfaction and become the number one energy solutions provider in its markets. For this purpose, NPS serving as a key performance indicator for measuring company performance, is taken into account. E.ON uses NPS to measure the trust and loyalty of its customers. NPS indicates whether they would recommend E.ON to others. The target is set on the basis of strategic NPS (sNPS) as well as journey NPS (jNPS).

sNPS compares the willingness of E.ON customers to recommend E.ON with the willingness of competitor's customers and is measured for both the "residential customers" segment and the "small and medium-sized enterprises" segment. The total score is determined on a weighted basis for each country. The unweighted average score across the countries is then calculated from these sNPS totals. The targets are set by the Supervisory Board at the beginning of the financial year, with the ambition level guided by the previous year's performance. Target achievement is 100 percent if the actual value achieved corresponds to the target value set by the Supervisory Board.

jNPS measures the willingness of customers per country to recommend E.ON to others after they have completed a certain series of interactions (known as journeys) with E.ON. The success of journeys is measured according to existing E.ON minimum requirements.

The determination of the NPS targets is based in each case on the target achievement of the previous year and refers to the following system:

The aim for sNPS is for E.ON customers' willingness to recommend the Company to improve more than that of competitor's customers. If sNPS achieved in the prior year for E.ON is behind the competitive average or at the same level, the target for the financial year is to reduce the gap by 3 points or to achieve a positive gap of 3 points. If prior-year sNPS for E.ON is slightly above the competition average, the gap is to be widened by 2 points. If the gap to the competition is clearly positive (at least 15 points), the gap must be maintained. If E.ON's sNPS in the prior year is 20 or more points above the competition average, a gap of 20 points is considered the target value.

The target ambition for jNPS is also based on the prior-year performance. If jNPS for a journey is equal to or below -20 for the prior year, an improvement of 15 points is considered to be an achieved target level. If jNPS is between -19 and +39, the improvement must be at least 8 points or reach an absolute score of +40. For score in the prior year of +40 or above, a score of +40 is considered the target value. The number of journeys at target level determines the degree of target achievement.

Target achievement is measured on a country-specific basis and overall target achievement is determined on the basis of a simple average across all E.ON countries. For the 2022 financial year, the simple average target achievement across all countries is 94 percent based on the defined target achievement curves.

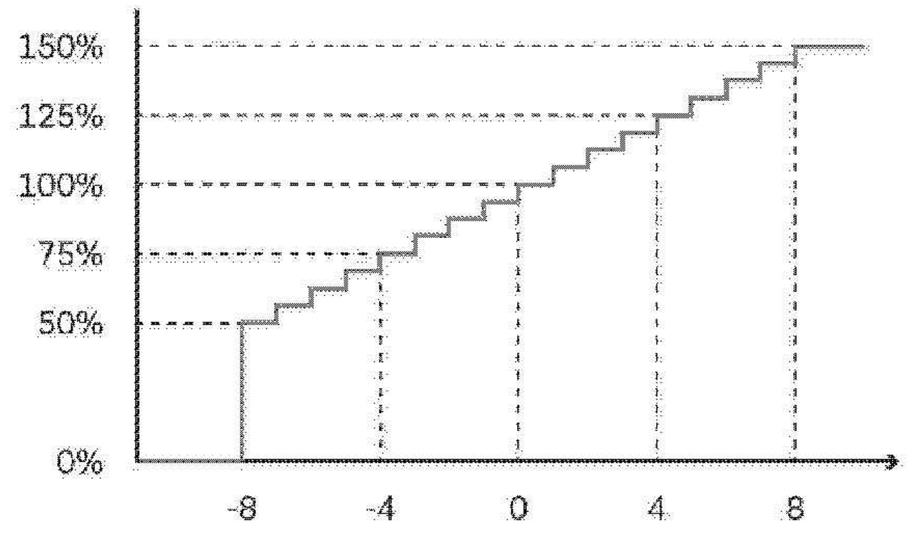
Considering target achievement for the performance criterion EPS yields a total company performance of 143 percent.

Individual Performance Factor

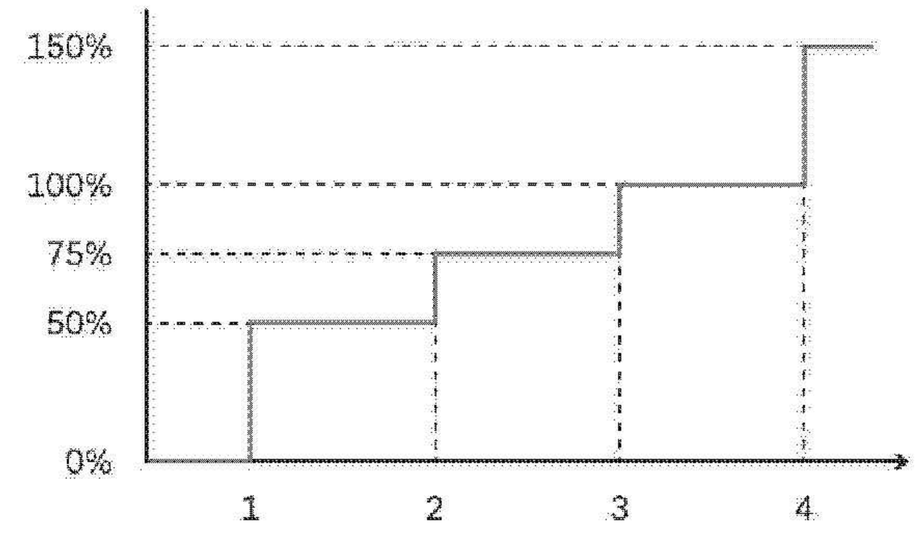
The targets for individual performance factors are set by the Supervisory Board before the beginning of each financial year. The Supervisory Board has the option of defining both collective and individual targets for the individual performance factor. In particular, the Supervisory Board is guided by focus topics — such as the further development of the strategy, transformation projects, digitalization, operating targets, and so forth — from which it can set annual priorities.

Bonus: NPS Curves

sNPS target achievement curve



jNPS target achievement curve



Bonus: Individual Targets

Possible focus topics for the individual performance factor

Further development of the (Group's) strategy	Implementation of the strategic roadmap	Transformation projects	Innovations and improvements
Organizational and cultural development	Digitalization	Budget targets	Co-determination in the light of social partnership
Employee development	Securing the market position	Operational targets	Additional ESG targets

Target achievement of the individual performance factor is determined on the basis of the targets defined by the Supervisory Board before the start of the financial year, in order to give adequate consideration to individual and collective performance of Management Board members. In addition, the Supervisory Board has the option to take into account extraordinary developments as part of the individual performance factor and thus complies with recommendation G.11 sentence 1 of the DCGK.

The individual performance factor can range between 80 and 120 percent. The amount of the bonus can therefore be adjusted up or down depending on performance (in the sense of a bonus/malus).

The following presentation shows the predefined individual and collective targets for the 2022 financial year, their assessment, and target achievement determined on this basis:

Individual Performance Factor

2022 targets	Assessment	Target achievement
Individual and collective targets, particularly with regard to the following categories:	The Supervisory Board assessed the Management Board members' performance taking into account the targets set in advance for the 2022 financial year. The Supervisory Board judged the following aspects as particularly positive in its assessment of the Management Board's performance:	
Crisis management	Successful management of E.ON's commodity positions in an environment characterized by market distortions; successful handling of regulatory interventions as well as continuation of growth investments against the backdrop of an accelerated energy transition; intensive exchange with the German government and the European Commission to address the energy crisis in Germany and Europe; special support services to actively address the humanitarian crisis, especially in Ukraine's neighboring countries	
Digitalization	Continued progress in successfully implementing major projects and creating an even closer link between the digital organization and key business processes; ongoing smartification of assets despite existing crisis-related supply bottlenecks; continued significant progress in addressing cyber risks, and advances in employees' digital qualifications	
Realignment of B2C commodity retail	Consequent introduction and implementation of an end-to-end approach in the sales business, successful realignment of the Energy Markets unit, and effective linking of the two business areas	
Special financial successes	Successful partial divestment of E.ON's broadband activities; budget achieved despite a particularly challenging market environment by comprehensive crisis management and cost-cutting measures	
Taking into account the collective performance and individual value contributions of the Management Board members, the Supervisory Board has determined a uniform performance factor for all members of the Management Board.		**110%**

Total Target Achievement and Payout Amounts

Taking into account the company performance and the individual performance factor set by the Supervisory Board for the 2022 financial year, total target achievement for the 2022 bonus, which will be paid out at the start of the 2023 financial year, is 157 percent:

2022 Bonus

	Target amount	Company performance	Individual performance factor	Target achievement Total	Payout amount
Leonhard Birnbaum	€ 1,380,000		110%		€ 2,166,600
Thomas König	€ 720,000		110%		€ 1,130,400
Patrick Lammers	€ 720,000	143%	110%	157%	€ 1,130,400
Victoria Ossadnik	€ 720,000		110%		€ 1,130,400
Marc Spieker	€ 720,000		110%		€ 1,130,400

Outlook 2023

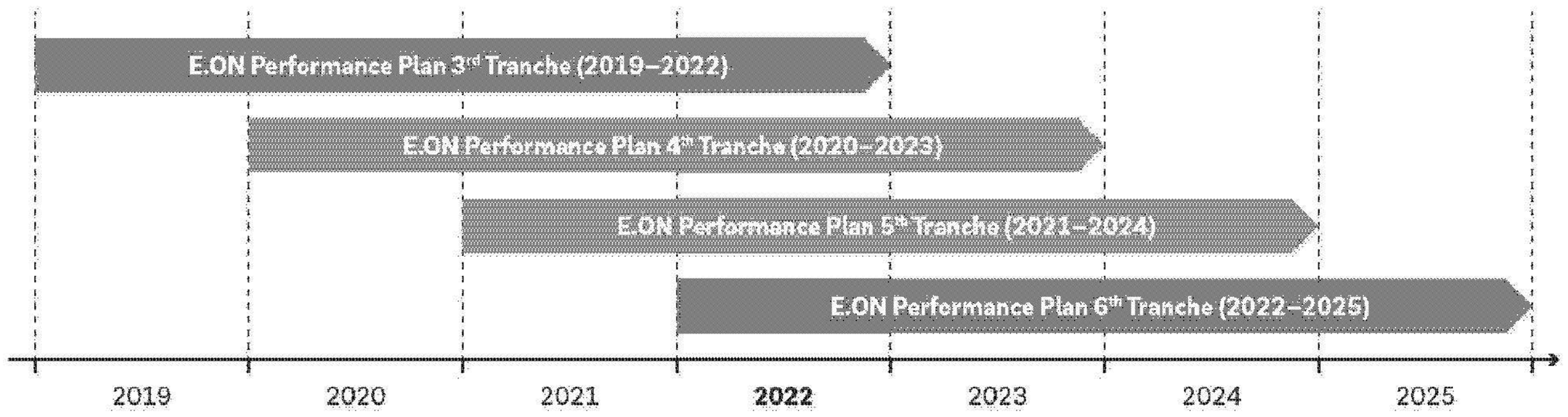
NPS will be considered in the bonus as a non-financial target with a weighting of 20 percent in the 2023 financial year as well. The 2023 bonus is thus fully analogous to the 2022 bonus.

3.2.2. Long-Term Variable Compensation

Long-term variable compensation consists of the E.ON Performance Plan, which has been granted in annual tranches since 2017. The sixth tranche (2022–2025) was granted at the start of the 2022 financial year on the basis of the new compensation system. The fourth tranche (2020–2023) and the fifth tranche (2021–2024) of the E.ON Performance Plan continue to run.

With the end of the 2022 financial year the performance period of the third tranche (2019-2022), which was granted to the members of the Management Board at the start of the 2019 financial year, ended. Payout of this tranche takes place in April 2023.

Overview of LTI Tranches



E.ON Performance Plan

Management Board members receive share-based, long-term variable compensation under the E.ON Performance Plan. Each tranche of the E.ON Performance Plan has a performance period of four years to serve as a long-term incentive for sustainable business development. Performance periods start on January 1 of each year.

LTI 2022

Initial Number of Virtual Shares Granted

×

Total Target Achievement 0–150%

Total Shareholder Return (TSR)
- Weighting: 50%
- Relative comparison to the STOXX® Europe 600 Utilities index

+

Return on Capital Employed (ROCE)
- Weighting: 25%
- Definition of annual strategy-based target values for the plan term at the beginning of the performance period

+

E.ON Sustainability Index
- Weighting: 25%
- Reflects the four most relevant ESG aspects at E.ON in each case
- Comprehensible and measurable targets are set for each of the four aspects

×

Share Price plus Dividends

=

Payout Amount
Cap at 200% of target amount

Sixth Tranche of the E.ON Performance Plan (2022-2025) Granted in the Financial Year

The sixth tranche of the E.ON Performance Plans was granted effective January 1, 2022. Management Board members received virtual shares in the amount of the contractually agreed-on target amount. The conversion into virtual shares is based on the fair market value on the date when the shares are granted. The fair market value is determined by applying methods accepted in financial mathematics, taking into account the expected future payout, and hence, the volatility and risk associated with the E.ON Performance Plan.

The following table shows the target amount, the fair value per share at grant and the number of performance shares granted:

E.ON Performance Plan, 6th Tranche (2022 - 2025)

		Grant	
	Target amount	Fair value per share at grant	Number of performance shares granted
Leonhard Birnbaum	€ 2,555,000	€ 12.76	200,236
Thomas König	€ 1,300,000	€ 12.76	101,881
Patrick Lammers	€ 1,300,000	€ 12.76	101,881
Victoria Ossadnik	€ 1,300,000	€ 12.76	101,881
Marc Spieker	€ 1,300,000	€ 12.76	101,881

The number of virtual shares granted may change during the four-year performance period depending on defined performance criteria. The performance criteria are relative TSR with a weighting of 50 percent and ROCE and the E.ON Sustainability Index with a weighting of 25 percent each.

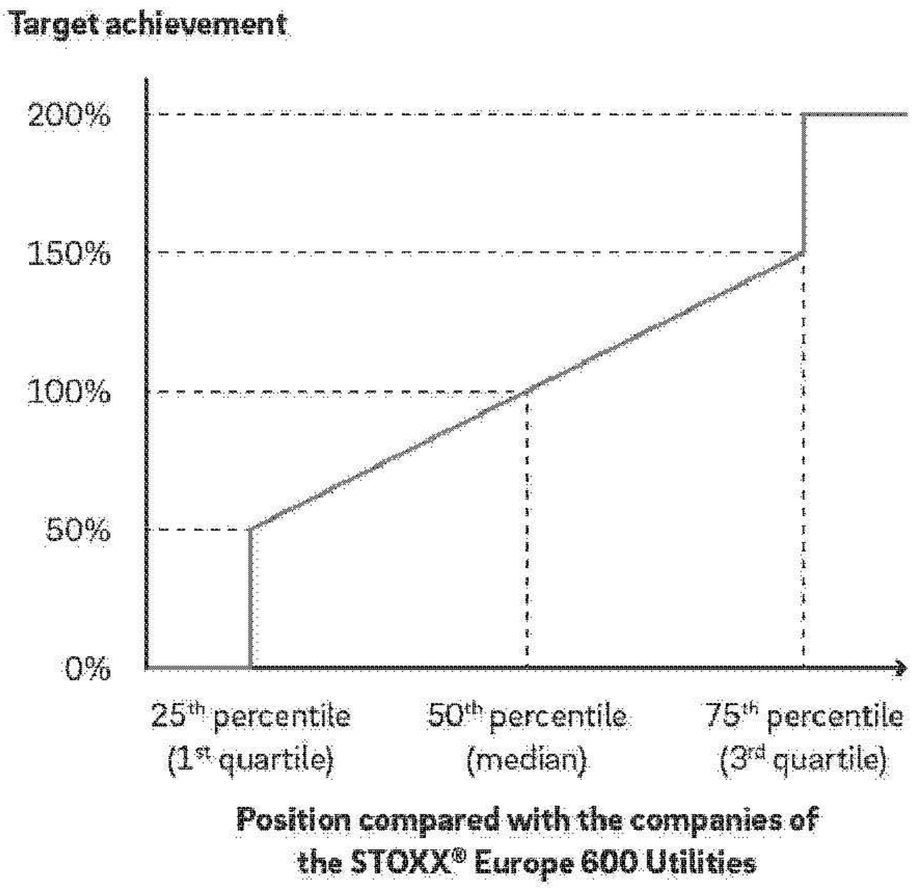
Relative Total Shareholder Return

The centerpiece of the corporate strategy is sustainable growth in Company value. For this reason, the E.ON Performance Plan's total target achievement is measured with a weighting of 50 percent by relative total shareholder return. Taking TSR into account further aligns the interests and objectives of management and shareholders. TSR is the return of the E.ON share, which takes into account the share price plus the assumption of reinvested dividends, adjusted for changes in capital.

TSR measures E.ON's performance in comparison with competitors. The companies of the STOXX® Europe 600 Utilities sector index are used as the peer group. Companies that are subject of ongoing takeover proceedings or in which E.ON holds a significant stake (at least 30 percent) are not included.

For the purpose of measuring E.ON's relative TSR performance, the annual TSRs of all companies are ranked, and E.ON's relative position is determined based on the percentile reached. Target achievement can be between 0 percent and 200 percent and results from the percentile reached as follows:

TSR Target Achievement Curve

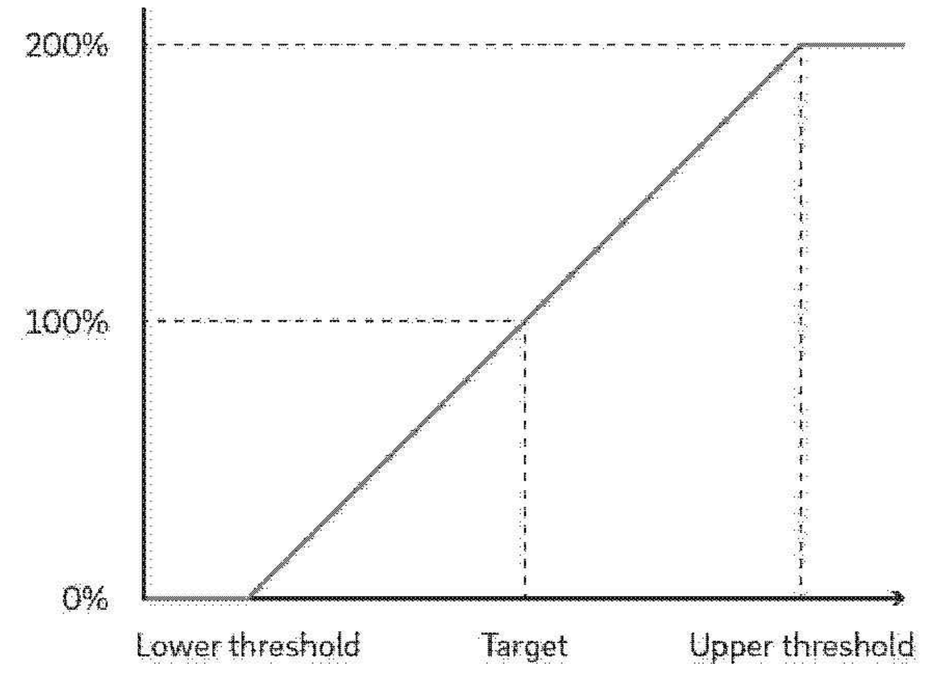


Position compared with the companies of the STOXX® Europe 600 Utilities

Return on Capital Employed

As an internal financial performance criterion, ROCE is considered with a weighting of 25 percent. ROCE is a long-term key performance indicator geared toward sustainable performance and an important component of E.ON's management system. Considering ROCE places a long-term focus on sustainable company development and on the efficiency of the investments required for it. Before the start of each tranche, the Supervisory Board sets target values for each year of the four-year performance period on the basis of long-term strategic planning, as well as lower and upper limits for the maximum relative deviation from the target value (lower threshold and upper threshold), taking into account the cost of capital for the entire performance period. Target achievement is determined on the basis of the deviation of ROCE actually achieved from the target value on the basis of the target achievement curve below:

ROCE Target Achievement Curve



ROCE: deviation from target value

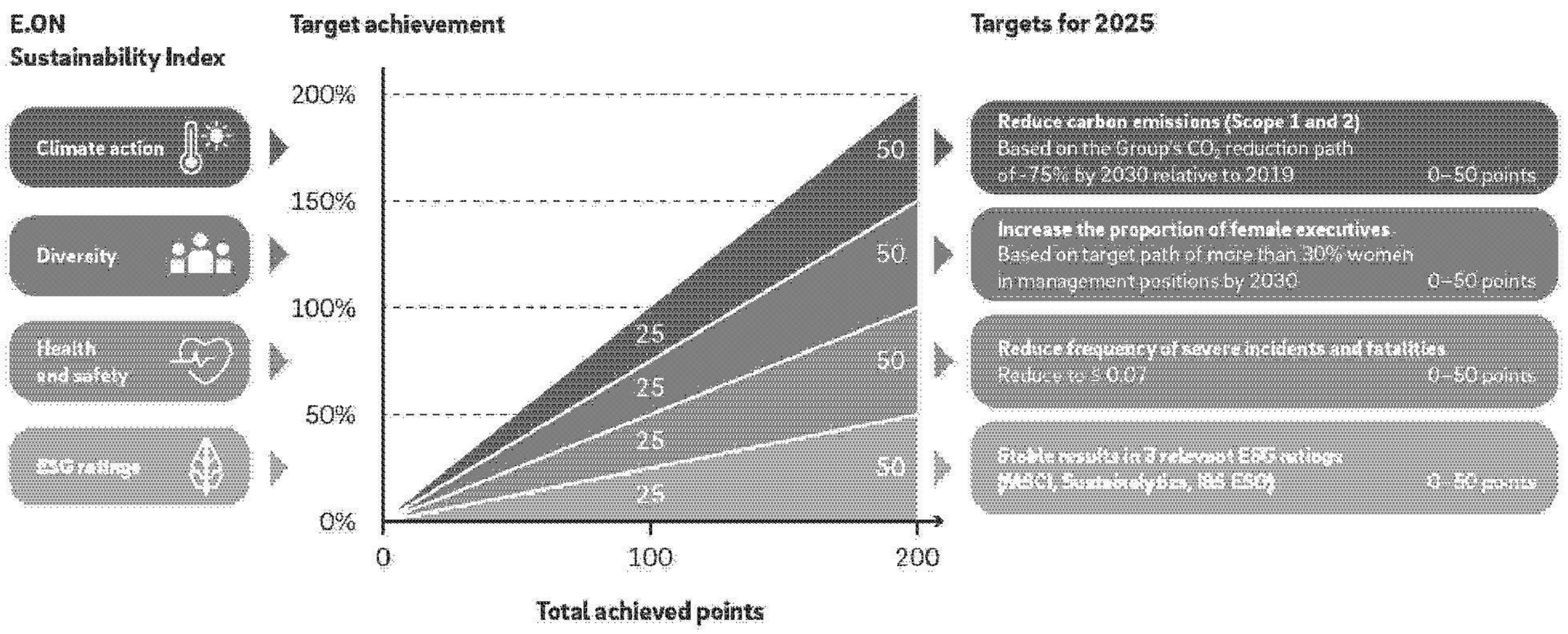
After the end of the performance period of the sixth tranche of the E.ON Performance Plan, the target values set by the Supervisory Board for the ROCE performance criterion will be disclosed ex-post in the Compensation Report.

E.ON Sustainability Index

Good corporate governance, the fulfillment of social and societal responsibilities, and the preservation of natural resources are essential for E.ON to generate sustainable economic value in the long term. These principles are anchored in the sustainability strategy and are reflected in Management Board's compensation system by the E.ON Sustainability Index, which has a weighting of 25 percent in the E.ON Performance Plan. It includes the four most relevant environmental, social, and governance (ESG) aspects at E.ON. Currently these are: climate action, diversity and inclusion, health and safety, and ESG ratings. All ESG aspects are backed by comprehensible and measurable targets. Before the start of each tranche, the Supervisory Board defines the specific target values for each target and the respective target achievement curves for the entire performance period. Depending on target achievement, up to 50 points are awarded for each target, meaning that a total of 200 points can be achieved. Target achievement for the E.ON Sustainability Index can range from 0 percent to 200 percent (cap) and is calculated based on the total points achieved at the end of the performance period.

The following targets have been set for the 2022 tranche:

E.ON Sustainability Index



After the end of the performance period of the sixth tranche of the E.ON Performance Plan, an ex-post disclosure will be made in the Compensation Report on the actual results achieved and the resulting target achievement.

Total target achievement of the E.ON Performance Plan is calculated as a weighted average of the target achievements for each performance criterion, but cannot exceed 150 percent. The payout amount is determined by multiplying the number of virtual shares at the end of the performance period on the basis of the target achievement by the average price of E.ON share in the last 60 days prior to the end of the performance period and adding the dividends per share distributed on E.ON share during the performance period. The payout is capped at 200 percent of the contractually agreed-on target amount.

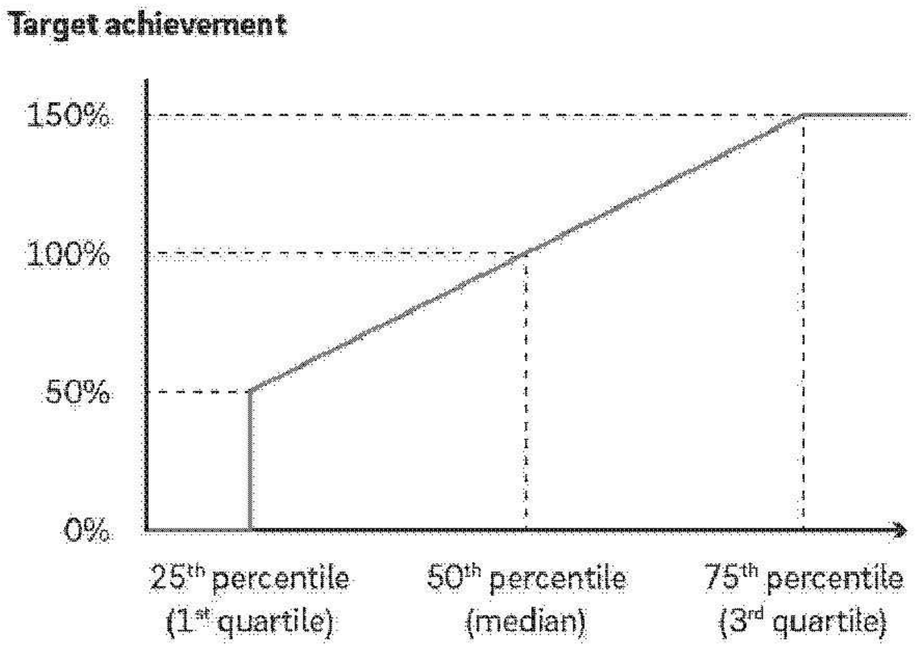
Outlook 2023

In determining the targets for the seventh tranche of the E.ON Performance Plan (2023–2026), the Supervisory Board remains with the ESG aspects as already included in the E.ON Sustainability Index of the sixth tranche and continues with the targets reduction of carbon emissions (Scope 1&2), proportion of female executives, reduction of frequency of severe incidents and fatalities as well as stable results in three relevant ESG ratings.

Third Tranche of the E.ON Performance Plan (2019-2022) that Ended in the Financial Year

The performance period of the third tranche of the E.ON Performance Plan (2019–2022) ended at the conclusion of the 2022 financial year, on December 31, 2022, which still was granted on the basis of the 2017 compensation system. Relative TSR was the only performance criterion. Target achievement is as follows:

Target Achievement Relative TSR 2019–2022



Financial year	E.ON's TSR performance	E.ON's position	Target achievement
2019	8.6%	16th percentile	0%
2020	6.4%	46th percentile	92%
2021	26.3%	78th percentile	150%
2022	-17.8%	26th percentile	53%
Average target achievement relative TSR 2019–2022			**74%**

Taking into account the closing price and cumulative dividends, the total payout amounts from the third tranche of the E.ON Performance Plan are as follows. Payout takes place in April 2023.

E.ON Performance Plan, 3rd Tranche (2019–2022)

		Grant		Calculation of payout			
	Target amount	Fair value per share at grant	Number of performance shares granted	Final number of performance shares	Final share price	Cumulative dividends	Payout amount
Leonhard Birnbaum	€ 1,008,333	€ 6.68	150,949	111,326	€ 8.728	€ 1.85	€ 1,177,606
Thomas König	€ 825,000	€ 6.68	123,503	91,085	€ 8.728	€ 1.85	€ 963,497
Marc Spieker	€ 825,000	€ 6.68	123,503	91,085	€ 8.728	€ 1.85	€ 963,497

3.3. Maximum Compensation

To ensure appropriate compensation for Management Board members, compensation is capped in two ways. First, caps are defined for the performance-based compensation components. These are 180 percent of the target amount for the annual bonus and 200 percent of the target amount for the E.ON Performance Plan.

In addition to the caps on the individual performance-based compensation components, the Supervisory Board has set maximum compensation as defined in Section 87a, Paragraph 1, Sentence 2, Number 1 AktG. This limits the total amount of all compensation paid out for a financial year; that is, non-performance-based and performance-based components, including all fringe benefits as well as the pension substitute, regardless of the payout date. The maximum compensation for the Management Board Chairman is €10 million and for ordinary Management Board members, €5.5 million each.

Compliance with maximum compensation is reviewed at the end of each financial year. However, final compliance with maximum compensation for a financial year can only be reported after the end of the performance period of the last compensation component to be paid out (E.ON Performance Plan). Compliance with maximum compensation for the 2022 financial year can therefore only be reported eventually at the end of the performance period of the tranche of the E.ON Performance Plan granted in the 2022 financial year; that is, in the Compensation Report for the 2025 financial year.

3.4. Share Ownership Guidelines

To strengthen the capital-market focus and equity culture, share ownership guidelines as effective from 2017 onwards apply to Management Board members. The guidelines obligate Management Board members to invest in E.ON shares equaling 200 percent of base salary (for the Management Board Chairman) and 150 percent of base salary (for the other Management Board members) and to prove this. The introduction of the new compensation system, effective January 1, 2022, obligates Management Board members not only to fulfil their share ownership requirement until the end of their appointment to the Management Board, but also for two additional years after leaving the Management Board. Until the required investment is reached, Management Board members are obligated to invest amounts equivalent to the net payouts from their long-term variable compensation in actual E.ON share. The degree of fulfillment of the shareholding requirements of the individual Management Board members can be summarized as follows:

Share Ownership Guidelines

	Member of the Management Board since	Target		Status quo December 31, 2022	
		in % of base salary	in €k	in €k	in % of base salary
Leonhard Birnbaum	July 1, 2013	200	2,880	2,890	201
Thomas König	June 1, 2018	150	1,200	1,260	158
Patrick Lammers	August 1, 2021	150	1,200	487	61
Victoria Ossadnik	April 1, 2021	150	1,200	151	19
Marc Spieker	January 1, 2017	150	1,200	1,437	180

3.5. Malus and Clawback Provisions

The malus and clawback provisions apply to all Management Board members with the entry into effect of the new compensation system on January 1, 2022. This gives the Supervisory Board the opportunity of reducing variable compensation that has not yet been paid out (malus) or of reclaiming variable compensation that has already been paid out (clawback).

In the case of intentional violations of material provisions of E.ON's internal Code of Conduct and/or material contractual obligations, or in the case of a material breach of the duty of care as defined in Section 93 AktG, the Supervisory Board may, at its reasonable discretion, partially or fully reduce to zero any variable compensation not yet paid out during the assessment period in which the violation occurred.

Furthermore, the Supervisory Board has the opportunity of partially or fully reclaiming the gross amount of variable compensation already paid out (compliance clawback) if one of the aforementioned violations becomes known or is discovered. In addition, if variable compensation has been determined or paid out on the basis of incorrect Consolidated Financial Statements, the Supervisory Board may reclaim the difference determined on the basis of a corrected determination (performance clawback).

Clawback is excluded if the payout was made more than three years ago.

Other claims of E.ON SE, in particular pursuant to Section 93, Paragraph 2 AktG, the right to revoke the appointment as defined in Section 84, Paragraph 4 AktG, and the right to terminate the service agreement without notice remain unaffected.

Neither the malus nor the clawback provision was made use of in the 2022 financial year.

4. Compensation-Related Transactions

4.1. Premature Termination of a Management Board Service Agreement

Ordinary termination of the service agreement is excluded. The right of either party to terminate the service agreement for cause remains unaffected. In case of premature termination of the Management Board service agreement for good cause for which the Management Board member is responsible, the Management Board member has no claim to a severance payment for the remaining term. Furthermore, all tranches of the E.ON Performance Plan not yet paid out lapse without any compensation.

In the event of premature termination of the Management Board service agreement without good cause, the Management Board service agreements provide for a severance cap in line with the recommendation of the DCGK. According to this, payments in this context may not exceed two years' compensation and may not compensate for more than the remaining term of the service agreement. Total compensation for the past financial year and the expected total compensation for the current financial year in which the service agreement ends prematurely are used to calculate the severance payment cap.

In the event of premature termination of the Management Board service agreement due to permanent incapacity to work, the service agreement ends at the end of the sixth month following the month in which the permanent incapacity to work was established. In this case, the performance period of outstanding tranches of the E.ON Performance Plan, paid out on the basis of a closing share price determined at the premature end of the performance period, a dividend equivalent calculated prematurely, and a target achievement determined prematurely, also ends.

If a Management Board member dies during the term of the service agreement, the surviving spouse, or, alternatively, their legally dependent children, is entitled to continued payment of the base salary and the target bonus for six months following the month of death. In addition, outstanding tranches of the E.ON Performance Plan are paid out on the basis of a closing share price determined at the premature end of the performance period, a dividend equivalent calculated prematurely, and a target achievement determined prematurely.

No severance payments were made in the 2022 financial year.

4.2. Change of Control

In the event of a premature loss of a Management Board position due to a change of control, Management Board members are entitled to severance payments. The change-of-control agreements stipulate that a change of control exists in three cases: a third party acquires at least 30 percent of the Company's voting rights, thus triggering the automatic requirement to make an offer for the Company pursuant to Germany's Stock Corporation Takeover Law; the Company, as a dependent entity, concludes a corporate agreement; the Company is merged with a non-affiliated company. Management Board members are entitled to a settlement payment if, within 12 months of the change of control, their service agreement is terminated by mutual consent, expires, or is terminated by them; in the latter case, however, only if their position on the Management Board is materially affected by the change of control. Management Board members' severance payment consists of their base salary and target bonus plus fringe benefits for two years after termination of their service agreements. In accordance with the DCGK, these severance payments are limited to the amount of the annual compensation for the remaining term of the service agreement.

Total compensation for the past financial year and the expected total compensation for the current financial year in which the service agreement ends prematurely are used to calculate the severance payment cap.

4.3. Non-Compete Clause

The service agreements of Management Board members include a non-compete clause. For a period of six months after the termination of their service agreement, Management Board members are contractually prohibited from working directly or indirectly for a company that competes directly or indirectly with the Company or its affiliates. Management Board members receive a compensation payment for the period of the non-compete restriction. The prorated payment is based on 100 percent of their contractually stipulated annual target compensation (base salary and target bonus), but is, at a minimum, 60 percent of their most recently received contractually stipulated compensation.

In line with the DCGK's recommendations, other benefits owed by the Company for the period after termination of the service agreement, in particular a severance payment in the event of premature termination of the service agreement and company pension benefits, will instead be offset against this compensation.

No compensation payments were granted in the 2022 financial year.

5. Individualized Disclosure of Management Board Compensation

The target compensation as well as the compensation awarded and due of the individual Management Board member is presented below in tabular form pursuant to Section 162, Paragraph 1, Sentence 1 AktG.

5.1. Target Compensation

The following tables present target compensation for the 2022 financial year for Management Board members active as of December 31, 2022, and, for better comparability, likewise for the 2021 financial year. Target compensation consists of the compensation granted for the financial year that is paid out in the case of 100 percent target achievement.

Target Compensation

	Leonhard Birnbaum (Chairman and Chief Executive Officer) Management Board member since July 1, 2013; Chairman since April 1, 2021		
	2022		2021
	in €k	in %	in €k
Base salary[1]	1,440	24	1,115
Fringe benefits	74	1	14
Pension substitute	560	9	–
One-year variable compensation			
2021 bonus[1]	–	23	1,271
2022 bonus	1,380		–
Multi-year variable compensation			
Performance Plan, 5th Tranche (2021–2024)	–	43	1,750
Performance Plan, 6th Tranche (2022–2025)	2,555		–
Total	**6,009**	**–**	**4,150**
Service cost	0	0	335
Total compensation	**6,009**	**100**	**4,485**

[1] Target amounts for 2021 based on service contract provisions until March 31, 2021 (ordinary Management Board member) and from April 1, 2021, on the basis of the service contract provisions as Management Board Chairman.

Target Compensation

	Thomas König (Chief Operating Officer–Networks) since June 1, 2018			Patrick Lammers (Chief Operating Officer–Commercial) since August 1, 2021		
		2022	2021		2022	2021
	in €k	in %	in €k	in €k	in %	in €k
Base salary	800	25	700	800	24	292
Fringe benefits	51	2	46	155	5	25
Pension substitute	350	11	–	350	11	–
One-year variable compensation						
2021 bonus	–	22	675	–	22	281
2022 bonus	720		–	720		–
Multi-year variable compensation						
Performance Plan, 5th Tranche (2021–2024)[1]	–	40	825	–	39	344
Performance Plan, 6th Tranche (2022–2025)	1,300		–	1,300		–
Total	**3,221**	**–**	**2,246**	**3,325**	**–**	**941**
Service cost	0	0	260	0	0	240
Total compensation	**3,221**	**100**	**2,506**	**3,325**	**100**	**1,181**

[1]Because Patrick Lammers was not a Management Board member on the date of grant, April 1, 2021, the grant was made on the basis of a pro-rated target amount.

Target Compensation

	Victoria Ossadnik (Chief Operating Officer–Digital) since April 1, 2021			Marc Spieker (Chief Financial Officer) since January 1, 2017		
		2022	2021		2022	2021
	in €k	in %	in €k	in €k	in %	in €k
Base salary	800	24	525	800	25	700
Fringe benefits	124	4	15	62	2	50
Pension substitute	350	11	–	350	11	–
One-year variable compensation						
2021 bonus	–	22	506	–	22	675
2022 bonus	720		–	720		–
Multi-year variable compensation						
Performance Plan, 5th Tranche (2021–2024)[1]	–	39	825	–	40	825
Performance Plan, 6th Tranche (2022–2025)	1,300		–	1,300		–
Total	**3,294**	**–**	**1,872**	**3,232**	**–**	**2,250**
Service cost	0	0	611	0	0	243
Total compensation	**3,294**	**100**	**2,483**	**3,232**	**100**	**2,493**

[1]Because Victoria Ossadnik was a Management Board member on the date of grant, April 1, 2021, the grant was made on the basis of the full-year target amount.

5.2. Compensation awarded and due in the financial year pursuant to Section 162 AktG

The following presents the compensation awarded and due of the individual Management Board member in the 2022 financial year below pursuant to Section 162 AktG. Compensation awarded and due consists of all compensation components earned as of the end of the financial year. This includes all compensation components for which performance has been fully carried out or for which performance measurement ends at the conclusion of the 2022 financial year even if payout does not take place until the 2023 financial year. Consequently, the 2022 bonus is disclosed under one-year variable compensation even though payout did not take place until the start of the 2023 financial year. The same applies to the E.ON Performance Plan, whose third tranche, which ended at the conclusion of the 2022 financial year, is disclosed for the 2022 financial year even though payout did not take place until the start of the 2023 financial year. This disclosure approach presents transparently the relationship between the business results of a financial year and the resulting compensation.

Consequently, compensation awarded and due in the 2022 financial year consists, pursuant to Section 162 AktG, of:

- the base salary in the 2022 financial year,
- the fringe benefits (including the continuation of risk coverage in the event of disability or death) in the 2022 financial year,
- the pension substitute in the 2022 financial year,
- the 2022 annual bonus, which is paid in the 2023 financial year
- the third tranche of the E.ON Performance Plan, that was granted in the 2019 financial year and ended at the conclusion of the 2022 financial year and is paid out in the 2023 financial year.

Due to the change of the company pension scheme to a pension substitute, service cost no longer arises from the granting of contributions for the company pension scheme as of the 2022 financial year. Unlike the service cost, however, the pension substitute is recognized as compensation awarded and due.

For reasons of comparability, the service cost of pension entitlements in accordance with IAS 19 for the 2021 financial year is additionally shown in the tables under the compensation awarded and due pursuant to Section 162 AktG as part of Management Board compensation.

Compensation Awarded and Due in the Financial Year pursuant to Section 162 AktG

	Leonhard Birnbaum (Chairman and Chief Executive Officer) Management Board member since July 1, 2013; Chairman since April 1, 2021		
		2022	2021
	in €k	in %	in €k
Base salary	1,440	27	1,115
Fringe benefits	74	1	14
Pension substitute	560	10	–
One-year variable compensation			
2021 bonus	–	40	2,237
2022 bonus	2,167		–
Multi-year variable compensation			
Share Matching Plan, 5th Tranche (2017–2021)	–	22	680
Performance Plan, 2nd Tranche (2018–2021)	–		1,123
Performance Plan, 3rd Tranche (2019–2022)	1,178		–
Compensation awarded and due pursuant to Section 162 AktG	**5,418**	**100**	**5,169**
Service cost	0	–	335
Total compensation	**5,418**	**–**	**5,504**

Compensation Awarded and Due in the Financial Year pursuant to Section 162 AktG

	Thomas König (Chief Operating Officer–Networks) since June 1, 2018			Patrick Lammers (Chief Operating Officer–Commercial) since August 1, 2021		
		2022	2021		2022	2021
	in €k	in %	in €k	in €k	in %	in €k
Base salary	800	24	700	800	33	292
Fringe benefits	51	2	46	155	6	25
Pension substitute	350	11	–	350	14	–
One-year variable compensation						
2021 bonus	–	34	1,188	–	46	495
2022 bonus	1,130		–	1,130		–
Multi-year variable compensation						
Share Matching Plan, 5th Tranche (2017–2021)	–		–	–		–
Performance Plan, 2nd Tranche (2018–2021)	–	29	536	–	0	–
Performance Plan, 3rd Tranche (2019–2022)	963		–	–		–
Compensation awarded and due pursuant to Section 162 AktG	**3,295**	**100**	**2,470**	**2,435**	**100**	**811**
Service cost	0	–	260	0	–	240
Total compensation	**3,295**	**–**	**2,730**	**2,435**	**–**	**1,051**

Compensation Awarded and Due in the Financial Year pursuant to Section 162 AktG

	Victoria Ossadnik (Chief Operating Officer–Digital) since April 1, 2021			Marc Spieker (Chief Financial Officer) since January 1, 2017		
		2022	2021		2022	2021
	in €k	in %	in €k	in €k	in %	in €k
Base salary	800	33	525	800	24	700
Fringe benefits	124	5	15	62	2	50
Pension substitute	350	15	–	350	11	–
One-year variable compensation						
2021 bonus	-	47	891	-	34	1,188
2022 bonus	1,130		–	1,130		–
Multi-year variable compensation						
Share Matching Plan, 5th Tranche (2017–2021)	–		–	–		–
Performance Plan, 2nd Tranche (2018–2021)	–	0	–	–	29	919
Performance Plan, 3rd Tranche (2019–2022)	–		–	963		–
Compensation awarded and due pursuant to Section 162 AktG	**2,404**	**100**	**1,431**	**3,306**	**100**	**2,857**
Service cost	0	–	611	0	–	243
Total compensation	**2,404**	**–**	**2,042**	**3,306**	**–**	**3,100**

6. Individualized Disclosure of the Compensation of Former Management Board Members

The following tables contain the compensation awarded and due in the 2022 financial year pursuant to Section 162 AktG for every former member of the E.ON Management Board who left the Management Board within the last ten years.

Compensation Awarded and Due in the 2022 Financial Year pursuant to Section 162 AktG

	Bernhard Reutersberg until June 30, 2016		Regine Stachelhaus until June 30, 2013		Johnannes Teyssen until March 31, 2021	
	in €k	in %	in €k	in %	in €k	in %
Multi-year variable compensation						
Performance Plan, 3rd Tranche (2019–2022)	0	0	0	0	2,023	67
Others	0	0	0	0	0	0
Pension and transitional payments	551	100	74	100	979	33
Compensation awarded and due pursuant to Section 162 AktG	551	100	74	100	3,003	100

Furthermore, the compensation awarded and due in the 2022 financial year for the 14 other members of the Management Board who left the Management Board more than ten years ago totaled €7.5 million.

IV. Supervisory Board Compensation in the 2022 Financial Year

The following first presents the Supervisory Board's compensation system and then the compensation awarded and due of the individual Supervisory Board members in the 2022 financial year.

1. Compensation System of the Supervisory Board

The compensation of Supervisory Board members is determined by the Annual Shareholders Meeting and governed by Section 15 of the Company's Articles of Association. The Supervisory Board's compensation system was submitted to the Annual Shareholders Meeting for resolution most recently in the 2021 financial year and confirmed.

The purpose of the compensation system is to enhance the Supervisory Board's independence for its oversight role. Furthermore, there are a number of duties that Supervisory Board members must perform irrespective of the Company's financial performance. Supervisory Board members, in addition to being reimbursed for their expenses, therefore receive fixed compensation and compensation for committee duties.

The Chairman of the Supervisory Board receives fixed compensation of €440,000; the Deputy Chairmen, €320,000. The other members of the Supervisory Board receive fixed compensation of €140,000. The Chairman of the Audit and Risk Committee receives an additional €180,000; the members of the Audit and Risk Committee, an additional €110,000. Other committee chairmen receive an additional €140,000; committee members, an additional €70,000. Members serving on more than one committee receive the highest applicable committee compensation only. In contradistinction to the compensation just described, the Chairman and the Deputy Chairmen of the Supervisory Board receive no additional compensation for their committee duties. In addition, Supervisory Board members are paid an attendance fee of €1,000 per day for meetings of the Supervisory Board or its committees. Individuals who were members of the Supervisory Board or any of its committees for less than an entire financial year receive pro rata compensation.

2. Individualized Disclosure of Supervisory Board Compensation

The compensation awarded and due to the members of the Supervisory Board in the 2022 financial year is broken down below into the individual compensation components pursuant to Section 162 AktG. In addition, the table contains the individual compensation components' relative share of total compensation.

Compensation Awarded and Due in the Financial Year pursuant to Section 162 AktG

	Fixed compensation			Committee compensation			Attendance fees			Compensation from affiliated companies			Total compensation	
		2022	2021		2022	2021		2022	2021		2022	2021	2022	2021
	in €k	in %	in €k	in €k	in %	in €k	in €k	in %	in €k	in €k	in %	in €k	in €k	in €k
Karl-Ludwig Kley	440	98	440	–	0	–	9	2	12	–	0	–	**449**	**452**
Erich Clementi	320	97	320	–	0	–	10	3	13	–	0	–	**330**	**333**
Christoph Schmitz	320	97	320	–	0	–	9	3	12	–	0	–	**329**	**332**
Katja Bauer (since April 1, 2022)	105	94	–	–	0	–	3	3	–	4	4	–	**112**	**–**
Carolina Dybeck Happe (until June 30, 2022)	70	97	140	–	0	–	2	3	7	–	0	–	**72**	**147**
Klaus Fröhlich	140	53	140	117	44	70	7	3	8	–	0	–	**264**	**218**
Ulrich Grillo	140	53	140	110	42	110	12	5	15	–	0	–	**262**	**265**
Anke Groth (since July 1, 2022)	70	95	–	–	0	–	4	5	–	–	0	–	**74**	**–**
Monika Krebber (until March 31, 2022)	35	64	140	18	32	70	2	4	8	–	0	–	**55**	**218**
Eugen-Gheorge Luha	140	65	140	70	32	70	7	3	9	–	0	–	**217**	**219**
Stefan May	140	62	140	70	31	70	7	3	10	10	4	12	**227**	**232**
Miroslav Pelouch	140	64	140	47	21	–	6	3	7	25	11	8	**217**	**155**
Szilvia Pinczésné Márton	140	97	140	–	0	–	4	3	7	–	0	–	**144**	**147**
René Pöhls	140	50	140	110	40	110	8	3	12	20	7	20	**278**	**282**
Andreas Schmitz	140	42	140	180	55	180	10	3	13	–	0	–	**330**	**333**
Rolf Martin Schmitz	140	97	140	–	0	–	4	3	8	–	0	–	**144**	**148**
Fred Schulz	140	50	140	110	39	110	12	4	15	20	7	20	**282**	**285**
Karen de Segundo	140	57	140	99	40	140	6	2	9	–	0	–	**245**	**289**
Elisabeth Wallbaum	140	54	140	110	43	110	8	3	11	–	0	–	**258**	**261**
Deborah Wilkens	140	54	140	110	42	110	11	4	13	–	0	–	**261**	**263**
Ewald Woste	140	60	140	70	30	70	7	3	9	18	8	18	**235**	**237**
Albert Zettl	140	59	140	70	29	70	9	4	12	20	8	24	**239**	**246**

V. Comparative Presentation of the Development of Compensation and Earnings

In accordance with the requirements of Section 162, Paragraph 1, Sentence 2, Number 2 AktG, the following table shows the development of compensation for current and former members of the Management Board, Supervisory Board members, and employees compared with the Company's earnings development. The presentation of the annual changes will continue to be added in the reporting years ahead and will cover the full five-year period for the first time in the 2025 Compensation Report.

For the development of Management Board and Supervisory Board compensation, compensation awarded and due for the 2020, 2021 and 2022 financial years will be taken into account in accordance with Section 162 AktG.

For the average employee compensation, the compensation of employees in Germany is considered analogously to the vertical assessment. For the development of average employee compensation, the regular target compensation as of the end of the financial year is taken into account, which was extrapolated to a 100 percent employment level in each case. In the 2022 financial year, 33,690 (2021: 34,409; 2020: 35,526) employees are included in the average.

In addition to E.ON SE's net income pursuant to the German Commercial Code (German abbreviation: "HGB"), EPS based on adjusted net income is used to present earnings development.

Comparative Presentation

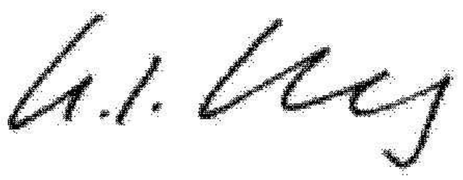
	Membership in Management Board/Supervisory Board	2022	2021	Change 2022/2021	Supplementary note on the change 2022/2021	Change 2021/2020
		in €k	in €k	in %		in %
Active Management Board members					Up to and including 2021, a pension commitment was granted whose service cost did not represent compensation awarded and due, and was therefore not taken into account. Since 2022, in order to reduce the risk for the company, a pension substitution has replaced the previous pension commitment, which is attributed to the compensation awarded and due in 2022 due to the immediate payment.	
Leonhard Birnbaum	since July 1, 2013; Chairman since April 1, 2021	5,418	5,169	5		6
Thomas König	since June 1, 2018	3,295	2,470	33		72
Patrick Lammers	since August 1, 2021	2,435	811	200		–
Victoria Ossadnik	since April 1, 2021	2,404	1,431	68		–
Marc Spieker	since January 1, 2017	3,306	2,857	16		23
Former Management Board members						
Bernhard Reutersberg	from August 11, 2010, until June 30, 2016	551	801	-31		-47
Regine Stachelhaus	from June 24, 2010, until June 30, 2013	74	61	21		2
Johannes Teyssen	from January 1, 2004, until March 31, 2021; Chairman from May 1, 2010, until March 31, 2021	3,003	5,956	-50		-24
Further former members		7,474	6,610	13		1
Supervisory Board members						
Karl-Ludwig Kley		449	452	-1		-1
Erich Clementi		330	333	-1		-1
Christoph Schmitz	since February 1, 2020; Vice Chairman since May 28, 2020	329	332	-1		29
Katja Bauer	since April 1, 2022	112	–	–		–

Comparative Presentation

	Membership in Management Board/Supervisory Board	2022	2021	Change 2022/2021	Supplementary note on the change 2022/2021	Change 2021/2020
		in €k	in €k	in %		in %
Carolina Dybeck Happe	until June 30, 2022	72	147	-51		-43
Klaus Fröhlich		264	218	21		0
Ulrich Grillo		262	265	-1		18
Ankre Groth	since July 1, 2022	74	–	–		–
Monika Krebber	until March 31, 2022	55	218	-75		-20
Eugen-Gheorge Luha		217	219	-1		0
Stefan May		227	232	-2		-17
Miroslav Pelouch	since May 28, 2020	217	155	40		61
Szilvia Pinczésné Márton		144	147	-2		1
René Pöhls		278	282	-2		-19
Andreas Schmitz		330	333	-1		0
Rolf Martin Schmitz		144	148	-3		2
Fred Schulz		282	285	-1		-3
Karen de Segundo		245	289	-15		0
Elisabeth Wallbaum		258	261	-1		0
Deborah Wilkens		261	263	-1		1
Ewald Woste		235	237	-1		1
Albert Zettl		239	246	-3		-2
Employees						
Average		74	74	1		2
Earnings development						
E.ON SE net income pursuant to the German Commercial Code in € million		1,549	2,006	-23		-5
E.ON Group EPS on the basis of adjusted net income in €		1.05	0.96	9		52

This Compensation Report was prepared jointly by the Management Board and Supervisory Board in accordance with all requirements of the Section 162 AktG.

For the E.ON SE Supervisory Board:



Karl-Ludwig Kley

Chairman of the E.ON SE Supervisory Board

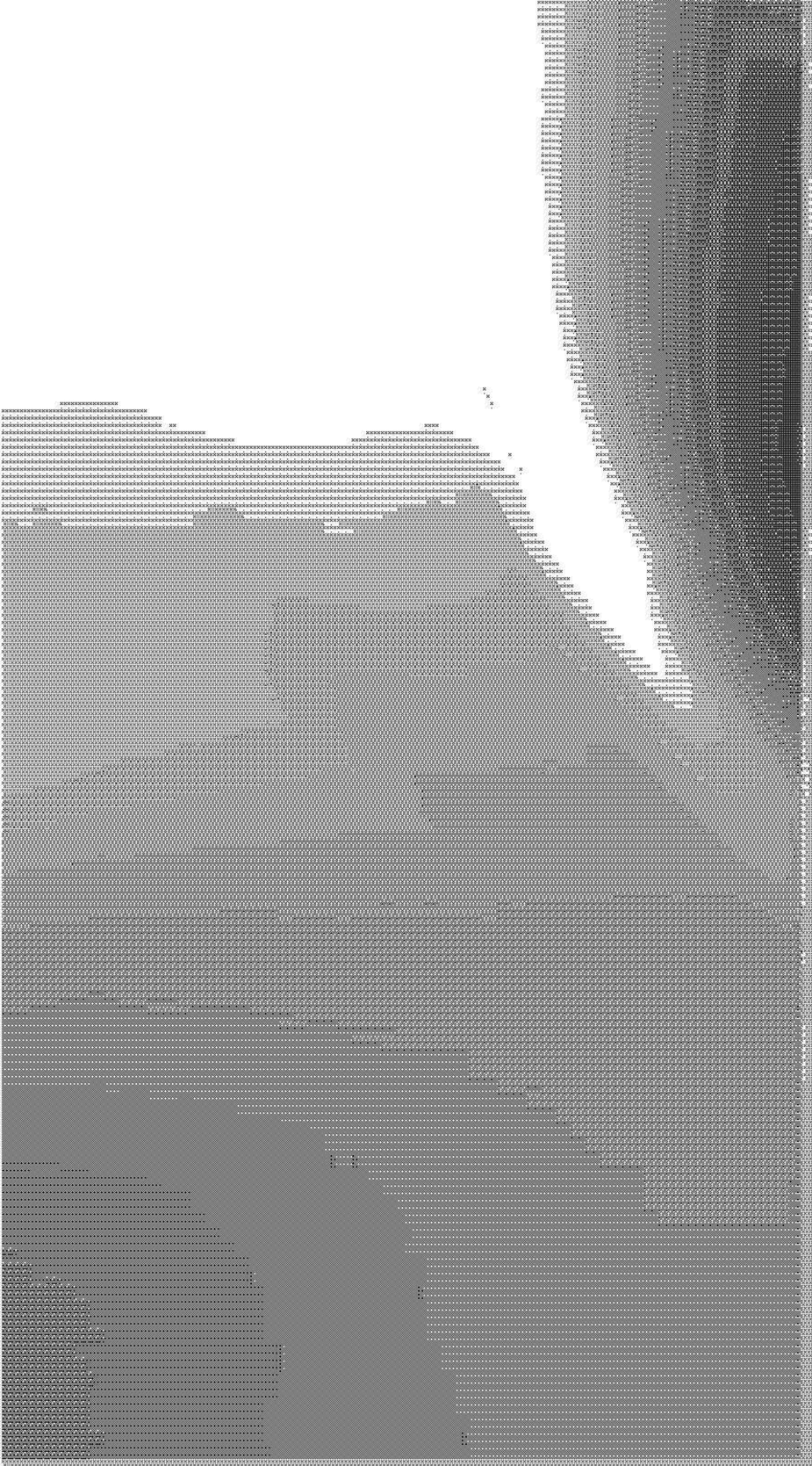
For the E.ON SE Management Board:



Leonhard Birnbaum

Chairman of the E.ON SE Management Board

Consolidated Financial Statements



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Consolidated Statement of Income

€ in millions	Note	2022	2021
Sales including electricity and energy taxes		117,122	80,062
Electricity and energy taxes		-1,462	-2,704
Sales	**(6)**	115,660	77,358
Changes in inventories (finished goods and work in progress)		126	22
Own work capitalized	(7)	997	761
Other operating income	(8)	73,193	47,383
Cost of materials	(9)	-108,627	-78,096
Personnel costs	(12)	-5,437	-5,837
Depreciation, amortization and impairment charges	(15)	-3,378	-3,922
Other operating expenses	(8)	-71,736	-31,665
Thereof: Impairments of financial assets		-660	-319
Income from companies accounted for under the equity method		279	505
Income from continuing operations before financial results and income taxes		**1,077**	**6,509**
Financial results	(10)	920	-386
Income/loss from equity investments		-7	167
Income from other securities, interest and similar income		2,552	1,037
Interest and similar expenses		-1,625	-1,590
Income taxes	(11)	245	-818
Income from continuing operations		**2,242**	**5,305**
Income/loss from discontinued operations, net	(5)	–	–
Net income		**2,242**	**5,305**
Attributable to shareholders of E.ON SE		1,831	4,691
Attributable to non-controlling interests		411	614
in €			
Earnings per share (attributable to shareholders of E.ON SE)—basic and diluted[1]	**(14)**		
from continuing operations		0.70	1.80
from discontinued operations		–	–
from net income		**0.70**	**1.80**
Weighted-average number of shares outstanding (in millions)		**2,609**	**2,608**

[1]Based on weighted-average number of shares outstanding.

Consolidated Statement of Recognized Income and Expenses

€ in millions	2022	2021
Net income	**2,242**	**5,305**
Remeasurements of defined benefit plans	2,426	2,604
Remeasurements of defined benefit plans of companies accounted for under the equity method	*25*	*5*
Income taxes	-277	-83
Items that will not be reclassified subsequently to the income statement	**2,174**	**2,526**
Cash flow hedges	*1,591*	*648*
Unrealized changes—hedging reserve	1,555	655
Unrealized changes—reserve for hedging costs	9	43
Reclassification adjustments recognized in income	27	-50
Fair value measurement of financial instruments	*-155*	*-47*
Unrealized changes	-164	-45
Reclassification adjustments recognized in income	9	-2
Currency-translation adjustments	-491	93
Unrealized changes—hedging reserve/other	*-431*	*72*
Unrealized changes—reserve for hedging costs	-18	6
Reclassification adjustments recognized in income	-42	15
Companies accounted for under the equity method	591	-201
Unrealized changes	593	-184
Reclassification adjustments recognized in income	*-2*	*-17*
Income taxes	-325	11
Items that might be reclassified subsequently to the income statement	**1,211**	**504**
Total income and expenses recognized directly in equity (other comprehensive income)	**3,385**	**3,030**
Total recognized income and expenses (total comprehensive income)	**5,627**	**8,335**
Attributable to shareholders of E.ON SE	4,826	7,544
Continuing operations	*4,826*	*7,544*
Discontinued operations	–	–
Attributable to non-controlling interests	*801*	*791*

Consolidated Balance Sheet—Assets

€ in millions	Note	December 31, 2022	2021
Goodwill	(15)	17,017	17,408
Intangible assets	(15)	3,453	3,553
Right-of-use assets	(33)	2,377	2,424
Property, plant and equipment	(15)	37,419	36,860
Companies accounted for under the equity method	(16)	5,532	4,083
Other financial assets	(16)	3,538	3,846
Equity investments		*2,191*	*2,147*
Non-current securities		*1,347*	*1,699*
Financial receivables and other financial assets	(18)	1,034	978
Operating receivables and other operating assets	(18)	9,286	9,810
Deferred tax assets	(11)	2,079	1,651
Income tax assets	(11)	34	24
Non-current assets		**81,769**	**80,637**
Inventories	(17)	2,204	1,051
Financial receivables and other financial assets	(18)	1,819	1,592
Trade receivables and other operating assets	(18)	36,447	28,111
Income tax assets	(11)	851	783
Liquid funds	(19)	*9,376*	*5,965*
Securities and fixed-term deposits		*1,600*	*1,596*
Restricted liquid funds		*452*	*735*
Cash and cash equivalents		*7,324*	*3,634*
Assets held for sale	(5)	1,543	1,620
Current assets		**52,240**	**39,122**
Total assets		**134,009**	**119,759**

Consolidated Balance Sheet—Equity and Liabilities

		December 31,	
€ in millions	Note	2022	2021
Capital stock	(20)	2,641	2,641
Additional paid-in capital	(21)	13,338	13,353
Retained earnings	(22)	3,217	1,228
Accumulated Other Comprehensive Income	(23)	-2,206	-4,075
Treasury shares	(20)	-1,067	-1,094
Equity attributable to shareholders of E.ON SE		**15,923**	**12,053**
Non-controlling interests (before reclassification)		7,032	6,623
Reclassification related to IAS 32		-1,088	-787
Non-controlling interests	**(24)**	**5,944**	**5,836**
Equity		**21,867**	**17,889**
Financial liabilities	(27)	28,965	28,131
Operating liabilities	(27)	27,646	10,818
Income tax liabilities	(11)	298	312
Provisions for pensions and similar obligations	(25)	3,735	6,082
Miscellaneous provisions	(26)	11,233	13,367
Deferred tax liabilities	(11)	2,793	2,649
Non-current liabilities	**(27)**	**74,670**	**61,359**
Financial liabilities	(27)	5,186	6,530
Trade payables and other operating liabilities	(27)	25,411	20,955
Income tax liabilities	(11)	584	543
Miscellaneous provisions	(26)	5,528	11,782
Liabilities associated with assets held for sale	(5)	763	701
Current liabilities		**37,472**	**40,511**
Total equity and liabilities		**134,009**	**119,759**

Consolidated Statement of Cash Flows

€ in millions	2022	2021
Net income	**2,242**	**5,305**
Income/loss from discontinued operations, net	–	–
Depreciation, amortization and impairment of intangible assets and of property, plant and equipment	3,378	3,922
Changes in provisions	-8,113	8,318
Changes in deferred taxes	-812	318
Other non-cash income and expenses	1,615	-1,187
Gain/loss on disposal of intangible assets and property, plant and equipment, equity investments and securities (>3 months)	-768	-140
Changes in operating assets and liabilities and in income taxes	12,503	-12,467
Inventories	-1,169	63
Trade receivables	-1,081	-2,839
Other operating receivables and income tax assets	-5,678	-20,525
Trade payables	5,455	1,258
Other operating liabilities and income taxes	14,976	9,576
Cash provided by (used for) operating activities of continuing operations	**10,045**	**4,069**
Cash provided by (used for) operating activities of discontinued operations	–	–
Cash provided by (used for) operating activities (operating cash flow)	**10,045**	**4,069**
Proceeds from disposal of intangible assets and property, plant and equipment	302	270
Proceeds from disposal of equity investments	760	751
Purchases of investments in intangible assets and property, plant and equipment	-4,576	-4,487
Purchases of investments in equity investments	-177	-275
Proceeds from disposal of securities (>3 months) and of financial receivables and fixed-term deposits	1,533	801
Purchases of securities (>3 months) and of financial receivables and fixed-term deposits	-1,264	-2,744

Consolidated Statement of Cash Flows

€ in millions	2022	2021
Changes in restricted liquid funds	276	285
Cash provided by (used for) investing activities of continuing operations	**-3,146**	**-5,399**
Cash provided by (used for) investing activities of discontinued operations	–	–
Cash provided by (used for) investing activities	**-3,146**	**-5,399**
Payments received/made from changes in capital	-13	493
Cash dividends paid to shareholders of E.ON SE	-1,278	-1,225
Cash dividends paid to non-controlling interests	-306	-324
Proceeds from financial liabilities	6,488	4,980
Repayments of financial liabilities	-8,037	-1,661
Cash provided by (used for) financing activities of continuing operations	**-3,146**	**2,263**
Cash provided by (used for) financing activities of discontinued operations	–	–
Cash provided by (used for) financing activities	**-3,146**	**2,263**
Net increase/decrease in cash and cash equivalents	**3,753**	**933**
Effect of foreign exchange rates on cash and cash equivalents	-59	42
Cash and cash equivalents at the beginning of the year[1]	3,642	2,667
Cash and cash equivalents of discontinued operations at the beginning of the period	–	–
Cash and cash equivalents at the end of the period	**7,336**	**3,642**
Less: Cash and cash equivalents of discontinued operations at the end of the period	**–**	**–**
Cash and cash equivalents of continuing operations at the end of the period[2]	**7,336**	**3,642**

[1]Cash and cash equivalents of continuing operations at the beginning of the period also include €8 million attributable to VSEH group that was reclassified as a disposal group in the fourth quarter of 2021.

[2]Cash and cash equivalents of continuing operations at the end of the period also include €12 million attributable to VSEH group that was reclassified as a disposal group in the fourth quarter of 2021 (prior year €8 million).

Consolidated Statement of Changes in Equity

€ in millions				Changes in accumulated other comprehensive income										
				Currency translation adjustments			Cash flow hedges							
	Capital stock	Additional paid-in capital	Retained earnings	Hedging reserve/ other	Reserve for hedging costs	Fair value measure-ment of financial instruments	Hedging reserve	Reserve for hedging costs	Treasury shares	Equity attributable to share-holders of E.ON SE	Non-controlling interests (before reclassi-fication)	Reclassifi-cation related to IAS 32	Non-controlling interests	Total
Balance as of January 1, 2021	**2,641**	**13,368**	**-5,257**	**-2,969**	**10**	**67**	**-1,749**	**-60**	**-1,126**	**4,925**	**5,696**	**-1,566**	**4,130**	**9,055**
Change in scope of consolidation			700	10		1	-12			699	81		81	780
Treasury shares repurchased/sold		-15							32	17				17
Dividends			-1,225							-1,225	-339		-339	-1,564
Share additions/reductions			-5	98						93	394		394	487
Net additions/disposals from reclassification related to IAS 32												779	779	779
Total comprehensive income			7,015	-211	6	-34	725	43		7,544	791		791	8,335
Net income/loss			4,691							4,691	614		614	5,305
Other Comprehensive Income			2,324	-211	6	-34	725	43		2,853	177		177	3,030
Remeasurement of defined benefit plans			*2,324*							*2,324*	*202*		*202*	*2,526*
Changes in accumulated other comprehensive income				*-211*	*6*	*-34*	*725*	*43*		*529*	*-25*		*-25*	*504*
Balance as of December 31, 2021	**2,641**	**13,353**	**1,228**	**-3,072**	**16**	**34**	**-1,036**	**-17**	**-1,094**	**12,053**	**6,623**	**-787**	**5,836**	**17,889**

Consolidated Statement of Changes in Equity

€ in millions				Changes in accumulated other comprehensive income										
				Currency translation adjustments			Cash flow hedges							
	Capital stock	Additional paid-in capital	Retained earnings	Hedging reserve/ other	Reserve for hedging costs	Fair value measure-ment of financial instruments	Hedging reserve	Reserve for hedging costs	Treasury shares	Equity attributable to share-holders of E.ON SE	Non-controlling interests (before reclassi-fication)	Reclassifi-cation related to IAS 32	Non-controlling interests	Total
Balance as of December 31, 2021	**2,641**	**13,353**	**1,228**	**-3,072**	**16**	**34**	**-1,036**	**-17**	**-1,094**	**12,053**	**6,623**	**-787**	**5,836**	**17,889**
IAS 29 adjustment	0	0	-381	612	0	0	0	0	0	231	0	0	0	231
Balance as of January 1, 2022	**2,641**	**13,353**	**847**	**-2,460**	**16**	**34**	**-1,036**	**-17**	**-1,094**	**12,284**	**6,623**	**-787**	**5,836**	**18,120**
Change in scope of consolidation			39							39	-5		-5	34
Treasury shares repurchased/sold		-15							27	12				12
Dividends			-1,278							-1,278	-320		-320	-1,598
Share additions/reductions			40							40	-68		-68	-28
Net additions/disposals from reclassification related to IAS 32												-301	-301	-301
Total comprehensive income			3,569	24	-18	-94	1,336	9		4,826	801		801	5,627
Net income/loss			1,831							1,831	411		411	2,242
Other Comprehensive Income			1,738	24	-18	-94	1,336	9		2,995	390		390	3,385
Remeasurement of defined benefit plans			*1,738*							*1,738*	*436*		*436*	*2,174*
Changes in accumulated other comprehensive income				*24*	*-18*	*-94*	*1,336*	*9*		*1,257*	*-46*		*-46*	*1,211*
Balance as of December 31, 2022	**2,641**	**13,338**	**3,217**	**-2,436**	**-2**	**-60**	**300**	**-8**	**-1,067**	**15,923**	**7,032**	**-1,088**	**5,944**	**21,867**

(1) Summary of Significant Accounting Policies

Basis of Presentation

The Consolidated Financial Statements of E.ON SE, Brüsseler Platz 1, 45131 Essen, Germany, registered in the Commercial Register of Essen District Court under number HRB 28196, have been prepared in accordance with Section 315e (1) of the German Commercial Code ("HGB") and with those International Financial Reporting Standards ("IFRS") and IFRS Interpretations Committee interpretations ("IFRIC") that were adopted by the European Commission for use in the EU as of the end of the fiscal year, and whose application was mandatory as of December 31, 2022. On March 6, 2023, the Board of Management of E.ON SE approved the Consolidated Financial Statements as of December 31, 2022, for publication.

Principles

The Consolidated Financial Statements of the E.ON Group ("E.ON" or the "Group") are generally prepared at cost, with the exception of financial assets that are measured at fair value through OCI (FVOCI) and of financial assets and liabilities (including derivative financial instruments) that are recognized in income and measured at fair value through profit or loss (FVPL).

The Consolidated Financial Statements were prepared in euros. Unless otherwise stated, all amounts are shown in millions of euros (€ million). For accounting reasons, rounding differences may occur. These financial statements relate to the financial year from January 1 to December 31, 2022. In accordance with IAS 1, "Presentation of Financial Statements" ("IAS 1"), the Consolidated Balance Sheets have been prepared using a classified balance sheet structure. Assets that will be realized within 12 months of the reporting date, as well as liabilities that are due to be settled within one year of the reporting date are generally classified as current. The Consolidated Statement of Income is classified using the nature of expense method, which is also applied for internal purposes.

Scope of Consolidation

The Consolidated Financial Statements incorporate the financial statements of E.ON SE and entities controlled by E.ON ("subsidiaries"). Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to use its power over the investee to influence those returns. Control is generally deemed established when a majority of the voting rights is held. An entity is a structured entity if control is based on contractual arrangements or other legal relationships and is not reflected in a majority of voting rights.

The results of the subsidiaries acquired or disposed of during the year are included in the Consolidated Statement of Income from the date of acquisition or until the date of their disposal, respectively.

If the issue of shares in subsidiaries or associates to third parties leads to a reduction in E.ON's ownership interest in these investees ("dilution"), and consequently to a loss of control, joint control or significant influence, gains and losses from these dilutive transactions are included in the income statement under other operating income or expenses.

Where necessary, adjustments are made to the subsidiaries' financial statements to bring their accounting policies into line with those of the Group. Intercompany receivables, liabilities and results are eliminated in the consolidation process.

Associated Companies

An associate is an investee over whose financial and operating policy decisions E.ON has significant influence and that is not controlled by E.ON or jointly controlled with E.ON. Significant influence is presumed if E.ON directly or indirectly holds at least 20 percent, but not more than 50 percent, of an entity's voting rights. Interests in associated companies are accounted for using the equity method.

Interests in associated companies accounted for using the equity method are reported on the balance sheet at cost, adjusted for changes in the Group's share of the net assets after the date of acquisition and for any impairment charges. Losses that might potentially exceed the Group's interest in an associated company when attributable long-term loans are taken into consideration are generally not recognized. Any difference between the cost of the investment and the pro rata remeasured value of its net assets is recognized in the Consolidated Financial Statements as part of the carrying amount.

Unrealized gains and losses arising from transactions with associated companies accounted for using the equity method are eliminated within the consolidation process on a pro rata basis if they are material.

Companies accounted for using the equity method are tested for impairment by comparing the carrying amount with its recoverable amount. If the carrying amount exceeds the recoverable amount, the carrying amount is adjusted for this difference. If the reasons for previously recognized impairment losses no longer exist, such impairment losses are reversed accordingly.

Joint Ventures

Joint ventures are also accounted for using the equity method. Unrealized gains and losses arising from transactions with joint-venture companies are eliminated within the consolidation process on a pro rata basis if they are material.

Joint Operations

A joint operation exists when E.ON and other investors directly control an operation, but unlike a joint venture, they do not have a claim to the changes in net assets from the operation. Instead, they have direct rights to individual assets or direct obligations

with respect to individual liabilities in connection with the operation. E.ON recognizes assets and liabilities as well as revenues and expenses in a joint operation pro rata according to the rights and obligations attributable to E.ON.

Business Combinations

Business combinations are accounted for using the purchase method, under which the purchase price is offset against the proportional share in the acquired company's net assets. The fair values are determined using published exchange or market prices at the time of acquisition in the case of marketable securities or commodities, for example, and in the case of land, buildings and major technical equipment, generally using independent expert reports that have been prepared by third parties. If exchange or market prices are unavailable for consideration, fair values are derived from market prices for comparable assets or comparable transactions. If these values are not directly observable, fair value is determined using appropriate valuation methods. In such cases, E.ON determines fair value using the discounted cash flow method by discounting estimated future cash flows by a weighted-average cost of capital.

Non-controlling interests can be measured either at cost (partial goodwill method) or at fair value (full goodwill method). The choice of method can be made on a case-by-case basis. The partial goodwill method is generally used within the E.ON Group.

Intangible assets must be recognized separately if they are clearly separable or if their recognition arises from a contractual or other legal right. Provisions for restructuring measures may not be recorded in a purchase price allocation. If the purchase price paid exceeds the proportional share in the net assets at the time of acquisition, the positive difference is recognized as goodwill. No goodwill is recognized for positive differences attributable to non-controlling interests. A negative difference is recognized in net income.

Foreign Currency Translation

The Company's transactions denominated in foreign currency are translated at the current exchange rate at the date of the transaction. At each balance sheet date monetary foreign currency items are adjusted to the exchange rate on the reporting date; any gains and losses resulting from fluctuations in the relevant currencies are recognized in net income and reported as other operating income and other operating expenses, respectively. Gains and losses from the translation of non-derivative financial instruments used in hedges of net investments in foreign operations are recognized in equity as a component of other comprehensive income. The ineffective portion of the hedging instrument is immediately recognized in net income.

The functional currency as well as the reporting currency of E.ON SE is the euro. The assets and liabilities of Group companies with a functional currency other than the euro are translated using the mid-market exchange rates applicable on the balance sheet date. The income statements of foreign Group companies with a functional currency other than the euro are translated using annual average exchange rates. Differences arising from the application of both rates are recognized directly in equity.

The following table depicts the movements in exchange rates for the periods indicated for major currencies of countries outside the European Monetary Union:

Currencies

	ISO Code	€1, rate at year-end 2022	€1, rate at year-end 2021	€1, annual average rate 2022	€1, annual average rate 2021
British pound	GBP	0.89	0.84	0.85	0.86
Danish krone	DKK	7.44	7.44	7.44	7.44
Norwegian krone	NOK	10.51	9.99	10.10	10.16
Polish zloty	PLN	4.68	4.60	4.69	4.57
Romanian leu	RON	4.95	4.95	4.93	4.92
Swedish krona	SEK	11.12	10.25	10.63	10.15
Czech crown	CZK	24.12	24.86	24.57	25.64
Turkish lira	TRY	19.96	15.23	17.41	10.51
Hungarian forint	HUF	400.87	369.19	391.29	358.52
US Dollar	USD	1.07	1.13	1.05	1.18

Countries classified as hyperinflationary are required by IAS 29 to express their financial statements in the functional currency of the hyperinflationary economy in terms of the measuring unit current at the balance sheet date to reflect current purchasing power. As a result, among other things, non-monetary assets and liabilities are generally adjusted using a general price index and a gain or loss on the net monetary position is recognized. For additional information on the application of IAS 29 in fiscal year 2022, please refer to Note 16.

Recognition of Income

a) Revenues

Revenues are generated primarily from the sale of electricity and gas to retail customers, industrial and commercial customers and wholesale markets. For contracts that do not provide for defined purchase quantities, the performance obligation consists in particular in the provision and availability of energy on demand at any time. Revenues earned from the distribution of electricity and gas and from deliveries of steam and heat are also primarily

recognized under revenues. E.ON makes the electricity and gas distribution network available to its customers. Since the introduction of IFRS 15 with effect from January 1, 2018, revenues no longer include the fees for the promotion of Renewables because these revenues are netted with the corresponding cost of materials (net disclosure).

Revenues are generally recognized when E.ON fulfills its performance obligation by transferring a promised good or service to a customer. An asset is deemed to be transferred when the customer obtains control of the asset. The majority of the E.ON Group's revenues are recognized over time because customers use these services when they are provided. For all such revenues, progress is measured using output-based methods. Progress is generally measured on a straight-line basis with variable charges allocated to specific performance components. The methods used appropriately reflect the pattern of transfer of goods to customers or provision of services for customers. The relatively subordinate point-in-time revenue recognition occurs primarily in the "Build & Sell" segment and for so-called linear products, where a fixed amount of energy is provided to commercial customers at a specific point in time. Revenue is recognized when control is transferred to the customer, which means that no significant discretionary decisions are required.

Revenues from the sale of goods and services are measured using the transaction prices allocated to these goods and services. They reflect the value of the volume supplied, including an estimated value of the volume supplied to customers between the date of the last invoice and the end of the period. Monthly advance payments for B2C customers are generally determined on the basis of historical consumption data, taking into account current temperature effects, and peak payments are settled at the end of the settlement period. In B2B, a bottom-up approach is used to calculate individual rates. E.ON's sales transactions generally are not based on any material finance components. The average target payment period is generally between 10 and 30 days, in exceptional cases longer. Refunds to customers are an exception and are granted if the customer is disconnected from the power supply for an extended period of time. Cash bonuses or bonus payments to customers are recognized as refund liabilities and presented as a decrease in revenues uniformly over the term of the contract. As a rule, no warranties are granted in the Core Business. Warranties are only granted in the "Build & Sell" activities.

b) Interest Income

Interest income is recognized pro rata using the effective interest method.

c) Dividend Income

Dividend income is recognized when the right to receive the distribution payment arises.

Electricity and Energy Taxes

Electricity and energy taxes are levied on electricity and natural gas delivered to retail customers and are calculated on the basis of a fixed tax rate per kilowatt-hour ("kWh"). This rate varies between different classes of customers. Electricity and energy taxes payable are deducted from sales revenues on the face of the income statement if those taxes are levied upon delivery of energy to the retail customer.

Earnings per Share

Basic (undiluted) earnings per share is computed by dividing the consolidated net income attributable to the shareholders of the parent company by the weighted-average number of ordinary shares outstanding during the relevant period. At E.ON, the computation of diluted earnings per share is identical to that of basic earnings per share because E.ON SE has issued no potentially dilutive ordinary shares. The increase in the weighted-average number of shares outstanding resulted primarily from the issue of treasury shares in E.ON SE under the voluntary employee stock purchase program.

Goodwill and Intangible Assets

Goodwill

Goodwill is not amortized, but rather tested for impairment at the cash-generating unit level on at least an annual basis. The term cash-generating unit also always includes groups of cash-generating units and is referred to in simplified form as a cash-generating unit. Goodwill must also be tested for impairment at the level of individual cash-generating units if events or changes in circumstances indicate that the recoverable amount of a particular cash-generating unit might be impaired. Impairment tests must also be performed between these annual tests if events or changes in circumstances indicate that the carrying amount of the respective cash-generating unit might not be recoverable.

Newly created goodwill is allocated to those cash-generating units expected to benefit from the respective business combination. The cash-generating units to which goodwill is allocated are generally equivalent to the operating segments, since goodwill is reported, and considered in performance metrics for controlling, only at that level. If goodwill cannot be allocated arbitrarily to individual cash-generating units but instead can only be allocated to groups of cash-generating units, the lowest level within the unit at which the goodwill is monitored for internal management purposes then includes several cash-generating units to which the goodwill relates but to which it cannot be allocated individually. Goodwill impairment testing is performed in euros, while the underlying goodwill is always carried in the functional currency.

In a first step, E.ON determines the recoverable amount of a cash-generating unit on the basis of the fair value (less costs to sell) using generally accepted valuation procedures. This is based on the medium-term planning data of the respective cash-generating unit. Valuation is performed using the discounted cash flow method unless market transactions or valuations prepared by third parties for comparable assets which are higher-level in the fair value hierarchy according to IFRS 13 are available. If needed, a calculation of value in use is also performed.

If the carrying amount exceeds the recoverable amount, the goodwill allocated to that cash-generating unit is adjusted in the amount of this difference.

E.ON performs the annual testing of goodwill for impairment at the cash-generating unit level in the fourth quarter of each fiscal year.

Impairment charges on the goodwill of a cash-generating unit and reported in the income statement under "Depreciation, amortization and impairment charges" may not be reversed in subsequent reporting periods.

Intangible Assets

IAS 38, "Intangible Assets" ("IAS 38"), requires that intangible assets be amortized over their expected useful lives unless their lives are considered to be indefinite. Factors such as typical product life cycles and legal or similar limits on use are taken into account in the classification.

Internally generated intangible assets subject to amortization are related to software and are recognized as development costs. Intangible assets subject to amortization are generally amortized using the straight-line method over their expected useful lives. The useful lives of customer relationships and similar assets range between 2 and 50 years, and between 3 and 50 years for concessions, industrial property rights, licenses and similar rights, unless depreciation based on use reflects an appropriate level of depletion. This latter category includes software in particular. Useful lives and amortization methods are subject to regular verification. Intangible assets subject to amortization are tested for impairment whenever events or changes in circumstances indicate that such assets may be impaired.

Intangible assets not subject to amortization or intangible assets whose use has not yet started are not amortized. An impairment test is carried out at least once a year as well as whenever there are indications of impairment, either for the individual asset or at the level of the cash-generating unit. The useful life of an intangible asset with an indefinite life is tested annually to determine whether the indefinite life assumption continues to be justified.

Both assets with definite and indefinite useful lives are impaired if the recoverable amount—the higher of fair value less costs to sell and value in use—is lower than the carrying amount. If the reasons for the impairment losses previously recognized under depreciation, amortization and impairment charges no longer apply, these assets are written up to a maximum of the value that would have resulted if no impairment losses had been recognized during the preceding periods, taking into account scheduled depreciation.

See Note 15 for additional information about goodwill and intangible assets.

Research and Development Costs

Under IFRS, expenditure on research is expensed as incurred, while costs incurred during the development phase of new products, services and technologies are to be recognized as assets when the general criteria for recognition specified in IAS 38 are present. In the 2021 and 2022 fiscal years, E.ON capitalized costs for internally generated software and other technologies in this context.

Property, Plant and Equipment

Property, plant and equipment are initially measured at acquisition or production cost, including decommissioning or restoration cost that must be capitalized, and are depreciated over the expected useful lives of the components, generally using the straight-line method, unless a different method of depreciation is deemed more suitable in certain exceptional cases. Useful lives are regularly tested for appropriateness and the underlying assumptions and estimates are updated, for example, in view of technical, economic or legal circumstances.

The useful lives of the most significant asset classes of material property, plant and equipment are presented below:

Useful Lives of Property, Plant and Equipment

Buildings	5 to 60 years
Technical equipment, plant and machinery	2 to 80 years
Other equipment, fixtures, furniture and office equipment	2 to 30 years

Property, plant and equipment are tested for impairment whenever events or changes in circumstances indicate that an asset may be impaired. In such a case, property, plant and equipment are tested for impairment according to the principles prescribed for intangible assets in IAS 36. If the reasons for the impairment losses previously recognized under depreciation, amortization and impairment charges no longer exist, such impairment losses are reversed and recognized in income. Such reversal shall not cause the carrying amount to exceed the amount that would have resulted had no impairment taken place during the preceding periods.

Subsequent costs arising, for example, from additional or replacement capital expenditure are only recognized as part of the acquisition or production cost of the asset, or else—if relevant—recognized as a separate asset if it is probable that the Group will receive a future economic benefit and the cost can be determined reliably.

Repair and maintenance costs that do not constitute significant replacement capital expenditure are expensed as incurred.

Borrowing Costs

Borrowing costs that arise in connection with the acquisition, construction or production of a qualifying asset from the time of acquisition or from the beginning of construction or production until its entry into service are capitalized and subsequently

amortized alongside the related asset. In the case of a specific financing arrangement, the respective borrowing costs incurred for that particular arrangement during the period are used. For non-specific financing arrangements, a financing rate uniform within the Group of 2.59 percent was applied for 2022 (2021: 2.79 percent). Other borrowing costs are expensed.

Government Grants

The Group receives grants for assets and grants related to income.

Government investment subsidies do not reduce the acquisition and production costs of the respective assets; they are instead reported on the balance sheet as deferred income. They are recognized in income on a straight-line basis over the associated asset's expected useful life.

Grants related to income are also generally recognized as deferred income on the balance sheet. The liability item is reversed over the period necessary to match the corresponding income effects that are intended to compensate for the government grants. Grants are recognized in the same way as subsidized items.

Government grants are recognized at fair value if the Group satisfies the necessary conditions for receipt of the grant and if it is highly probable that the grant will be issued.

Leasing

Lease agreements are accounted for in accordance with IFRS 16, "Leases" ("IFRS 16"). A lease is an agreement that conveys the right to use an identified asset for a specified period in exchange for consideration. In certain cases, agreements that are not concluded in the form of a rental or lease agreement (e.g., physical power purchase agreements) are also reviewed to determine whether they contain a lease in accordance with IFRS 16. E.ON is party to some agreements in which it is the lessor and to others in which it is the lessee.

E.ON as Lessee

Transactions in which E.ON acts as a lessee are accounted for on the basis of the right-of-use model. The recognition exemption of IFRS 16.5 is used for low-value leases and for agreements with a lease term of less than 12 months (short-term leases). Accordingly, there is no recognition of the right-of-use asset and the lease liability. Instead, the payments are recognized on a straight-line basis as an expense. In line with internal management practice, intragroup leases are recognized as current expenses in the segment reporting.

A lease liability is recognized in the amount of the present value of the existing payment obligation. Where an arrangement provides for payments for lease components and non-lease components, the payments are not separated using the practical expedient under IFRS 16.15 (with the exception of real estate leases); the lease liability is measured taking into account the total amount of the payments. Present value is determined by discounting with an incremental borrowing rate that is equivalent in terms of risk and term if the implicit interest rate cannot be determined. The liability is subsequently measured using the effective interest method. A right-of-use asset corresponding with the lease liability is recognized in the amount of the present value of the lease payments. The initial recognition amount of the right-of-use asset is increased by the amount of the initial direct costs, as well as expected costs for asset retirement obligations; prepayments made are included and lease incentives received are deducted from the initial recognition amount. A right-of-use asset is subsequently measured at amortized cost. Depreciation is carried out on a straight-line basis over the shorter of the lease term or the useful life of the identified asset. An impairment test is carried out in accordance with IAS 36 if events or changed circumstances indicate an impairment.

E.ON ensures its operational flexibility when concluding leasing agreements through the use of extension and termination options. In determining the lease term, E.ON considers all facts and circumstances that provide an economic incentive to exercise existing options. The lease term therefore also includes periods covered by extension options if it is assumed with reasonable certainty that they will be exercised.

E.ON as Lessor

Lease transactions in which E.ON acts as lessor are classified as operating or finance leases depending on the distribution of risks and rewards. If a lease is classified as an operating lease, E.ON recognizes the identified asset and recognizes the lease payments as other operating income on a straight-line basis over the lease term. For finance leases, the identified asset is derecognized and a receivable is recognized in the amount of the net investment value. Payments made by the lessee are treated as a reduction of the lease receivable or interest income. The income from such arrangements is recognized over the term of the lease using the effective interest method. Subleases are classified based on the right-of-use asset under the head lease.

Financial Instruments

Non-Derivative Financial Instruments

Non-derivative financial instruments are measured in accordance with IFRS 9, "Financial Instruments" ("IFRS 9"). They are recognized at fair value, including transaction costs, on the settlement date when acquired, provided they are not recognized at fair value through profit and loss.

Financial assets are classified as financial assets measured at amortized cost (AmC), financial assets measured at fair value through other comprehensive income (FVOCI) and financial assets measured at fair value through profit and loss (FVPL) based on the business model and the characteristics of the cash flows.

If a financial asset is held for the purpose of collecting contractual cash flows and the cash flows of the financial asset represent exclusively interest and principal payments, then the financial asset is measured at amortized cost (AmC).

A financial asset is measured at fair value through other comprehensive income (FVOCI) if it is used both to collect contractual cash flows and for sales purposes and the cash flows of the financial asset consist exclusively of interest and principal payments.

Unrealized gains and losses from financial assets measured at fair value through other comprehensive income (FVOCI), net of related deferred taxes, are reported as a component of equity (other comprehensive income) until realized. Realized gains and losses are determined by analyzing each transaction individually.

Debt instruments that do not exclusively serve to collect contractual cash flows or to both generate contractual cash flows and sales revenue, or whose cash flows do not exclusively consist of interest and principal payments are measured at fair value through profit and loss (FVPL). For equity instruments that are not held for trading purposes, E.ON exercises the fair value option (FVPL).

Impairments of financial assets are both recognized for losses already incurred and for expected future credit defaults. The amount of the impairment loss calculated in the determination of expected credit losses is recognized on the income statement.

The expected future credit loss is calculated by multiplying the probability of default by the carrying amount of the financial asset (exposure at default) and the expected loss ratio (loss given default). For information on the treatment of impairments under IFRS 9, please see Note 32.

Non-derivative financial liabilities (including trade payables) within the scope of IFRS 9 are measured at amortized cost, using the effective interest method. Initial measurement takes place at fair value, with transaction costs included in the measurement. In the subsequent measurement, the residual carrying amount is adjusted by the amortization and accretion of any premium or discount remaining until maturity. The premium or discount is recognized in financial results over its term.

Derivative Financial Instruments and Hedging

Derivative financial instruments and separated embedded derivatives are measured at fair value as of the trading date at initial recognition. Under IFRS 9, they are classified as at fair value through profit and loss (FVPL) as long as they are not a component of a hedge accounting relationship. Gains and losses from changes in fair value are immediately recognized in net income.

The instruments primarily used are foreign currency forwards and cross-currency interest rate swaps, as well as interest rate swaps. In commodities, the instruments used primarily include physically and financially settled forwards and options related to electricity and gas.

As part of fair value measurement in accordance with IFRS 13, the counterparty risk is also taken into account for derivative financial instruments. E.ON determines this risk based on a portfolio valuation in a bilateral approach for both own credit risk (debt value adjustment) and the credit risk of the corresponding counterparty (credit value adjustment). The counterparty risks thus determined are allocated to the individual financial instruments by applying the relative fair value method on a net basis.

E.ON has designated some of these derivatives as part of a hedging relationship. IFRS 9 sets requirements for the admissibility of hedging instruments and the underlyings, the formal designation and documentation of hedging relationships, the hedging strategy, as well as fulfilling requirements of effectiveness in order to qualify for hedge accounting. The designated hedged items and hedging instruments are subject to the same risk. This economic relationship ensures that the amounts of the hedged items and hedging instruments are offset against each other and that the hedging relationships are therefore effective. The hedge ratio of the hedges is 1:1. Ineffectiveness arises only if the measurement parameters of the hedged item and the hedging instrument differ from one another or in the case of subsequent designation of the hedging instrument. All components of derivative gains and losses from the measurement of hedge ineffectiveness are taken into consideration during recognition.

For qualifying fair value hedges, the change in the fair value of the derivative and the change in the fair value of the hedged item that is due to the hedged risk(s) are recognized in income.

If a derivative instrument qualifies as a cash flow hedge under IFRS 9, the effective portion of the hedging instrument's change in fair value is recognized in equity (as a component of other comprehensive income) and reclassified into income in the period or periods during which the cash flows of the transaction being hedged affect income. In accordance with IFRS 9, the currency basis spread (hedging costs) will be separated from the hedging instrument and reported separately as an excluded component in accumulated other comprehensive income in the reserve for hedging costs as a component of equity.

The hedging result is reclassified into income during the period in which the cash flows of the hedged asset are recognized in income. The result is recognized immediately in income if it becomes probable that the hedged underlying transaction will no longer occur. For hedging instruments used to establish cash flow hedges, the change in fair value of the ineffective portion is recognized immediately in the income statement to the extent required.

To hedge the foreign currency risk arising from the Company's net investment in foreign operations, derivative as well as non-derivative financial instruments are used. Gains or losses due to changes in fair value and from foreign currency translation are recognized within equity, as a component of other comprehensive income, under currency translation adjustments.

E.ON currently uses hedges in the framework of cash flow hedges and hedges of a net investment.

Changes in fair value of derivative instruments that are recognized in income are presented as other operating income or expenses. Gains and losses from interest-rate derivatives are included in interest income.

Unrealized gains and losses resulting from the initial measurement of derivative financial instruments at the inception of the contract are not recognized in income. They are instead deferred and recognized in income systematically over the term of the derivative. An exception to the accrual principle applies if unrealized gains and losses from the initial measurement are verified by quoted market prices, observable prices of other current market transactions or other observable data supporting the valuation technique. In this case the gains and losses are recognized in income.

Contracts (in particular sales and procurement contracts for electricity and gas) that are entered into for purposes of receiving or delivering non-financial items in accordance with E.ON's anticipated procurement, sale or use requirements, and held as such, are generally classified as own-use contracts.

They are not accounted for as derivative financial instruments at fair value through profit and loss (FVPL) in accordance with IFRS 9, but as pending transactions subject to the rules of IAS 37. Contracts that provide for net settlement and resales of the quantities to be delivered at a future date generally cannot, as a rule, be classified as own-use contracts. Based on forward-looking forecasts of delivery quantities specified by customer structure and portfolio management, contracts with physical settlement upon conclusion are recognized as derivatives for which settlement cannot be ensured within the scope of ordinary delivery. This "safety buffer" is reviewed on a regular basis and adjusted if necessary.

Embedded derivatives in own-use contracts must be separated from the host contract and accounted for as derivatives in accordance with IFRS 9 if the economic characteristics and risks of these derivatives are not closely related to those of the host contract. The contract is assessed upon conclusion to determine whether a derivative is required to be separated. A reassessment must be carried out if there is a significant change in the terms of the contract or in the context of business combinations.

Agreements to buy or sell non-financial items that are not classified as own-use contracts under IFRS 9 and that are required to be accounted for as derivatives (so-called "failed-own-use" contracts) must be realized or recognized in the balance sheet at the market price applicable at the time of physical settlement. In addition, any income from commodity derivatives arising from the difference between the contract price and the market price is recognized in other operating income.

IFRS 7, "Financial Instruments: Disclosures" ("IFRS 7"), and IFRS 13 both require comprehensive quantitative and qualitative disclosures about the extent of risks arising from financial instruments. Additional information on financial instruments is provided in Notes 31 and 32.

Non-derivative and derivative financial instruments are netted on the balance sheet if under IAS 32 E.ON has both an unconditional right—even in the event of the counterparty's insolvency—and the intention to settle offsetting positions simultaneously and/or on a net basis.

Inventories

Inventories are measured at the lower of acquisition or production cost and net realizable value. The cost of raw materials, finished products and goods purchased for resale is determined based on the average cost method. In addition to production materials and wages, production costs include material and production overheads based on normal capacity. The costs of general administration are not capitalized. Inventory risks resulting from excess and obsolescence are provided for using appropriate valuation allowances, whereby inventories are written down to net realizable value.

Emission Rights and Similar Certificates

Emission rights and similar certificates held under national and international emissions trading systems for the settlement of obligations are capitalized at cost at the date of acquisition and reported under current assets. Subsequent measurement is at amortized cost under IAS 38.

The obligation to submit emission rights and similar certificates to the relevant authorities is recognized as a liability as of the balance sheet date. Measurement is based on the best estimate of the future settlement amount.

Receivables, Contract Assets or Liabilities and Other Assets

A receivable is recognized under IFRS 15 when the goods or services are delivered, provided that the right to consideration is unconditional, i.e., is only related to the passage of time. However, if the right to receive the consideration is contingent upon conditions other than the passage of time, a contract asset is recognized. A contract liability under IFRS 15 is recognized when consideration has been received for an existing IFRS 15 contract and the right to receive the goods or services still exists in full or in part. The contractual liability is only reversed with an effect on revenue when E.ON has performed the corresponding service. An asset is recognized under other assets under IFRS 15 if the cost of obtaining the contract is expected to be recovered and the amortization period is longer than one year. Other assets are amortized over the estimated term of the contract depending on how the goods or services to which the costs relate are transferred to the customer. If the estimated term of the contract is less than one year, the costs are immediately recognized as an expense on the income statement. Receivables and other assets are initially measured at fair value, which generally approximates nominal

value. They are subsequently measured at amortized cost, using the effective interest method. Trade receivables without a significant financial component are measured upon initial recognition at their transaction price. Valuation allowances, included in the reported net carrying amount, are provided for identifiable individual risks. If the loss of a certain part of the receivables is probable, valuation allowances are provided to cover the expected loss. Impairments are also recognized for expected future credit losses.

Liquid Funds

Liquid funds include checks, cash on hand, bank balances and current securities.

Liquid funds with an original maturity of more than three months are recognized under securities and fixed-term deposits provided that their maturities are not more than 12 months and therefore are recognized under non-current financial receivables and other financial assets.

Liquid funds with an original maturity of less than three months are considered to be cash and cash equivalents in accordance with IAS 7. This also applies if they are merely contractually restricted, in which case the funds can technically be disposed of at any time at E.ON's discretion. However, if, as a result of a restriction, liquid funds cannot technically be disposed of at any time at E.ON's discretion, they are reported separately as restricted liquid funds.

Assets Held for Sale and Liabilities Associated with Assets Held for Sale and Discontinued Operations

Non-current assets and any corresponding liabilities held for sale and any directly attributable liabilities are recognized separately from other assets and liabilities in the balance sheet in the line items "Assets held for sale" and "Liabilities associated with assets held for sale" if they can be disposed of in their current condition and if there is sufficient probability of their disposal actually taking place. The reclassification to the separate balance sheet items is shown in the fixed asset movement schedule under Changes in scope of consolidation.

Discontinued operations are components of an entity that are either held for sale or have already been sold and can be clearly distinguished from other corporate operations, both operationally and for financial reporting purposes. Additionally, the component of the entity classified as a discontinued operation must represent a major business line or a specific geographic business segment of the Group or a subsidiary acquired exclusively for resale.

Non-current assets that are held for sale either individually or collectively as part of a disposal group, or that belong to a discontinued operation, are no longer depreciated. They are instead accounted for at the lower of the carrying amount and the fair value less any remaining costs to sell. If this value is less than the carrying amount, an impairment loss is recognized in other operating expenses.

The income and losses resulting from the measurement of components held for sale as well as the gains and losses arising from the disposal of discontinued operations, are reported separately on the face of the income statement under income/loss from discontinued operations, net, as is the income from the ordinary operating activities of these divisions. Prior-year income statement figures are adjusted accordingly. The relevant assets and liabilities are reported in a separate line on the balance sheet. The cash flows of discontinued operations are reported separately in the cash flow statement, with prior-year figures adjusted accordingly. However, there is no reclassification of prior-year balance sheet line items attributable to discontinued operations.

Equity Instruments

E.ON has entered into purchase commitments to holders of noncontrolling interests in subsidiaries. By means of these agreements, the non-controlling shareholders have the right to require E.ON to purchase their shares on specified conditions. None of the contractual obligations has led to the transfer of substantially all of the risk and rewards to E.ON at the time of entering into the contract. Under the anticipated acquisition method, however, the right of tender is accounted for as if it had already been exercised. Accordingly, the minority interests are derecognized—irrespective of the probability of the option being exercised—and at the same time a liability is recognized in the amount of the present value of the repurchase amount in accordance with IAS 32, "Financial Instruments: Presentation" (IAS 32). The difference between this measurement and the carrying amount of the minority shareholders' equity to be derecognized is recognized in equity of E.ON SE shareholders. The accretion of the liability is recognized as interest expense. If a purchase commitment expires unexercised, the liability reverts to non-controlling interests. Any remaining difference is then recognized directly in equity in retained earnings.

Where shareholders of entities own statutory, non-excludable rights of termination (as in the case of German partnerships, for example), such termination rights require the reclassification of non-controlling interests from equity into liabilities under IAS 32. The liability is recognized at the present value of the expected settlement amount irrespective of the probability of termination. Changes in the value of the liability are reported within other operating income. Accretion of the share of the results of the non-controlling shareholders' share in net income is recognized in Net interest income/expense.

If E.ON SE or a Group company buys treasury shares of E.ON SE, the value of the consideration paid, including directly attributable additional costs (net after income taxes), is deducted from E.ON SE's equity until the shares are retired, distributed or resold. If such treasury shares are subsequently distributed or sold, the consideration received, net of any directly attributable additional transaction costs and associated income taxes, is recognized in equity in additional paid-in capital.

Share-Based Payment

Share-based payment plans issued in the E.ON Group are accounted for in accordance with IFRS 2, "Share-Based Payment."

In fiscal years 2018 to 2022, virtual shares were granted to members of the Management Board of E.ON SE and certain E.ON Group executives under the new E.ON Performance Plan. See the Compensation Report for more details on the structure of the plan.

The E.ON Performance Plan represents commitments of the Company which provide for cash compensation based on the share price performance at the end of the term. The compensation expense is measured taking into account the fair value of the virtual shares granted and recognized in personnel expense pro rata over the vesting period.

In 2022, as in 2021, employees of E.ON SE and participating subsidiaries once again had the opportunity to purchase E.ON shares at favorable conditions under the employee stock purchase program. The program includes a share-based payment settled in equity instruments (shares of E.ON SE) as consideration for services rendered or work performed. The corresponding compensation under IFRS 2 was recognized in personnel expense and the offsetting entry was made in equity.

Provisions for Pensions and Similar Obligations

Measurement of defined benefit obligations in accordance with IAS 19, "Employee Benefits," is based on actuarial computations using the projected unit credit method, with actuarial valuations performed at year-end. The valuation encompasses both pension obligations and pension entitlements that are known on the reporting date and economic trend assumptions such as assumptions on wage and salary growth rates and pension increase rates, among others, that are made in order to reflect realistic expectations, as well as variables specific to reporting dates such as discount rates, for example.

Included in gains and losses from the remeasurements of the net defined benefit liability or asset are actuarial gains and losses that may arise especially from differences between estimated and actual variations in underlying assumptions about demographic and financial variables. Additionally included is the difference between the actual return on plan assets and the expected interest income on plan assets included in the net interest result. Remeasurement effects are recognized in full in the period in which they occur and are not reported within the Consolidated Statements of Income, but are instead recognized within the Statements of Recognized Income and Expenses as part of equity.

The employer service cost representing the additional benefits that employees earned under the benefit plan during the fiscal year is reported under personnel costs; the net interest on the net liability or asset from defined benefit pension plans determined based on the discount rate applicable at the start of the fiscal year is reported under financial results.

Past service cost, as well as gains and losses from settlements, are fully recognized in the income statement in the period in which the underlying plan amendment, curtailment or settlement takes place. They are reported under personnel costs.

The amount reported on the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of plan assets. If a net asset position arises from this calculation, the amount is limited to the present value of available refunds and the reduction in future contributions and to the benefit from prepayments of minimum funding requirements. Such an asset position is recognized as an operating receivable.

Payments for defined contribution pension plans are expensed as incurred and reported under personnel costs. Contributions to state pension plans are treated like payments for defined contribution pension plans to the extent that the obligations under these pension plans generally correspond to those under defined contribution pension plans.

Provisions for Asset Retirement Obligations and Other Miscellaneous Provisions

In accordance with IAS 37, "Provisions, Contingent Liabilities and Contingent Assets" ("IAS 37"), provisions are recognized when E.ON has a legal or constructive present obligation towards third parties as a result of a past event, it is probable that E.ON will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The provision is recognized at the expected settlement amount. Long-term obligations are reported as liabilities at the present value of their expected settlement amounts if the interest rate effect (the difference between present value and repayment amount) resulting from discounting is material; future cost increases that are foreseeable and likely to occur on the balance sheet date at year-end must also be included in the measurement. Long-term obligations are generally discounted at the market interest rate applicable as of the respective balance sheet date, provided that it is not negative. The accretion amounts and the effects of changes in interest rates are generally presented as part of financial results. A reimbursement related to the provision that is virtually certain to be collected is capitalized as a separate asset. No offsetting within provisions is permitted. Advance payments remitted are deducted from the provisions.

Obligations arising from the decommissioning or dismantling of property, plant and equipment are recognized during the period of their occurrence at their discounted settlement amounts, provided that the obligation can be reliably estimated, whereby no negative discount rates are applied. The carrying amounts of the respective property, plant and equipment are increased by the same amounts. In subsequent periods, capitalized asset retirement costs are amortized over the expected remaining useful lives of the assets, and the provision is accreted to its present value on an annual basis. Advance payments remitted are deducted from the provisions.

Changes in estimates arise in particular from deviations from original cost estimates, from changes to the maturity or the scope

of the relevant obligation, and also as a result of the regular adjustment of the discount rate to current market interest rates. The adjustment of provisions for the decommissioning and restoration of property, plant and equipment for changes to estimates is generally recognized by way of a corresponding adjustment to these assets, with no effect on income. As the property, plant and equipment concerned have, however, frequently already been fully depreciated, changes to estimates are primarily recognized within the income statement.

The estimates for nuclear decommissioning provisions are derived from studies, cost estimates, legally binding civil agreements and legal information. A material element in the estimates are the real interest rates applied (the applied discount rate, less the cost increase rate). No provisions are established for contingent asset retirement obligations where the type, scope, timing and associated probabilities cannot be determined reliably.

If onerous contracts exist in which the unavoidable costs of meeting a contractual obligation exceed the economic benefits expected to be received under the contract, provisions are established for losses from pending transactions. Such provisions are recognized at the lower of the excess obligation upon performance under the contract and any potential penalties or compensation arising in the event of non-performance. Obligations under an open contractual relationship are determined from a sales market perspective.

Provisions for pending sales transactions must also be recognized if these transactions are subject to the own-use-exemption under IFRS 9 and if they are partially offset by offsetting transactions that are accounted for as derivative financial instruments and are therefore measured at current market prices. As a result, provisions are recognized under IAS 37 for transactions actually subject to the own-use exemption, for the purpose of which the market values of the procurement portfolio are taken into consideration in the calculation of the imputed performance costs.

The book structure adopted under IFRS 9 therefore affects the accounting treatment of the corresponding provisions.

Contingent liabilities are possible obligations toward third parties arising from past events that are not wholly within the control of the entity, or else present obligations toward third parties arising from past events in which an outflow of resources embodying economic benefits is not probable or where the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognized on the balance sheet.

A more detailed description is not provided for certain contingent liabilities and contingent receivables, particularly in connection with pending litigation, as this information could influence further proceedings.

Where necessary, provisions for restructuring costs are recognized at the present value of the future outflows of resources. Provisions are recognized once a detailed restructuring plan has been decided on by management and publicly announced or communicated to the employees or their representatives. Only those expenses that are directly attributable to the restructuring measures are used in measuring the amount of the provision. Expenses associated with the future operation are not taken into consideration.

Income Taxes

Under IAS 12, "Income Taxes" ("IAS 12"), deferred taxes are recognized on temporary differences arising between the carrying amounts of assets and liabilities on the balance sheet and their tax bases (balance sheet liability method). Deferred taxes are recognized for temporary differences that will result in taxable or deductible amounts when taxable income is calculated for future periods, unless those differences are the result of the initial recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit/loss (initial differences). Uncertain tax positions are recognized at their most likely value.

IAS 12 further requires that deferred tax assets be recognized for unused tax loss carryforwards and unused tax credits. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized. Each of the corporate entities is assessed individually with regard to the probability of a positive tax result in future years. The planning horizon is basically three to five years in this context. Any existing history of losses is incorporated in this assessment. For those tax assets to which these assumptions do not apply, the value of the deferred tax assets is reduced.

Deferred tax liabilities caused by temporary differences associated with investments in affiliated and associated companies are recognized unless the timing of the reversal of such temporary differences can be controlled within the Group and it is probable that, owing to this control, the differences will in fact not be reversed in the foreseeable future.

Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to be applicable for taxable income in the years in which temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of changes in tax rates and tax law is generally recognized in net income. Equity is adjusted for deferred taxes that had previously been recognized directly in equity. The change is generally recognized in the period in which the material legislative process is completed. To the extent that they are material, income taxes for transaction costs of an equity transaction are recognized directly in equity under IAS 12.

Income tax items are regularly assessed, in particular against the backdrop of numerous changes in tax laws, tax regulations, legal decisions and ongoing tax audits. E.ON is responding to this circumstance, in particular through the application of IFRIC 23, by continuously identifying and assessing the tax environment and the resulting effects. The most current information is then incorporated into the estimate parameters necessary for

measuring the tax provisions. Accordingly, related potential interest rate effects are also assessed, measured and reported separately.

Consolidated Statements of Cash Flows

In accordance with IAS 7 "Statement of Cash Flows," the Consolidated Statement of Cash Flows are classified in cash flows from operating, investing and financing activities.

Segment Information

In accordance with the so-called management approach required by IFRS 8, "Operating Segments," the internal reporting organization used by management for making decisions on operating matters is used to identify the Company's reportable segments. The internal performance measure used as the segment result since this year is EBITDA (EBIT in the prior year) adjusted to exclude certain non-operating effects (see Note 35). Transactions between the reportable segments are recorded at arm's length transfer prices.

Structure of the Consolidated Balance Sheets and Statement of Income

In accordance with IAS 1, "Presentation of Financial Statements," the Consolidated Balance Sheets have been prepared using a classified balance sheet structure. Assets that will be realized within 12 months of the reporting date, as well as liabilities that are due to be settled within one year of the reporting date are generally classified as current.

The Consolidated Statement of Income is classified using the nature of expense method, which is also applied for internal purposes.

Critical Accounting Estimates and Assumptions; Critical Judgments in the Application of Accounting Policies

The preparation of the Consolidated Financial Statements requires management to make estimates and assumptions that may both influence the application of accounting principles within the Group and affect the measurement and presentation of reported figures. Estimates are based on past experience and on current knowledge obtained on the transactions to be reported. Actual amounts may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis and are adjusted as necessary in the periods in which they were recognized.

Estimates are particularly necessary for the measurement of the value of property, plant and equipment and of intangible assets, specifically in connection with purchase price allocations, the recognition and measurement of deferred tax assets, the accounting treatment of provisions for pensions and other provisions (in particular provisions for the decommissioning of nuclear power plants and provisions for contingent losses from pending transactions involving the sale of electricity and gas), for impairment testing in accordance with IAS 36, as well as the determination of the fair value of certain financial instruments, as well as for the application of IFRS 15, and here in particular for the estimation of the value of electricity and gas units supplied, including the estimated values for units between the last settlement and the end of the period. Estimates are also factored in when applying IFRS 16, namely in connection with the determination of lease terms and the calculation of the discount rate, and in part when applying IFRS 9 in connection with the determination of expected future credit losses.

The application of accounting policies requires judgments to be made that may affect the amounts recognized in the financial statements. Judgments are relevant, for example, when assessing whether an item is to be classified in accordance with IFRS 5. Here, management assesses whether a disposal is considered highly probable. Further judgments may be necessary in assessing whether E.ON controls, jointly controls with other investors, or can significantly influence an entity.

Specifically, management assesses here what the significant activities of the Company are, i.e., which activities have a material impact on the returns of the investee. The list of shareholdings (see Note 38) provides information on the form of inclusion in the consolidated financial statements of certain investees whose share of voting rights indicates a different form of inclusion.

The underlying principles used for estimates in additional relevant topics are outlined in the respective sections.

In addition, estimates and judgments continue to be subject to increased uncertainty, in particular due to the significant volume and price volatilities on the energy markets due to the war in Ukraine and the consequences of the Covid-19 pandemic. The actual amounts may differ from the estimates and judgments made; changes may have a material impact on E.ON's net assets, financial position and results of operations. When the estimates and judgments were updated, all available information on expected economic developments and country-specific government measures was taken into account on the reporting date. It is difficult to predict the duration and the extent of the impact on assets, liabilities, earnings and cash flows of the Russia-Ukraine war and the Covid-19 pandemic. More information on the impact of the Russia-Ukraine war in the E.ON Group is presented in Note 3.

(2) New Standards, Interpretations and Amendments

Standards, Interpretations and Amendments Applicable for the First Time in 2022

The EU has transposed these amendments into European law. The amendments will be applied for fiscal years beginning on or after January 1, 2022. The amendments have no material impact on E.ON's Consolidated Financial Statements.

IASB and IFRS IC Pronouncements	Explanation	To be applied by E.ON from	Expected impact on the presentation of E.ON's net assets, financial position and results of operations
Amendments to IAS 16 - Proceeds before Intended Use	The amendments prohibit a company from deducting from the cost of property, plant and equipment amounts received from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such sales proceeds and related cost in profit or loss.	01/01/2022	No material effect.
Amendments to IAS 37 - Onerous Contracts - Cost of Fulfilling a Contract	Clarification that all costs directly attributable to a contract must be considered when determining the cost of fulfilling the contract.	01/01/2022	No material effect.
Amendments to IFRS 3 - Reference to the Conceptual Framework	Reference to the revised 2018 IFRS Conceptual Framework. Priority application of IAS 37 or IFRIC 21 by the acquirer to identify acquired liabilities. No recognition of contingent assets acquired allowed.	01/01/2022	No material effect.
IASB Annual Improvements Project - Annual Improvements to IFRS's 2018-2020 Cycle	Minor amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41.	01/01/2022	No material effect.

Standards, Interpretations and Amendments Issued But Not Yet Applicable

The IASB and the IFRS IC have issued the following additional standards and interpretations. E.ON does not apply these rules because their application is not yet mandatory. Currently these amendments are not expected to have a material impact on E.ON's Consolidated Financial Statements:

IASB and IFRS IC Pronouncements	Explanation	Transposed into EU law	To be applied by E.ON from	Expected impact on the presentation of E.ON's net assets, financial position and results of operations
IFRS 17 "Insurance contracts" including Amendments to IFRS 17	The new IFRS 17 standard governs the accounting for insurance contracts and supersedes IFRS 4.	Yes	01/01/2023	No material effect.
Amendment to IFRS 17 - Initial Application of IFRS 17 and IFRS 9 - Comparative Information	The amendment concerns the transitional provisions for the initial joint application of IFRS 17 and IFRS 9.	Yes	01/01/2023	No effect.
Amendments to IAS 1 and IFRS Practice Statement 2 - Disclosure of Accounting Policies	Clarification that an entity must disclose all material (formerly "significant") accounting policies. The main characteristic of these items is that, together with other information included in the financial statements, they can influence the decisions of primary users of the financial statements.	Yes	01/01/2023	No material effect.

IASB and IFRS IC Pronouncements	Explanation	Transposed into EU law	To be applied by E.ON from	Expected impact on the presentation of E.ON's net assets, financial position and results of operations
Amendments to IAS 8 - Definition of Accounting Estimates	Clarification with regard to the distinction between changes in accounting policies (retrospective application) and changes in accounting estimates (prospective application).	Yes	01/01/2023	No material effect.
Amendments to IAS 12 - Deferred Tax related to Assets and Liabilities arising from a Single Transaction	Clarification that the initial recognition exemption of IAS 12 does not apply to leases and decommissioning obligations. Deferred tax is recognized on the initial recognition of assets and liabilities arising from such transactions.	Yes	01/01/2023	No effect.
Amendments to IAS 1 - Classification of Liabilities as Current or Non-Current Amendments to IAS 1 - Classification of Liabilities as Current or Non-Current - Deferral of Effective Date Amendments to IAS 1 - Non-Current Liabilities with Covenants	Clarification that the classification of liabilities as current or non-current is based on the existing rights of the entity at the reporting date. Clarification of how conditions with which an entity must comply within 12 months after the reporting period affect the classification of a liability.	Pending	01/01/2024*	No material effect.
Amendments to IFRS 16 - Lease Liability in a Sale and Leaseback	Clarification that the seller-lessee is required to determine the (revised) lease payments in the subsequent measurement of the lease liability in a way that it does not recognize any amount of the gain or loss that relates to the right of use it retains.	Pending	01/01/2024*	No material effect.

* If not yet endorsed by the EU the date of first-time adoption scheduled by the IASB is assumed to apply.

(3) Impact of the Russia-Ukraine War and the Development of the Commodity Markets

On February 24, 2022, Russia launched a military attack on Ukraine. This invasion is having far-reaching economic consequences, and direct impacts—particularly in the energy sector—are being experienced, which are also explained further in the "Industry Environment" section of the Management Report.

The consequences of the war also have an impact on E.ON's business, primarily due to increased tension and high volatility on the commodity markets. Commodity prices rose relentlessly throughout 2022 into the third quarter; by the end of the year, prices had declined significantly, but remained at a very high level. This had a corresponding impact on the sales and procurement transactions recognized on the balance sheet. Market values recognized on the balance sheet at the end of the year declined as a result of the realization of some of the procurement contracts concluded before the start of the war and from the corresponding new contracts concluded at high prices. This was partially offset by the development of provisions for onerous contracts in connection with pending electricity and gas supply contracts with customers. The impacts are explained in more detail in the sections "Earnings Situation," "Financial Situation" and "Asset Situation" of the Management Report.

One of them is a possible valuation risk for financial assets, including the investment in Nord Stream AG held in pension plan assets. Amid heightened uncertainty and against the backdrop of damage to both Nord Stream 1 pipelines, this investment was written down to its fair value of zero as of December 31, 2022. This decline of about €1.2 billion relative to December 31, 2021, was recognized in equity in other comprehensive income in accordance with IAS 19.

The situation assessable at the balance-sheet date with regard to the Russia-Ukraine war indicated no triggering events that would necessitate impairment charges on non-current assets under IAS 36, in particular goodwill, other intangible assets, and property, plant and equipment.

In fiscal year 2022, high energy prices due to the Russia-Ukraine war affected the ability of customers to pay significantly increased energy bills and led to additional impairment losses on trade receivables.

Potential balance sheet effects of the future development of the war in Ukraine are being analyzed on an ongoing basis.

The Europe-wide energy crisis has prompted the governments of some countries in which E.ON operates to adopt various measures to soften the impact on the end consumer. Some of these measures may directly impact E.ON, such as the introduction of price caps or the elimination of excess earnings. In particular, the price caps could have a direct impact on E.ON's revenues under IFRS 15. However, these charges will not have a material effect on E.ON's earnings in the 2022 financial year. For example, negative effects from price caps were mostly offset by government grants in accordance with IAS 20 (see the comments in Notes 6 and 9). There are also government measures that do not directly affect E.ON, such as the temporary assumption of energy costs for the end consumer.

(4) Scope of Consolidation

The number of consolidated companies changed as follows in 2022:

Scope of Consolidation

	Domestic	Foreign	Total
Consolidated companies as of January 1, 2021	171	191	362
Additions	4	4	8
Disposals/Mergers	9	39	48
Consolidated companies as of December 31, 2021	166	156	322
Additions	4	3	7
Disposals/Mergers	4	16	20
Consolidated companies as of December 31, 2022	166	143	309

In 2022, a total of 54 domestic and 10 foreign associated companies were consolidated under the equity method (2021: 52 domestic companies and 11 foreign companies). One domestic company reported as joint operations was presented pro rata on the consolidated financial statements (2021: one domestic company).

(5) Material Acquisitions, Disposals and Disposal Groups in 2022

Consortium Agreement with RheinEnergie

On June 29, 2021, Westenergie AG, a fully consolidated subsidiary of the E.ON Group, entered into a new consortium agreement with RheinEnergie AG. This agreement will enable E.ON to exert additional significant influence on the further development of the energy supply in one of Germany's fastest-growing economic regions and to benefit from growth and synergies in the Rhineland. According to current plans, Westenergie and RheinEnergie will merge shareholdings in individual municipal utilities into rhenag Rheinische Energie

Aktiengesellschaft ("rhenag"), a subsidiary that is also fully consolidated in the E.ON Group. During this process, regional shareholdings of both parties will be contributed to rhenag. rhenag continues to be fully consolidated by Westenergie. Independently of this, Westenergie and RheinEnergie will further optimize their operational cooperation with regard to plant management, leases and service agreements. The Bundeskartellamt (German Federal Cartel Office) has granted approval in principle for the measures provided for in the Consortium Agreement. This transaction is expected to close in the first half of 2023 once the conditions imposed by the Bundeskartellamt have been met. Within the framework of the entire transaction, Westenergie will transfer an additional 20 percent of the shares of Stadtwerke Duisburg, which is included in the consolidated financial statements as an associated company, to RheinEnergie, which will increase its share in RheinEnergie from 20 to 24.9 percent. The shareholding in Stadtwerke Duisburg is allocated to the Energy Networks Germany segment and since Q2 2021 the investment has been reported for the first time as an asset held for sale under IFRS 5 in the amount of €154 million. No impairment loss was recognized from the comparison of the carrying amount with its fair value less costs to sell.

Pro Rata Disposal of Stromnetz-gesellschaft Essen GmbH & Co. KG

Westnetz GmbH sold 50 percent of the limited partnership interests in the newly established Stromnetzgesellschaft Essen GmbH & Co. KG to Essener Versorgungs- und Verkehrsgesellschaft mbH (EVV), with effect from January 1, 2022. Technical equipment such as the low-voltage grid of the city of Essen was transferred to this company, also with effect from January 1, 2022. Since the closing of the transaction, these assets have been leased back from E.ON, so that E.ON continues to operate the network. In Q3 2021, the criteria of IFRS 5 for reporting the assets to be contributed as held for sale were met for the first time. As a result, the corresponding property, plant and equipment in the amount of €136 million included in the Energy Networks Germany segment has since been reported separately under "Assets held for sale" in the balance sheet. No impairment loss was recognized from the comparison of the carrying amount with its fair value less costs to sell.

Pro Rata Disposal of Westconnect GmbH

Westenergie AG sold 50 percent of its shareholding in Westconnect GmbH (formerly known as Westenergie Breitband GmbH) to Igneo Infrastructure Partners with effect from October 31, 2022. Westconnect GmbH was previously a wholly owned subsidiary of the E.ON Group. The conditions for the consolidation of Westconnect GmbH as a joint venture in E.ON's Consolidated Financial Statements were met with effect from November 1, 2022.

In cooperation with the new partner, the high-speed broadband infrastructure in Germany will be expanded. Under the plan, more than 1.5 million households and large customers in Germany will be supplied with fiber-optic broadband lines in the future.

As of June 30, 2022, the criteria of IFRS 5 for reporting the disposal group as held for sale were met for the first time. As a result, the assets and liabilities of Westconnect GmbH, which is allocated to the Energy Networks Germany segment, have since been reported in the balance sheet as "Assets held for sale" and "Liabilities associated with assets held for sale," respectively.

Westconnect GmbH was deconsolidated upon completion of the transaction and, since November 1, 2022, has been accounted for in E.ON's Consolidated Financial Statements under the equity method in accordance with IAS 28 (see Note 16). The deconsolidation resulted in income of €810 million, of which €530 million is attributable to the fair value remeasurement of the remaining shares. In total, assets previously reported as held for sale, primarily other technical equipment, plant and machinery, and goodwill decreased by €766 million, and liabilities previously reported as held for sale, primarily liabilities from subsidies, decreased by €171 million.

Conclusion of a Future Consolidation Agreement by ZSE shareholders

On April 8, 2022, the shareholders of Západoslovenská energetika a.s. ("ZSE") and Východoslovenská energetika Holding a.s. ("VSEH"), E.ON SE and the Slovak Republic, concluded a Future Consolidation Agreement to combine ZSE and the VSEH Group. The agreement provides, among other things, for 100 percent of the VSEH shares to be transferred to ZSE, the sale of all or selected subsidiaries of VSEH to ZSE, and the implementation of corporate law changes at VSEH.

The transfer of VSEH shares to ZSE will result in ZSE becoming VSEH's sole shareholder (and thus also shareholder of selected VSEH subsidiaries). The ownership interests in ZSE will remain unchanged; that is, E.ON will have a 49 percent stake in ZSE and the Slovakian state a 51 percent stake. The new ZSE shareholder agreement, which has yet to be concluded, is intended to essentially correspond to the shareholder agreement that is also currently in force. After closing of the agreement, ZSE will continue to be accounted for as a joint venture using the equity method in E.ON's Consolidated Financial Statements, while the business activities of VSEH, which was previously fully consolidated, will also be presented using the equity method in the Consolidated Financial Statements.

The transaction was originally expected to be closed by the end of 2022. Accordingly, the VSEH Group has been presented as a disposal group in accordance with IFRS 5 since December 31, 2021. The transaction is currently expected to close no earlier than in the second quarter of 2023. Of the assets classified as held for sale at December 31, 2022, €945 million are non-current assets and €248 million are current assets. Goodwill of €149 million was also allocated. The corresponding liabilities (before minority interest deduction) amount to €764 million, of which €351 million

are financial liabilities, €269 million are operating liabilities, €30 million are provisions and €121 million are deferred tax liabilities. An impairment of €61 million was recognized in 2022; this figure has already been included in the above figures.

Disposal of the Universal Service Provider Business in Hungary

To further optimize its portfolio in Hungary, on February 23, 2022, E.ON Hungária Zrt. signed an agreement with MVM Zrt. to sell 100 percent of its shares in E.ON Áramszolgáltató Kft. ("EÁS"). EÁS holds a regional universal service provider license and supplies electricity to customers in certain regions in Hungary on this basis. As of December 31, 2021, the transaction was expected to be successfully concluded within the next 12 months. As a result, EÁS or the universal service provider business, which was allocated to the Customer Solutions Other segment in the E.ON Group, was reported as a disposal group in accordance with IFRS 5 as of December 31, 2021. The transaction was concluded on April 14, 2022, and the deconsolidation result amounted to -€11 million. In total, assets previously reported as held for sale, primarily receivables, decreased by €72 million and liabilities previously reported as held for sale, primarily operating liabilities and provisions, decreased by €59 million.

Deconsolidation results are generally allocated to other operating income.

(6) Revenues

At €115.7 billion, revenues in 2022 were roughly €38.3 billion higher than in the previous year, primarily due to price developments on the commodity markets.

The higher prices for energy resulted on the one hand in higher selling prices on the sales markets. On the other hand, in the case of sales volumes purchased on a forward basis, which are to be accounted for as derivatives under IFRS 9, the corresponding revenues are to be measured at market prices at the time of physical delivery (so-called failed own-use adjustments).

Revenues recognized in the current reporting period arising from performance obligations that have been fully or partially settled in prior reporting periods amounted to €0.7 billion (2021: €0.4 billion). The total amount of performance obligations already contracted but still outstanding (excluding expected contract renewals and expected new contracts) was €43.6 billion as of December 31, 2022 (December 31, 2021: €28.1 billion). The majority of these benefit obligations are expected to be met within the next three years. Revenue in the E.ON Group is recognized primarily on an over-time basis. Revenue recognized under non-IFRS 15 accounting standards totaled €5.1 billion in fiscal 2022 (2021: €673 million). Of this amount, €1.6 billion resulted from performance-related government grants.

Revenues are broken down into intragroup and external revenues in the segment information (Note 35). They are also broken down into key regions and technologies. The overview also shows the effect of revenues on operating cash flow before interest and taxes.

(7) Own Work Capitalized

Own work capitalized amounted to €997 million in 2022 (2021: €761 million) and resulted primarily from capitalized work performed in connection with ongoing and completed IT projects and network assets.

(8) Other Operating Income and Expenses

The table below provides details of other operating income for the periods indicated:

Other Operating Income

€ in millions	2022	2021
Income from exchange rate differences	853	478
Gain on derivative financial instruments (including currency derivatives)	70,234	44,737
Gain on disposal of non-current assets and securities	999	360
Gain on the reversal of provisions	16	155
Miscellaneous	1,091	1,653
Total	**73,193**	**47,383**

Other operating income increased by €25,810 million to €73,193 million (2021: €47,383 million).

Income and expenses from derivative financial instruments (including currency derivatives) relate to fair value measurement under IFRS 9.

Income from derivative financial instruments increased year-on-year by €25,497 million to €70,234 million (2021: €44.737 million), mainly due to price developments on the commodity markets during the course of the year.

Commodity derivatives generated income in the amount of €68,302 million (2021: €43,909 million). In addition, income from derivative financial instruments (including currency derivatives) includes realized income from currency derivatives of €1,632 million (2021: €339 million). Conversely, income from currency translation effects increased by €375 million to €853 million. Corresponding items from derivative financial instruments (including currency derivatives) are included in other operating expenses. The effects of foreign currency translation within other

operating income amounted to €2,143 million (2021: €849 million).

The gain on the disposal of property, plant and equipment and securities consisted primarily of gains on the pro rata disposal of Westconnect GmbH in the amount of €810 million. In 2021 there were gains on the disposal of Rampion Renewables in the amount of €64 million. Gains were realized on the sale of securities in the amount of €26 million (2021: €41 million).

Miscellaneous other operating income decreased by €562 million compared with the prior year.

In 2021, this included effects of €560 million from the refund of previous purchases of residual electricity volumes.

Miscellaneous also includes items such as transactions other than ordinary business activities in the amount of €212 million (2021: €221 million), income from contract penalties of €83 million (2021: €70 million), and rental and lease income of €58 million (2021: €58 million) and realizations of own-use contracts recognized as liabilities as part of the innogy purchase price allocation in the amount of €26 million (2021: €99 million).

The following table provides details of other operating expenses for the periods indicated:

Other Operating Expenses

€ in millions	2022	2021
Loss from exchange rate differences	524	885
Loss on derivative financial instruments (including currency derivatives)	66,663	26,486
Taxes other than income taxes	111	42
Loss on disposal of non-current assets and securities	223	209
Impairments of financial assets	660	319
Miscellaneous	3,555	3,724
Total	**71,736**	**31,665**

Other operating expenses of €71,736 million were €40,071 million higher than in the previous year (2021: €31,665 million). The increase is due to the €40,177 million rise in expenses from derivative financial instruments (including currency derivatives) to €66,663 million (2021: €26.486 million). Similar to the development in income from derivative financial instruments, this was mainly due to price developments on the commodity markets over the course of the year.

Expenses from commodity derivatives amounted to €64,615 million in 2022 (2021: €25,990 million).

In addition, expenses from derivative financial instruments (including currency derivatives) includes realized expenses from currency derivatives of €1,473 million (2021: €51 million).

Expenses from exchange rate differences in the amount of €524 million decreased by €361 million compared with the previous year (€885 million).

Foreign currency translation effects within other operating expenses amounted to €1,880 million (2021: €1,161 million).

Miscellaneous other operating expenses includes effects from the recognition of own-use contracts capitalized in connection with innogy's purchase-price allocation amounting to €32 million (2021: €163 million). Also included are consulting and audit fees in the amount of €155 million (2021: €139 million), advertising and marketing expenses in the amount of €177 million (2021: €196 million), rents and leases in the amount of €54 million (2021: €53 million), and third-party services and passthrough charges in the amount of €981 million (2021: €971 million). Additionally reported under this item are IT expenses in the amount of €480 million (2021: €444 million), office expenses in the amount of €104 million (2021: €117 million), insurance premiums in the amount of €56 million (2021: €61 million), travel expenses in the amount of €71 million (2021: €40 million), contributions and fees in the amount of €64 million (2021: €67 million), and repair expenses in the amount of €89 million (2021: €86 million).

(9) Cost of Materials

The principal components of expenses for raw materials and supplies and for purchased goods are the purchase of gas and electricity. Fuel supply is also included in this line item. Expenses for purchased services consist primarily of network usage charges and maintenance costs.

Cost of Materials

€ in millions	2022	2021
Expenses for raw materials and supplies and for purchased goods	93,141	63,001
Expenses for purchased services	15,486	15,095
Total	**108,627**	**78,096**

Cost of materials of €108,627 million was significantly higher than the prior-year level of €78,096 million. This increase was mainly due to higher energy prices on the commodity markets. These factors have generated higher direct procurement costs and also have led to recognition of the corresponding expenses at the current market price at the time of realization in the case of forward procurement contracts that are to be accounted for as derivative financial instruments in accordance with IFRS (so-called failed own-use contracts). Accordingly, income from the market valuation of commodity derivatives are recognized in other operating income.

In addition, the change in provisions for pending transactions was included in the materials expense. These provisions were primarily recognized for contracted sales transactions that are not subject to IFRS 9 (so-called own-use contracts), but which are economically part of a portfolio that is partly offset by procurement transactions to be accounted for as derivative financial instruments.

Government subsidies received reduced the cost of materials by €774 million.

(10) Financial Results

The following table provides details of financial results for the periods indicated:

Financial Results

€ in millions	2022	2021
Income/loss from companies in which equity investments are held	*20*	*186*
Fair value through P&L	*-16*	*133*
Other	36	53
Impairment charges/reversals on other financial assets	*-27*	*-19*
Income/loss from equity investments	**-7**	**167**
Income/loss from securities, interest and similar income	*2,552*	*1,037*
Amortized cost	*77*	*42*
Fair value through P&L	*457*	*772*
Fair value through OCI	*15*	*14*
Other interest income	*2,003*	*209*
Interest and similar expenses	*-1,625*	*-1,590*
Amortized cost	-762	-743
Fair value through P&L	-576	-546
Other interest expenses	-287	-301
Net interest income/loss	**927**	**-553**
Financial results	**920**	**-386**

The significant improvement in financial results relative to the previous year is primarily attributable to the effects in interest income, while income from equity investments decreased. The strong positive development of provisions attributable to the increase in discount rates is only partially influenced by the negative valuation effects of securities recognized at fair value.

The amortized cost reported in interest and similar expenses included the positive effect from the difference between the nominal interest rate and the effective interest rate of former innogy bonds, which was adjusted due to the purchase price allocation, in the amount of €204 million, which is €63 million lower than in the previous year. This item was partially offset by the reduction in interest expense from redeemed bonds.

Both income (€35 million; 2021: €284 million) and expenses (-€236 million; 2021: -€131 million) from fair value through P&L include the valuation effects of securities recognized at fair value.

Other interest income consists of interest income from discounting provisions for asset retirement obligations in the amount of €1,338 million (2021: €0 million), provisions for environmental remediation obligations of €253 million (2021: €7 million) and other non-current provisions in the amount of €302 million (2021: €22 million).

Other interest expenses primarily relate to financial lease liabilities in the amount of €162 million (2021: €160 million) and net interest charges relating to pension provisions in the amount of €51 million (2021: €63 million).

Interest expenses also include €80 million of negative earnings effects (2021: €38 million) from non-controlling interests in subsidiaries that have already been fully consolidated and interests in fully consolidated partnerships, which are to be recognized as liabilities in accordance with IAS 32, and with legal structures that give their shareholders a statutory right of withdrawal combined with an entitlement to a settlement payment. Interest expense was reduced by capitalized interest on debt totaling €8 million (2021: €7 million).

(11) Income Taxes

The following table provides details of income taxes, including deferred taxes, for the periods indicated:

Income Taxes

€ in millions	2022	2021
Current taxes	**567**	**500**
thereof previous years	-165	-170
Deferred taxes	**-812**	**318**
on temporary differences	956	474
on loss carryforwards	-376	70
on tax interest carryforwards and other tax credits	-178	16
on valuation allowance	-1,214	-242
Total income taxes	**-245**	**818**

Reconciliation to Effective Income Taxes/Tax Rate

—	2022		2021	
	€ in millions	in %	€ in millions	in %
Income/loss from continuing operations before taxes	**1,997**	**100.0**	**6,123**	**100.0**
Expected income taxes	619	31.0	1,898	31.0
Foreign tax rate differentials	162	8.1	-149	-2.4
Changes in tax rate/tax law	-95	-4.8	48	0.8
Tax effects on tax-free income	-173	-8.6	-408	-6.7
Tax effects of non-deductible expenses and permanent differences	475	23.8	399	6.5
Tax effects on income from companies accounted for under the equity method	-61	-3.1	-21	-0.3
Tax effects of changes in value and non-recognition of deferred taxes	-1,264	-63.3	-767	-12.5
Tax effects of other taxes on income	46	2.3	83	1.4
Tax effects of income taxes related to other periods	59	2.9	-246	-4.0
Other	-13	-0.6	-19	-0.3
Effective income taxes/tax rate	**-245**	**-12.3**	**818**	**13.4**

The income tax rate of 31 percent (2021: 31 percent) applicable in Germany is composed of corporate income tax (15 percent), trade tax (15 percent) and the solidarity surcharge (1 percent). The income tax rate of 31 percent corresponds to the tax rate applicable to E.ON SE for 2022. The differences from the effective tax rate are reconciled as follows:

Continuing operations generated tax income of €245 million in the reporting year (2021: tax expense of €818 million). This corresponds to a theoretical tax rate of -12 percent. This was primarily due to a one-off effect from the measurement of deferred tax assets in connection with the development of net pension obligations.

The tax rate on operating earnings was 25 percent (prior year: 23 percent). The use of tax loss carryforwards, which had a positive effect on the tax rate, served to reduce the tax rate on operating earnings in the prior year.

Various temporary differences as well as various unused tax loss carryforwards and tax credits result in the following deferred tax assets and liabilities:

Deferred Tax Assets and Liabilities

	Dec. 31, 2022		Dec. 31, 2021	
€ in millions	**Tax assets**	**Tax liabilities**	**Tax assets**	**Tax liabilities**
Intangible assets	214	555	404	717
Right-of-use assets	5	629	7	622
Property, plant and equipment	418	3,603	453	3,729
Financial assets	266	157	150	142
Inventories	119	1	87	–
Receivables (including derivative financial instruments)	1,916	13,390	1,134	7,548
Provisions for pensions and similar obligations	1,741	11	2,895	45
Miscellaneous provisions	1,758	265	4,446	91
Liabilities (including derivative financial instruments)	14,053	2,327	6,315	2,085
Loss carryforwards	847	–	482	–
Other	1,079	1,022	843	846
Subtotal	**22,416**	**21,960**	**17,216**	**15,825**
Changes in value	-1,170	–	-2,389	–
Deferred taxes (gross)	**21,246**	**21,960**	**14,827**	**15,825**
Netting	-19,167	-19,167	-13,176	-13,176
Deferred taxes (net)	2,079	2,793	1,651	2,649
Current	965	585	478	519

Income tax assets and liabilities consist primarily of income taxes for the respective current year and for prior-year periods that have not yet been definitively examined by the tax authorities. These items can be found in the balance sheet.

As of December 31, 2022, €16 million (2021: €23 million) in deferred tax liabilities were recognized for the differences between net assets and the tax bases of subsidiaries and associated companies (outside basis differences). Accordingly, deferred tax liabilities were not recognized for temporary differences of €3,067 million (2021: €1,718 million) at subsidiaries and associated companies, as E.ON is able to control the timing of their reversal and the temporary difference will not reverse in the foreseeable future.

No deferred tax assets were recognized, or were no longer recognized, on the following tax loss carryforwards, interest carryforwards and other deferred tax assets:

Tax Loss Carryforwards, Tax Interest Carryforwards and Other Tax Credits without Recognition of Deferred Tax Assets

	December 31, 2022			December 31, 2021		
€ in millions	Tax loss carryforwards corporate tax	Tax loss carryforwards trade tax and local income taxes	Tax interest carryforwards and other tax credits	Tax loss carryforwards corporate tax	Tax loss carryforwards trade tax and local income taxes	Tax interest carryforwards and other tax credits
Amounts at the balance sheet date	9,597	2,106	2,545	8,759	1,665	1,713
of which amounts without recognition of deferred taxes	8,371	1,928	2,177	7,475	1,559	1,669
– unlimited duration	*7,925*	*1,859*	*2,177*	*7,006*	*1,466*	*1,669*
– limited duration	*446*	*69*	*–*	*470*	*92*	*–*
– of which up to 5 years	*174*	*69*	*–*	*195*	*92*	*–*
– of which up to 9 years	*272*	*–*	*–*	*–*	*–*	*–*
– of which 10 years or longer	*–*	*–*	*–*	*275*	*–*	*–*

The expiring tax loss carryforwards relate exclusively to countries other than Germany.

Deferred tax assets were not recognized, or are no longer recognized, in the amount of €2,918 million (2021: €12,357 million) for temporary differences which are recognized in income and equity.

Current tax expense was reduced by €4 million (2021: €79 million) due to the use of previously unrecognized tax losses. The change in previously unrecognized tax losses and temporary differences reduced deferred tax expense by €71 million (2021: €446 million).

As of December 31, 2022, E.ON recognized deferred tax assets for companies (primarily in the UK) that incurred losses in the current or the prior-year period which exceed the deferred tax liabilities by €478 million (prior year: €497 million). The basis for recognizing deferred tax assets is an assessment by management based on the development of temporary reversal effects and concrete tax structuring measures of the extent to which it is probable that the respective companies will achieve taxable earnings in the future against which the as yet unused tax losses, tax credits and deductible temporary differences can be offset.

Income taxes recognized in other comprehensive income break down as follows:

Income Taxes of Other Comprehensive Income

€ in millions	2022	2021
Deferred taxes within OCI	124	726
Current taxes within OCI	-13	-13
Total	111	713

Changes in income taxes recognized in other comprehensive income for the years 2022 and 2021 break down as follows:

Changes in Income Taxes of Other Comprehensive Income

	2022			2021		
€ in millions	Before income taxes	Income taxes	After income taxes	Before income taxes	Income taxes	After income taxes
Cash flow hedges	1,591	-183	1,408	648	7	655
Fair value measurement of financial instruments	-155	28	-127	-47	3	-44
Currency translation adjustments	-491	-170	-661	93	–	93
Remeasurements of defined benefit plans	2,426	-277	2,149	2,604	-83	2,521
Companies accounted for under the equity method	616	–	616	-196	1	-195
Total	**3,987**	**-602**	**3,385**	**3,102**	**-72**	**3,030**

Additions and Disposals

Effects from additions and disposals and from discontinued operations resulted in changes in deferred taxes totaling -€21 million (2021: -€100 million).

Changes in deferred tax assets in the current year, with net addition of €1 million, relate mainly to intangible assets (+€12 million), property, plant and equipment (+€11 million) and liabilities (-€18 million). Changes in deferred tax liabilities, with net disposals of -€20 million, relate primarily to intangible assets (+€15 million) property, plant and equipment (-€48 million), receivables (-€11 million) and liabilities (+€25 million).

Changes in deferred tax assets in the prior year, with net disposals of -€55 million, relate mainly to intangible assets (-€27 million), property, plant and equipment (+€94 million), provisions (-€21 million) and value adjustments (-€81 million). Changes in deferred tax liabilities, with net disposals of -€155 million, relate primarily to property, plant and equipment (-€125 million) and receivables (-€47 million).

The VSEH Group has been presented as a disposal group in accordance with IFRS 5 since December 31, 2021. The transaction is expected to close in the second quarter of 2023 (see Note 5). The assets classified as held for sale as of December 31, 2022, include deferred tax liabilities in the amount of €121 million.

Global Minimum Tax

Agreements reached at the global level include the introduction of a global minimum tax rate of 15 percent by more than 135 countries. In December 2021, the OECD published a draft legal framework which was then followed by detailed guidelines in March 2022 for use by individual countries that are signatories to the agreement to amend their local tax laws.

The EU Directive on ensuring this global minimum level of taxation for multinational enterprise groups and large-scale domestic groups came into force in December 2022. The EU member states now have until December 31, 2023, to transpose the Directive into national law.

The E.ON Group may be subject to minimum tax when changes in the tax laws of the countries in which it operates are in force or are expected to be in force in the near future. However, the statutory tax rate relevant for the E.ON Group is already above 15 percent in all jurisdictions. Consequently, current information does not at present indicate that the E.ON Group will be materially affected by this minimum tax. At the date of approval of the Consolidated Financial Statements for publication, minimum tax legislation is not applicable in any of the countries in which the Group operates. The Management Board is closely monitoring the progress of legislation in each country in which the Group operates.

(12) Personnel-Related Information

Personnel Costs

The following table provides details of personnel costs for the periods indicated:

Personnel Costs

€ in millions	2022	2021
Wages and salaries	4,292	4,545
Social security contributions	702	717
Pension costs and other employee benefits	443	575
Pension costs	*420*	*547*
Total	**5,437**	**5,837**

Personnel costs of €5,437 million were €400 million lower than the prior-year figure of €5,837 million. The change is primarily attributable to the lower headcount and to lower expenses for pensions. Expenses for restructuring measures also decreased.

Share-Based Payment

The expenses for share-based payment in 2022 (the E.ON Performance Plan) amounted to €24.6 million (2021: €61.3 million).

Employee Stock Purchase Program

The voluntary employee stock purchase program took place again in 2022, giving employees in the German Group companies the opportunity once again to purchase E.ON shares at favorable conditions. The favorable pricing conditions granted within the framework of the employee stock purchase program (IFRS 2, "Share-based Payment") resulted in personnel expense of €5 million; the offsetting entry was made in equity.

Long-term Variable Compensation

Members of the Management Board of E.ON SE and certain executives of the E.ON Group receive share-based payment as part of their voluntary long-term variable compensation. The purpose of such compensation is to reward their contribution to E.ON's growth and to further the long-term success of the Company. This variable compensation component, comprising a long-term incentive effect along with a certain element of risk, provides for a logical linking of the interests of shareholders and management.

The following discussion includes reports on the E.ON Performance Plan introduced in 2017.

E.ON Performance Plan (EPP)

In the years 2017 to 2022, E.ON granted the members of the Management Board of E.ON SE and certain executives of the E.ON Group virtual shares under the E.ON Performance Plan. The vesting period of each tranche is four years. Vesting periods start on January 1 of each year.

The beneficiary will receive virtual shares in the amount of the agreed target. The conversion into virtual shares will be based on the fair market value on the date when the shares are granted. The number of virtual shares allocated may change during the four-year vesting period. For tranches granted through 2021, the only relevant criterion was the total shareholder return ("TSR") of E.ON stock compared with the TSR of the companies in a peer group ("relative TSR"). The final number of virtual shares allocated in the 2022 tranche depends on three performance criteria, namely, relative TSR, ROCE, and the E.ON Sustainability Index.

The TSR is the return on E.ON stock, which takes into account the stock price plus the assumption of reinvested dividends, adjusted for changes in capital. The peer group used for relative TSR will be the other companies in E.ON's peer index, the STOXX® Europe 600 Utilities. During a tranche's vesting period, E.ON's TSR performance is measured once a year in comparison with the companies in the peer group and set for that year.

The E.ON Sustainability Index reflects the four most relevant ESG aspects (ESG = Environment, Social, Governance) at E.ON. In 2022 these aspects were: climate action, diversity, health and safety, and ESG ratings.

For the tranches granted up to and including 2021, the final number of virtual shares is determined as follows: E.ON's TSR performance in a given year determines the final number of one-fourth of the virtual shares granted at the beginning of the vesting period. If target attainment in a year is below the threshold defined by the Supervisory Board upon allocation, the number of virtual shares is reduced by one-fourth. If E.ON's performance is at the upper cap or above, the fourth of the virtual shares allocated for the year in question will increase, but to a maximum of 150 percent.

For the tranche granted in 2022, in addition to TSR (50 percent weighting), ROCE (25 percent weighting) and the E.ON Sustainability Index (25 percent weighting) are also taken into account as performance criteria.

The resulting number of virtual shares at the end of the vesting period is multiplied by the average price of E.ON stock in the final 60 days of the vesting period. This amount is increased by the dividends distributed on E.ON stock during the vesting period and then paid out. The sum of the payouts is capped at 200 percent of the agreed target.

The virtual shares are canceled if the employment relationship of the beneficiary ends before the end of the term for reasons within the control of the beneficiary. If the employment relationship of the beneficiary is terminated before retirement, through the end of a limited term or for operational reasons before the end of the term, the virtual shares do not expire but are settled at maturity.

If the employment relationship ends before maturity due to death or permanent invalidity, the virtual shares are settled before maturity. The same shall apply in the case of a change in control related to E.ON SE and also if the allocating company leaves the E.ON Group before maturity.

The following are the base parameters of the tranches of the E.ON Performance Plan active in 2022:

E.ON Performance Plan Virtual Shares

	6th tranche	5th tranche	4th tranche	3rd tranche
Date of issuance	Jan. 1, 2022	Jan. 1, 2021	Jan. 1, 2020	Jan. 1, 2019
Term	4 years	4 years	4 years	4 years
Target value at issuance	€ 12.76	€ 7.65	€ 7.88	€ 6.68

The provision for the third, fourth, fifth and sixth tranches of the E.ON Performance Plan as of the balance sheet date is €92.9 million (2021: €89.1 million). The expense for the third, fourth, fifth and sixth tranches amounted to €24.6 million in the 2022 fiscal year (2021: €61.3 million).

Employees

In 2022, E.ON employed an average personnel of 68,888 (2021: 71,630). Part-time employees were taken into account on a pro rata basis when this figure was calculated. In addition, an average of 2,033 apprentices were employed in the reporting year in Germany (2021: 2,115).

The breakdown by segment is shown in the following table:

Employees–Core Workforce[1]

FTE[2]	2022	2021
Energy Networks	38,172	38,722
Customer Solutions	25,106	27,217
Corporate Functions/Other	3,930	3,915
Core Business	**67,208**	**69,854**
Non-Core Business	1,680	1,776
E.ON Group	**68,888**	**71,630**

[1]Excluding apprentices, interns and working students.
[2]Full-time Equivalents.

(13) Other Information

German Corporate Governance Code

On December 14, 2022, the Management Board and the Supervisory Board of E.ON SE made a declaration of compliance pursuant to Section 161 of the German Stock Corporation Act ("AktG"). The declaration has been made permanently and publicly accessible to stockholders on the Company's Website (www.eon.com).

Fees and Services of the Independent Auditor

During 2022, the following fees were recorded as expenses for the services provided by the independent auditor of the Consolidated Financial Statements, KPMG and by companies in the international KPMG network:

Independent Auditor Fees

€ in millions	**2022**	**2021**
Financial statement audits	32	29
Domestic	23	21
Other attestation services	6	4
Domestic	6	4
Tax advisory services	1	1
Domestic	–	1
Other services	0	0
Domestic	0	0
Total	39	34
Domestic	29	26

The auditor fees relate to the audit of the Consolidated Financial Statements and the legally mandated financial statements of E.ON SE and its affiliates. They also include fees for auditing reviews of the IFRS interim financial statements and other audit services directly required by the audit of the Consolidated Financial Statements.

The fees for other attestation services include all attestation services that are not auditing services and are not used in connection with the audit of the Consolidated Financial Statements. These costs are for the legally required attestation services and for other voluntary attestation services (e.g., resulting from the audit of sustainability reporting, Renewable Energy Sources Act [EEG] and the Act on Combined Heat and Power Generation [KWKG] and in connection with new IT systems).

The fees for tax consulting services relate to services in the area of tax compliance at E.ON units abroad.

List of Shareholdings

The list of shareholdings pursuant to Section 313 (2) HGB is an integral part of these Notes to the Financial Statements and is presented in Note 38.

(14) Earnings per Share

The computation of basic and diluted earnings per share for the periods indicated is shown below:

Earnings per Share

€ in millions	2022	2021
Income/loss from continuing operations	2,242	5,305
Less: Non-controlling interests	-411	-614
Income/loss from continuing operations (attributable to shareholders of E.ON SE)	**1,831**	**4,691**
Income/loss from discontinued operations, net	–	–
Less: Non-controlling interests	–	–
Income/loss from discontinued operations, net (attributable to shareholders of E.ON SE)	**–**	**–**
Net income/loss attributable to shareholders of E.ON SE	**1,831**	**4,691**
in €		
Earnings per share (attributable to shareholders of E.ON SE)		
from continuing operations	0.70	1.80
from discontinued operations	–	–
from net income/loss	**0.70**	**1.80**
Weighted-average number of shares outstanding (in millions)	2,609	2,608

The computation of diluted earnings per share is identical to that of basic earnings per share because E.ON SE has issued no potentially dilutive ordinary shares. The increase in the weighted-average number of shares outstanding resulted primarily from the issue of treasury shares in E.ON SE under the voluntary employee stock purchase program.

(15) Goodwill, Intangible Assets, Right-of-use Assets and Property, Plant and Equipment

The changes in goodwill and intangible assets, in right-of-use assets, and in property, plant and equipment, are presented in the tables on the following pages:

Goodwill, Intangible Assets, Right-of-use Assets and Property, Plant and Equipment

	Acquisition and production costs							Accumulated depreciation								Net carrying amounts
€ in millions	Jan. 1, 2022	Exchange rate differences	Changes in scope of consolidation[1]	Additions	Disposals	Transfers	Dec. 31, 2022	Jan. 1, 2022	Exchange rate differences	Changes in scope of consolidation[1]	Additions	Disposals	Transfers	Impairment	Reversals	Dec. 31, 2022	Dec. 31, 2022
Goodwill	**19,192**	**-142**	**-251**[2]	–	–	–	**18,799**	**-1,784**	**6**	–	–	–	–	**-4**	–	**-1,782**	**17,017**
Customer relationships and similar items	2,152	-28	-34	–	-13	–	2,077	-1,228	20	29	-215	5	–	–	–	-1,389	688
Concessions, commercial property rights, licenses, and similar rights	3,089	-21	-19	306	-80	119	3,394	-1,200	9	–	-360	69	-3	-1	1	-1,485	1,909
Development expenditures	902	-26	-4	77	-5	79	1,023	-517	18	10	-139	5	–	-1	–	-624	399
Advance payments	366	-2	–	280	-6	-169	469	-11	-1	–	–	–	–	–	–	-12	457
Intangible assets	**6,509**	**-77**	**-57**	**663**	**-104**	**29**	**6,963**	**-2,956**	**46**	**39**	**-714**	**79**	**-3**	**-2**	**1**	**-3,510**	**3,453**
Land and buildings	830	-13	-1	111	-75	-26	826	-285	6	-1	-111	37	12	-3	–	-345	481
Networks	2,197	–	1	281	-41	–	2,438	-458	–	-1	-229	19	–	–	–	-669	1,769
Storage, e-charging and production capacities	17	–	–	1	-15	–	3	-4	–	–	–	3	–	–	–	-1	2
Technical equipment and machine	34	–	–	10	-1	–	43	-9	1	–	-4	–	–	–	–	-12	31
Fleet, office and business equipment	202	-7	-5	50	-42	-5	193	-100	2	6	-49	38	4	–	–	-99	94
Right-of-use assets	**3,280**	**-20**	**-5**	**453**	**-174**	**-31**	**3,503**	**-856**	**9**	**4**	**-393**	**97**	**16**	**-3**	**–**	**-1,126**	**2,377**
Real estate and leasehold rights	1,203	-15	–	8	-30	6	1,172	-79	3	–	-3	4	–	–	–	-75	1,097
Buildings	4,484	-35	-1	83	-509	96	4,118	-1,974	15	–	-132	484	-3	-4	1	-1,613	2,505
Technical equipment, plant and machinery	57,533	-848	-612	2,175	-722	1,030	58,556	-27,486	401	56	-1,944	435	-7	-32	16	-28,561	29,995
Other equipment, fixtures, furniture and office equipment	1,400	-6	-10	132	-164	43	1,395	-845	6	-5	-140	154	-6	-1	–	-837	558
Advance payments and construction in progress	2,717	-46	-25	1,905	-75	-1,149	3,327	-93	1	–	–	36	1	-8	–	-63	3,264
Property, plant and equipment	**67,337**	**-950**	**-648**	**4,303**	**-1,500**	**26**	**68,568**	**-30,477**	**426**	**51**	**-2,219**	**1,113**	**-15**	**-45**	**17**	**-31,149**	**37,419**

[1]Also include reclassifications to assets/disposal groups held for sale.
[2]Relates to the derecognition in goodwill in connection with the pro rata disposal of Westconnect GmbH (see Note 5)".

Changes in Goodwill and in Other Reversals and Impairment Charges by Segment from January 1, 2022

	Energy Networks			Customer Solutions				Non-Core Business			
€ in millions	Germany	Sweden	CEE/ Turkey	Germany	UK	Nether-lands	Other	Preussen-Elektra	Generation Turkey	Corporate Functions/ Other	E.ON Group
Net carrying amount of goodwill as of January 1, 2022	7,848	90	252	6,752	1,950	73	443	–	–	–	17,408
Changes resulting from acquisitions and disposals	–	–	–	–	–	–	–	–	–	–	–
Impairment charges	–	–	–	–	–	–	-4	–	–	–	-4
Other changes[1]	-251	-7	-16	–	-102	–	-11	–	–	–	-387
Net carrying amount of goodwill as of December 31, 2022	**7,597**	**83**	**236**	**6,752**	**1,848**	**73**	**428**	**–**	**–**	**–**	**17,017**
Growth rate (in %)[2, 3]	1.25	–	–	1.25	1.25	–	–	–	–	–	–
Cost of capital (in %)[2, 3]	3.9	–	–	5.5	5.9	–	–	–	–	–	–
Other non-current assets[4]											
Impairment	-3	–	–	-19	-20	–	-8	–	–	–	-50
Reversals	–	–	17	–	–	–	1	–	–	–	18

[1]Other changes include effects from intragroup restructuring, transfers, exchange rate differences and reclassifications to assets held for sale.
2Presented here are the growth rates and cost of capital for selected cash-generating units whose respective goodwill is material when compared with the carrying amount of all goodwill.
3Energy Networks Germany was valued with a detailed planning period of 3 years and on the basis of the regulatory asset base.
4Other non-current assets consist of intangible assets, right-of-use assets and of property, plant and equipment.

Goodwill, Intangible Assets, Right-of-use Assets and Property, Plant and Equipment

	Acquisition and production costs							Accumulated depreciation								Net carrying amounts
€ in millions	Jan. 1, 2021	Exchange rate differences	Changes in scope of consolidation[1]	Additions	Disposals	Transfers	Dec. 31, 2021	Jan. 1, 2021	Exchange rate differences	Changes in scope of consolidation[1]	Additions	Disposals	Transfers	Impairment	Reversals	Dec. 31, 2021	Dec. 31, 2021
Goodwill	**19,611**	**133**	**-552**	**–**	**–**	**–**	**19,192**	**-1,784**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**-1,784**	**17,408**
Customer relationships and similar items	2,286	12	-154	1	-102	109	2,152	-945	-12	38	-270	102	-108	-33	–	-1,228	924
Concessions, commercial property rights, licenses, and similar rights	3,211	-12	-112	662	-788	128	3,089	-1,328	3	41	-453	613	-5	-71	–	-1,200	1,889
Development expenditures	888	26	1	96	-197	88	902	-573	-19	–	-126	197	7	-3	–	-517	385
Advance payments	334	2	–	249	-27	-192	366	-18	-1	–	-1	20	–	-11	–	-11	355
Intangible assets	**6,719**	**28**	**-265**	**1,008**	**-1,114**	**133**	**6,509**	**-2,864**	**-29**	**79**	**-850**	**932**	**-106**	**-118**	**–**	**-2,956**	**3,553**
Land and buildings	779	9	-9	114	-62	-1	830	-204	-3	3	-110	30	–	-1	–	-285	545
Networks	2,102	–	–	222	-126	-1	2,197	-274	1	25	-213	2	1	–	–	-458	1,739
Storage, e-charging and production capacities	17	–	–	–	–	–	17	-2	–	–	-2	–	–	–	–	-4	13
Technical equipment and machine	30	–	–	5	-1	–	34	-6	–	–	-4	1	–	–	–	-9	25
Fleet, office and business equipment	178	4	-3	72	-49	–	202	-77	-3	–	-53	33	–	–	–	-100	102
Right-of-use assets	**3,106**	**13**	**-12**	**413**	**-238**	**-2**	**3,280**	**-563**	**-5**	**28**	**-382**	**66**	**1**	**-1**	**–**	**-856**	**2,424**
Real estate and leasehold rights	1,152	-1	57	16	-23	2	1,203	-58	-1	-17	-4	2	–	-1	–	-79	1,124
Buildings	3,980	13	51	67	1	372	4,484	-1,817	-6	-1	-151	8	-3	-4	–	-1,974	2,510
Technical equipment, plant and machinery	58,485	92	-1,190	2,071	-2,738	813	57,533	-28,034	-52	166	-2,171	2,541	75	-30	19	-27,486	30,047
Other equipment, fixtures, furniture and office equipment	1,483	11	-164	130	-132	72	1,400	-783	-7	25	-164	122	-35	-3	–	-845	555
Advance payments and construction in progress	2,569	4	-39	1,520	-5	-1,332	2,717	-54	-1	–	–	1	–	-40	1	-93	2,624
Property, plant and equipment	**67,669**	**119**	**-1,285**	**3,804**	**-2,897**	**-73**	**67,337**	**-30,746**	**-67**	**173**	**-2,490**	**2,674**	**37**	**-78**	**20**	**-30,477**	**36,860**

[1]Also include reclassifications to assets/disposal groups held for sale.

Changes in Goodwill and in Other Reversals and Impairment Charges by Segment from January 1, 2021

	Energy Networks			Customer Solutions				Non-Core Business			
€ in millions	Germany	Sweden	CEE/ Turkey	Germany	UK	Netherlands	Other	Preussen-Elektra	Generation Turkey	Corporate Functions/ Other	E.ON Group
Net carrying amount of goodwill as of January 1, 2021	**7,879**	**92**	**760**	**6,752**	**1,823**	**78**	**443**	**–**	**–**	**–**	**17,827**
Changes resulting from acquisitions and disposals	–	–	-76	–	–	–	-5	–	–	–	-81
Impairment charges	–	–	–	–	–	–	–	–	–	–	–
Other changes[1]	-31	-2	-432	–	127	-5	5	–	–	–	-338
Net carrying amount of goodwill as of December 31, 2021	**7,848**	**90**	**252**	**6,752**	**1,950**	**73**	**443**	**–**	**–**	**–**	**17,408**
Growth rate (in %)[2, 3]	0.5	–	–	0.5	0.5	–	–	–	–	–	–
Cost of capital (in %)[2, 3]	3.1	–	–	4.9	4.8	–	–	–	–	–	–
Other non-current assets[4]											
Impairment	-18	–	-75	-1	-46	-2	-12	-31	–	-12	-197
Reversals	1	–	19	–	–	–	–	–	–	–	20

[1]Other changes include effects from intragroup restructuring, transfers, exchange rate differences and reclassifications to assets held for sale.
2Presented here are the growth rates and cost of capital for selected cash-generating units whose respective goodwill is material when compared with the carrying amount of all goodwill.
3Energy Networks Germany was valued with a detailed planning period of 3 years and on the basis of the regulatory asset base.
4Other non-current assets consist of intangible assets, right-of-use assets and of property, plant and equipment.

Goodwill and Intangible Assets

The changes in goodwill within the segments, as well as the allocation of impairments and their reversals to each reportable segment, are presented in the tables above.

Impairments

To perform the impairment tests, E.ON first determines the fair values less costs of disposal of its cash-generating units. Because there were no binding sales transactions or market prices for the respective cash-generating units in 2022, fair values were calculated based on discounted cash flow methods.

Valuations are based on the medium-term corporate planning authorized by the Management Board. The calculations for impairment-testing purposes are generally based on the three planning years of the medium-term plan plus two additional detailed planning years. Deviations from this are made in certain justified exceptional cases. The cash flow assumptions extending beyond the detailed planning period are determined using sustainable, currency-specific growth rates based on the analysis of past years and predictions for the future. In 2022, the sustainable, currency-specific inflation rate used for the euro area was 1.25 percent (2021: 0.5 percent). The discount rates after taxes used for discounting cash flows in the annual impairment test are calculated using market data for each cash-generating unit, and as of the valuation date, ranged between 3.9 and 13.0 percent after taxes (2021: between 3.1 and 8.5 percent).

The principal assumptions underlying the determination by management of recoverable amount are the respective forecasts for E.ON's investment activity, changes in the regulatory framework, as well as for rates of growth and the cost of capital, of revenue and EBITDA margin (in the Customer Solutions business) and Regulatory Asset Base and regulatory return (in the Energy Networks business). The assumptions used in these forecasts regarding the development of commodity market prices, future electricity and gas prices in the wholesale and retail markets are based on external market data from reputable suppliers as well as internal assessments and also appropriately take into account climate-related impacts on market conditions and macroeconomic linkages as well as the sustainability targets anchored in the Group strategy, such as the reduction of Scope 3 emissions by 100 percent by 2050. For example, impacts of climate targets on CO_2 prices and changing weather conditions (temperature, wind, etc.) are included. The assumed development of all of the key influencing factors mentioned corresponds to the expectations set out in the forecast report.

The above discussion applies accordingly to the testing for impairment of intangible assets and of property, plant and equipment and investments subject to the application of the equity method (IAS 28), and of groups of these assets. If the goodwill of a cash-generating unit is combined with assets or groups of assets for impairment testing, the assets must be tested first.

Goodwill

Unlike in the previous year, the goodwill impairment testing performed in 2022 resulted in the recognition of an impairment charge under IAS 36. Goodwill of €4 million was fully impaired in the Customer Solutions Romania cash-generating unit. The new carrying amount of this cash-generating unit based on fair value less costs to sell is €370 million. An impairment loss was also recognized on the goodwill of the Slovakian operations after they were classified as held for sale under IFRS 5 from the fourth quarter of 2021 (see Note 5 for more information). This required impairment amounted to approximately €61 million. It is due to the fact that the fair value less costs of disposal is below the carrying amount of the disposal group. An impairment loss in such a case will always be allocated first to the carrying amount of any goodwill allocated to the disposal group (see also Note 5).

The tested goodwill of all cash-generating units whose respective goodwill as of the balance sheet date is material in relation to the total carrying amount of all goodwill shows a surplus of recoverable amounts over the respective carrying amounts and, therefore, based on current assessment of the economic situation, only a significant change in the material valuation parameters that is not considered realistic would necessitate the recognition of goodwill impairment.

Intangible Assets

In 2022, approximately €2 million of impairments were recognized on intangible assets.

Reversals of impairments on intangible assets only in the amount of €1 million were recognized in the reporting year.

In 2022, the Company recorded an amortization expense on intangible assets of €714 million (2021: €850 million).

The closing balance of intangible assets not subject to amortization amounted to €308 million as of December 31, 2022 (2021: €307 million). These assets are mainly attributable to the Energy Networks Germany segment and are largely attributable to easements/rights of way for which the contractual basis does not provide for a time limitation.

€68 million in research and development costs as defined by IAS 38 were expensed in the reporting year (2021: €59 million).

Rights of Use

In 2022, the Company recorded an amortization expense of €393 million (2021: €382 million). Impairment charges on rights of use amounted to €3 million (2021: €1 million).

Property, Plant and Equipment

Impairments on property, plant and equipment in 2022 amounted to €45 million. The two cash-generating units that were most affected were Customer Solutions Germany (€18 million) and Customer Solutions UK (€16 million). In the UK, the write-downs primarily related to the full write-off of traditional meters that are no longer needed and which have been replaced by smart energy meters. The impairment loss in the Customer Solutions Germany segment was attributable to various items, primarily generation plants due to lower earnings expectations.

Reversals of impairments on property, plant and equipment totaled around €17 million in the reporting year (2021: €20 million), of which €16 million related to the Energy Networks Hungary segment due to increased earnings expectations for assets in the distribution network area.

Depreciation amounted to €2,219 million in 2022 (2021: €2,490 million).

Borrowing costs in the amount of €8 million were capitalized in 2022 (2021: €7 million) as part of the historical cost of property, plant and equipment.

(16) Companies Accounted for under the Equity Method and Other Financial Assets

The following table shows the structure of the companies accounted for under the equity method and the other financial assets as of the dates indicated:

Companies Accounted for under the Equity Method and Other Financial Assets

	December 31, 2022			December 31, 2021		
€ in millions	E.ON-Group	Associates[1]	Joint Ventures[1]	E.ON-Group	Associates[1]	Joint Ventures[1]
Companies accounted for under the equity method	5,532	2,596	2,936	4,083	2,618	1,465
Equity investments	2,191	788	256	2,147	754	230
Non-current securities	1,347	–	–	1,699	–	–
Total	**9,070**	**3,384**	**3,192**	**7,929**	**3,372**	**1,695**

[1]The associates and joint ventures presented as equity investments are associated companies and joint ventures accounted for at cost on materiality grounds.

Companies accounted for under the equity method consist solely of associates and joint ventures.

The €1,449 million increase in the carrying amounts of companies measured at equity compared with December 31, 2021, was mainly due to the addition of the investment in Westconnect GmbH (€702 million) and the application of IAS 29 in Turkey.

The net income from companies measured at equity of €279 million includes impairments of €878 (2021: €10 million) and reversals of impairment losses of €311 million (2021: €2 million). These impairments and reversals primarily relate to the first-time application of IAS 29 in Turkey.

In April 2022, Turkey was classified as a hyperinflationary economy. Consequently, since the second quarter of 2022, the financial statements prepared on the basis of historical cost have been adjusted in accordance with IAS 29 for the first time for two Turkish investees included in the Group using the equity method (joint ventures). Under IAS 29, financial statements in the functional currency of a hyperinflationary economy must be expressed in terms of the measuring unit current at the balance sheet date. As a result, among other things, non-monetary assets and liabilities are generally adjusted using a general price index and a gain or loss on the net monetary position is recognized. The adjustment under IAS 29 is made on the basis of the consumer price index as of December 31, 2022, published by the Turkish Statistical Institute, which amounted to 1,128.45 index points (June 30, 2022: 977.90; December 31, 2021: 686.95).

The transition effect as of January 1, 2022, amounted to €612 million (in foreign currency OCI), partially offset by a write-down in accumulated retained earnings (-€381 million).

The amount shown for non-current securities relates primarily to fixed-income securities.

Impairments on other financial assets amounted to €30 million (2021: €29 million). Write-ups totaled €3 million (2021: €10 million). The carrying amount of other financial assets with impairment losses was €30 million as of the end of the fiscal year (2021: €3 million); the carrying amount of the other financial assets written up amounts to €4 million (2021: €17 million).

Shares in Companies Accounted for under the Equity Method

The carrying amounts of the immaterial associates accounted for under the equity method totaled €1,445 million (2021: €1,398 million), and those of the joint ventures totaled €1,015 million (2021: €646 million).

Investment income generated from companies accounted for under the equity method amounted to €441 million in 2022 (2021: €405 million).

The following table provides an overview of material items in the aggregated consolidated statements of comprehensive income of the immaterial associates and joint ventures accounted for using the equity method:

Summarized Financial Information for Individually Non-Material Associates and Joint Ventures Accounted for under the Equity Method

	Associates		Joint ventures		Total	
€ in millions	2022	2021	2022	2021	2022	2021
Proportional share of net income from continuing operations	148	154	140	86	288	240
Proportional share of other comprehensive income	5	-1	1	2	6	1
Proportional share of total comprehensive income	**153**	**153**	**141**	**88**	**294**	**241**

The following tables summarize significant line items of the aggregated statements of comprehensive income of the associates and joint ventures that are accounted for under the equity method. The material associates in the E.ON Group are RheinEnergie AG, Dortmunder Energie- und Wasserversorgung GmbH and GASAG Berliner Gaswerke AG.

Material Associates—Balance Sheet Data as of December 31

	RheinEnergie AG		Dortmunder Energie- und Wasserversorgung GmbH		GASAG Berliner Gaswerke AG	
€ in millions	2022	2021	2022	2021	2022	2021
Non-current assets[1]	3,011	3,082	1,617	1,529	2,099	2,057
Current assets	771	719	151	135	664	582
Current liabilities (including provisions)	560	555	275	221	752	565
Non-current liabilities (including provisions)	1,513	1,487	998	986	1,211	1,103
Equity	1,709	1,759	495	457	801	971
Non controlling interests	–	–	–	–	5	4
Ownership interest (in %)	20.00	20.00	39.90	39.90	36.85	36.85
Proportional share of equity	342	352	198	182	295	358
Consolidation adjustments	174	166	37	55	106	107
Carrying amount of equity investment	516	518	234	237	401	465

[1]Undisclosed accruals/provisions from acquisitions are recognized in assets.

Material Associates—Earnings Data

	RheinEnergie AG		Dortmunder Energie- und Wasserversorgung GmbH		GASAG Berliner Gaswerke AG	
€ in millions	2022	2021	2022	2021	2022	2021
Sales	3,631	2,471	1,136	854	1,609	1,357
Net income/loss from continuing operations	71	20	-19	28	71	87
Non-controlling interests in the net income/loss from continuing operations	–	–	–	–	1	1
Net income from discontinued operations	–	–	–	–	5	–
Dividend paid out to E.ON	28	30	13	11	20	13
Other comprehensive income	19	9	30	13	-198	238
Total comprehensive income	90	29	11	41	-122	326
Ownership interest (in %)	20.00	20.00	39.90	39.90	36.85	36.85
Proportional share of total comprehensive income after taxes	18	6	4	16	-45	120
Proportional share of net income after taxes	14	4	-8	11	28	32
Consolidation adjustments	8	7	6	16	1	1
Equity-method earnings	**22**	**11**	**-2**	**27**	**29**	**33**

The Group adjustments shown in the tables mainly relate to goodwill determined as part of initial recognition, temporary differences, changes in ownership interests, exchange rate effects, impairments recognized at group level and effects from the elimination of intragroup profits.

Presented in the tables at the side are significant line items of the aggregated balance sheets and of the aggregated income statements of the joint ventures accounted for under the equity method, Enerjisa Enerji A.Ş., Enerjisa Üretim Santralleri A.Ş. and Westconnect GmbH.

The material associates and the material joint ventures are active in diverse areas of the gas and electricity industries as well as telecommunications. Disclosures of company names, registered offices and equity interests as required by IFRS 12 for material joint arrangements and associates can be found in the list of shareholdings pursuant to Section 313 (2) HGB (see Note 38).

As of December 31, 2022, the investment in Enerjisa Enerji A.Ş. is marketable. The pro rata market value amounted to €853 million as of December 31, 2022 (2021: €399 million). The carrying amount is €712 million as of December 31, 2022. The free float in the company totals 20 percent, with E.ON and Haci Ömer Sabanci Holding A.Ş. holding half of the remaining shares; from E.ON's perspective, Enerjisa Enerji A.Ş. is therefore a joint venture.

Of investments in companies accounted for under the equity method, the shareholdings in companies with a carrying amount of €702 million (2021: €129 million) are restricted because it was pledged as collateral for financing as of the balance sheet date.

There are no further material restrictions apart from those contained in standard legal and contractual provisions.

Material Joint Ventures—Balance Sheet Data as of December 31

	Westconnect GmbH[1]		Enerjisa Enerji A.Ş.		Enerjisa Üretim Santralleri A.Ş.	
€ in millions	2022	2021	2022	2021	2022	2021
Non-current assets	1,557	–	2,684	1,199	2,276	803
Current assets	70	–	1,159	865	734	420
Current liabilities (including provisions)	67	–	1,585	935	580	341
Non-current liabilities (including provisions)	161	–	478	510	342	403
Cash and cash equivalents	34	–	419	27	261	230
Current financial liabilities	–	–	410	424	161	168
Non-current financial liabilities	17	–	222	318	317	384
Equity	1,399	–	1,780	620	2,089	480
Ownership interest (in %)	50.00	–	40.00	40.00	50.00	50.00
Proportional share of equity	699	–	712	248	1,044	240
Consolidation adjustments	3	–	–	5	-537	15
Carrying amount of equity investment	**702**	**–**	**712**	**253**	**507**	**255**

[1]First-time consolidation as of November 01, 2022 (see also Note 5)

Material Joint Ventures—Earnings Data

	Westconnect GmbH[1]		Enerjisa Enerji A.Ş.		Enerjisa Üretim Santralleri A.Ş.	
€ in millions	2022	2021	2022	2021	2022	2021
Sales	12	–	4,619	2,000	3,266	1,062
Net income/loss from continuing operations	-2	–	621	140	462	75
Write-downs	-6	–	-89	-42	-121	-73
Interest income/expense	-1	–	-211	-83	-12	-21
Income taxes	–	–	503	-56	-5	8
Dividend paid out to E.ON	–	–	37	47	93	32
Other comprehensive income	–	–	620	-274	2,066	-436
Total comprehensive income	-2	–	1,241	-134	2,528	-361
Ownership interest (in %)	50.00	–	40.00	40.00	50.00	50.00
Proportional share of total comprehensive income after taxes	-1	–	496	-54	1,264	-181
Proportional share of net income after taxes	-1	–	248	56	231	38
Consolidation adjustments	–	–	–	20	-537	16
Equity-method earnings	**-1**	**–**	**248**	**76**	**-306**	**54**

[1]First-time consolidation as of November 01, 2022 (see also Note 5)

(17) Inventories

The following table provides a breakdown of inventories as of the dates indicated:

Inventories

	December 31,	
€ in millions	2022	2021
Raw materials and supplies	618	500
Goods purchased for resale	1,140	227
Work in progress and finished products	446	324
Total	**2,204**	**1,051**

The cost of raw materials, goods purchased for resale and finished products is primarily determined based on the average cost method.

Write-downs totaled €17 million in 2022 (2021: €70 million). Reversals of write-downs amounted to €13 million in 2022 (2021: €10 million).

The change in inventories compared to December 31, 2021, is mainly attributable to the significant increase in stored gas reserves.

No inventories have been pledged as collateral.

(18) Receivables and Other Assets

The following table lists receivables and other assets by remaining time to maturity as of the dates indicated:

Receivables and Other Assets

	December 31, 2022		December 31, 2021	
€ in millions	Current	Non-current	Current	Non-current
Receivables from finance leases[1]	33	233	44	217
Other financial receivables and financial assets	1,786	801	1,548	761
Financial receivables and other financial assets	**1,819**	**1,034**	**1,592**	**978**
Trade receivables	10,422	–	9,947	–
Receivables from derivative financial instruments	22,506	8,240	14,749	8,610
Contract assets	29	28	28	4
Other assets	142	161	90	333
Other operating assets	3,348	857	3,297	863
Trade receivables and other operating assets	36,447	9,286	28,111	9,810
Total	38,266	10,320	29,703	10,788

[1]See also note 33.

As of the reporting date, other financial assets include receivables from interests in jointly owned power plants of €84 million (2021: €138 million).

Receivables from derivative financial instruments amounted to €30,746 million at the balance sheet date (2021: €23,359 million). The increase is primarily due to price developments on the commodity markets during the course of the year.

Receivables within the scope of IFRS 15 mainly comprise trade receivables. Impairment losses on receivables within the scope of IFRS 15 totaled €0.7 billion in 2022 (2021: €0.3 billion).

The following table presents the changes in other assets under IFRS 15:

Other Assets

€ in millions	2022	2021
Amortization and impairment	273	290
Balance as of December 31	**304**	**423**

The following table shows the opening and closing balances of contractual assets within the meaning of IFRS 15:

Contract Assets

€ in millions	2022	2021
Balance as of January 1	32	31
Balance as of December 31	**57**	**32**

In addition, the E.ON Group had contingent assets as of December 31, 2022, of just over €23 million (2021: €15 million).

The Federal Constitutional Court declared in Case No. 2 BvL 29/14 that section 36(6a) of the Corporate Tax Act (Körperschaftsteuergesetz – KStG) as amended by the Tax Act 2010 (Jahressteuergesetz 2010) is incompatible with the Basic Law. Based on this court order, the provision may result in an unjustified loss of potential to reduce a company's corporate tax that could have been realized at the time of the transition from the "imputation system" (Anrechnungsverfahren) to the "half-income system" (Halbeinkünfteverfahren). The legislator is required to remedy the violation of constitutional law by December 31, 2023, with retroactive effect. It is not currently clear how the legislator will structure the new regulation. Depending on how the new legislation is enacted, this could potentially result in a tax refund for E.ON SE in the future of up to a low, three-digit million euro amount in the context of ongoing appeal proceedings.

(19) Liquid Funds

The following table provides a breakdown of liquid funds by original maturity as of the dates indicated:

Liquid Funds

	December 31,	
€ in millions	2022	2021
Securities and fixed-term deposits	1,600	1,596
Current securities with an original maturity greater than 3 months	*1,600*	*1,596*
Restricted liquid funds	452	735
Cash and cash equivalents	7,324	3,634
thereof subject to an only contractual restriction	*351*	*–*
Total	**9,376**	**5,965**

Cash and cash equivalents include €6,001 million (2021: €2,371 million) in cash, checks, cash on hand and balances at financial institutions with an original maturity of less than three months. Cash and cash equivalents also include, in particular, money market funds in the amount of €1,200 million (2021: €1,250 million) which meet the definition of cash and cash equivalents. Cash and cash equivalents in the amount of €351 million (2021: €0 million) which are subject to an only contractual restriction comprise mainly advance payments in connection with government intervention measures.

(20) Capital Stock

The capital stock is subdivided into 2,641,318,800 registered shares with no par value (no-par-value shares) and amounts to €2,641,318,800 (2021: €2,641,318,800). The capital stock of the Company was provided by way of conversion of E.ON AG into a European Company (SE) and through a capital increase carried out on March 20, 2017, partially using the Authorized Capital 2012, which expired on May 2, 2017, and through a capital increase entered in the commercial register of the Company on September 19, 2019, making extensive use of the Authorized Capital 2017.

Pursuant to a resolution by the Annual Shareholders Meeting of May 28, 2020, the Management Board is authorized to purchase own shares until May 27, 2025. The shares purchased, combined with other treasury shares in the possession of the Company, or attributable to the Company pursuant to Sections 71a et seq. AktG, may at no time exceed 10 percent of its capital stock. The Management Board was authorized at the aforementioned Annual Shareholders Meeting to cancel any shares thus acquired without requiring a separate shareholder resolution for the cancellation or its implementation. The total number of outstanding shares as of December 31, 2022, was 2,610,379,492 (December 31, 2021: 2, 608,995,172). As of December 31, 2022, E.ON SE held a total of 30,939,308 treasury shares (December 31, 2021: 32,323,628) having a book value of €1,067 million (equivalent to approximately 1.17 percent or €30,939,308 of the capital stock).

The Company has further been authorized by the Annual Shareholders Meeting of May 28, 2020, to buy shares using derivatives (put or call options, or a combination of both). When derivatives in the form of put or call options, or a combination of both, are used to acquire shares, the option transactions must be conducted with a financial institution or a company operating in accordance with Section 53 (1) sentence 1 or Section 53b (1) sentence 1 or (7) of the German Banking Act (KWG) or at market terms on the stock exchange. No shares were acquired in the reporting year using this purchase model.

In 2022, employees of German E.ON Group companies had the opportunity to purchase E.ON shares at favorable conditions under a voluntary employee stock purchase program. The employees received a grant of €360 on the shares subscribed by them in the period from September 1 to September 30, 2022. The applicable issue price of the E.ON share was €8.922. A total of 1,384,320 shares, or 0.05 percent of the share capital of E.ON SE, were used and issued to employees with a weighted-average purchase price of €19.59 per share.

No scrip dividend was offered in the 2022 fiscal year.

Authorized Capital

By shareholder resolution adopted at the Annual Shareholders Meeting of May 28, 2020, the Management Board was authorized, subject to the Supervisory Board's approval, to increase until May 27, 2025, the Company's capital stock by a total of up to €528,000,000 through one or more issuances of new registered no-par-value shares against contributions in cash and/or in kind (authorized capital pursuant to Sections 202 et seq. AktG, Authorized Capital 2020).

Subject to the Supervisory Board's approval, the Management Board is authorized to exclude shareholders' subscription rights.

Conditional Capital

At the Annual Shareholders Meeting of May 28, 2020, shareholders approved a conditional increase of the capital stock (with the option to exclude shareholders' subscription rights) in the amount of up to €264 million (Conditional Capital 2020).

The conditional capital increase will be used to grant registered no-par-value shares to the holders of convertible bonds or bonds with warrants, profit participation rights or income bonds (or combinations of these instruments), in each case with option rights, conversion rights, option obligations and/or conversion obligations, which are issued by the Company or a Group company of the Company as defined by Section 18 of the German Stock Corporation Act (AktG), under the authorization approved by the Annual Shareholders Meeting on May 28, 2020, under agenda item 8, through May 27, 2025. The new shares will be issued at the conversion or option price to be determined in accordance with the authorization resolution.

The conditional capital increase will be implemented only to the extent required to fulfill the obligations arising on the exercise by holders of option or conversion rights, and those arising from compliance with the mandatory conversion of bonds with conversion or option rights, profit participation rights or profit participating bonds that have been issued or guaranteed by E.ON SE or a Group company of E.ON SE as defined by Section 18 AktG under the authorization approved by the Annual Shareholders Meeting of May 28, 2020, under agenda item 8, and to the extent that no cash settlement has been granted in lieu of conversion or exercise of an option or the Company exercises its right to grant shares in the Company in whole or in part in lieu of payment of the cash amount due.

The Conditional Capital 2020 was not used.

Voting Rights

The following notices pursuant to Section 33 (1) of the German Securities Trading Act ("WpHG") concerning changes in voting rights have been received:

Information on Stockholders of E.ON SE

						Voting rights	
Reporting entity	Date of notice	Threshold	Achieved, over or under threshold	Gained voting rights on	Allocation	Percentages	Absolute
The Capital Group Companies Inc., Los Angeles, USA	Nov. 30, 2021	3%	Over	Nov. 29, 2021	indirect	3.02	79,693,259
BlackRock Inc., Wilmington, USA	Oct. 5, 2022[1]	5%	Under	Sep. 30, 2022	indirect	4.96	130,949,863[1]
DWS Investment GmbH, Frankfurt am Main, Germany	Jan. 15, 2021	3%	Over	Jan. 12, 2021	indirect	3.02	79,741,442[2]
RWE Aktiengesellschaft, Essen, Germany[3]	Dec. 10, 2020	15%	Achieved	Dec. 8, 2020	indirect	15.00	396,197,820
Canada Pension Plan Investment Board, Toronto, Canada	Jun. 9, 2020	5%	Over	Jun. 5, 2020	direct/indirect	5.02	132,657,936[2]

[1] Includes voting rights pursuant to Secs. 33, 34 and instruments pursuant to Sec. 38 (1) No. 1 and 2 WpHG.
[2] Includes voting rights pursuant to Secs. 33, 34 and instruments pursuant to Sec. 38 (1) No. 2 WpHG.
[3] Name of shareholder holding 3.0 percent or more of the voting rights notification received: GBV Zweiunddreißigste Gesellschaft für Beteiligungsverwaltung mbH.

(21) Additional Paid-in Capital

Additional paid-in capital decreased by €15 million to €13,338 million in 2022 (2021: €13,353 million). The reduction in additional paid-in capital is attributable to the issue of employee shares to eligible employees of the E.ON Group.

(22) Retained Earnings

The following table breaks down the E.ON Group's retained earnings as of the dates indicated:

Retained Earnings

	December 31,	
€ in millions	2022	2021
Legal reserves	45	45
Other retained earnings	3,172	1,183
Total	**3,217**	**1,228**

As of December 31, 2022, these IFRS retained earnings totaled €3,217 million (2021: €1,228 million). The total change of €1,989 million is primarily due to the positive consolidated net income. In addition, actuarial gains from pensions led to an increase in retained earnings. This was partially offset by E.ON SE's distribution to shareholders and the first-time application of IAS 29.

Under German securities law, E.ON SE shareholders may receive distributions from E.ON SE's income available for distribution in accordance with the German Commercial Code (German GAAP).

As of December 31, 2022, these German-GAAP retained earnings totaled €2,630 million (2021: €2,619 million). Of this amount, legal reserves of €45 million (2021: €45 million) are restricted pursuant to Section 150 (3) and (4) AktG. The increase in retained earnings is due to the sale of treasury shares under the employee stock purchase program in 2022. In addition, amounts of €117.6 million (2021: €161.7 million) are restricted from distribution under German commercial law as a result of the surplus of plan assets and the difference between the recognition of provisions for retirement benefit obligations based on the corresponding average market interest rate over the past ten fiscal years and the recognition of these provisions based on the corresponding average market interest rate over the past seven fiscal years. The dividend-restricted amounts are fully covered by a sufficient amount of available reserves.

The amount of retained earnings available for distribution is €2,467 million (2021: €2,412 million).

A proposal to distribute a cash dividend for 2022 of €0.51 per share will be submitted to the Annual Shareholders Meeting. For 2021, shareholders at the May 12, 2022, the Annual Shareholders Meeting voted to distribute a dividend of €0.49 for each dividend-paying ordinary share. Based on a €0.51 dividend, the total profit distribution is €1,331 million (2021: €1,278 million).

(23) Changes in Other Comprehensive Income

The change in other comprehensive income is primarily the result of exchange rate differences recognized on the balance sheet (-€732 million) and the application of IAS 29 (hyperinflationary accounting) in Turkey (€656 million).

The table below illustrates the share of OCI attributable to companies accounted for under the equity method.

Share of OCI Attributable to Companies Accounted for under the Equity Method

€ in millions	2022	2021
Balance as of December 31 (before taxes)	**-889**	**-2,116**
Taxes	–	–
Balance as of December 31 (after taxes)	**-889**	**-2,116**

(24) Non-controlling Interests

Non-controlling interests by segment as of the dates indicated are shown in the following table:

Non-Controlling Interests

	December 31,	
€ in millions	2022	2021
Energy Networks	5,109	4,955
Germany	*4,460*	*4,309*
Sweden	–	–
ECE/Turkey	*649*	*646*
Customer Solutions	569	642
Germany	*366*	*343*
UK	*2*	*2*
The Netherlands	–	–
Other	*201*	*297*
Non-Core Business	-11	-58
Corporate Functions/Other	276	297
E.ON Group	**5,943**	**5,836**

The table below illustrates the share of OCI that is attributable to non-controlling interests:

Share of OCI Attributable to Non-Controlling Interests

€ in millions	Cash flow hedges	Available-for-sale securities	Currency translation adjustments	Remeasurements of defined benefit plans
Balance as of January 1, 2021	**–**	**11**	**-90**	**-400**
Changes	–	-11	-112	199
Balance as of December 31, 2021	**–**	**–**	**-202**	**-201**
Changes	1	-27	-21	430
Balance as of December 31, 2022	**1**	**-27**	**-222**	**229**

In compliance with IFRS 12, the following tables include subsidiaries with significant non-controlling interests and provide an overview of significant items on the aggregated balance sheet and on the aggregated income statement, and significant cash flow items. The list of shareholdings pursuant to Section 313 (2) HGB (see Note 38) contains information on the registered office of the company and disclosures on equity interests.

Subsidiaries with Material Non-Controlling Interests—Balance Sheet Data as of December 31

	Schleswig-Holstein Netz AG		envia Mitteldeutsche Energie AG		E.DIS AG[1]		Avacon AG[1]	
€ in millions	2022	2021	2022	2021	2022	2021	2022	2021
Non-controlling interests in equity	545	378	1,249	1,268	542	524	505	523
Non-controlling interests in equity (in %)[2]	31	55	42	43	33	33	39	39
Dividends paid out to non-controlling interests	–	–	80	67	30	30	50	50
Operating cash flow	447	205	138	169	-18	-2	-42	-20
Non-current assets	1,918	1,813	3,573	3,701	1,811	1,793	1,936	1,962
Current assets	182	125	571	383	86	67	123	121
Non-current liabilities	477	500	509	551	4	19	45	61
Current liabilities	610	694	715	559	212	198	536	499

[1]Holding companies without operational business.
[2]Calculated share ratio.

Subsidiaries with Material Non-Controlling Interests—Earnings Data

	Schleswig-Holstein Netz AG		envia Mitteldeutsche Energie AG		E.DIS AG[1]		Avacon AG[1]	
€ in millions	2022	2021	2022	2021	2022	2021	2022	2021
Share of earnings attributable to non-controlling interests	65	3	28	6	39	22	30	29
Sales	1,143	939	340	36	5	6	12	12
Net income/loss	116	8	80	19	123	88	100	110
Comprehensive income	116	-1	80	19	123	87	100	109

[1]Holding companies without operational business.

There are no major restrictions beyond those under customary corporate or contractual provisions.

(25) Provisions for Pensions and Similar Obligations

The retirement benefit obligations toward the active and former employees of the E.ON Group, which amounted to €19.9 billion, were covered by plan assets having a fair value of €16.8 billion as of December 31, 2022. This corresponds to a funded status of 84 percent.

Provisions for Pensions and Similar Obligations

	December 31,	
€ in millions	2022	2021
Present value of all defined benefit obligations		
Germany	16,028	22,685
United Kingdom	3,832	6,175
Other countries	37	42
Total	**19,897**	**28,902**
Fair value of plan assets		
Germany	12,863	16,879
United Kingdom	3,915	6,581
Other countries	9	9
Total	**16,787**	**23,469**
Net defined benefit liability/asset (-)		
Germany	3,165	5,806
United Kingdom	-83	-406
Other countries	28	33
Total	**3,110**	**5,433**
Presented as operating receivables	-625	-649
Presented as provisions for pensions and similar obligations	*3,735*	*6,082*

Description of the Benefit Plans

In addition to their entitlements under government retirement systems and the income from private retirement planning, most active and former E.ON Group employees are also covered by occupational benefit plans. Both defined benefit plans and defined contribution plans are in place at E.ON. Benefits under defined benefit plans are generally paid upon reaching retirement age, or in the event of disability or death.

E.ON regularly reviews the pension plans in place within the Group for financial risks. Typical risk factors for defined benefit plans are longevity and changes in nominal interest rates, as well as inflation developments and rising wages and salaries.

The features and risks of defined benefit plans are shaped by the general legal, tax and regulatory conditions prevailing in the respective country. The configurations of the major defined benefit and defined contribution plans within the E.ON Group are described in the following discussion.

Germany

Active employees at the German Group companies are covered by both cash balance plans and pension plans based on final salary. Pension plans based on final salary are closed to new hires. All new hires will receive cash balance plans in accordance with a capital or pension module system, which, depending on the pension plan, can provide for alternative payout options of a prorated single payment and payments of installments in addition to the payment of a regular pension. The cash balance plans used different interest rules until December 31, 2021. Depending on the underlying pension plan, either interest rates adjusted to market developments with a fixed lower limit or guaranteed interest rates were used to determine the capital or pension modules. The majority of pension commitments with a fixed guaranteed interest rate were modified as of January 1, 2022. The pension modules acquired from January 1, 2022, onwards now also bear interest at a rate adjusted to market developments and protected by a fixed lower limit. The pension modules for the prior years remain in place unchanged. The benefit expense for the cash balance plans is determined at different percentage rates based on the ratio between compensation and the contribution limit in the statutory retirement pension system in Germany. Employees can additionally choose to defer compensation. Future pension adjustments are either guaranteed at 1 percent per annum or largely track the development of the inflation rate, usually in a three-year cycle.

To fund the pension plans for the German Group companies, plan assets were established. The major part of these plan assets is administered in the form of Contractual Trust Arrangements ("CTAs") in accordance with specified investment principles. There are additional plan assets available through the implementation channels of the pension fund ("Pensionsfonds") and smaller German pension vehicles ("Pensions- und Unterstützungskassen"). Only the pension fund and the "Pensionskassen" vehicles are subject to regulatory provisions in relation to the investment of capital and funding requirements.

United Kingdom

In the United Kingdom, there are various pension plans. In the past, employees were covered by defined benefit plans, which for the most part were final-pay plans and make up the majority of the pension obligations currently reported for the United Kingdom. Benefit payments to the beneficiaries are adjusted for inflation on a limited basis. These pension plans were closed to new hires. Since then, new hires are offered a defined contribution plan. Aside from the payment of contributions, this plan entails no additional risks for the employer.

Plan assets in the United Kingdom are administered by trustees in independent special-purpose vehicles, most of which are separate sections of the Electricity Supply Pension Scheme (ESPS). The trustees are selected by the members of the plan or appointed by the entity. In that capacity, the trustees are particularly responsible for the investment of the plan assets.

The Pensions Regulator in the United Kingdom requires that a so-called "technical valuation" of the plan's funding status be performed every three years. The actuarial assumptions underlying the valuation are agreed upon by the trustees and E.ON UK plc. They include presumed life expectancy, wage and salary

growth rates, investment returns, inflationary assumptions and interest rate levels.

The last technical valuation for the E.ON section took place on the reporting date of March 31, 2021, and no technical funding deficit was identified.

The overall innogy section was split into two sections (Retail section and innogy section) at the beginning of 2018. In fiscal year 2020, the innogy section was transferred to RWE as agreed. At no time was it part of the scope of obligations presented in the E.ON Group. The technical reassessment of the Retail section relevant to the E.ON Group was made on March 31, 2022; as of the reporting date, this assessment has not yet been completed.

Other Countries

The remaining pension obligations are divided between the Netherlands, Luxembourg, Sweden, Italy, Poland, Romania, Slovakia, the Czech Republic and the USA.

The defined benefit plan in the Netherlands consists of commitments made by various employers within the framework of a sector-specific fund and does not permit a pro rata allocation of the obligations, plan assets and service cost. The E.ON Group accordingly accounts for this obligation as a defined contribution plan. There are no minimum funding requirements in this respect. Benefits may be reduced or contributions increased if there is insufficient funding.

From the perspective of the Group, however, the benefit plans are relatively insignificant in the above-mentioned countries.

Description of the Benefit Obligations

The following table shows the changes in the present value of the defined benefit obligations for the periods indicated:

Changes in the Defined Benefit Obligations

€ in millions	2022				2021			
	Total	Germany	United Kingdom	Other countries	Total	Germany	United Kingdom	Other countries
	28,902	**22,685**	**6,175**	**42**	**30,415**	**24,164**	**6,187**	**64**
Employer service cost	309	287	20	2	382	342	37	3
Past service cost	7	8	2	-3	42	29	15	-2
Gains (-) and losses (+) on settlements	-3	-3	–	–	–	–	–	–
Interest cost on the present value of the defined benefit obligations	405	246	158	1	281	191	89	1
Remeasurements	-8,410	-6,379	-2,028	-3	-1,569	-1,247	-309	-13
Actuarial gains (-)/losses (+) arising from changes in demographic assumptions	-27	–	-27	–	-65	–	-63	-2
Actuarial gains (-)/losses (+) arising from changes in financial assumptions	-8,811	-6,739	-2,066	-6	-1,366	-1,191	-160	-15
Actuarial gains (-)/losses (+) arising from experience adjustments	428	360	65	3	-138	-56	-86	4
Employee contributions	3	2	1	–	11	9	2	–
Benefit payments	-1,068	-813	-252	-3	-1,071	-799	-269	-3
Changes in scope of consolidation	7	7	–	–	-4	-3	–	-1
Exchange rate differences	-243	–	-244	1	423	–	423	–
Other	-12	-12	–	–	-8	-1	–	-7
Defined benefit obligations as of December 31	**19,897**	**16,028**	**3,832**	**37**	**28,902**	**22,685**	**6,175**	**42**

The actuarial gains shown in the table for the development of the present value of the defined benefit obligations are primarily attributable to an increase in the discount rates used. This is offset by actuarial losses from an increase in the wage and salary growth rates and pension increase rates in Germany.

The present value is attributable to retirees and their beneficiaries in the amount of €12.7 billion (2021: €16.3 billion), to former employees with vested entitlements in the amount of €2.4 billion (2021: €3.6 billion) and to active employees in the amount of €4.8 billion (2021: €9 billion).

The actuarial assumptions used to measure the defined benefit obligations and to compute the net periodic pension cost at E.ON's German and UK subsidiaries as of the respective balance sheet date are as follows:

Actuarial Assumptions

	December 31,		
Percentages	2022	2021	2020
Discount rate			
Germany	3.71	1.10	0.80
United Kingdom	4.80	1.90	1.40
Wage and salary growth rate			
Germany	2.75	2.35	2.35
United Kingdom[1]	2.20/2.70	2.20/3.20	1.90/2.80
Pension increase rate			
Germany[2]	2.00	1.60	1.60
United Kingdom	3.10	3.10	2.70

[1]Different salary growth rates due to different benefit plans (E.ON: 2.20 percent [2021: 2.20 percent]; Npower: 2.70 percent [2021: 3.20 percent]).
[2]The pension increase rate for Germany applies to eligible individuals not subject to an agreed guarantee adjustment.

The IAS 19 discount rates for the EUR and GBP currency areas are determined on the basis of the single equivalent discount rate method. The full yield curve is used to determine the present value of the defined benefit obligations, and the IAS 19 discount rate disclosed is determined retrospectively as the discount rate that leads to the identical present value of the defined benefit obligations when applied uniformly. The yield curve "RATE:Link" from provider Willis Towers Watson is used to determine the present value.

To measure the E.ON Group's occupational pension obligations for accounting purposes, the Company has employed the current versions of the biometric tables recognized in each respective country for the calculation of pension obligations:

Actuarial Assumptions (Mortality Tables)

Germany	2018 G versions of the Heubeck biometric tables (2018)
United Kingdom	"S3" series base mortality tables with the CMI 2021 projection model for future improvements

Changes in the actuarial assumptions described previously would lead to the following changes in the present value of the defined benefit obligations:

Sensitivities

	Change in the present value of the defined benefit obligations			
	December 31, 2022		December 31, 2021	
Change in the discount rate by (basis points)	+ 50	-50	+ 50	-50
Change in percent	*-6.15*	*6.88*	*-7.76*	*8.89*
Change in the wage and salary growth rate by (basis points)	+ 25	-25	+ 25	-25
Change in percent	*0.28*	*-0.28*	*0.28*	*-0.27*
Change in the pension increase rate by (basis points)	+ 25	-25	+ 25	-25
Change in percent	*1.86*	*-1.78*	*2.12*	*-2.02*
Change in mortality by (percent)	+ 10	-10	+ 10	-10
Change in percent	*-2.05*	*2.28*	*-3.69*	*3.97*

The sensitivities indicated are computed based on the same methods and assumptions used to determine the present value of the defined benefit obligations. If one of the actuarial assumptions is changed for the purpose of computing the sensitivity of results to changes in that assumption, all other actuarial assumptions are included in the computation unchanged.

When considering sensitivities, it must be noted that the change in the present value of the defined benefit obligations resulting from changing multiple actuarial assumptions simultaneously is not necessarily equivalent to the cumulative effect of the individual sensitivities.

Description of Plan Assets and the Investment Policy

The defined benefit plans are funded by plan assets held in specially created pension vehicles that legally are distinct from the Company. The fair value of these plan assets changed as follows:

Changes in the Fair Value of Plan Assets

	2022				2021			
€ in millions	Total	Germany	United Kingdom	Other countries	Total	Germany	United Kingdom	Other countries
Fair value of plan assets as of January 1	**23,469**	**16,879**	**6,581**	**9**	**22,421**	**16,179**	**6,233**	**9**
Interest income on plan assets	354	185	169	–	218	128	90	–
Remeasurements	-5,984	-3,605	-2,379	–	1,035	1,025	10	–
Return on plan assets recognized in equity, not including amounts contained in the interest income on plan assets	*-5,984*	*-3,605*	*-2,379*	–	*1,035*	*1,025*	*10*	–
Employee contributions	3	2	1	–	11	9	2	–
Employer contributions	170	122	48	–	362	281	81	–
Benefit payments	-971	-719	-252	–	-993	-724	-269	–
Changes in scope of consolidation	–	–	–	–	-22	-22	–	–
Exchange rate differences	-253	–	-253	–	434	–	434	–
Other	-1	-1	–	–	3	3	–	–
Fair value of plan assets as of December 31	**16,787**	**12,863**	**3,915**	**9**	**23,469**	**16,879**	**6,581**	**9**

The investment in Nord Stream AG held in the plan assets was written down to a fair value of zero as of December 31, 2022. This effect is reflected in remeasurements in the amount of €-1.2 billion.

The plan assets include virtually no owner-occupied real estate or equity and debt instruments issued by E.ON Group companies. Each of the individual plan asset components has been allocated to an asset class based on its substance.

The plan assets thus classified break down as shown in the following table:

Classification of Plan Assets

	December 31, 2022				December 31, 2021			
Percentages	Total	Germany	United Kingdom	Other countries	Total	Germany	United Kingdom	Other countries
Plan assets listed in an active market								
Equity securities (stocks)	19	25	3	–	23	26	13	–
Debt securities	37	33	48	–	45	42	54	–
thereof Government bonds	*20*	*14*	*37*	–	*27*	*19*	*48*	–
thereof Corporate bonds	*17*	*19*	*11*	–	*16*	*20*	*5*	–
Other investment funds	10	1	37	–	9	3	27	–
Total listed plan assets	66	59	88	–	77	71	94	–
Plan assets not listed in an active market	–	–	–	–	–	–	–	–
Equity securities not traded on an exchange	6	6	8	–	8	9	4	–
Debt securities	2	3	–	–	–	–	–	–
Real estate	13	17	–	–	8	11	–	–
Qualifying insurance policies	2	2	–	100	1	1	–	100
Cash and cash equivalents	2	2	1	–	1	2	–	–
Other	9	11	3	–	5	6	2	–
Total unlisted plan assets	**34**	**41**	**12**	**100**	**23**	**29**	**6**	**100**
Total	**100**	**100**	**100**	**100**	**100**	**100**	**100**	**100**

The fundamental investment objective for the plan assets is to provide full coverage of benefit obligations at all times for the payments due under the corresponding benefit plans. This investment policy stems from the corresponding governance guidelines of the Group. An increase in the net defined benefit liability or a deterioration in the funded status following an unfavorable development in plan assets or in the present value of the defined benefit obligations is identified in these guidelines as a risk. E.ON therefore regularly reviews the development of the funded status in order to monitor this risk.

To implement the investment objective, the E.ON Group primarily pursues an investment approach that takes into account the structure of the benefit obligations. This long-term investment strategy seeks to manage the funded status, with the result that any changes in the defined benefit obligations, especially those caused by fluctuating inflation and interest rates are, to a certain degree, offset by simultaneous corresponding changes in the fair value of plan assets. The investment strategy may also involve the use of derivatives (for example, interest rate swaps and inflation swaps, as well as currency hedging instruments) to facilitate the control of specific risk factors of pension liabilities. In the table above, derivatives have been allocated, based on their substance, to the respective asset classes. In order to improve the funded status of the E.ON Group as a whole, a portion of the plan assets will also be invested in a diversified portfolio of asset classes that are expected to provide for long-term returns in excess of those of fixed-income investments and the discount rate.

The determination of the target portfolio structure for the individual plan assets is based on regular asset-liability studies. In these studies, the target portfolio structure is reviewed in a comprehensive approach against the backdrop of existing investment principles, the current funded status, the condition of the capital markets and the structure of the benefit obligations, and is adjusted as necessary. The parameters used in the studies are additionally reviewed regularly, at least once each year. Asset managers are tasked with implementing the target portfolio structure. They are monitored for target achievement on a regular basis.

Description of the Pension Cost

The net periodic pension cost for defined benefit plans included in the provisions for pensions and similar obligations and in operating receivables is shown in the table below:

Net Periodic Pension Cost

	2022				2021			
€ in millions	Total	Germany	United Kingdom	Other countries	Total	Germany	United Kingdom	Other countries
Employer service cost	309	287	20	2	382	342	37	3
Past service cost	7	8	2	-3	42	29	15	-2
Gains (-) and losses (+) on settlements	-3	-3	–	–	–	–	–	–
Net interest on the net defined benefit liability/asset	51	61	-11	1	63	63	-1	1
Total	364	353	11	–	487	434	51	2

In addition to the total net periodic pension cost for defined benefit plans, an amount of €96 million in contributions to external insurers or similar institutions was paid in 2022 (2021: €102 million) for defined contribution plans.

Contributions to state plans totaled €0.4 billion (2021: €0.4 billion).

Description of Contributions and Benefit Payments

Prospective benefit payments under the defined benefit plans existing as of December 31, 2022, for the next ten years are shown in the following table:

Prospective Benefit Payments

€ in millions	Total	Germany	United Kingdom	Other countries
2023	1,101	869	229	3
2024	1,103	868	233	2
2025	1,119	884	233	2
2026	1,122	888	231	3
2027	1,129	895	231	3
2028–2032	5,723	4,558	1,144	21
Total	**11,297**	**8,962**	**2,301**	**34**

For the following fiscal year, it is expected that employer contributions to plan assets will amount to a total of €15 million.

The weighted-average duration of the defined benefit obligations measured within the E.ON Group was 13.2 years as of December 31, 2022 (2021: 17.1 years).

Description of the Net Defined Benefit Liability

The recognized net liability from the E.ON Group's defined benefit plans results from the difference between the present value of the defined benefit obligations and the fair value of plan assets:

Changes in the Net Defined Benefit Liability

	2022				2021			
€ in millions	Total	Germany	United Kingdom	Other countries	Total	Germany	United Kingdom	Other countries
Net liability as of January 1	**5,433**	**5,806**	**-406**	**33**	**7,994**	**7,985**	**-46**	**55**
Net periodic pension cost	364	353	11	–	487	434	51	2
Changes from remeasurements	-2,426	-2,774	351	-3	-2,604	-2,272	-319	-13
Employer contributions to plan assets	-170	-122	-48	–	-362	-281	-81	–
Net benefit payments	-97	-94	–	-3	-78	-75	–	-3
Changes in scope of consolidation	7	7	–	–	18	19	–	-1
Exchange rate differences	10	–	9	1	-11	–	-11	–
Other	-11	-11	–	–	-11	-4	–	-7
Net liability as of December 31	**3,110**	**3,165**	**-83**	**28**	**5,433**	**5,806**	**-406**	**33**
thereof net liability	3,735	3,675	31	29	6,082	5,938	111	33
thereof net asset	-625	-510	-114	-1	-649	-132	-517	–

(26) Miscellaneous Provisions

The following table lists the miscellaneous provisions as of the dates indicated:

Miscellaneous Provisions

	December 31, 2022		December 31, 2021	
€ in millions	Current	Non-current	Current	Non-current
Nuclear-waste management obligations	678	6,125	597	7,783
Personnel obligations	451	861	532	1,118
Obligations from green certificates	850	16	1,071	16
Other asset retirement obligations	68	574	50	801
Supplier-related and customer-related obligations	1,862	2,093	8,257	1,874
Environmental remediation and similar obligations	84	351	67	453
Other	1,535	1,213	1,208	1,322
Total	**5,528**	**11,233**	**11,782**	**13,367**

The changes in the miscellaneous provisions are shown in the table below:

Changes in Miscellaneous Provisions

€ in millions	January 1, 2022	Exchange rate differences	Changes in scope of consolidation	Unwinding of discounts	Additions	Utilization	Reclassifi-cations	Reversals	Changes in estimates	December 31, 2022
Nuclear-waste management obligations	8,380	–	–	–	12	-624	–	–	-965	6,803
Personnel obligations	1,650	-3	4	-88	349	-507	10	-103	–	1,312
Obligations from green certificates	1,087	-50	-1	–	1,332	-1,492	–	-10	–	866
Other asset retirement obligations	851	-1	–	-2	15	-25	-14	–	-182	642
Supplier-related and customer-related obligations	10,131	-92	9	-14	2,524	-7,907	–	-696	–	3,955
Environmental remediation and similar obligations	520	-1	–	-42	89	-51	–	-80	–	435
Other	2,530	-22	1	-308	1,279	-407	118	-443	–	2,748
Total	**25,149**	**-169**	**13**	**-454**	**5,600**	**-11,013**	**114**	**-1,332**	**-1,147**	**16,761**

The accretion expense resulting from the changes in provisions is shown in the financial results (see Note 10). The provision items are discounted in accordance with the maturities with interest rates of between 2.2 and 13.7 percent.

As of December 31, 2022, provisions for nuclear-waste management obligations exclusively relate to Germany; other provisions mainly relate to eurozone countries and the United Kingdom.

Provisions for Nuclear-Waste Management Obligations

The provisions for nuclear-waste management obligations as of December 31, 2022, in the amount of €6.8 billion exclusively relate to nuclear-power activities in Germany.

The provisions for nuclear-waste management based on nuclear power legislation comprise all those nuclear obligations relating to the disposal of spent nuclear-fuel rods and low-level nuclear waste and to the retirement and decommissioning of nuclear power plant components that are determined on the basis of external studies, external and internal cost estimates and contractual agreements, as well as the supplementary provisions of the German Act Transferring Responsibility for Nuclear Waste Storage and the German Disposal Fund Act.

The asset retirement obligations recognized include the anticipated costs of post- and service operation of the facility, dismantling costs, and the cost of removal and disposal of the nuclear components of the nuclear power plant.

Provisions for the disposal of spent nuclear-fuel rods also comprise the contractual costs of the return of waste from reprocessing in France and England to interim storage, as well as costs incurred for expert handling, including the necessary interim storage containers and transport to interim storage.

The cost estimates used to determine the provision amounts are based on studies and analyses performed by external specialists and are updated annually, provided that the cost estimates are not based on contractual agreements.

In the following, the provision items after deduction of advance payments are classified based on technical criteria:

Nuclear Waste Management Obligations in Germany (Less Advance Payments)

	December 31,	
€ in millions	2022	2021
Retirement and decomissioning	6,327	7,770
Containers, transports, operational waste, other	476	610
Total	**6,803**	**8,380**

Provisions, if they are non-current, are measured at their settlement amounts, discounted to the balance sheet date.

A risk-free discount rate of an average of about 2.5 percent is used for the measurement of E.ON's disposal obligations (previous year: (0.0 percent). As in the prior year, E.ON assumes a 2 percent increase in costs when estimating annual payments. For short-term periods, inflation has resulted in an additional cost increase effect of €0.3 billion being factored into the measurement of provisions. A change in the discount rate or in the cost increase rate of 0.1 percentage points would change the amount of the provision recognized on the balance sheet by approximately €50 million.

Excluding the effects of discounting and cost increases, the amounts for disposal obligations would be €7,102 million with average credit terms of approximately six years.

There were changes in estimates for the nuclear-power business in 2022 in the amount of -€965 million (2021: -€338 million). This mainly includes the discounting effect in the amount of €1.2 billion resulting from the increase in interest rates and optimization of decommissioning and disposal services and offsetting short-term cost increases in the amount of €0.2 billion. €624 million (2021: €709 million) of this was used, of which €562 million (2021: €337 million) related to decommissioning nuclear power plants based on circumstances for which decommissioning and dismantling costs were recognized.

Personnel Obligations

Provisions for personnel costs primarily cover provisions for early retirement benefits, performance-based compensation components, restructuring and other deferred personnel costs. Restructuring provisions, which totaled €766 million at December 31, 2022 (2021: €1,052 million), were made especially in Germany for various restructuring projects.

Obligations from Green Certificates

Renewables Obligation Certificates (ROCs or Green Certificates) are an important mechanism for promoting renewable energies, especially in the UK. The ROCs represent a fixed share of Renewables in power sales and can be acquired either from renewable sources or on the market. During a twelve-month ROC period, the obligations recognized as a provision for this purpose are offset against the acquired certificates and used.

Provisions for Other Asset Retirement Obligations

The provisions for other asset retirement obligations consist of obligations for renewable energy power plants and infrastructure. In addition, the provisions for dismantling conventional plant components in the nuclear power segment, which are based on legally binding civil agreements and public provisions, in the amount of €300 million (2021: €482 million) are taken into account here. The change in this item is mainly due to the increase in interest rates. Excluding discounting and cost-increase effects, the amounts for these disposal obligations with an average payment term of about 16 years would be €321 million.

The other asset retirement obligations disclosed under economic net debt, not including the provisions for dismantling conventional plant components in the nuclear power segment, amount to €342 million.

Sales and Supplier-Related Obligations

Provisions for supplier-related obligations consist of provisions for potential losses on open purchase contracts.

The provisions for sales-related obligations include risks of loss for price discounts and from pending sales contracts, as well as for settlement obligations from electricity and gas deliveries already made. The sharp decrease was due to the use of €7.8 billion as a result of the realization of the underlying transactions. This was partly offset by additions of €2.2 billion for contingent losses on pending sales contracts and is related to the rise in energy prices on the commodity markets. These provisions were recognized for contracted sales transactions that form an economic part of a portfolio which are partly offset by procurement transactions to be accounted for as derivative financial instruments. The measurement of these provisions is generally based on the margins of the latest officially valid management planning. Judgment is required in defining the individual sales portfolios and allocating the procurement transactions to these portfolios. In addition, assumptions regarding the allocation of overheads to the individual sales portfolios and expectations regarding contract terms, particularly in the case of customer contracts with options for unilateral renewal or termination by the customer, are included in the calculation.

Environmental Remediation and Similar Obligations

Provisions for environmental remediation refer primarily to redevelopment protection measures and the rehabilitation of contaminated sites.

Other

The other miscellaneous provisions consist of certain environmental remediation obligations from predecessor companies in the amount of €0.4 billion (2021: €0.4 billion), possible obligations from tax-related interest expense in the amount of €0.1 billion (2021: €0.1 billion) and litigation cost risks in the amount of €0.1 billion (2021: €0.1 billion).

(27) Liabilities

The following table provides a breakdown of liabilities:

Liabilities

	December 31, 2022		December 31, 2021	
€ in millions	Current	Non-current	Current	Non-current
Financial liabilities	**5,186**	**28,965**	**6,530**	**28,131**
Trade payables	14,360	–	9,113	–
Capital expenditure grants	265	180	32	393
Liabilities from derivatives	4,834	23,175	6,627	6,491
Advance payments	614	–	130	–
Contract liabilities (IFRS 15)	763	3,335	895	3,055
Contract liabilities	4,575	956	4,158	879
Trade payables and other operating liabilities	**25,411**	**27,646**	**20,955**	**10,818**
Total	**30,597**	**56,611**	**27,485**	**38,949**

Financial Liabilities

The following tables present the changes to financial liabilities in fiscal years 2022 and 2021:

Financial Liabilities

		Cash-effective	Non-cash-effective				
€ in millions	Jan. 1, 2022	Cash flows	Exchange rate differences	Changes in scope of consolidation	Compounding effect	Other	Dec. 31, 2022
Bonds	28,323	1,381	-619	–	16	-204	28,897
Commercial paper	1,510	-743	–	–	–	–	767
Bank loans/liabilities to banks	1,438	-442	-1	-74	–	–	921
Lease obligations[1]	2,539	-355	-10	–	–	338	2,512
Other financial liabilities	851	-1,388	23	-22	–	1,590	1,054
Financial liabilities	**34,661**	**-1,547**	**-607**	**-96**	**16**	**1,724**	**34,151**

[1]For more information see Note 33.

Financial Liabilities

		Cash-effective	Non-cash-effective				
€ in millions	Jan. 1, 2021	Cash flows	Exchange rate differences	Changes in scope of consolidation	Compounding effect	Other	Dec. 31, 2021
Bonds	29,019	-734	294	-2	13	-267	28,323
Commercial paper	–	1,510	–	–	–	–	1,510
Bank loans/liabilities to banks	607	1,108	-1	-92	–	-184	1,438
Lease obligations[1]	2,615	-363	7	15	–	266	2,539
Other financial liabilities	600	1,798	74	209	–	-1,831	851
Financial liabilities	**32,841**	**3,319**	**374**	**130**	**13**	**-2,016**	**34,661**

[1]For more information see Note 33.

Liabilities to financial institutions include, among other items, collateral received, measured at a fair value of €86 million (2021: €135 million). This collateral relates to amounts pledged by banks to limit the utilization of credit lines in connection with the fair value measurement of derivative transactions. The other financial liabilities include, inter alia, financial guarantees totaling €8 million (2021: €8 million). Also included is collateral received in connection with goods and services in the amount of €24 million (2021: €14 million). E.ON can use this collateral without restriction.

The financial liabilities of innogy recognized at the date of initial consolidation were marked to market under IFRS. This market value was considerably higher than the nominal value because market interest rates had fallen since the bonds were issued. The difference between the nominal value and the market value calculated during the purchase price allocation totaled €1,668 million as of December 31, 2022 (as of December 31, 2021: €1,931 million) and will be reversed over the term of each bond and recognized as an expense in the financial result (see Note 10). This difference is not taken into account in the economic net debt.

The following is a description of the E.ON Group's significant credit arrangements and debt issuance programs.

Corporate Headquarters

€35 Billion Debt Issuance Program

A Debt Issuance Program simplifies the issuance from time to time of debt instruments through public and private placements to investors. The Debt Issuance Program of E.ON SE was most recently renewed in March 2022, with a total amount of €35 billion. E.ON SE plans to renew the program in 2023.

At year-end 2022, the following E.ON SE and E.ON International Finance B.V. bonds were outstanding:

Major Bond Issues of E.ON SE and E.ON International Finance B.V.[1]

Issuer	Volume in the respective currency	Initial term	Repayment	Coupon
E.ON SE	1,000 million EUR	3 years	Apr 2023	0.375%
E.ON International Finance B.V.	488 million GBP	20 years	Dec 2023	5.625%
E.ON SE	750 million EUR	4 years	Dec 2023	0.000%
E.ON International Finance B.V.	800 million EUR	10 years	Jan 2024	3.000%
E.ON SE	500 million EUR	7 years	May 2024	0.875%
E.ON SE	750 million EUR	5 years	Aug 2024	0.000%
E.ON SE	750 million EUR	2.75 years	Jan 2025	0.875%
E.ON International Finance B.V.	750 million EUR	8 years	Apr 2025	1.000%
E.ON SE	750 million EUR	5.5 years	Oct 2025	1.000%
E.ON SE	500 million EUR	4 years	Jan 2026	0.125%
E.ON International Finance B.V.	500 million EUR	8 years	May 2026	1.625%
E.ON SE	750 million EUR	7 years	Oct 2026	0.250%
E.ON SE	1,000 million EUR	7.5 years	Sep 2027	0.375%
E.ON International Finance B.V.	850 million EUR	10 years	Oct 2027	1.250%
E.ON SE	500 million EUR	8 years	Feb 2028	0.750%
E.ON SE	600 million EUR	6 years	Aug 2028	2.875%
E.ON SE	600 million EUR	8 years	Dec 2028	0.100%
E.ON SE	750 million EUR	12 years	May 2029	1.625%
E.ON International Finance B.V.	1,000 million EUR	11.5 years	Jul 2029	1.500%

[1]Listing: All bonds ≥ EUR 500 million are listed in Luxembourg with the exception of the Rule 144A/Regulation S USD bond, which is unlisted.

Major Bond Issues of E.ON SE and E.ON International Finance B.V.[1]

Issuer	Volume in the respective currency	Initial term	Repayment	Coupon
E.ON SE	750 million EUR	10.5 years	Feb 2030	0.350%
E.ON International Finance B.V.	760 million GBP	28 years	Jun 2030	6.250%
E.ON SE	500 million EUR	11 years	Dec 2030	0.750%
E.ON SE	750 million EUR	9 years	Mar 2031	1.625%
E.ON SE	500 million EUR	11 years	Aug 2031	0.875%
E.ON SE	500 million EUR	12 years	Nov 2031	0.625%
E.ON International Finance B.V.[2]	975 million GBP	30 years	Jun 2032	6.375%
E.ON SE	750 million EUR	11.5 years	Oct 2032	0.600%
E.ON International Finance B.V.	600 million EUR	30 years	Feb 2033	5.750%
E.ON International Finance B.V.	600 million GBP	22 years	Jan 2034	4.750%
E.ON SE	800 million EUR	12.75 years	Oct 2034	0.875%
E.ON International Finance B.V.	900 million GBP	30 years	Oct 2037	5.875%
E.ON International Finance B.V.[3]	1,000 million USD	30 years	Apr 2038	6.650%
E.ON International Finance B.V.	700 million GBP	30 years	Jan 2039	6.750%
E.ON International Finance B.V.	1,000 million GBP	30 years	Jul 2039	6.125%

[1] Listing: All bonds ≥ EUR 500 million are listed in Luxembourg with the exception of the Rule 144A/Regulation S USD bond, which is unlisted.
[2] The volume of this issue was raised from originally GBP 850 million to GBP 975 million.
[3] Rule 144A/Regulation S bond.

Additionally outstanding as of December 31, 2022, were private placements with a total volume of approximately €1.7 billion (2021: €1.7 billion). In 2022, E.ON also concluded bilateral credit facilities in the amount of just under €4 billion, with maturities of up to 1.5 years. These facilities were agreed with a significant share of E.ON's core banking group and were not drawn on at any time during the reporting year.

€3.5 Billion Syndicated Revolving Credit Facility

Effective October 24, 2019, E.ON arranged a syndicated revolving credit facility in the amount of €3.5 billion over an original term of five years, with two extension options for one year each. After both options are exercised, the term of the credit line will end on October 24, 2026. The credit margin is linked, among other things, to the development of certain ESG ratings, which gives E.ON financial incentives to pursue a sustainable corporate strategy. The ESG ratings are set by three prominent agencies: ISS ESG, MSCI ESG Research, and Sustainalytics. The facility serves as the Group's reliable, long-term liquidity reserve, one purpose of which is to function as a backup facility for the commercial paper programs. The facility was granted by 21 banks, which make up E.ON's core banking group. The facility has not been drawn.

€10 Billion and $10 Billion Commercial Paper Programs

The euro commercial paper program in the amount of €10 billion allows E.ON SE to issue from time to time commercial paper with maturities of up to two years less one day to investors. The U.S. commercial paper program in the amount of $10 billion allows E.ON SE to issue from time to time commercial paper with maturities of up to 366 days to investors. As of December 31, 2022, €364 million was outstanding under the euro commercial paper program (2021: €1,510 million) and the equivalent of €403 million (prior year: 0) under the U.S. commercial paper program.

The bonds issued by E.ON SE and E.ON International Finance B.V. (guaranteed by E.ON SE) have the maturities presented in the table below. Liabilities denominated in foreign currency include the effects of economic hedges, and the amounts shown here may therefore vary from the amounts presented on the balance sheet

Bonds Issued by E.ON SE and E.ON International Finance B.V.

€ in millions	Total	2022	2023	2024	Due between 2025 and 2031	Due after 2031
December 31, 2022	27,766	–	2,649	2,139	13,463	9,514
December 31, 2021	26,837	2,695	2,680	2,139	10,604	8,719

Financial Liabilities by Segment

The following table breaks down the financial liabilities by segment:

Financial Liabilities by Segment as of December 31[1]

	Bonds		Commercial paper		Bank loans/Liabilities to banks		Lease obligations		Other financial liabilities		Financial liabilities	
€ in millions	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Energy Networks	–	–	–	–	367	329	2,141	2,091	643	445	3,151	2,865
Germany	–	–	–	–	*365*	*329*	*2,050*	*1,998*	*642*	*445*	*3,057*	*2,772*
Sweden	–	–	–	–	–	–	*13*	*14*	*1*	–	*14*	*14*
ECE/Turkey	–	–	–	–	*2*	–	*78*	*79*	–	–	*80*	*79*
Customer Solutions	–	–	–	–	434	250	262	294	117	80	813	624
Germany Sales	–	–	–	–	*98*	*111*	*56*	*55*	*27*	*35*	*181*	*201*
UK	–	–	–	–	–	–	*72*	*86*	*17*	*1*	*89*	*87*
The Netherlands	–	–	–	–	–	–	*34*	*34*	*3*	*3*	*37*	*37*
Other	–	–	–	–	*336*	*139*	*100*	*119*	*70*	*41*	*506*	*299*
Non-Core Business	–	–	–	–	–	–	1	3	113	87	114	90
Corporate Functions/Other	28,897	28,323	767	1,510	120	859	108	151	181	239	30,073	31,082
E.ON Group	**28,897**	**28,323**	**767**	**1,510**	**921**	**1,438**	**2,512**	**2,539**	**1,054**	**851**	**34,151**	**34,661**

[1]Because of changes in segment reporting, the prior-year figure was adjusted accordingly.

Trade Payables and Other Operating Liabilities

Trade payables totaled €14,360 million as of December 31, 2022 (2021: €9,113 million).

Capital expenditure grants of €445 million (2021: €425 million) have not yet been recognized as revenue. As in the prior year, the majority of these were government grants, in particular for the network business. The E.ON Group retains ownership of the assets. The grants are non-refundable and are recognized in other operating income over the period of the depreciable lives of the related assets.

Derivative liabilities totaled €28,009 million as of December 31, 2022 (2021: €13,118 million). The increase compared with the previous year is mainly due to the market valuation of commodity derivatives.

Contract liabilities under IFRS 15 in the amount of €4,098 million (2021: €3,951 million) consist primarily of construction grants that were paid by customers for the cost of new gas and electricity connections in accordance with the generally binding terms governing such new connections. These grants are customary in the industry, generally non-refundable and recognized as revenue in the amount of €372 million according to the useful lives of the related assets.

Other operating liabilities consist primarily of other tax liabilities in the amount of €1,019 million (2021: €1,559 million) and interest payable in the amount of €369 million (2021: €368 million). This item also includes other liabilities to our customers from overpayments and refund claims of €902 million (2021: €467 million) and current personnel liabilities of €458 million (2021: €452 million). Also included in other operating liabilities are carryforwards of counterparty obligations to acquire additional shares in already consolidated subsidiaries as well as non-controlling interests in fully consolidated partnerships with legal structures that give their shareholders a statutory right of withdrawal combined with a compensation claim, in the amount of €555 million (2021: €486 million).

(28) Contingent Liabilities and Other Financial Obligations

As part of its business activities, E.ON is subject to contingent liabilities and other financial obligations involving a variety of underlying matters. These primarily include guarantees, obligations from litigation and claims (as discussed in more detail in Note 29), short- and long-term contractual, legal and other obligations and commitments.

Contingent Liabilities

The fair value of the E.ON Group's contingent liabilities was €0.3 billion as of December 31, 2022 (December 31, 2021: €0.4 billion) and primarily include contingent liabilities in connection with potential long-term environmental remediation measures and legal disputes. This value represents the best estimate of the expenditure required to settle the present obligation as of the reporting date.

E.ON has also issued direct and indirect guarantees and surety bonds to third parties in connection with its own operations or the operations of affiliated companies, which may trigger payment obligations based on the occurrence of certain events. These instruments include both financial guarantees as well as operational guarantees, which primarily secure contractual obligations as well as benefit obligations for active and former employees.

In addition, E.ON has entered into indemnification agreements, which as a rule are incorporated in agreements concerning the disposal of shareholdings and, above all, affect the customary representations and warranties with relation to liability risks for environmental damage and contingent tax risks. In some cases, obligations are covered in the first instance by provisions of the disposed companies before E.ON itself is required to make any payments. Guarantees issued by companies that were later sold by E.ON SE or its legal predecessors are usually included in the respective final sales contracts in the form of indemnities.

Moreover, E.ON has commitments under which it assumes joint and several liability arising from its interests in civil-law companies ("GbR"), non-corporate commercial partnerships and consortia in which it participates.

The guarantees of E.ON also include items related to the operation of nuclear power plants. Under the German Nuclear Energy Act ("Atomgesetz" or "AtG") and the ordinance regulating the provision for coverage under the Atomgesetz ("Atomrechtliche Deckungsvorsorge-Verordnung" or "AtDeckV") of April 27, 2002, German nuclear power plant operators are required to provide nuclear accident liability coverage of up to €2.5 billion per incident.

The coverage requirement is satisfied in part by a standardized insurance facility in the amount of €255.6 million. The institution Nuklear Haftpflicht Gesellschaft bürgerlichen Rechts ("Nuklear Haftpflicht GbR") now only covers costs between €0.5 million and €15 million for claims related to officially ordered evacuation measures. Group companies have agreed to place their subsidiaries operating nuclear power plants in a position to maintain a level of liquidity that will enable them at all times to meet their obligations as members of the Nuklear Haftpflicht GbR, in proportion to their shareholdings in nuclear power plants.

To provide liability coverage for the additional €2,244.4 million per incident required by the above-mentioned amendments, E.ON Energie AG ("E.ON Energie") and the other parent companies of German nuclear power plant operators reached a Solidarity Agreement ("Solidarvereinbarung") on July 11, July 27, August 21, and August 28, 2001, extended by agreement dated March 25, April 18, April 28, and June 1, 2011, and with agreement of

November 17, November 29, December 2, and December 6, 2021. If an accident occurs, the Solidarity Agreement calls for the nuclear power plant operator liable for the damages to receive—after the operator's own resources and those of its parent companies are exhausted—financing sufficient for the operator to meet its financial obligations. Under the Solidarity Agreement, E.ON Energie's share of the liability coverage on December 31, 2022, was 43.3 percent (prior year: 35.1 percent), plus an additional 5.0 percent charge for the administrative costs of processing damage claims. The contract does not provide for a change in share for the 2023 calendar year. Sufficient liquidity has been provided for and is included within the liquidity plan.

Furthermore, as of December 31, 2022, E.ON is continuing to provide collateral in the amount of €700.8 million (2021: €701.8 million) for the former Group companies transferred to RWE which are to be repaid or assumed by RWE Group companies.

Other Financial Obligations

In addition to provisions and liabilities carried on the balance sheet and to reported contingent liabilities, there also are other financial obligations arising mainly from contracts entered into with third parties, or on the basis of legal requirements.

As of December 31, 2022, purchase commitments for investments in property, plant and equipment amounted to €2.3 billion (2021: €1.9 billion). Of these commitments, €1.7 billion are due within one year (2021: €1.3 billion). €2.0 billion of the purchase commitment at December 31, 2022 (2021: €1.6 billion) relates to the Energy Networks Germany and Sweden segments.

Additional contractual obligations in place at the E.ON Group as of December 31, 2022, relate primarily to the purchase of electricity and natural gas. Fixed financial obligations under electricity purchase contracts amount to €11.3 billion on December 31, 2022 (2021: €8.8 billion), of which €8.6 billion (2021: €5.8 billion) is due within one year. Financial obligations under fixed gas purchase contracts amount to approximately €5.4 billion on December 31, 2022 (2021: €7.8 billion). Of this amount, €4.5 billion (2021: €6.1 billion) is due within one year. Additional fixed purchase commitments as of December 31, 2022, amount to €0.7 billion (2021: €0.6 billion). They essentially include long-term contractual commitments to purchase heat and alternative fuels. Of these commitments, €0.2 billion (2021: €0.1 billion) are due within one year. There are also additional purchase commitments whose amount is not fixed yet.

Other financial obligations exist only to an insignificant extent. These include capital commitments in connection with joint ventures, obligations concerning the acquisition of financial assets, and obligations arising from capital measures.

(29) Litigation and Claims

A number of different court actions, governmental investigations and proceedings, and other claims are currently pending or may be instituted or asserted in the future against companies of the E.ON Group. This in particular includes legal actions and proceedings on contract amendments and price adjustments initiated in response to market upheavals and the changed economic and geopolitical situation in the electricity and gas sectors (also as a consequence of the energy transition and the energy crisis) and concerning price increases and anticompetitive practices. The courts and authorities are also subjecting competitive practices to stricter reviews.

In the Energy Networks segment, Group companies are involved in proceedings for the award of concessions and in connection with grid connections and the calculation of the grid fee. Official regulations, approvals and changes in regulatory practice have given rise to legal disputes. Of particular note here are effects in connection with the regulatory treatment of capital costs, return on equity and other key regulatory parameters. The national regulatory regimes within Europe are subject to changes, some of which have a significant impact on network operations. Owing to a number of factors, including regulatory and legal decisions, the regulatory framework has increased here. However, these regulatory interventions are not restricted to the network area; distribution activities in the customer solutions area have also been affected by regulatory measures, in Germany including in connection with electricity self-generation models seeking to be exempted from the payment of the EEG surcharge.

The changes to the legal and regulatory framework can in some cases also significantly impact subsidies and remuneration practices in the area of Renewables, which in turn are the object of regulatory or court proceedings.

Sharply rising energy prices in Europe have been leading to market distortions, to which member states have been increasingly responding with regulatory measures, such as price caps for electricity and gas. In some countries, rising energy prices are responsible for occasional insolvencies of energy supply companies, and suspension of energy deliveries. In some cases, the insolvencies of other suppliers lead to an increase in customers (due to regulatory effects) at E.ON Group companies.

There are also legal disputes in connection with completed M&A activities, in particular as a result of the acquisition of innogy SE.

No further action was taken in the test case brought by PreussenElektra GmbH regarding the calculation of interest on the nuclear fuel tax paid by E.ON due to a lack of prospects of success.

(30) Supplemental Cash Flow Disclosures

In the current fiscal year, E.ON made no external payments for additions to consolidated shareholdings and activities (2021: €0 million).

The total consideration received by E.ON in 2022 on the disposal of consolidated equity interests and activities generated cash

inflows of €634 million (2021: €674 million). Cash and cash equivalents disposed of amounted to €3 million (2021: €71 million). The sale of the consolidated activities led to reductions of €855 million (2021: €1,261 million) in assets and €55 million (2021: €689 million) in provisions and liabilities. This in particular relates to the sale of 50% of the shares in Westconnect GmbH. The remaining 50% is accounted for as a joint venture using the equity method.

At €11.5 billion, cash provided by operating activities before interest and taxes from continuing operations was €5.9 billion higher than in the prior year (€5.6 billion). Energy Networks recorded a significant increase of +€2.3 billion to €7 billion, in particular as a result of higher cash-effective earnings and positive changes in working capital in the German energy network. Cash provided by operating activities before interest and taxes in Customer Solutions also increased by €1.9 billion to €2.4 billion, with both the UK and German businesses contributing to this development. The impact of the energy price crisis varied greatly from market to market depending on whether government support was granted or not, and in some cases these effects offset each other. In particular, cash provided by operating activities in the United Kingdom was €1.3 billion higher than in the previous year. This will lead to correspondingly lower incoming customer payments in subsequent quarters. The shutdown of power plants reduced the operating cash flow of the non-core business by €0.8 billion. Corporate Functions/Other's operating cash flow was about €2.4 billion above the prior-year level, primarily because of internal settlements between E.ON Energy Markets GmbH and the segments due to the central procurement of power and gas.

Cash provided by investing activities of continuing operations of -€3.1 billion was €2.3 billion above the prior-year figure of -€5.4 billion. This development is primarily attributable to a change in the balance of cash inflows and outflows on commodity futures transactions. Investments and disposals were at the prior-year level. Disposals include in particular a payment inflow from the partial sale of Westconnect GmbH. Activities in Hungary were among those divested in the 2021 financial year.

Cash provided by financing activities of continuing operations of -€3.1 billion was €5.4 billion below the prior-year figure of €2.3 billion. The net of the issuance and repayment of bonds, commercial paper, and bank liabilities in the year under review had an adverse impact on cash provided by financing activities, as did the balance of cash inflows and outflows on margins resulting from the settlement of derivative transactions.

Supplemental Information on Cash Flows from Operating Activities

€ in millions	2022	2021
Income taxes paid (less refunds)	-594	-652
Interest paid	-1,091	-1,078
Interest received	219	160
Dividends received	575	559

(31) Derivative Financial Instruments and Hedging Transactions

Strategy and Objectives

The Company's policy generally permits the use of derivatives if they are associated with underlying assets or liabilities, planned transactions, or legally binding rights or obligations.

At the E.ON Group, hedge accounting in accordance with IFRS 9 is employed primarily in connection with hedging long-term liabilities and future financing via interest-rate derivatives and for hedging long-term foreign currency receivables and payables via currency derivatives. E.ON also hedges net investments in foreign operations.

In the commodity sector, fluctuations in future cash flows from procurement and sales transactions are economically hedged by offsetting transactions. Hedge accounting was applied in individual cases with regard to hedging electricity price change risks.

To hedge currency risk, E.ON entered into hedging transactions in the reporting year in pounds sterling at an average hedging rate of £0.91/€ (2021: £0. 88/€) and in US dollars at an average hedging rate of US$1.36/€ (2021: US$1.36/€). Hedging transactions were concluded at an average interest rate of 2.67 percent (2021: 3.23 percent) to hedge the interest rate risk in the eurozone.

Fair Value Hedges

Fair value hedges are used to protect against the risk from changes in market values. Gains and losses on these hedges are generally reported in that line item of the income statement which also includes the respective hedged items.

Cash Flow Hedges

Cash flow hedges are used to protect against the risk arising from variable cash flows. Interest rate swaps and cross-currency interest rate swaps are the principal instruments used to limit interest rate and currency risks. The purpose of these swaps is to maintain the level of payments arising from long-term interest-bearing receivables and liabilities denominated in foreign currency and euros by using cash flow hedge accounting in the functional currency of the respective E.ON company. Futures contracts are concluded to reduce future cash flow fluctuations arising from electricity transactions effected at variable spot prices. Cash flow hedge accounting to hedge the risk of changes in electricity prices was prospectively terminated during the fiscal year due to a restructuring of the procurement chain. The following table presents the carrying amounts of the hedging instruments and the changes in the fair values of the hedging instruments and hedged items by hedged risk type:

Carrying Amounts of Hedging Instruments and Changes in Fair Value of Hedging Instruments and Hedged Items in Connection with Cash Flow Hedges

	Carrying amount							
	Receivables from derivative financial instruments		Liabilities from derivative financial instruments		Change in the fair value of the designated portion of hedging instruments		Change in the fair value of hedged items	
€ in millions	2022	2021	2022	2021	2022	2021	2022	2021
Currency risk	408	372	107	88	100	327	-99	-329
Interest-rate risk	66	50	465	1,299	816	291	-827	-338
Electricity price change risk	–	62	–	33	676	27	-676	-27

The total amount of ineffectiveness for cash flow hedges recorded for the year ended December 31, 2022, produced income of €3 million (2021: income of €21 million) resulting from exchange rate hedging.

Gains and losses from the ineffective portions of cash flow hedges are classified as other operating income or other operating expenses.

The development of OCI arising from cash flow hedges, broken down by hedged risk type, is as follows:

Changes in OCI Arising from Cash Flow Hedges

€ in millions	Total	Currency risk	Interest-rate risk	Electricity price change risk
Balance as of January 1, 2021	**-1,809**	**–**	**–**	**–**
Unrealized changes–hedging reserve	655	355	247	53
Unrealized changes–reserve for hedging costs	43	43	–	–
Reclassification adjustments recognized in income	-50	-237	166	21
Change in scope of consolidation	-12	–	–	–
Income taxes	7	–	–	–
Companies accounted for under the equity method	113	–	–	–
Balance as of December 31, 2021[1]	**-1,053**	**–**	**–**	**–**
Balance as of January 1, 2022	**-1,053**	**–**	**–**	**–**
Unrealized changes–hedging reserve	1,555	123	755	676
Unrealized changes–reserve for hedging costs	9	9	–	–
Reclassification adjustments recognized in income	27[2]	-21	75	-27
Change in scope of consolidation	–	–	–	–
Income taxes	-183	–	–	–
Companies accounted for under the equity method	-63	–	–	–
Balance as of December 31, 2022[1]	**292**	**–**	**–**	**–**

[1]As of December 31, 2022, includes €306 million (2021: -€131 million) from terminated cash flow hedges.
[2]Of this amount, -€23 million relates to hedged cash flows that are no longer expected to occur.

The balance of the OCI arising from cash flow hedges as of December 31, 2022, contains -€0.3 billion relating to hedging of interest-rate risk (2021: -€1.1 billion).

Reclassifications recognized in income are generally reported in that line item of the income statement which also includes the respective hedged transaction.

The nominal volume of the hedging instruments is presented in the following table:

Nominal Values of Hedging Instruments in Connection with Cash Flow Hedges

	Maturity			Total	
€ in millions	< 1 year	1–5 years	> 5 years	2022	2021
Currency risk	619	448	2,200	3,267	4,593
Interest-rate risk	0	500	5,750	6,250	4,000
Electricity price change risk	–	–	–	–	305

Net Investment Hedges

The Company uses foreign currency forwards, foreign currency swaps and foreign currency loans to protect the value of its net investments in its foreign operations denominated in foreign currency.

The carrying amount of the assets used as hedging instruments as of December 31, 2022, was €104 million (2021: €57 million) and the carrying amount of the liabilities used as hedging instruments was €1,117 million (2021: €1,165 million). The fair values of the designated portion of the hedging instruments changed by €304 million in the reporting period (2021: €41 million).

As in 2021, no ineffectiveness resulted from net investment hedges in 2022.

The development of OCI arising from net investment hedges is as follows:

Changes in OCI Arising from Net Investment Hedges

€ in millions	Currency risk
Balance as of January 1, 2021	**265**
Unrealized changes–hedging reserve	-47
Unrealized changes–reserve for hedging costs	6
Reclassification adjustments recognized in income	–
Change in scope of consolidation	-4
Balance as of December 31, 2021[1]	**220**
Balance as of January 1, 2022	**220**
Unrealized changes–hedging reserve	322
Unrealized changes–reserve for hedging costs	-18
Reclassification adjustments recognized in income	–
Change in scope of consolidation	–
Income taxes	-170
Balance as of December 31, 2022[1]	**354**

[1]As of December 31, 2022, includes -€71 million (2021: -€71 million) from terminated net investment hedges.

As a rule, reclassification adjustments recognized in income are reported under other operating income and expenses. The nominal volume of hedging instruments in net investment hedges amounted to €4,759 million as of December 31, 2022 (2021: €5,082 million). Since the currency risk of net investment hedges is hedged through the ongoing rollover of the hedging instruments, the majority are concluded with a remaining term of less than one year.

Valuation of Derivative Instruments

The fair value of derivative financial instruments is sensitive to movements in underlying market rates and other relevant variables. The Company assesses and monitors the fair value of derivative instruments on a periodic basis. The fair value to be determined for each derivative instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date (exit price). E.ON also takes into account the counterparty credit risk for both own credit risk (debt value adjustment) and the risk of the corresponding counterparty (credit value adjustment) when determining fair value. The fair values of derivative instruments are calculated using common market valuation methods with reference to available market data on the measurement date.

The following is a summary of the methods and assumptions for the valuation of utilized derivative financial instruments in the Consolidated Financial Statements.

- Currency, electricity and gas forward contracts, swaps, and emissions-related derivatives are valued separately at their forward rates and prices as of the balance sheet date. Whenever possible, forward rates and prices are based on market quotations, with any applicable forward premiums and discounts taken into consideration.

- Market prices for electricity options are valued using standard option pricing models commonly used in the market.

- The fair values of existing instruments to hedge interest risk are determined by discounting future cash flows using market interest rates over the remaining term of the instrument. Discounted cash values are determined for interest rate, cross-currency and cross-currency interest rate swaps for each individual transaction as of the balance sheet date. Interest income and expenses are recognized in income at the date of payment or accrual.

- Equity forwards are valued on the basis of the stock prices of the underlying equities, taking into consideration any timing components.

- Exchange-traded futures and option contracts are valued individually at daily settlement prices determined on the futures markets that are published by their respective clearing houses. Paid initial margins are disclosed under other assets. Variation margins received or paid during the term of such contracts are stated under other liabilities or other assets, respectively, unless they are offset against the recognized market values of the commodity derivatives, as the offsetting criteria of IAS 32.42 are met.

- Certain long-term energy contracts are valued with the aid of valuation models that use internal data if market prices are not available. A hypothetical 10 percent increase or decrease in these internal valuation parameters as of the balance sheet date would lead to a theoretical change in market values of ±€44 million.

(32) Additional Disclosures on Financial Instruments

The carrying amounts of the financial instruments, their grouping into IFRS 9 measurement categories, their fair values and their measurement sources by class are presented in the following table:

Carrying Amounts, Fair Values and Measurement Categories by Class within the Scope of IFRS 7 as of December 31, 2022

€ in millions	Carrying amounts	Carrying amounts within the scope of IFRS 7	Carrying amounts within the scope of IFRS 9[1]	Fair value	Determined using market prices (Level 1)	Derived from active market prices (Level 2)	Determined by valuation methods (Level 3)
Equity investments	2,191	452	FVPL	452	64	–	388
Financial receivables and other financial assets	2,853	782					
Receivables from finance leases	*266*	*238*	*n/a*	*238*			
Other financial receivables and financial assets	*2,587*	*544*		*545*			
		442	*AmC*	*443*	*45*	*215*	*183*
		102	*FVPL*	*102*			*102*
Trade receivables and other operating assets	45,733	42,068					
Trade receivables	*10,422*	*10,346*	*AmC*				
Derivatives with no hedging relationships	*30,168*	*30,168*	*FVPL*	*30,168*	*1*	*29,452*	*714*
Derivatives with hedging relationships	*578*	*578*	*n/a*	*578*	–	*578*	–
Other operating assets	*4,565*	*977*	*AmC*	*960*	*84*	*151*	*725*
Securities and fixed-term deposits	2,948	2,948		2,948	1,120	1,828	–
		2,046	FVPL	2,046	731	1,315	–
		902	FVOCI	902	389	513	–
Cash and cash equivalents	6,973	6,973	AmC				
		1,200	FVPL	1,200	–	1,200	–
		5,773	AmC				
Restricted liquid funds	452	452	AmC				
Assets held for sale	1,543	232					
		161	AmC	161			
		71	FVPL	71	–	71	–
Total assets	**62,693**	**53,907**					
Financial liabilities	34,151	33,776					
Bonds	*28,897*	*28,897*	*AmC*	*25,552*	*24,123*	*1,429*	–
Commercial paper	*767*	*767*	*AmC*	*770*	–	*770*	–
Bank loans/liabilities to banks	*921*	*921*	*AmC*	*921*	–	*184*	*737*
Lease obligations	*2,512*	*2,460*	*n/a*	*2,452*			
Other financial liabilities	*1,054*	*731*	*AmC*	*731*	–	*45*	*686*
Trade payables and other operating liabilities	53,058	45,009					
Trade payables	*14,360*	*14,242*	*AmC*				
Derivatives with no hedging relationships	*27,419*	*27,419*	*FVPL*	*27,419*	–	*26,307*	*1,112*
Derivatives with hedging relationships	*590*	*590*	*n/a*	*590*	–	*590*	–
Liabilities related to IAS 32[2]	*555*	*555*	*AmC*	*558*	–	–	*558*
Other operating liabilities	*10,134*	*2,202*	*AmC*	*2,162*	*229*	*552*	*1,381*
Liabilities associated with assets held for sale	763	510					
		467	AmC	467			
		43	FVPL	43	–	43	–
Total liabilities	**87,972**	**79,295**					

[1]FVPL: Fair Value through P&L; FVOCI: Fair Value through OCI; AmC: Amortized Cost. The measurement categories are described in detail in Note 1. The amounts determined using valuation techniques with unobservable inputs (Level 3 of the fair value hierarchy) correspond to the difference between the total fair values of the two hierarchy levels listed.
[2]Liabilities related to IAS 32 include counterparty obligations and non-controlling interests in fully consolidated partnerships (see Note 27).

The carrying amounts of cash and cash equivalents and of trade receivables and trade payables are considered reasonable estimates of their fair values because of their short maturity.

Where the fair value of a financial instrument can be derived from an active market without the need for an adjustment, that value is used as the fair value. This applies in particular to equities held and to bonds held and issued.

Carrying Amounts, Fair Values and Measurement Categories by Class within the Scope of IFRS 7 as of December 31, 2021

€ in millions	Carrying amounts	Carrying amounts within the scope of IFRS 7	Carrying amounts within the scope of IFRS 9[1]	Fair value	Determined using market prices (Level 1)	Derived from active market prices (Level 2)	Determined by valuation methods (Level 3)
Equity investments	2,147	537	FVPL	537	129	119	289
Financial receivables and other financial assets	2,570	797					
Receivables from finance leases	*261*	*247*	*n/a*	*232*			
Other financial receivables and financial assets	*2,309*	*550*		*544*			
		427	*AmC*	*421*	*15*	*220*	*186*
		123	*FVPL*	*123*	–	–	*123*
Trade receivables and other operating assets	37,921	33,786					
Trade receivables	*9,947*	*9,902*	*AmC*				
Derivatives with no hedging relationships	*22,818*	*22,818*	*FVPL*	*22,818*	*251*	*22,166*	*401*
Derivatives with hedging relationships	*541*	*541*	*n/a*	*541*	*62*	*479*	–
Other operating assets	*4,615*	*525*	*AmC*	*493*	*10*	*172*	*311*
Securities and fixed-term deposits	3,295	3,295		3,295	2,185	1,110	–
		2,075	FVPL	2,075	1,033	1,042	–
		1,220	FVOCI	1,220	724	496	–
Cash and cash equivalents	3,634	3,634					
		1,250	FVPL	1,250	–	1,250	–
		2,384	AmC				
Restricted liquid funds	735	735	AmC				
Assets held for sale	1,620	210					
		172	AmC	172			
		38	FVPL	38	–	38	–
Total assets	**51,922**	**42,994**					
Financial liabilities	34,661	34,217					
Bonds	*28,323*	*28,323*	*AmC*	*31,038*	*29,119*	*1,919*	–
Commercial paper	*1,510*	*1,510*	*AmC*	*1,511*	–	*1,511*	–
Bank loans/liabilities to banks	*1,438*	*1,438*	*AmC*	*1,464*	–	*832*	*632*
Lease obligations	*2,539*	*2,477*	*n/a*	*2,354*			
Other financial liabilities	*851*	*469*	*AmC*	*433*	–	*132*	*301*
Trade payables and other operating liabilities	31,773	24,254					
Trade payables	*9,113*	*9,036*	*AmC*				
Derivatives with no hedging relationships	*11,693*	*11,693*	*FVPL*	*11,693*	*50*	*11,285*	*358*
Derivatives with hedging relationships	*1,425*	*1,425*	*n/a*	*1,425*	*33*	*1,392*	–
Liabilities related to IAS 32[2]	*486*	*486*	*AmC*	*486*	–	–	*486*
Other operating liabilities	*9,056*	*1,614*	*AmC*	*1,368*	*2*	*505*	*861*
Liabilities associated with assets held for sale	701	451					
		412	AmC	412			
		39	FVPL	39	–	39	–
Total liabilities	**67,135**	**58,922**					

[1]FVPL: Fair Value through P&L; FVOCI: Fair Value through OCI; AmC: Amortized Cost. The measurement categories are described in detail in Note 1. The amounts determined using valuation techniques with unobservable inputs (Level 3 of the fair value hierarchy) correspond to the difference between the total fair values of the two hierarchy levels listed.
[2]Liabilities related to IAS 32 include counterparty obligations and non-controlling interests in fully consolidated partnerships (see Note 27).

The fair value of shareholdings in unlisted companies and of debt instruments that are not actively traded, such as loans received, loans granted and financial liabilities, is determined by discounting future cash flows. Any necessary discounting takes place using current market interest rates over the remaining terms of the financial instruments. The determination of the fair value of derivative financial instruments is discussed in Note 31.

At the end of each reporting period, E.ON assesses whether there might be grounds for reclassification between hierarchy levels. In 2022, due to reduced price quotes, securities with a fair value of €175 million were reclassified from hierarchy level 1 to hierarchy level 2. Investments with a fair value of €117 million were reclassified from hierarchy level 2 to hierarchy level 3 because fair values can no longer derived from market values and instead were determined using valuation techniques. Derivative financial instruments with a negative fair value of €34 million were also classified in measurement level 3 because their fair value cannot be derived from market values but instead is determined on the basis of internal parameters.

The input parameters of Level 3 of the fair value hierarchy for equity investments are specified taking into account economic developments and available industry and corporate data (see also Note 1). A hypothetical change of +10 percent or -10 percent in these key internal valuation parameters as of the balance sheet date would lead to a theoretical change in market values of +€24 million or -€16 million, respectively. A change of +10 percent or -10 percent in the key internal measurement parameters of other financial receivables as of the balance sheet date would result in a theoretical increase in fair values of +€3 million or a decrease of -€4 million, respectively. The fair values determined using valuation techniques for financial instruments carried at fair value are reconciled as shown in the following table:

Fair Value Hierarchy Level 3 Reconciliation

						Transfers			
€ in millions	Jan. 1, 2022	Purchases (including additions)	Sales (including disposals)	Settlements	Gains/losses in income statement	into Level 3	out of Level 3	Exchange rate differences	Dec. 31, 2022
Equity investments	289	73	-47	0	-47	117	–	3	388
Derivative financial instruments	43	-435	19	8	1	-34	–	–	-398
Other financial receivables	123	–	–	-15	-6	–	–	–	102
Total	**455**	**-362**	**-28**	**-7**	**-52**	**83**	**–**	**3**	**92**

The extent to which the offsetting of financial assets and financial liabilities is covered by netting agreements is presented in the following tables:

Netting Agreements for Financial Assets and Liabilities as of December 31, 2022

€ in millions	Gross amount	Amount offset	Carrying amount	Conditional netting amount (netting agreements)	Financial collateral received/ pledged	Net value
Financial assets						
Trade receivables	14,110	3,764	10,346	320	–	10,026
Commodity derivatives	29,385	155	29,230	16,794	–	12,436
Interest-rate and currency derivatives	1,515	–	1,515	–	86	1,429
Total	**45,010**	**3,919**	**41,091**	**17,114**	**86**	**23,891**
Financial liabilities						
Trade payables	18,006	3,764	14,242	943	–	13,299
Commodity derivatives	26,471	155	26,316	16,171	–	10,145
Interest-rate and currency derivatives	1,694	–	1,694	–	270	1,424
Total	**46,171**	**3,919**	**42,252**	**17,114**	**270**	**24,868**

Netting Agreements for Financial Assets and Liabilities as of December 31, 2021

€ in millions	Gross amount	Amount offset	Carrying amount	Conditional netting amount (netting agreements)	Financial collateral received/ pledged	Net value
Financial assets						
Trade receivables	11,206	1,304	9,902	271	–	9,631
Commodity derivatives	22,735	1,032	21,703	7,481	–	14,222
Interest-rate and currency derivatives	1,656	–	1,656	–	135	1,521
Total	**35,597**	**2,336**	**33,261**	**7,752**	**135**	**25,374**
Financial liabilities						
Trade payables	10,340	1,304	9,036	1,131	–	7,905
Commodity derivatives	11,621	1,032	10,589	6,621	–	3,968
Interest-rate and currency derivatives	2,529	–	2,529	–	613	1,916
Total	**24,490**	**2,336**	**22,154**	**7,752**	**613**	**13,789**

Compulsory netting is carried out if the netting criteria pursuant to IAS 32.42 are met cumulatively.

Transactions and business relationships resulting in the financial assets and liabilities presented are regularly concluded on the basis of standard contracts that permit the conditional netting of open transactions in the event that a counterparty becomes insolvent. If there is also currently a legal right to set off and the intention is to settle on a net basis, offsetting is mandatory in accordance with IAS 32.

The netting agreements are derived from netting clauses contained in master agreements including those of the International Swaps and Derivatives Association (ISDA), the German Master Agreement for Financial Derivatives Transactions (DRV), the European Federation of Energy Traders (EFET) and the Financial Energy Master Agreement (FEMA).

Collateral pledged to and received from financial institutions in relation to these liabilities and assets limits the utilization of credit lines in the fair value measurement of interest-rate and currency derivatives, and is shown in the table.

The following two tables illustrate the contractually agreed (undiscounted) cash outflows arising from the liabilities included in the scope of IFRS 7:

Cash Flow Analysis as of December 31, 2022

€ in millions	Cash outflows 2022	Cash outflows 2023	Cash outflows 2024-2026	Cash outflows from 2027
Bonds	5,299	3,021	7,371	20,207
Commercial paper	767	–	–	–
Bank loans/liabilities to banks	746	30	272	262
Lease obligations	585	446	925	1,397
Other financial liabilities	1,036	75	174	66
Financial guarantees	0	0	1	7
Cash outflows for financial liabilities	**8,433**	**3,571**	**8,743**	**21,939**
Trade payables	14,360	–	–	–
Derivatives (with/without hedging relationships)	36,577	4,193	2,167	11,324
Put option liabilities under IAS 32	66	398	–	111
Other operating liabilities	2,370	15	0	2
Cash outflows for trade payables and other operating liabilities	**53,373**	**4,606**	**2,167**	**11,437**
Cash outflows for liabilities within the scope of IFRS 7	**61,806**	**8,177**	**10,910**	**33,375**

Cash Flow Analysis as of December 31, 2021

€ in millions	Cash outflows 2022	Cash outflows 2023	Cash outflows 2024-2026	Cash outflows from 2027
Bonds	3,409	3,350	6,680	21,155
Commercial paper	1,510	-	-	-
Bank loans/liabilities to banks	862	138	249	211
Lease obligations	431	439	909	1,694
Other financial liabilities	346	65	50	1
Financial guarantees	-	-	1	7
Cash outflows for financial liabilities	**6,558**	**3,992**	**7,889**	**23,068**
Trade payables	9,036	-	-	-
Derivatives (with/without hedging relationships)	23,793	2,656	819	886
Put option liabilities under IAS 32	27	286	107	66
Other operating liabilities	1,572	9	33	5
Cash outflows for trade payables and other operating liabilities	**34,428**	**2,951**	**959**	**957**
Cash outflows for liabilities within the scope of IFRS 7	**40,986**	**6,943**	**8,848**	**24,025**

Financial guarantees with a total nominal volume of €8 million (2021: €8 million) were issued to companies outside of the Group. This amount is the maximum amount that E.ON would have to pay in the event of claims on the guarantees. E.ON has recognized a liability for this in the amount of €8 million (2021: €8 million).

For financial liabilities that bear floating interest rates, the rates that were fixed on the balance sheet date are used to calculate future interest payments for subsequent periods as well. Financial liabilities that can be terminated at any time are assigned to the earliest maturity band in the same way as put options that are exercisable at any time.

In gross-settled derivatives (usually currency derivatives and commodity derivatives), outflows are accompanied by related inflows of funds or commodities.

The net gains and losses from financial instruments by IFRS 9 category are shown in the following table:

Net Gains and Losses by Category

€ in millions	2022	2021
Financial assets Amortized Cost	-310	-266
Financial liabilities Amortized Cost	-512	-1,179
Fair Value through P&L	3,438	18,651
Fair Value through OCI	-5	50
Total	**2,611**	**17,256**

The net result of the category fair value through OCI results in particular from currency translation effects, interest income and losses from the sale of fair value through OCI securities.

In addition to impairments of financial assets, net gains and losses in the amortized cost category are due primarily to interest income from financial assets and liabilities and effects from the currency translation of financial liabilities.

The net gains and losses in the fair value through profit or loss measurement category encompass both the changes in fair value from derivative financial instruments and from equity instruments, and gains and losses on realization. The decrease in net results was due in particular to the fact that expenses from the fair value measurement of commodity derivatives increased significantly more than income from the fair value measurement of these financial instruments.

Impairments of Financial Assets

Impairment losses on financial assets must be recognized not only for losses already incurred but also for expected future credit losses. E.ON takes into account expected future credit losses of financial assets carried at amortized cost, financial assets measured at fair value through other comprehensive income, and receivables from finance leases.

For trade receivables, expected credit losses are recognized over their entire residual term using the simplified method (lifetime expected credit loss [ECL] trade receivables). For other financial assets, E.ON first determines the credit loss expected within the first twelve months (stage 1—12 month ECL). In derogation of this, in the event of a significant increase in the default risk, the expected credit loss over the entire residual term of the respective instrument is recognized (stage 2—lifetime ECL). Whether the default risk has increased significantly depends largely on the counterparty risk as calculated internally on initial recognition. E.ON uses an 18-point internal rating scale to monitor counterparty risk. A significant increase in the default risk is assumed at the earliest after a three-level decline in the rating (since initial recognition). If there are objective indications of an actual default, an individual impairment loss must be recognized on the income statement (stage 3—losses already incurred).

E.ON distinguishes between two approaches when calculating expected future credit losses. If external or internal rating information is available, the expected credit loss for trade receivables and other financial assets is determined on the basis of this data. If no rating information is available, E.ON determines default ratios for trade receivables on the basis of historical default rates, taking into account forward-looking information on economic developments. In the E.ON Group, a default or the classification of a receivable as uncollectable is assumed after 180, 270 or 360 days, depending on the region.

In 2022, valuation allowances for trade receivables changed as shown in the following table:

Valuation Allowances for Trade Receivables

€ in millions	2022	2021
Balance as of January 1	**-1,253**	**-1,239**
Disposals	259	337
Impairments	-657	-315
Other[1]	39	-36
Balance as of December 31	**-1,612**	**-1,253**

[1]The item Other includes currency translation differences.

There were no significant changes in valuation allowances in 2022 for other financial assets measured at amortized cost or at fair value through other comprehensive income, or for receivables from finance leases.

The default risks for financial assets for which rating information is available can be found in the following table for each rating grade and separately according to the stages of impairment existing in 2022:

Credit Risk Exposure for Financial Assets for Which Rating Information is Available

	Stage 1 financial assets		Trade receivables	
€ in millions	2022	2021	2022	2021
Gross carrying amount investment grade	7,927	4,543	2,877	2,299
Gross carrying amount non investment grade	57	29	192	818
Gross carrying amount default grade	–	–	1,282	915
Total	**7,984**	**4,572**	**4,351**	**4,032**

The default risks for trade receivables for which no rating information is available and the amount of expected credit losses over the remaining term are shown in the following matrix for each maturity class:

Credit Risk Exposure for Trade Receivables for Which No Rating Information is Available

	Gross carrying amount		Lifetime ECL	
€ in millions	2022	2021	2022	2021
Not past due	5,676	5,506	85	40
Past due by	1,518	1,334	822	646
up to 30 days	353	322	19	24
31 to 60 days	159	130	13	10
61 to 90 days	73	55	13	7
91 to 180 days	149	118	52	25
more than 180 days incl. specific valuation allowances	784	709	725	580
Total	**7,194**	**6,840**	**907**	**686**

Interest Rate Benchmark Reform

The majority of E.ON SE's external financial derivatives are subject to bilateral collateral agreements with banks. Prior to the interest rate benchmark reform, the collateral balance generally accrued interest on the basis of the Euro Overnight Index Average, which was affected by the reform. The conversion of the affected agreement to interest at the Euro Short-Term Rate was fully completed on January 6, 2022.

Risk Management

Principles

The prescribed processes, responsibilities and actions concerning financial and risk management are described in detail in internal risk management guidelines applicable throughout the Group. The units have developed additional guidelines of their own within the confines of the Group's overall guidelines. To ensure efficient risk management at the E.ON Group, the Trading (Front Office), Finance Controlling (Middle Office) and Financial Settlement (Back Office) departments are organized as strictly separate units. Risk steering and reporting in the areas of interest rates, currencies and credit for banks and liquidity management is performed by the Finance Controlling department (in the credit area, also in part by Counterparty Risk Management), while risk steering and reporting in the area of commodities and in the credit area for industrial enterprises is performed at Group level by a separate department.

E.ON uses a Group-wide treasury, risk management and reporting system. This system is a standard information technology solution that is fully integrated and is continuously updated. The system is designed to provide for the analysis and monitoring of the E.ON Group's exposure to liquidity, foreign exchange and interest risks. On a Group-wide basis, Finance Controlling/Counterparty Risk Management monitors and steers credit risks for banks, and Counterparty Risk Management monitors and steers corporates of a certain materiality. These activities are carried out each using a standard software package.

Separate Risk Committees/Steering Groups are responsible for the maintenance and further development of the strategy set by the Management Board of E.ON SE with regard to commodity, treasury and credit risk management policies.

1. Liquidity Management

The primary objectives of liquidity management at E.ON consist of ensuring ability to pay at all times, the timely satisfaction of contractual payment obligations and the optimization of costs within the E.ON Group.

Cash pooling and external financing are largely centralized at E.ON SE and certain financing companies. Funds are provided to the other Group companies as needed on the basis of an "in-house banking" solution.

E.ON SE determines the Group's financing requirements on the basis of short- and medium-term liquidity planning. The financing of the Group is controlled and implemented on a forward-looking basis in accordance with the planned liquidity requirement or surplus. Relevant planning factors taken into consideration include operating cash flow, capital expenditures, divestments, margin payments and the maturity of bonds and commercial paper.

2. Price Risks

In the normal course of business, the E.ON Group is exposed to risks arising from price changes in foreign exchange, interest rates, commodities and asset management. These risks create volatility in earnings, equity, debt and cash flows from period to period. E.ON has developed a variety of strategies to limit or eliminate these risks, including the use of derivative financial instruments, among others.

3. Credit Risks

E.ON is exposed to credit risk in its operating activities and through the use of financial instruments. Uniform credit risk management procedures are in place throughout the Group to identify, measure and steer credit risks.

The following discussion of E.ON's risk management activities and the estimated amounts generated from value-at-risk ("VaR") and sensitivity analyses are "forward-looking statements" that involve risks and uncertainties. Actual results could differ materially from those projected due to actual, unforeseeable developments in the global financial markets. The methods used by the Company to analyze risks should not be considered forecasts of future events or losses. For example, E.ON faces certain risks that are either nonfinancial or non-quantifiable. Such risks principally include country risk, operational risk, regulatory risk and legal risk, which are not represented in the following analyses.

Foreign Exchange Risk Management

E.ON SE is responsible for controlling the currency risks to which the E.ON Group is exposed.

Because it holds interests in businesses outside of the euro area, currency translation risks arise within the E.ON Group. Fluctuations in exchange rates produce accounting effects attributable to the translation of the balance sheet and income statement items of the foreign consolidated Group companies included in the Consolidated Financial Statements. Translation risks are hedged through borrowing in the corresponding local currency, which may also include shareholder loans in foreign currency. In addition, derivative and non-derivative financial instruments are employed as needed. The hedges qualify for hedge accounting under IFRS as hedges of net investments in foreign operations. The Group's translation risks are reviewed at regular intervals and the level of hedging is adjusted whenever necessary. The respective debt factor, net assets and the enterprise value denominated in the foreign currency are the principal criteria governing the level of hedging.

The E.ON Group is also exposed to operating and financial transaction risks attributable to foreign currency transactions. The subsidiaries are responsible for managing their operating currency risks and are generally required to hedge their currency risks through E.ON SE. E.ON SE coordinates hedging throughout the Group companies and makes use of external derivatives as needed. It may either directly close out foreign currency positions that have been tendered, in whole or in part, through external transactions, or keep the position open within approved limits. The one-day value-at-risk (95 percent confidence) for transactional foreign currency positions totaled €0.7 million as of December 31, 2022 (2021: €0.6 million) and is mainly determined by the currencies Czech koruna, Hungarian forint and Swedish krona.

Financial transaction risks result from payments originating from financial receivables and payables. They are generated both by external financing in a variety of foreign currencies, and by shareholder loans from within the Group denominated in foreign currency. Financial transaction risks are generally hedged.

Interest Rate Risk Management

E.ON is exposed to profit risks arising from floating-rate financial liabilities and future (re)financing needs. Positions based on fixed interest rates, on the other hand, are subject to changes in fair value resulting from the volatility of market interest rates. E.ON seeks a balanced maturity profile. This is influenced, among other factors, by the type of business model, existing liabilities as well as the regulatory framework in which E.ON operates. Interest rate derivatives are also used to manage interest rate risk.

With interest rate derivatives included, the share of financial liabilities with floating interest rates or with maturities of less than 12 months was 0 percent as of December 31, 2022 (2021: 12 percent). The volume-weighted average interest rate of the financial liabilities, including interest rate derivatives, was 2.7 percent as of December 31, 2022 (2021: 2.6 percent).

As of December 31, 2022, the E.ON Group held interest rate derivatives with a nominal value of €6,263 million (2021: €4,016 million).

A sensitivity analysis was performed on the Group's floating-rate borrowings and planned financing, including interest risk hedges. This measure is used for internal risk controlling and reflects the economic position of the E.ON Group. A one-percentage-point upward or downward change in interest rates (across all currencies) would raise or lower interest charges by ±€8.0 million (2021: ±€26.2 million) in the subsequent fiscal year.

Commodity Price Risk Management

The E.ON portfolio of physical assets, long-term contracts and end-customer sales is exposed to substantial risks from fluctuations in commodity prices. The principal commodity prices to which E.ON is exposed relate, in particular, to electricity, gas, green and emission certificates.

The objective of commodity risk management is to transact through physical and financial contracts to optimize the value of the portfolio while reducing the potential negative deviation from target EBIT.

In the normal course of business of the underlying energy production and retail sales activities, E.ON's individual management units are exposed to uncertain commodity market prices, which impacts operating gains and costs. All external trading on commodity markets must be related to reducing open commodity positions and be undertaken in strict accordance with approved commodity hedging strategies.

Due to the primary focus on procurement and purely hedging transactions, the allocation of risk capital is no longer necessary. The processes and operational management models within the trading system are monitored by the local market risk teams and centrally managed by the Risk Management department.

Following the spinoff of Uniper, E.ON established its own procurement organization for the distribution business and secured market access for the output of the remaining energy production in order to appropriately manage the residual commodity risks. In addition, E.ON has established a subsidiary, E.ON Energy Markets GmbH (EEM), which acts as a central interface to the wholesale markets. The main function of EEM is to consolidate E.ON's commodity positions in order to diversify and reduce credit and margin risks.

As of December 31, 2022, the E.ON Group primarily held electricity and gas derivatives with a nominal value of €136,765 million (2021: €31,512 million). Electricity derivatives account for €66,648 million (2021: €23,357 million) of this amount and gas derivatives for €70,055 million (2021: €7,961 million).

A key foundation of the commodity risk management system is the Group-wide Commodity Risk Policy and the corresponding internal policies of the units. These specify the control principles for commodity risk management, minimum required standards and clear management and operational responsibilities.

Commodity exposures and risks are reported across the Group on a monthly basis to the members of the Risk Committee. A report on complex weather risks is prepared once each quarter.

A hypothetical change in market prices at the reporting date of +10 percent or -10 percent would result in a theoretical increase in fair value and recognition in income in the amount of +€1,338 million or a decrease in fair value and recognition in expense in the amount of -€1,338 million for the electricity derivatives (2021: ±€1,299 million). A corresponding hypothetical change would result in a theoretical increase in fair value and recognition in income in the amount of €810 million or a decrease in fair value and recognition in expense in the amount of €810 million for gas derivatives (2021: ±€1,419 million).

Credit Risk Management

In order to minimize credit risk arising from operating activities and from the use of financial instruments, the Company enters into transactions only with counterparties that satisfy the Company's internally established minimum requirements. Maximum credit risk is confined by credit limits based on internal and (where available) external credit ratings. The setting and monitoring of credit limits is subject to certain minimum requirements, which are based on Group-wide credit risk management guidelines. Long-term operating contracts and asset management transactions are not comprehensively included in this process. They are monitored separately at the level of the responsible units.

In principle, each Group company is responsible for managing credit risk in its operating activities. Depending on the nature of the operating activities and the credit risk, additional credit risk monitoring and controls are performed both by the units and by Corporate Headquarters. Regular reports on credit limits, including their utilization, are submitted to the Risk Committee. Intensive, standardized monitoring of quantitative and qualitative early-warning indicators, as well as close monitoring of the credit quality of counterparties, enable E.ON to act early in order to minimize risk.

To the extent possible, collateral is negotiated with counterparties for the purpose of reducing credit risk. Accepted as collateral are primarily guarantees issued by the respective parent companies, letters of comfort or evidence of profit and loss transfer agreements in combination with letters of awareness. To a lesser extent, the Company also requires bank guarantees and deposits of cash and securities as collateral to reduce credit risk. Risk-management collateral in the forms mentioned above totaling €61.0 billion (2021: €59.3 billion) was used for setting limits. Due to the continued high price levels on wholesale markets during 2022, the eligible collateral of individual parent companies of our counterparties also remained at a high level and was taken into account.

Derivative transactions are generally executed on the basis of standard agreements that allow for the netting of all open transactions with individual counterparties. To further reduce credit risk, bilateral margining agreements are entered into with selected banks. Limits, which are regularly monitored, are imposed

on the credit and liquidity risk resulting from bilateral margining agreements and exchange clearing. The systematic management of liquidity risk remains an important component of risk management at E.ON, particularly against the backdrop of the current high level of energy price volatility. Consequently, the rise in energy prices since summer 2021 has increased credit risks from pending procurement contracts.

There is no credit risk with respect to the exchange-traded forward and option contracts with an aggregate nominal value of €37,086 million as of December 31, 2022 (2021: €4,109 million). For the remaining financial instruments, the maximum risk of default is equal to their nominal amounts.

At E.ON, liquid funds are normally invested at banks with good credit ratings, in money market funds with first-class ratings or in short-term securities (for example, commercial paper) of issuers with strong credit ratings. Bonds of public and private issuers are also selected for investment. Group companies that for legal reasons are not included in the cash pool invest money at leading local banks. Standardized credit assessment and limit-setting is complemented by daily monitoring of CDS levels at the banks and at other significant counterparties.

Asset Management

For the purpose of financing long-term payment obligations, including those relating to asset retirement obligations (see Note 26) and cash investments, financial investments totaling €2.4 billion (2021: €2.9 billion) were held predominantly by German E.ON Group companies as of December 31, 2022. Isolated withdrawals were offset by positive performance.

These financial assets are invested on the basis of an accumulation strategy (total-return approach), with investments broadly diversified across the various asset classes, for example the money market, bond and equity asset classes, as well as alternative asset classes like real estate. The majority of the assets are held in investment funds managed by external fund managers. Corporate Asset Management at E.ON SE, which is part of the Company's Finance Department, is responsible for continuous monitoring of overall risks and those concerning individual fund managers. The three-month VaR with a 98-percent confidence interval for these financial assets was €166 million (2021: €100 million).

The liquidation of Versorgungskasse Energie VVaG (VKE i. L.) was almost complete as of December 31, 2022. Financial investments under management amounted to €51.9 million as of December 31, 2022 (2021: €53.4 million). The company was deconsolidated on June 30, 2019.

(33) Leasing

E.ON as Lessee

E.ON operates as a lessee especially in the areas of networks, land and buildings and vehicle fleets. Leases are recognized in accordance with the right-of-use model as set out in IFRS 16. The tables in Note 15 present the development of the right-of-use assets by asset class. The net carrying amount of the rights of use at the balance sheet date of December 31, 2022, in the amount of €2,377 million (2021: €2,424 million) decreased year-on-year by €47 million (2021: €119 million). Depreciation of right-of-use assets in the amount of €390 million (2021: €382 million) remained nearly constant compared with the prior year.

To ensure operative flexibility, in particular for real estate leases extension and termination options are included in the agreements. In determining the lease term, E.ON considers all facts and circumstances that have an impact on the exercise of an extension option or the non-exercise of a termination option. In the determination of the lease liability, and correspondingly, of the right-of-use assets, all reasonably certain cash outflows are taken into consideration. As of December 31, 2022, potential future cash outflows in the amount of €235 million (2021: €133 million) were not included in the lease liability as it is not reasonably certain that the leases will be renewed or not terminated. Possible future cash outflows for lease agreements that can be terminated without penalty by either party, subject to certain deadlines, are not included in this amount due to higher levels of uncertainty. Variable lease payments occur in only immaterial amounts and E.ON generally does not issue residual value guarantees. Leases not yet commenced to which E.ON as a lessee is committed result in potential future cash outflows over the expected lease terms of €110 million (2021: €348 million). The majority of this relates to future rental payments for the new office building of E.ON Sverige AB in Malmö, which is scheduled to be occupied in 2023. The figure reported in 2021 included leases in connection with network cooperation agreements at Westenergie AG that commenced on January 1, 2022. The existing lease liabilities do not contain any covenant clauses that are linked to financial ratios.

As of the balance sheet date of December 31, 2022, right-of-use assets are offset by lease liabilities with a present value of €2,512 million (2021: €2,539 million) recognized under financial liabilities (see Note 27); the short-term portion of the lease liabilities totals €367 million (2021: €355 million). The maturity structure of the future payment obligations from leases is presented in Note 32.

Due to the practical expedients used, the recognition of a right-of-use asset is not necessary for low-value leases and leases with a lease term of less than twelve months. Instead, a lease expense is recognized in these cases. The following amounts are recognized in the income statement in connection with leases in the fiscal year:

E.ON as Lessee – Effects within the Income Statement

€ in millions	2022	2021
Expenses from short term leases (< 12 months)	36	12
Expense for low-value leases not included in short-term leases	11	19
Expense from variable lease payments	14	10
Interest expense from leasing	162	160
Income from subleases	–	–
Gain/Loss from sale and leaseback transactions	-6	9

The liabilities from short-term agreements with a term of less than twelve months entered into for the next fiscal year do not vary materially from the expenses of the current fiscal year.

Cash outflows from lease agreements totaled €580 million (2021: €564 million) in the fiscal year and are allocated to operating cash flow in the amount of €223 million (2021: €201 million). This includes the lease expense for short-term and low-value leases as well as the expense from variable lease payments and interest expense for the period. Payments allocated to the amortization of the lease liability are recognized in cash flows from financing activities in the amount of €357 million (2021: €363 million).

E.ON as Lessor

E.ON enters into lease agreements as a lessor to a limited extent. Finance leases include technical equipment and machinery, in particular generation plants, that have been transferred to customers for use. Operating leases include assets that have been transferred for use, in particular real estate, heat and electricity generation plants and lines. There are no material risks in connection with rights retained to the assets temporarily transferred for use, with the result that risk management strategies, in particular, are not necessary. Residual-value guarantees are only entered into on an individual basis for purposes of additional hedging.

The present value of minimum lease payments is recognized under receivables from finance leases (see Note 18). The short-term portion totals €33 million (2021: €44 million). There were no material changes to net investments in the period under review.

The nominal and present values of the lease payments had the following maturities:

E.ON as Lessor – Finance Leases

	Undiscounted lease payments		Unrealized interest income		Discounted non-guaranteed residual value		Present value of minimum lease payments	
€ in millions	2022	2021	2022	2021	2022	2021	2022	2021
Due within 1 year	53	64	20	21	–	1	33	44
Due in 1 to 2 years	45	56	18	18	–	1	27	39
Due in 2 to 3 years	38	47	15	15	–	1	23	33
Due in 3 to 4 years	32	40	14	12	8	1	26	29
Due in 4 to 5 years	28	29	12	10	–	–	16	19
Due in more than 5 years	174	134	44	37	11	–	141	97
Total	**370**	**370**	**123**	**113**	**19**	**4**	**266**	**261**

The following effects from activity as lessor are recognized for the period under review:

E.ON as Lessor – Effects within the Income Statement

€ in millions	2022	2021
Finance-Lease		
Gain/loss from the disposal of assets	–	-1
Financial income from net investments	21	24
Income from variable lease payments	5	6
Operating-Lease		
Income from leasing	59	50
thereof Income from variable lease payments	19	5

Results from the disposal of assets were recognized in income. Cash flows from operating leases are allocated to cash flow before interest and taxes. This also applies to cash inflows from finance leases with variable lease payments. Payments recognized as financing income from net investments increase the operating cash flow.

The following inpayments are expected from existing operating leases:

E.ON as Lessor – Operating Leases

	Undiscounted lease payments	
€ in millions	2022	2021
Due within 1 year	82	69
Due in 1 to 2 years	65	56
Due in 2 to 3 years	57	47
Due in 3 to 4 years	52	42
Due in 4 to 5 years	49	36
Due in more than 5 years	103	104
Total	**408**	**354**

(34) Transactions with Related Parties

E.ON exchanges goods and services with a large number of companies as part of its continuing operations. Some of these companies are related parties, including associated companies accounted for under the equity method and their subsidiaries. Receivables and payables consist primarily of lease obligations from leaseback models and trade receivables. Joint ventures and subsidiaries that are not fully consolidated continue to be accounted for as associated companies. Transactions with related parties in the reporting year and in the previous year are summarized as follows:

Related-Party Transactions

€ in millions	2022	2021
Income	**3,881**	**1,604**
Associated companies	*3,235*	*1,255*
Joint ventures	*405*	*113*
Other related parties	*241*	*236*
Expenses	**3,357**	**1,471**
Associated companies	*2,543*	*746*
Joint ventures	*298*	*141*
Other related parties	*516*	*584*
Receivables	**1,199**	**644**
Associated companies	*695*	*211*
Joint ventures	*62*	*117*
Other related parties	*442*	*315*
Liabilities	**2,590**	**2,098**
Associated companies	*1,543*	*1,066*
Joint ventures	*525*	*445*
Other related parties	*521*	*587*
Provisions	**11**	**22**
Associated companies	*8*	*19*
Joint ventures	*3*	*3*
Other related parties	–	–

In 2022, E.ON generated income from transactions with related companies through the delivery of gas and electricity to distributors and municipal entities, especially municipal utilities. The relationships with these entities do not generally differ from those that exist with municipal entities in which E.ON does not have an interest. Expenses from transactions with related companies are generated mainly through electricity and gas deliveries as well as through management fees, IT services and third-party services.

Liabilities of E.ON payable to related companies as of December 31, 2022, include €55 million (2021: €62 million) in trade payables and shareholder loans to operators of jointly-owned nuclear power plants. These shareholder loans bear interest at 1.0 percent (2021: 1.0 percent) and have no fixed maturity. E.ON continues to have in place with these power plants a cost-transfer agreement and a cost plus-fee agreement for the procurement of electricity. The settlement of such liabilities occurs mainly through clearing accounts.

Under IAS 24, compensation paid to key management personnel (members of the Management Board and of the Supervisory Board of E.ON SE) must be disclosed.

The total expense for 2022 for members of the Management Board amounted to €11.8 million (2021: €11.3 million) in short-term benefits and €0.3 million (2021: €1,9 million) in post-employment benefits. The cost of post-employment benefits is equal to the service cost of the provisions for pensions.

The expense determined in accordance with IFRS 2 for existing commitments arising from share-based payment in 2022 was €2.7 million (2021: €9.2 million).

Provisions for these commitments amounted to €10.1 million as of December 31, 2022 (2021: €15.6 million).

The members of the Supervisory Board received a total of €5.0 million for their activity in 2022 (2021: €5.1 million).

Employee representatives on the Supervisory Board were paid compensation under the existing employment contracts with subsidiaries totaling €1.0 million (2021: €0.8 million).

(35) Segment Reporting

Segment Information

Led by its Corporate Headquarters in Essen, Germany, the E.ON Group comprises the reporting segments described below, all of which are reported here in accordance with IFRS 8. The combined segments, which are not separately reportable, in the Energy Networks East-Central Europe/Turkey unit and the Customer Solutions Other unit are of subordinate importance and have similar economic characteristics with respect to customer structure, products and distribution channels.

Energy Networks

Germany

This segment combines the electricity and gas distribution networks and all related activities in Germany.

Sweden

This segment comprises the electricity networks businesses in Sweden.

East-Central Europe/Turkey

This segment combines the distribution network activities in the Czech Republic, Hungary, Romania, Poland, Croatia, Slovakia and Turkey.

Customer Solutions

Germany

This segment consists of activities that supply our customers in Germany with electricity and gas and the distribution of specific products and services in areas for improving energy efficiency and energy independence. This item also includes the heating business in Germany.

United Kingdom

This segment reports sales activities and customer solutions in the UK.

The Netherlands

The segment comprises electricity and gas sales and Customer Solutions in the Netherlands.

Other

This segment combines sales activities and the corresponding Customer Solutions in Sweden, Norway, Denmark, Italy, the Czech Republic, Hungary, Croatia, Romania, Poland, Slovakia and the innovative solutions business.

Non-Core Business

Non-Core Business comprises the non-strategic activities of the E.ON Group. This includes the operation and retirement of the German nuclear power plants, which are managed by the PreussenElektra operating unit, and the electricity generation business in Turkey.

Corporate Functions/Other

Corporate Functions/Other contains E.ON SE itself and the interests held directly by E.ON SE. The main task of Corporate Functions is to manage the E.ON Group. This includes the strategic development of the Group and the management and financing of the existing business portfolio. The E.ON Group's internal service providers are also reported here. This includes E.ON Energy Markets as the Group's central commodity procurement unit.

Financial Information by Business Segment[1]

	Energy Networks						Customer Solutions							
	Germany		Sweden		ECE/Turkey		Germany		United Kingdom		The Netherlands		Other	
€ in millions	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
External sales	11,185	10,683	1,002	957	1,841	1,406	29,518	24,309	25,422	17,867	5,227	3,115	14,705	10,351
Intersegment sales	5,063	3,978	5	5	1,162	1,244	9,214	4,402	6,570	3	4,955	973	610	408
Sales	**16,248**	**14,661**	**1,007**	**962**	**3,003**	**2,650**	**38,732**	**28,711**	**31,992**	**17,870**	**10,182**	**4,088**	**15,315**	**10,759**
Adjusted EBITDA	**4,153**	**3,458**	**452**	**507**	**854**	**1,023**	**760**	**694**	**208**	**261**	**324**	**152**	**394**	**386**
Equity-method earnings	247	277	–	–	137	151	5	4	–	–	9	7	5	8
Depreciation and amortization[2]	**-1,566**	**-1,497**	**-180**	**-170**	**-304**	**-351**	**-195**	**-162**	**-136**	**-140**	**-66**	**-62**	**-194**	**-202**
Operating cash flow before interest and taxes	**5,557**	**3,020**	**536**	**602**	**927**	**1,067**	**1,198**	**612**	**989**	**-274**	**354**	**125**	**-116**	**53**
Investments	**2,763**	**2,396**	**411**	**407**	**671**	**717**	**358**	**353**	**127**	**103**	**41**	**47**	**305**	**207**

[1]Because of changes in segment reporting, the prior-year figure was adjusted accordingly.
[2]Adjusted for non-operating effects.

	Non-Core Business									
	PreussenElektra		Generation Turkey		Corporate Functions/Others		Consolidation		E.ON Group	
€ in millions	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
External sales	11	307	–	–	26,749	8,364	–	-1	115,660	77,358
Intersegment sales	1,049	1,325	–	–	31,027	8,901	-59,655	-21,239	0	0
Sales	**1,060**	**1,632**	**–**	**–**	**57,776**	**17,265**	**-59,655**	**-21,240**	**115,660**	**77,358**
Adjusted EBITDA	**922**	**1,563**	**162**	**54**	**-165**	**-213**	**-5**	**4**	**8,059**	**7,889**
Equity-method earnings	61	51	162	54	–	–	-1	-1	625	551
Depreciation and amortization[2]	**-120**	**-473**	**–**	**–**	**-101**	**-108**	**–**	**-1**	**-2,862**	**-3,166**
Operating cash flow before interest and taxes	**173**	**1,010**	**93**	**32**	**1,801**	**-605**	**-1**	**-3**	**11,511**	**5,639**
Investments	**7**	**298**	**–**	**–**	**69**	**238**	**1**	**-4**	**4,753**	**4,762**

[1]Because of changes in segment reporting, the prior-year figure was adjusted accordingly.

The following table shows the reconciliation of operating cash flow before interest and taxes to operating cash flow from continuing operations:

Reconciliation of Operating Cash Flow[1]

€ in millions	2022	2021
Operating cash flow before interest and taxes	**11,511**	**5,639**
Interest payments	-872	-918
Tax payments	-594	-652
Operating cash flow	**10,045**	**4,069**

1 Operating cash flow from continuing operations.

Adjusted EBITDA

In 2022, adjusted EBITDA, a measure of earnings before interest, taxes, depreciation and amortization adjusted to exclude extraordinary effects ("adjusted EBITDA"), was used at E.ON for purposes of internal management control and as the most important indicator of a business's sustainable earnings power.

The E.ON Management Board is convinced that adjusted EBITDA is the most suitable key figure for assessing operating performance because it presents E.ON's operating earnings independently of non-operating factors, interest, taxes and amortization.

Unadjusted earnings before interest, taxes, depreciation and amortization ("EBITDA") represents the Group's income/loss reported in accordance with IFRS before financial results and income taxes, taking into account income/loss from financial results and equity investments. To improve its meaningfulness as an indicator of the sustainable earnings power of the E.ON Group's business, unadjusted EBITDA is adjusted for certain non-operating effects.

Operating earnings also include income from investment subsidies for which liabilities are recognized.

The non-operating earnings effects for which EBITDA is adjusted include, in particular, non-operating interest expense/income, income and expenses from the marking to market on the reporting date of unrealized commodity derivatives and related provisions for contingent losses, where material, book gains/losses, certain restructuring expenses, impairment charges and reversals recognized in the context of impairment tests on noncurrent assets, on equity investments in affiliated or associated companies and on goodwill, and other contributions to non-operating earnings. IAS 29 is being applied for the first time in 2022 because of the hyperinflation in Turkey and the effects recognized in income are also presented in other non-operating earnings.

In addition, effects from the valuation of certain provisions on the balance sheet date are disclosed in non-operating earnings. In addition, effects that are to be initially recognized from the subsequent measurement of hidden reserves and charges in connection with the innogy purchase price allocation are included.

Net book gains were higher compared with the previous year due to a pro rata disposal and the agreement between E.ON and igneo on the founding of a joint venture for the rollout of high-speed broadband infrastructure in Germany.

Restructuring expenses were lower than in the 2021 reporting period and, as in the previous year, mainly included expenses in connection with the restructuring of the UK distribution business.

Effects in connection with derivative financial instruments changed by -€6,373 million to -€3,123 million. The change was primarily due to the realization of sales and procurement transactions that had been recognized in the previous year as derivatives with positive fair values, and to the decline in the fair values of unrealized sales and procurement transactions in line with price developments at the end of the year.

Other non-operating earnings mainly include valuation effects for non-current provisions and the effects on earnings of the Turkish investments accounted for using the equity method in connection with the application of IAS 29. Measurement effects from foreign currency bonds also had a partially offsetting effect. The previous year was negatively impacted by measurement effects for repurchase obligations under IAS 32 and non-current provisions, as well as realized effects from hedging transactions for certain currency risks.

In addition to the non-operating earnings components of EBITDA described above, the following items are included in the earnings adjustments:

In 2022, impairment losses were recognized in particular, in addition to the separately disclosed impairments in connection with the innogy purchase price allocation, in the areas of energy networks in Slovakia (mainly on goodwill in connection with the reporting as a disposal group). In the prior year, impairment losses were recognized in particular in the areas of energy networks in Romania and Customer Solutions in Slovakia.

Non-operating interest income results from interest rate change effects from the long-term discounting of provisions at PreussenElektra. In addition, there is a positive effect from the difference between the nominal interest rate and the effective interest rate of the former innogy bonds adjusted due to the purchase price allocation.

The non-operating tax result includes high earnings which mainly result from the addition of deferred tax assets in conjunction with the measurement of pension obligations in the United Kingdom and commodity derivatives in Germany.

Operating earnings attributable to non-controlling interests increased mainly as a result of higher operating earnings contributions from minority interests.

The following table shows the reconciliation of earnings before financial results and taxes to adjusted EBITDA:

Non-Operating Adjustments

€ in millions	2022	2021
Net book gains (+)/losses (-)	748	26
Restructuring expenses	-88	-511
Effects from derivative financial instruments	-3,123	3,250
Carryforward of hidden reserves (+) and liabilities (-) from the innogy transaction	-112	-188
Other non-operating earnings	-961	432
Non-operating adjustments of EBITDA	**-3,536**	**3,009**
Depreciation of hidden reserves (+) and liabilities (-) from the innogy transaction	-504	-603
Other non-operating impairments/reversals	-86	-453
Non-operating interest expense (-)/income (+)	1,817	391
Non-operating taxes	1,306	62
Non-operating adjustments of net income/loss	**-1,003**	**2,406**

Reconciliation to Adjusted EBITDA

€ in millions	2022	2021
Adjusted EBITDA	**8,059**	**7,889**
Non-operating adjustments of EBITDA	-3,536	3,009
Income/loss from continuing operations before depreciation, interest result and income taxes	**4,523**	**10,898**
Scheduled depreciation/impairments and amortization/reversals	-3,453	-4,222
less income/loss from equity investments	7	-167
Income/loss from continuing operations before financial results and income taxes	**1,077**	**6,509**

Additional Entity-Level Disclosures

External sales by product break down as follows:

Segment Information by Product

€ in millions	2022	2021
Electricity	70,234	52,802
Gas	38,180	19,404
Other	7,246	5,152
Total	**115,660**	**77,358**

The "Other" item consists in particular of revenues generated from services.

The following table breaks down external sales (by customer and seller location), intangible assets and property, plant and equipment, as well as companies accounted for under the equity method, by geographic area:

Geographic Segment Information

	Germany		United Kingdom		Sweden		The Netherlands		Europe (other)		Other		Total	
€ in millions	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
External sales by location of customer	54,196	41,374	28,358	18,644	2,832	2,487	5,320	2,999	24,863	11,809	91	45	115,660	77,358
External sales by location of seller	67,230	43,607	25,519	17,868	2,948	2,541	5,227	3,007	14,645	10,292	91	43	115,660	77,358
Intangible assets	1,498	1,589	144	146	186	203	214	271	1,411	1,338	–	6	3,453	3,553
Right-of-use assets	2,082	2,095	88	104	39	41	34	31	133	152	1	1	2,377	2,424
Property, plant and equipment	26,259	25,751	747	792	5,064	5,221	76	75	5,266	5,016	7	5	37,419	36,860
Companies accounted for under the equity method	3,789	3,054	4	5	67	71	51	45	1,621	908	–	–	5,532	4,083

[1]Belgium included in Europe (other) segment

E.ON's customer structure resulted in a focus on the Germany region. Aside from that, there was no major concentration in any given geographical region or business area. Due to the large number of customers the Company serves and the variety of its business activities, there are no individual customers whose business volume is material compared with the Company's total business volume.

(36) Compensation of Supervisory Board and Management Board

Supervisory Board

Total remuneration to members of the Supervisory Board in 2022 amounted to €5.0 million (2021: €5.1 million).

As in 2021, there were no loans to members of the Supervisory Board in 2022.

Management Board

Total compensation of the Management Board in 2022 amounted to €19.5 million (2021: €15.9 million). This consists of non-performance-based compensation (base salary, fringe benefits) and performance-based compensation (bonus, long-term variable compensation).

In 2022, the members of the Management Board were granted sixth-tranche virtual shares under the E.ON Performance Plan (2021: fifth tranche of the E.ON Performance Plan) with a value of €7.8 million (2021: €4.6 million) and a total number of shares of 607,760 (2021: 597,226).

Total payments to former members of the Management Board and their beneficiaries amounted to €14.0 million (2021: €10.1 million). Provisions of €184.5 million (2021: €190.8 million) have been established for the pension obligations to former members of the Management Board and their beneficiaries.

As in 2021, there were no loans to members of the Management Board in 2022.

(37) Subsequent Events

Corporate Bonds Issued

E.ON issued two corporate bonds at the beginning of January 2023. One bond has a volume of €800 million due in January 2028 with a 3.500 percent coupon; the other bond has a volume of €1 billion due in January 2035 with a 3.875 percent coupon.

Earthquake in southeast Turkey and northern Syria

Southeastern Turkey and northern Syria experienced a series of major earthquakes on February 6, 2023, and the following days. Damages included power and gas outages. Natural gas and crude oil flows were suspended as a precaution. The supply area affected at E.ON was that of Enerjisa Enerji; around 8.5 million people are supplied in the affected area. Enerjisa Üretim experienced outages at lignite and hydropower plants. Near-freezing temperatures and rainfall also complicated ongoing operations. E.ON is working to restore service in the area and remediate the damage as quickly as possible. It is not yet possible to assess the overall impact of the earthquake from today's perspective.

(38) List of Shareholdings Pursuant to Section 313 (2) HGB

Disclosures Pursuant to Section 313 (2) HGB of Companies in Which Equity Investments Are Held (as of December 31, 2022)

Name, Location	Stake
100 Kilowatt Naperőmű Alfa Korlátolt Felelősségű Társaság, HU, Budapest[2]	100
100 Kilowatt Naperőmű Béta Korlátolt Felelősségű Társaság, HU, Budapest[2]	100
100 Kilowatt Naperőmű Delta Korlátolt Felelősségű Társaság, HU, Budapest[2]	100
100 Kilowatt Naperőmű Epszilon Korlátolt Felelősségű Társaság, HU, Budapest[2]	100
100 Kilowatt Naperőmű Éta Korlátolt Felelősségű Társaság, HU, Budapest[2]	100
100 Kilowatt Naperőmű Gamma Korlátolt Felelősségű Társaság, HU, Budapest[2]	100
100 Kilowatt Naperőmű Kappa Korlátolt Felelősségű Társaság, HU, Budapest[2]	100
450connect GmbH, DE, Cologne[6]	25
4Motions GmbH, DE, Leipzig[2]	100
A/V/E GmbH, DE, Halle (Saale)[2]	76.1
Abens-Donau Netz GmbH & Co. KG, DE, Mainburg[6]	50
Abens-Donau Netz Verwaltung GmbH, DE, Mainburg[6]	50
Abfallwirtschaft Dithmarschen GmbH, DE, Heide[6]	49
Abfallwirtschaft Rendsburg-Eckernförde GmbH, DE, Borgstedt[6]	49
Abfallwirtschaft Schleswig - Flensburg GmbH, DE, Schleswig[6]	49
Abfallwirtschaft Südholstein GmbH (AWSH), DE, Elmenhorst[6]	49
Abwasser und Service Burg, Hochdonn GmbH, DE, Burg[6]	39
Abwasser und Service Mittelangeln GmbH, DE, Mittelangeln[6]	33.3
Abwasserbeseitigung Nortorf-Land GmbH, DE, Nortorf[6]	49
Abwasserentsorgung Albersdorf GmbH, DE, Albersdorf[6]	49
Abwasserentsorgung Amt Achterwehr GmbH, DE, Achterwehr[6]	49
Abwasserentsorgung Bargteheide GmbH, DE, Bargteheide[6]	27
Abwasserentsorgung Bleckede GmbH, DE, Bleckede[6]	49
Abwasserentsorgung Brunsbüttel GmbH (ABG), DE, Brunsbüttel[6]	49
Abwasserentsorgung Friedrichskoog GmbH, DE, Friedrichskoog[6]	49
Abwasserentsorgung Kappeln GmbH, DE, Kappeln[6]	25
Abwasserentsorgung Kropp GmbH, DE, Kropp[6]	20
Abwasserentsorgung Marne-Land GmbH, DE, Diekhusen-Fahrstedt[6]	49
Abwasserentsorgung Schladen GmbH, DE, Schladen[6]	49
Abwasserentsorgung Schöppenstedt GmbH, DE, Schöppenstedt[6]	49
Abwasserentsorgung Tellingstedt GmbH, DE, Tellingstedt[6]	25
Abwasserentsorgung Uetersen GmbH, DE, Uetersen[6]	49
Abwassergesellschaft Bardowick mbH & Co. KG, DE, Bardowick[6]	49
Abwassergesellschaft Bardowick Verwaltungs-GmbH, DE, Bardowick[6]	49
Abwassergesellschaft Gehrden mbH, DE, Gehrden[6]	49
Abwassergesellschaft Ilmenau mbH, DE, Melbeck[6]	49
Abwasserwirtschaft Kunstadt GmbH, DE, Burgkunstadt[6]	30
Ackermann & Knorr Ingenieur GmbH, DE, Chemnitz[2]	100
Airco-Klima Service GmbH, DE, Garbsen[7]	80
AIRCRAFT Klima-, Wärme- Kälte-, Rohrleitungsbau-Gesellschaft mit beschränkter Haftung, DE, Wolfenbüttel[2]	100
AirSon Engineering AB, SE, Ängelholm[2]	100
Alfred Thiel-Gedächtnis-Unterstützungskasse GmbH, DE, Essen[6]	50
Alsdorf Netz GmbH, DE, Alsdorf[6]	50.1
Altmärker Solarstrom GmbH, DE, Kusey[7]	100
ANCO Sp. z o.o., PL, Jarocin[2]	100
Artelis S.A., LU, Luxembourg[1]	90
Aton Projects B.V., NL, Schinnen[1]	100
Aton Projects V.O.F., NL, Sittard[1]	90
AV Packaging GmbH, DE, Munich[1, 12]	0.0
Avacon AG, DE, Helmstedt[1]	61.5
Avacon Beteiligungen GmbH, DE, Helmstedt[1]	100
Avacon Connect GmbH, DE, Laatzen[1]	100
Avacon Hochdrucknetz GmbH, DE, Helmstedt[1]	100
Avacon Natur 3. Beteiligungs-GmbH, DE, Sarstedt[6]	50
Avacon Natur GmbH, DE, Sarstedt[1]	100
Avacon Netz GmbH, DE, Helmstedt[1]	100
Avacon Wasser GmbH, DE, Wolfenbüttel[1]	94.1

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Disclosures Pursuant to Section 313 (2) HGB of Companies in Which Equity Investments Are Held (as of December 31, 2022)

Name, Location	Stake
AVU Aktiengesellschaft für Versorgungs-Unternehmen, DE, Gevelsberg[4]	50
AWOTEC Gebäude Servicegesellschaft mit beschränkter Haftung, DE, Saarbrücken[6]	48
Bäderbetriebsgesellschaft St. Ingbert mbH, DE, St. Ingbert[6]	49
BAG Port 1 GmbH, DE, Regensburg[2]	100
Balve Netz GmbH & Co. KG, DE, Balve[6]	25.1
BASF enviaM Solarpark Schwarzheide GmbH, DE, Schwarzheide[6]	49
Basking Automation GmbH, DE, Berlin[6]	23
Bayerische Bergbahnen-Beteiligungs-Gesellschaft mbH, DE, Gundremmingen[1]	100
Bayerische Elektrizitätswerke GmbH, DE, Augsburg[2]	100
Bayerische Energietechnik GmbH, DE, Garching[6]	49
Bayerische-Schwäbische Wasserkraftwerke Beteiligungsgesellschaft mbH, DE, Gundremmingen[1]	62.2
Bayernwerk AG, DE, Regensburg[1]	100
Bayernwerk Asset- und Projektservice GmbH, DE, Regensburg[2]	100
Bayernwerk Energiebringer GmbH, DE, Regensburg[2]	60
Bayernwerk Energiedienstleistungen Licht GmbH, DE, Regensburg[2]	100
Bayernwerk Energieservice GmbH & Co. KG, DE, Regensburg[1]	100
Bayernwerk Energieservice Verwaltungs GmbH, DE, Regensburg[2]	100
Bayernwerk Energietechnik GmbH, DE, Regensburg[2]	100
Bayernwerk Gashochdrucknetz GmbH & Co. KG, DE, Regensburg[1]	100
Bayernwerk Gashochdrucknetz Verwaltungs GmbH, DE, Regensburg[2]	100
Bayernwerk Natur 1. Beteiligungs-GmbH, DE, Regensburg[2]	100
Bayernwerk Natur GmbH, DE, Unterschleißheim[1]	100
Bayernwerk Netz GmbH, DE, Regensburg[1]	100
Bayernwerk Portfolio Verwaltungs GmbH, DE, Regensburg[1]	100
Bayernwerk Regio Energie GmbH, DE, Regensburg[2]	100
Bayernwerk Sonnenenergie GmbH, DE, Bayreuth[6]	50
BDK Budapesti Dísz- és Közvilágítási Korlátolt Felelősségű Társaság, HU, Budapest[4]	50
BETA GmbH, DE, Illingen[7]	100
Beteiligung H1 GmbH, DE, Helmstedt[2]	100
Beteiligung N1 GmbH, DE, Helmstedt[2]	100
Beteiligung N2 GmbH, DE, Helmstedt[2]	100
Beteiligungsgesellschaft der Energieversorgungsunternehmen an der Kerntechnische Hilfsdienst GmbH GbR, DE, Eggenstein-Leopoldshofen[6]	36.7
Beteiligungsgesellschaft e.disnatur mbH, DE, Potsdam[2]	100
BEW Netze GmbH, DE, Wipperfürth[6]	61
BHL Biomasse Heizanlage Lichtenfels GmbH, DE, Lichtenfels[6]	25.1
BHO Biomasse Heizanlage Obernsees GmbH, DE, Hollfeld[6]	40.7
BHP Biomasse Heizwerk Pegnitz GmbH, DE, Pegnitz[6]	46.5
Bikesquare Srls, IT, Cuneo[6]	24.9
bildungszentrum energie GmbH, DE, Halle (Saale)[2]	100
Bioenergie Bad Wimpfen GmbH & Co. KG, DE, Bad Wimpfen[2]	51
Bioenergie Bad Wimpfen Verwaltungs-GmbH, DE, Bad Wimpfen[2]	100
Bioenergie Kirchspiel Anhausen GmbH & Co.KG, DE, Anhausen[2]	51
Bioenergie Kirchspiel Anhausen Verwaltungs-GmbH, DE, Anhausen[2]	100
Bioenergie Merzig GmbH, DE, Merzig[2]	51
Bioerdgas Hallertau GmbH, DE, Wolnzach[2]	90
Bioerdgas Schwandorf GmbH, DE, Schwandorf[2]	100
Biogas Ducherow GmbH, DE, Ducherow[2]	80
Biogas Schwalmtal GmbH & Co. KG, DE, Schwalmtal[2]	65.5
Biogas Steyerberg GmbH, DE, Steyerberg[2]	100
Biogas Wassenberg GmbH & Co. KG, DE, Wassenberg[6]	32.4
Biogas Wassenberg Verwaltungs GmbH, DE, Wassenberg[6]	32.4
Biogasanlage Schwalmtal GmbH, DE, Schwalmtal[2]	99.2
Biogasudviklingsselskabet af 2022 ApS, DK, Frederiksberg[6]	50
Biomasseverwertung Straubing GmbH, DE, Straubing[6]	90
Bioplyn Rozhanovce, s.r.o., SK, Košice[6]	34
Bio-Wärme Gräfelfing GmbH, DE, Gräfelfing[6]	40
BMV Energie Beteiligungs GmbH, DE, Fürstenwalde/Spree[2]	100
BMV Energie GmbH & Co. KG, DE, Fürstenwalde/Spree[6]	25.6
Bootstraplabs VC Follow-On Fund 2016, US, San Francisco[6]	33.3
Breitband-Infrastrukturgesellschaft Cochem-Zell mbH, DE, Cochem[6]	20.7
bremacon GmbH, DE, Bremen[6]	48
Broadband TelCom Power Europe GmbH, DE, Essen[2]	100
Broadband TelCom Power, Inc., US, Santa Ana[1]	100
Brüggen.E-Netz GmbH & Co. KG, DE, Brüggen[6]	25.1
Brüggen.E-Netz Verwaltungs-GmbH, DE, Brüggen[6]	25.1
BSA Elsteraue GmbH, DE, Bitterfeld-Wolfen[2]	75.1
BTB Bayreuther Thermalbad GmbH, DE, Bayreuth[6]	33.3
BTB Kältetechnik GmbH, DE, Garbsen[2]	100
BTB Polska Sp.z.o.o., PL, Poznan[2]	99

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Name, Location	Stake
BTB-Blockheizkraftwerks, Träger- und Betreibergesellschaft mbH Berlin, DE, Berlin[1]	100
BTC Power Cebu Inc., PH, Lapu-Lapu City[2]	100
Bützower Wärme GmbH, DE, Bützow[6]	20
Cegecom S.A., LU, Luxembourg[1]	100
Celle-Uelzen Netz GmbH, DE, Celle[1]	97.5
Celsium A Sp. z o.o., PL, Skarżysko-Kamienna[2]	100
Celsium DOM Sp. z o.o., PL, Skarżysko-Kamienna[2]	100
Celsium Serwis Sp. z o.o., PL, Skarżysko-Kamienna[2]	100
Celsium Sp. z o.o., PL, Skarżysko-Kamienna[2]	87.8
Certified B.V., NL, Utrecht[1]	100
CHN Contractors Limited, GB, Coventry[2]	100
CHN Electrical Services Limited, GB, Coventry[2]	100
CHN Group Ltd, GB, Coventry[2]	100
CHN Special Projects Limited, GB, Coventry[2]	100
Citigen (London) Limited, GB, Coventry[1]	100
Colonia-Cluj-Napoca-Energie S.R.L., RO, Cluj-Napoca[6]	33.3
COMCO MCS S.A., LU, Luxembourg[2]	100
Coromatic A/S, DK, Roskilde[1]	100
Coromatic AB, SE, Bromma[1]	100
Coromatic AS, NO, Kjeller[1]	100
Coromatic As a Service AB, SE, Bromma[2]	100
Coromatic Holding AB, SE, Bromma[1]	100
Coromatic International AB, SE, Bromma[2]	100
Coromatic Tullinge AB, SE, Bromma[2]	100
Cremlinger Energie GmbH, DE, Cremlingen[6]	49
Crimmitschau-Lichtenstein Netz GmbH & Co. KG, DE, Crimmitschau[2]	81
Crimmitschau-Lichtenstein Netz Verwaltungs GmbH, DE, Crimmitschau[2]	100
Cuculus GmbH, DE, Ilmenau[6]	21.8
D E M GmbH, DE, Elsdorf[2]	99.9
DANEB Datennetze Berlin GmbH, DE, Berlin[2]	100
DD Turkey Holdings S.à r.l., LU, Luxembourg[1]	100
Deine Wärmeenergie GmbH & Co. KG, DE, Essen[1]	100
Delgaz Grid S.A., RO, Târgu Mureş[1]	56.5
Der Solarbauer Borowski GmbH, DE, Essen[2]	100
DES Dezentrale Energien Schmalkalden GmbH, DE, Schmalkalden[6]	49.9
Deutsche Gesellschaft für Wiederaufarbeitung von Kernbrennstoffen AG & Co. oHG, DE, Gorleben[6]	42.5
DigiKoo GmbH, DE, Essen[2]	100
DON-Stromnetz GmbH & Co. KG, DE, Donauwörth[6]	49
DON-Stromnetz Verwaltungs GmbH, DE, Donauwörth[6]	49
Dorsten Netz GmbH & Co. KG, DE, Dorsten[6]	49
Dortmunder Energie- und Wasserversorgung Gesellschaft mit beschränkter Haftung, DE, Dortmund[5]	39.9
Drava CHP Plant d.o.o., HR, Zagreb[2]	100
Drivango GmbH i. L., DE, Düsseldorf[2]	100
DUKO Hlinsko, s.r.o., CZ, Hlinsko[6]	49
Dutchdelta Finance S.à r.l., LU, Luxembourg[1]	100
DZT Ciepło Sp. z o.o., PL, Świebodzice[2]	100
DZT Poludnie Sp. z o.o., PL, Świebodzice[2]	100
DZT Service & Heat Sp. z o.o., PL, Świebodzice[2]	100
DZT Service Sp. z o.o., PL, Świebodzice[2]	100
E WIE EINFACH GmbH, DE, Cologne[1]	100
e.dialog Netz GmbH, DE, Potsdam[2]	100
E.DIS AG, DE, Fürstenwalde/Spree[1]	67
E.DIS Bau- und Energieservice GmbH, DE, Fürstenwalde/Spree[2]	100
E.DIS Netz GmbH, DE, Fürstenwalde/Spree[1]	100
e.discom Telekommunikation GmbH, DE, Eberswalde[1]	100
e.disnatur Erneuerbare Energien GmbH, DE, Potsdam[1]	100
e.disnatur21 Windpark GmbH & Co. KG, DE, Potsdam[2]	100
e.distherm Wärmedienstleistungen GmbH, DE, Potsdam[1]	100
E.ON (Cross-Border) Pension Trustees Limited, GB, Coventry[2]	100
E.ON 9. Verwaltungs GmbH, DE, Essen[2]	100
E.ON 11. Verwaltungs GmbH, DE, Essen[2]	100
E.ON 45. Verwaltungs GmbH, DE, Essen[2]	100
E.ON 46. Verwaltungs GmbH, DE, Essen[2]	100
E.ON 47. Verwaltungs GmbH, DE, Essen[2]	100
E.ON 51. Verwaltungs GmbH, DE, Essen[2]	100
E.ON 52. Verwaltungs GmbH, DE, Essen[2]	100
E.ON 53. Verwaltungs GmbH, DE, Essen[2]	100
E.ON 54. Verwaltungs GmbH, DE, Essen[2]	100
E.ON 55. Verwaltungs GmbH, DE, Essen[2]	100

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Name, Location	Stake
E.ON 56. Verwaltungs GmbH, DE, Essen[2]	100
E.ON 57. Verwaltungs GmbH, DE, Essen[2]	100
E.ON 58. Verwaltungs GmbH, DE, Essen[2]	100
E.ON Accounting Solutions GmbH, DE, Regensburg[1, 8]	100
E.ON Asist Complet S.A., RO, Târgu Mureş[2]	97.9
E.ON Bayern Verwaltungs AG, DE, Essen[2]	100
E.ON Beteiligungen GmbH, DE, Essen[1, 8]	100
E.ON Beteiligungsholding GmbH, DE, Essen[1, 8]	100
E.ON Bioerdgas GmbH, DE, Essen[1]	100
E.ON Business Services Cluj S.R.L., RO, Cluj-Napoca[1]	100
E.ON Business Services Iași S.A., RO, Bucharest[2]	100
E.ON Business Solutions Deutschland GmbH, DE, Essen[2]	100
E.ON Business Solutions GmbH, DE, Essen[1]	100
E.ON Business Solutions S.r.l., IT, Milan[1]	100
E.ON Business Solutions SAS, FR, Levallois-Perret[2]	100
E.ON CDNE. S.p.A., IT, Milan[7]	100
E.ON Česká republika, s.r.o., CZ, České Budějovice[1]	100
E.ON Connecting Energies Limited, GB, Coventry[1]	100
E.ON Control Solutions Limited, GB, Coventry[1]	100
E.ON Country Hub Germany GmbH, DE, Berlin[1,8]	100
E.ON Danmark A/S, DK, Frederiksberg[1]	100
E.ON Dél-dunántúli Áramhálózati Zrt., HU, Pécs[1]	100
E.ON Dél-dunántúli Gázhálózati Zrt., HU, Pécs[1]	100
E.ON Dialog S.R.L., RO, Șelimbăr[2]	100
E.ON Digital Technology GmbH, DE, Hanover[1]	100
E.ON Digital Technology Hungary Kft., HU, Budapest[7]	100
E.ON Distribucija d.o.o., HR, Koprivnica[1]	100
E.ON Drive France SAS, FR, Levallois-Perret[2]	100
E.ON Drive GmbH, DE, Essen[1]	100
E.ON Drive Infrastructure CZ s.r.o., CZ, České Budějovice[2]	100
E.ON Drive Infrastructure Germany GmbH, DE, Essen[2]	100
E.ON Drive Infrastructure GmbH, DE, Essen[1,8]	100
E.ON Drive Infrastructure Italy S.r.l., IT, Milan[2]	100
E.ON Drive Infrastructure UK Limited, GB, Coventry[2]	100
E.ON edis Contracting GmbH, DE, Fürstenwalde/Spree[2]	100
E.ON edis energia Sp. z o.o., PL, Warsaw[1]	100
E.ON Energi HoldCo AB, SE, Malmö[1]	100
E.ON Energia S.p.A., IT, Milan[1]	100
E.ON Energiamegoldások Kft., HU, Budapest[1]	100
E.ON Energiatároló Korlátolt Felelősségű Társaság, HU, Budapest[1]	100
E.ON Energiatermelő Kft., HU, Budapest[1]	100
E.ON Energidistribution AB, SE, Malmö[1]	100
E.ON Energie 38. Beteiligungs-GmbH, DE, Munich[1, 8]	100
E.ON Energie AG, DE, Düsseldorf[1, 8]	100
E.ON Energie Deutschland GmbH, DE, Munich[1]	100
E.ON Energie Deutschland Holding GmbH, DE, Munich[1]	99.9
E.ON Energie Dialog GmbH, DE, Potsdam[2]	100
E.ON Energie Österreich GmbH, AT, Vienna[1]	100
E.ON Energie România S.A., RO, Târgu Mureş[1]	68.2
E.ON Energie, a.s., CZ, České Budějovice[1]	100
E.ON Energiinfrastruktur AB, SE, Malmö[1]	100
E.ON Energija d.o.o., HR, Zagreb[1]	100
E.ON Energilösningar AB, SE, Malmö[1]	100
E.ON Energy ECO Installations Limited, GB, Coventry[1]	100
E.ON Energy Gas (Eastern) Limited, GB, Coventry[2]	100
E.ON Energy Gas (Northwest) Limited, GB, Coventry[2]	100
E.ON Energy Installation Services Limited, GB, Coventry[1]	100
E.ON Energy Markets GmbH, DE, Essen[1]	100
E.ON Energy Projects GmbH, DE, Munich[1]	100
E.ON Energy Solutions d.o.o., SI, Brezovica[2]	100
E.ON Energy Solutions GmbH, DE, Essen[1]	100
E.ON Energy Solutions Limited, GB, Coventry[1]	100
E.ON Észak-dunántúli Áramhálózati Zrt., HU, Győr[1]	100
E.ON Fastigheter Sverige AB, SE, Malmö[1]	100
E.ON Finanzanlagen GmbH, DE, Düsseldorf[1, 8]	100
E.ON Finanzholding Beteiligungs-GmbH, DE, Berlin[2]	100
E.ON Finanzholding SE & Co. KG, DE, Essen[1, 8]	100
E.ON First Future Energy Holding B.V., NL, 's-Hertogenbosch[1]	100
E.ON Foton Sp. z o.o., PL, Warsaw[1]	100

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Disclosures Pursuant to Section 313 (2) HGB of Companies in Which Equity Investments Are Held (as of December 31, 2022)

Name, Location	Stake
E.ON Fünfundzwanzigste Verwaltungs GmbH, DE, Düsseldorf[1, 8]	100
E.ON Gas Mobil GmbH, DE, Essen[2]	100
E.ON Gashandel Sverige AB, SE, Malmö[2]	100
E.ON Gastronomie GmbH, DE, Essen[1,8]	100
E.ON Gazdasági Szolgáltató Kft., HU, Győr[1]	100
E.ON Grid Solutions GmbH, DE, Hamburg[1]	100
E.ON Group Innovation GmbH, DE, Essen[2]	100
E.ON Gruga Geschäftsführungsgesellschaft mbH, DE, Düsseldorf[1, 8]	100
E.ON Gruga Objektgesellschaft mbH & Co. KG, DE, Essen[1, 8]	100
E.ON Grund&Boden Beteiligungs GmbH, DE, Essen[1]	100
E.ON Grund&Boden GmbH & Co. KG, DE, Essen[1, 8]	100
E.ON Hrvatska d.o.o., HR, Zagreb[1]	100
E.ON Hungária Energetikai Zártkörűen Működő Részvénytársaság, HU, Budapest[1]	75
E.ON Hydrogen GmbH, DE, Essen[1,8]	100
E.ON Iberia Holding GmbH, DE, Düsseldorf[1,8]	100
E.ON impulse GmbH, DE, Essen[1,8]	100
E.ON Inhouse Consulting GmbH, DE, Essen[7]	100
E.ON Innovation Co-Investments Inc., US, Wilmington[1]	100
E.ON Innovation Hub S.A., RO, Bucharest[2]	100
E.ON Insurance Services GmbH, DE, Essen[2]	100
E.ON International Finance B.V., NL, 's-Hertogenbosch[1]	100
E.ON International GmbH, DE, Essen[2]	100
E.ON International Participations N.V., NL, 's-Hertogenbosch[1]	100
E.ON Israel Ltd., IL, Herzliya[2]	100
E.ON IT UK Limited, GB, Coventry[2]	100
E.ON Italia S.p.A., IT, Milan[1]	100
E.ON Közép-dunántúli Gázhálózati Zrt., HU, Nagykanizsa[1]	99.9
E.ON Kundsupport Sverige AB, SE, Malmö[1]	100
E.ON Ljubljana d.o.o., SI, Ljubljana[2]	100
E.ON Mälarkraft Värme AB, SE, Örebro[1]	99.8
E.ON NA Capital Inc., US, Wilmington[1]	100
E.ON Next Energy Limited, GB, Coventry[1]	100
E.ON Nord Sverige AB, SE, Malmö[2]	100
E.ON Nordic AB, SE, Malmö[1]	100
E.ON Norge AS, NO, Stavanger[2]	100
E.ON One GmbH, DE, Essen[2]	100
E.ON Pensionsfonds AG, DE, Essen[2]	100
E.ON Pensionsfonds Holding GmbH, DE, Essen[2]	100
E.ON Perspekt GmbH, DE, Düsseldorf[2]	100
E.ON Plin d.o.o., HR, Zagreb[1]	100
E.ON Polska Development Sp. z o.o., PL, Warsaw[2]	100
E.ON Polska IT Support Sp. z o.o., PL, Warsaw[1]	100
E.ON Polska Operations Sp. z o.o., PL, Warsaw[1]	100
E.ON Polska S.A., PL, Warsaw[1]	100
E.ON Polska Solutions Sp. z o.o., PL, Warsaw[1]	100
E.ON Portfolio Services GmbH, DE, Munich[2]	100
E.ON Portfolio Solutions GmbH, DE, Munich[1]	100
E.ON Power Plants Belgium BV, BE, Mechelen[1]	100
E.ON Produktion Danmark A/S, DK, Frederiksberg[1]	100
E.ON Produzione S.p.A., IT, Milan[1]	100
E.ON Project Earth Limited, GB, Coventry[1]	100
E.ON RAG-Beteiligungsgesellschaft mbH, DE, Düsseldorf[1]	100
E.ON Real Estate GmbH, DE, Essen[1]	100
E.ON Rhein-Ruhr Werke GmbH, DE, Essen[2]	100
E.ON România S.R.L., RO, Târgu Mureș[1]	100
E.ON Ruhrgas GPA GmbH, DE, Essen[1, 8]	100
E.ON Ruhrgas Portfolio GmbH, DE, Essen[1, 8]	100
E.ON Sechzehnte Verwaltungs GmbH, DE, Düsseldorf[1, 8]	100
E.ON Service GmbH, DE, Essen[2]	100
E.ON Slovensko, a.s., SK, Bratislava[1]	100
E.ON Software Development SRL, RO, Bucharest[2]	100
E.ON Solar d.o.o., HR, Zagreb[1]	100
E.ON Solar Energy Infrastructure Solutions Italy S.r.l., IT, Milan[7]	100
E.ON Solar GmbH, DE, Essen[2]	100
E.ON Solutions GmbH, DE, Essen[1]	100
E.ON Stiftung gGmbH, DE, Essen[2]	100
E.ON Sverige AB, SE, Malmö[1]	100
E.ON TowerCo GmbH, DE, Markkleeberg[2]	100
E.ON Ügyfélszolgálati Kft., HU, Budapest[1]	100

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Disclosures Pursuant to Section 313 (2) HGB of Companies in Which Equity Investments Are Held (as of December 31, 2022)

Name, Location	Stake
E.ON UK CHP Limited, GB, Coventry[1]	100
E.ON UK Energy Markets Limited, GB, Coventry[1]	100
E.ON UK Energy Services Limited, GB, Coventry[2]	100
E.ON UK Heat Limited, GB, Coventry[1]	100
E.ON UK Holding Company Limited, GB, Coventry[1]	100
E.ON UK Industrial Shipping Limited, GB, Coventry[2]	100
E.ON UK Infrastructure Services Limited, GB, Coventry[1]	100
E.ON UK Pension Trustees Limited, GB, Coventry[2]	100
E.ON UK plc, GB, Coventry[1]	100
E.ON UK Property Services Limited, GB, Coventry[2]	100
E.ON UK PS Limited, GB, Coventry[2]	100
E.ON UK Secretaries Limited, GB, Coventry[2]	100
E.ON UK Steven's Croft Limited, GB, Coventry[1]	100
E.ON UK Trustees Limited, GB, Coventry[2]	100
E.ON US Corporation, US, Wilmington[1]	100
E.ON US Holding GmbH, DE, Düsseldorf[1,8]	100
E.ON Varme Danmark ApS, DK, Frederiksberg[1]	100
E.ON Vermögensverwaltungs GmbH, DE, Essen[1,8]	100
E.ON Verwaltungs AG Nr. 1, DE, Munich[2]	100
E.ON Verwaltungs GmbH, DE, Essen[1, 8]	100
E.ON-CAPNET S.R.L., IT, Milan[7]	100
E3 Haustechnik GmbH, DE, Magdeburg[7]	100
East Midlands Electricity Share Scheme Trustees Limited, GB, Coventry[2]	100
EBERnetz GmbH & Co. KG, DE, Ebersberg[6]	49
EBY Immobilien GmbH & Co KG, DE, Regensburg[2]	100
EBY Port 3 GmbH, DE, Regensburg[1]	100
ECO2 Solutions Group Limited, GB, Kidderminster[4]	49
Economy Power Limited, GB, Coventry[2]	100
EDRI Denmark ApS, DK, Frederiksberg[2]	100
EDRI Poland Sp. z o.o., PL, Warsaw[2]	100
EDRI Sweden AB, SE, Malmö[2]	100
EEL Erneuerbare Energien Lausitz GmbH & Co. KG, DE, Cottbus[2]	100
EEL Management GmbH, DE, Cottbus[2]	100
EES Erneuerbare Energien Schnaudertal GmbH & Co. KG, DE, Meuselwitz[2]	100
EFG Erdgas Forchheim GmbH, DE, Forchheim[6]	24.9
EFR GmbH, DE, Munich[6]	39.9
EG.D Montáže, s.r.o., CZ, České Budějovice[2]	51
EG.D, a.s., CZ, Brno[1]	100
EIS Solar Mottola S.r.l., IT, Brindisi[2]	51
ElbEnergie GmbH, DE, Seevetal[1]	100
ELE - GEW Photovoltaikgesellschaft mbH, DE, Gelsenkirchen[6]	49
ELE Verteilnetz GmbH, DE, Gelsenkirchen[1]	100
Elektrizitätsnetzgesellschaft Grünwald mbH & Co. KG, DE, Grünwald[6]	49
Elektrizitätswerk Heinrich Schirmer GmbH, DE, Schauenstein[6]	49
Elektrizitätswerk Landsberg Gesellschaft mit beschränkter Haftung, DE, Landsberg am Lech[2]	100
Elektrizitätswerk Schwandorf GmbH, DE, Schwandorf[7]	100
ELEKTROPONTE d.o.o., SI, Ljubljana[7]	100
ELE-RAG Montan Immobilien Erneuerbare Energien GmbH, DE, Bottrop[6]	50
ELE-Scholven-Wind GmbH, DE, Gelsenkirchen[6]	30
Elmregia GmbH, DE, Schöningen[6]	49
ELMŰ Hálózati Elosztó Kft., HU, Budapest[1]	100
ELMŰ-ÉMÁSZ Solutions Kft., HU, Budapest[1]	100
EMG Energimontagegruppen AB, SE, Karlshamn[2]	100
Emscher Lippe Energie GmbH, DE, Gelsenkirchen[1, 9]	49.9
Energetyka Cieplna Opolszczyzny S.A., PL, Opole[5]	46.7
Energie BOL GmbH, DE, Ottersweier[6]	49.9
Energie Inspectie B.V., NL, Leeuwarden[6]	48
Energie Mechernich GmbH & Co. KG, DE, Mechernich[6]	49
Energie Mechernich Verwaltungs-GmbH, DE, Mechernich[6]	49
Energie Schmallenberg GmbH, DE, Schmallenberg[6]	44
Energie und Wasser Potsdam GmbH, DE, Potsdam[5]	35
Energie und Wasser Wahlstedt/Bad Segeberg GmbH & Co. KG (ews), DE, Bad Segeberg[6]	50.1
Energie Vorpommern GmbH, DE, Trassenheide[6]	49
Energiedirect B.V., NL, 's-Hertogenbosch[1]	100
Energiegesellschaft Leimen GmbH & Co.KG, DE, Leimen[2]	74.9
Energiegesellschaft Leimen Verwaltungsgesellschaft mbH, DE, Leimen[2]	74.9
energielösung GmbH, DE, Regensburg[7]	100
Energiemontagen Süd GmbH & Co. KG, DE, Maisach[6]	25
Energiemontagen Süd Verwaltungs GmbH, DE, Maisach[6]	25

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Name, Location	Stake
energienatur Gesellschaft für Erneuerbare Energien mbH, DE, Siegburg[6]	44
Energienetz Neufahrn/Eching GmbH & Co. KG, DE, Neufahrn bei Freising[6]	49
Energienetze Bayern GmbH, DE, Regensburg[1]	100
Energienetze Berlin GmbH, DE, Berlin[1]	100
Energienetze Großostheim GmbH & Co. KG, DE, Großostheim[6]	25.1
Energienetze Holzwickede GmbH, DE, Holzwickede[6]	25.1
Energienetze Schaafheim GmbH, DE, Regensburg[2]	100
Energiepartner Dörth GmbH, DE, Dörth[6]	49
Energiepartner Elsdorf GmbH, DE, Elsdorf[6]	40
Energiepartner Hermeskeil GmbH, DE, Hermeskeil[6]	20
Energiepartner Kerpen GmbH, DE, Kerpen[6]	49
Energiepartner Niederzier GmbH, DE, Niederzier[6]	49
Energiepartner Projekt GmbH, DE, Essen[6]	49
Energiepartner Solar Kreuztal GmbH, DE, Kreuztal[6]	40
Energie-Pensions-Management GmbH, DE, Hanover[2]	70
EnergieRegion Taunus - Goldener Grund - GmbH & Co. KG, DE, Bad Camberg[6]	49
EnergieRevolte GmbH, DE, Düren[2]	100
Energieversorgung Alzenau GmbH (EVA), DE, Alzenau[6]	69.5
Energieversorgung Bad Bentheim GmbH & Co. KG, DE, Bad Bentheim[6]	25.1
Energieversorgung Bad Bentheim Verwaltungs-GmbH, DE, Bad Bentheim[6]	25.1
Energieversorgung Beckum GmbH & Co. KG, DE, Beckum (Westf.)[6]	34
Energieversorgung Beckum Verwaltungs-GmbH, DE, Beckum (Westf.)[6]	34
Energieversorgung Buching-Trauchgau (EBT) Gesellschaft mit beschränkter Haftung, DE, Halblech[6]	50
Energieversorgung Guben GmbH, DE, Guben[5]	45
Energieversorgung Horstmar/Laer GmbH & Co. KG, DE, Horstmar[6]	49
Energieversorgung Hürth GmbH, DE, Hürth[6]	24.9
Energieversorgung Kranenburg Netze GmbH & Co. KG, DE, Kranenburg[6]	25.1
Energieversorgung Kranenburg Netze Verwaltungs GmbH, DE, Kranenburg[6]	25.1
Energieversorgung Marienberg GmbH, DE, Marienberg[6]	49
Energieversorgung Niederkassel GmbH & Co. KG, DE, Niederkassel[6]	49
Energieversorgung Oberhausen Aktiengesellschaft, DE, Oberhausen[5,11]	10
Energieversorgung Putzbrunn GmbH & Co. KG, DE, Putzbrunn[6]	50
Energieversorgung Putzbrunn Verwaltungs GmbH, DE, Putzbrunn[6]	50
Energieversorgung Sehnde GmbH, DE, Sehnde[6]	30
Energieversorgung Timmendorfer Strand GmbH & Co. KG, DE, Timmendorfer Strand[2]	51
Energieversorgung Vechelde GmbH & Co. KG, DE, Vechelde[6]	49
Energiewacht B.V., NL, Zwolle[1]	100
Energiewacht Facilities B.V., NL, Zwolle[1]	100
Energiewacht West Nederland B.V., NL, Rotterdam[1]	100
Energie-Wende-Garching GmbH & Co. KG, DE, Garching[6]	50
Energie-Wende-Garching Verwaltungs-GmbH, DE, Garching[6]	50
Energiewerke Isernhagen GmbH, DE, Isernhagen[6]	49
Energiewerke Osterburg GmbH, DE, Osterburg (Altmark)[6]	49
Energiewerken B.V., NL, Almere[1]	100
energis GmbH, DE, Saarbrücken[1]	71.9
energis-Netzgesellschaft mbH, DE, Saarbrücken[1]	100
Energotel, a.s., SK, Bratislava[6]	20
Energy Ventures GmbH, DE, Saarbrücken[2]	100
energy4u GmbH & Co. KG, DE, Siegburg[6]	49
Enerjisa Enerji A.Ş., TR, Istanbul[4]	40
Enerjisa Üretim Santralleri A.Ş., TR, Istanbul[4]	50
Enervolution GmbH, DE, Bochum[2]	100
ENNI Energienetze Rheinberg GmbH & Co. KG, DE, Rheinberg[6]	18
ENRO Ludwigsfelde Energie GmbH, DE, Ludwigsfelde[2]	100
ENRO Ludwigsfelde Netz GmbH, DE, Ludwigsfelde[2]	100
Ense Stromnetz GmbH & Co. KG, DE, Ense[6]	25.1
envelio GmbH, DE, Cologne[7]	75
envia Mitteldeutsche Energie AG, DE, Chemnitz[1]	57.9
envia SERVICE GmbH, DE, Cottbus[1]	100
envia TEL GmbH, DE, Markkleeberg[1]	100
envia THERM GmbH, DE, Bitterfeld-Wolfen[1]	100
enviaM Beteiligungsgesellschaft Chemnitz GmbH, DE, Chemnitz[1]	100
enviaM Beteiligungsgesellschaft mbH, DE, Essen[1]	100
enviaM Neue Energie Management GmbH, DE, Lützen[2]	100
enviaM Zweite Neue Energie Management GmbH, DE, Lützen[2]	100
eprimo GmbH, DE, Neu-Isenburg[1]	100
EPS Polska Holding Sp. z o.o., PL, Warsaw[1]	100
Erdgasversorgung Industriepark Leipzig Nord GmbH, DE, Leipzig[6]	50
Erdgasversorgung Schwalmtal GmbH & Co. KG, DE, Viersen[6]	50

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Name, Location	Stake
Erdgasversorgung Schwalmtal Verwaltungs-GmbH, DE, Viersen[6]	50
e-regio GmbH & Co. KG, DE, Euskirchen[5]	40.5
Erneuerbare Energien Blankenburg GmbH, DE, Blankenburg[6]	50
Erneuerbare Energien Rheingau-Taunus GmbH, DE, Bad Schwalbach[6]	25.1
ErwärmBAR GmbH, DE, Eberswalde[6]	50
ESCo Heating & Cooling S.r.l., IT, Milan[6]	50
eShare.one GmbH, DE, Dortmund[6]	20
ESK GmbH, DE, Dortmund[2]	100
ESN EnergieSystemeNord GmbH, DE, Schwentinental[2]	55
ESN Sicherheit und Zertifizierung GmbH, DE, Schwentinental[2]	100
Essent Direct Sales B.V., NL, 's-Hertogenbosch[1]	100
Essent Energy Group B.V., NL, 's-Hertogenbosch[1]	100
Essent Energy Infrastructure Solutions B.V., NL, 's-Hertogenbosch[1]	100
Essent Energy Next Solutions B.V., NL, 's-Hertogenbosch[1]	100
Essent IT B.V., NL, 's-Hertogenbosch[1]	100
Essent N.V., NL, 's-Hertogenbosch[1]	100
Essent Nederland B.V., NL, 's-Hertogenbosch[1]	100
Essent Retail Energie B.V., NL, 's-Hertogenbosch[1]	100
Essent Sales Portfolio Management B.V., NL, 's-Hertogenbosch[1]	100
EuroSkyPark GmbH, DE, Saarbrücken[1]	51
Ev Infra Norway AS, NO, Oslo[2]	100
EVG Energieversorgung Gemünden GmbH, DE, Gemünden am Main[6]	49
EVIP GmbH, DE, Bitterfeld-Wolfen[1]	100
evm Windpark Höhn GmbH & Co. KG, DE, Höhn[6]	33.2
EWIS BV, NL, Ede[1]	100
EWR Aktiengesellschaft, DE, Worms[5, 11]	1.3
EWR Dienstleistungen GmbH & Co. KG, DE, Worms[5]	25
EWR GmbH, DE, Remscheid[5]	20
ews Verwaltungsgesellschaft mbH, DE, Bad Segeberg[6]	50.2
EWV Baesweiler GmbH & Co. KG, DE, Baesweiler[6]	45
EWV Baesweiler Verwaltungs GmbH, DE, Baesweiler[6]	45
EWV Energie- und Wasser-Versorgung GmbH, DE, Stolberg/Rhld.[1]	53.7
EZV Energie- und Service GmbH & Co. KG Untermain, DE, Wörth am Main[6]	28.9
EZV Energie- und Service Verwaltungsgesellschaft mbH, DE, Wörth am Main[6]	28.8
FAMIS GmbH, DE, Saarbrücken[1]	100
Fernwärmeversorgung Freising Gesellschaft mit beschränkter Haftung (FFG), DE, Freising[6]	50
Fernwärmeversorgung Saarlouis- Steinrausch Investitionsgesellschaft mbH, DE, Saarlouis[2]	100
Fernwärmeversorgung Zwönitz GmbH (FVZ), DE, Zwönitz[6]	50
FEV Europe GmbH, DE, Essen[1,8]	100
FEV Future Energy Ventures Israel Ltd, IL, Herzliya[2]	100
FEV US LLC, US, Palo Alto[1]	100
FEVA Infrastrukturgesellschaft mbH, DE, Wolfsburg[6]	49
FITAS Verwaltung GmbH & Co. Dritte Vermietungs-KG, DE, Pullach im Isartal[2]	90
FITAS Verwaltung GmbH & Co. REGIUM-Objekte KG, DE, Pullach im Isartal[2]	90
Fraku Installaties B.V., NL, Venlo[1]	100
Fraku Service B.V., NL, Venlo[1]	100
Free Electrons LLC, US, Palo Alto[7]	100
Freiberger Stromversorgung GmbH (FSG), DE, Freiberg[6]	30
Fresh Energy GmbH i. L., DE, Berlin[2]	52.8
FSO GmbH & Co. KG, DE, Oberhausen[4]	50
FSO Verwaltungs-GmbH, DE, Oberhausen[6]	50
Fundacja E.ON w Polsce, PL, Warsaw[2]	100
Future Energy Ventures Management GmbH, DE, Essen[1, 8]	100
G&L Gastro-Service GmbH, DE, Augsburg[6]	35
Gas- und Wasserwerke Bous-Schwalbach GmbH, DE, Bous[5]	49
GASAG AG, DE, Berlin[5]	36.9
Gasgesellschaft Kerken Wachtendonk mbH, DE, Kerken[6]	49
GasLINE Telekommunikationsnetz-Geschäftsführungsgesellschaft deutscher Gasversorgungsunternehmen mbH, DE, Straelen[6]	20
GasLINE Telekommunikationsnetzgesellschaft deutscher Gasversorgungsunternehmen mbH & Co. KG, DE, Straelen[5]	20
Gas-Netzgesellschaft Bedburg GmbH & Co. KG, DE, Bedburg[6]	25.1
Gas-Netzgesellschaft Elsdorf GmbH & Co. KG, DE, Elsdorf[6]	25.1
Gas-Netzgesellschaft Kolpingstadt Kerpen GmbH & Co. KG, DE, Kerpen[6]	25.1
Gas-Netzgesellschaft Kreisstadt Bergheim GmbH & Co. KG, DE, Bergheim[6]	25.1
Gasnetzgesellschaft Laatzen-Süd mbH, DE, Laatzen[6]	49
Gasnetzgesellschaft Mettmann mbH & Co. KG, DE, Mettmann[6]	25.1
Gas-Netzgesellschaft Rheda-Wiedenbrück GmbH & Co. KG, DE, Rheda-Wiedenbrück[6]	49
Gas-Netzgesellschaft Rheda-Wiedenbrück Verwaltungs-GmbH, DE, Rheda-Wiedenbrück[6]	49
Gasnetzgesellschaft Warburg GmbH & Co. KG, DE, Warburg[6]	49
Gasnetzgesellschaft Windeck mbH & Co. KG, DE, Windeck[6]	49.9

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Disclosures Pursuant to Section 313 (2) HGB of Companies in Which Equity Investments Are Held (as of December 31, 2022)

Name, Location	Stake
Gasnetzgesellschaft Wörrstadt mbH & Co. KG, DE, Saulheim[6]	49
Gasnetzgesellschaft Wörrstadt Verwaltung mbH, DE, Saulheim[6]	49
Gasversorgung Bad Rodach GmbH, DE, Bad Rodach[6]	50
Gasversorgung Ebermannstadt GmbH, DE, Ebermannstadt[6]	50
Gasversorgung im Landkreis Gifhorn GmbH, DE, Gifhorn[4]	95
Gasversorgung Unterfranken Gesellschaft mit beschränkter Haftung, DE, Würzburg[5]	49
Gasversorgung Wismar Land GmbH, DE, Lübow[6]	49
Gasversorgung Wunsiedel GmbH, DE, Wunsiedel[6]	50
Gelsenberg GmbH & Co. KG, DE, Düsseldorf[1,8]	100
Gelsenberg Verwaltungs GmbH, DE, Düsseldorf[2]	100
Gelsenwasser Beteiligungs-GmbH, DE, Munich[2]	100
Gemeindewerke Bissendorf Netze GmbH & Co. KG, DE, Bissendorf[6]	49
Gemeindewerke Bissendorf Netze Verwaltungs-GmbH, DE, Bissendorf[6]	49
Gemeindewerke Everswinkel GmbH, DE, Everswinkel[6]	45
Gemeindewerke Gräfelfing GmbH & Co. KG, DE, Gräfelfing[6]	49
Gemeindewerke Gräfelfing Verwaltungs GmbH, DE, Gräfelfing[6]	49
Gemeindewerke Namborn, Gesellschaft mit beschränkter Haftung, DE, Namborn[6]	49
Gemeindewerke Uetze GmbH, DE, Uetze[6]	49
Gemeindewerke Wedemark GmbH, DE, Wedemark[6]	49
Gemeindewerke Wietze GmbH, DE, Wietze[6]	49
Gemeinnützige Gesellschaft zur Förderung des E.ON Energy Research Center mbH, DE, Aachen[6]	50
Gemeinschaftskernkraftwerk Grohnde GmbH & Co. oHG, DE, Emmerthal[1]	100
Gemeinschaftskernkraftwerk Grohnde Management GmbH, DE, Emmerthal[2]	83.2
Gemeinschaftskernkraftwerk Isar 2 GmbH, DE, Essenbach[2]	75
Gemeinschaftskraftwerk Weser GmbH & Co. oHG., DE, Emmerthal[1]	66.7
Geotermisk Operatørselskab A/S, DK, Kirke Saby[2]	51.6
Geothermie-Wärmegesellschaft Braunau-Simbach mbH, AT, Braunau am Inn[6]	20
Gesellschaft für Energie und Klimaschutz Schleswig-Holstein GmbH, DE, Kiel[6]	33.3
Get Energy Solutions Szolgáltató Kft., HU, Budapest[2]	100
Gewerkschaft Hermann V Gesellschaft mit beschränkter Haftung, DE, Essen[2]	66.7
GfB, Gesellschaft für Baudenkmalpflege mbH, DE, Idar-Oberstein[6]	20
GfS Gesellschaft für Simulatorschulung mbH, DE, Essen[6]	41.7
GHD Bayernwerk Natur GmbH & Co. KG, DE, Dingolfing[2]	75
Gichtgaskraftwerk Dillingen GmbH & Co. KG, DE, Dillingen[6]	25.2
GISA GmbH, DE, Halle (Saale)[6]	23.9
GKB Gesellschaft für Kraftwerksbeteiligungen mbH, DE, Cottbus[2]	100
GkD Gesellschaft für kommunale Dienstleistungen mbH, DE, Cologne[6]	50
GNEE Gesellschaft zur Nutzung erneuerbarer Energien mbH Freisen, DE, Freisen[6]	49
GNS Gesellschaft für Nuklear-Service mbH, DE, Essen[6]	48
GOLLIPP Bioerdgas GmbH & Co. KG, DE, Gollhofen[6]	50
GOLLIPP Bioerdgas Verwaltungs GmbH, DE, Gollhofen[6]	50
Gondoskodás-Egymásért Alapítvány, HU, Debrecen[2]	100
Gottburg Energie- und Wärmetechnik GmbH & Co. KG i. L., DE, Leck[6]	49.9
Gottburg Verwaltungs GmbH i. L., DE, Leck[6]	49.9
GREEN GECCO Beteiligungsgesellschaft mbH & Co. KG, DE, Troisdorf[6]	20.7
GREEN GECCO Beteiligungsgesellschaft-Verwaltungs GmbH, DE, Troisdorf[6]	20.7
GREEN Gesellschaft für regionale und erneuerbare Energie mbH, DE, Stolberg/Rhld.[6]	49.2
Green Sky Energy Limited, GB, Coventry[1]	100
Green Solar Herzogenrath GmbH, DE, Herzogenrath[6]	45
Green Urban Energy GmbH, DE, Berlin[6]	50
Greenergetic GmbH i.L., DE, Bielefeld[2]	100
greenited GmbH, DE, Hamburg[6]	50
Greenplug GmbH, DE, Hamburg[7]	100
greenXmoney.com GmbH i. L., DE, Neu-Ulm[2]	100
Greinke Verwaltungs GmbH, DE, Hohenhameln[6]	25.1
gridX GmbH, DE, Aachen[2]	100
GrønGas Partner A/S, DK, Hirtshals[6]	50
Grüne Quartiere GmbH, DE, Gelsenkirchen[6]	50
Grüne Wärme Schönefeld GmbH, DE, Schönefeld[2]	100
Grünkraft Energie GmbH, DE, Thalmassing[6]	50
GSH Green Steam Hürth GmbH, DE, Munich[1]	100
GW EnergyTec GmbH & Co. KG, DE, Hohenhameln[6]	25.1
Hams Hall Management Company Limited, GB, Coventry[6]	44.8
HanseGas GmbH, DE, Quickborn[1]	100
HanseWerk AG, DE, Quickborn[1]	66.5
HanseWerk Natur GmbH, DE, Hamburg[1]	100
Hary Installationstechnik GmbH, DE, Schiffweiler[2]	100
Harzwasserwerke GmbH, DE, Hildesheim[5]	20.8
HaseNetz GmbH & Co. KG, DE, Gehrde[6]	25.1

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Disclosures Pursuant to Section 313 (2) HGB of Companies in Which Equity Investments Are Held (as of December 31, 2022)

Name, Location	Stake
Havelstrom Zehdenick GmbH, DE, Zehdenick[6]	49
HAW 1. Beteiligungsgesellschaft mbH, DE, Quickborn[2]	100
HAW 2. Beteiligungsgesellschaft mbH, DE, Quickborn[2]	100
HAzwei 1. Beteiligungsgesellschaft mbH, DE, Hanover[1]	100
HAzwei 2. Beteiligungsgesellschaft mbH, DE, Hanover[2]	100
HAzwei 3. Beteiligungsgesellschaft mbH, DE, Hanover[2]	100
HAzwei GmbH, DE, Hanover[1]	100
HCL Netze GmbH & Co. KG, DE, Herzebrock-Clarholz[6]	25.1
Heizkraftwerk Zwickau Süd GmbH & Co. KG, DE, Zwickau[6]	40
Heizungs- und Sanitärbau WIJA GmbH, DE, Bad Neuenahr-Ahrweiler[2]	100
Heizwerk Holzverwertungsgenossenschaft Stiftland eG & Co. oHG, DE, Neualbenreuth[6]	50
Hennef (Sieg) Netz GmbH & Co. KG, DE, Hennef[6]	49
Hermann Stibbe Verwaltungs-GmbH, DE, Wunstorf[2]	100
HGC Hamburg Gas Consult GmbH, DE, Hamburg[2]	100
HOCHTEMPERATUR-KERNKRAFTWERK GmbH (HKG). Gemeinsames europäisches Unternehmen, DE, Hamm[6]	26
Hof Promotion B.V., NL, Utrecht[1]	100
Holsteiner Wasser GmbH, DE, Neumünster[6]	50
Horisont Energi AS, NO, Sandnes[6]	25.6
HSL Solar GmbH, DE, Wiesen[2]	100
Hub2Go GmbH, DE, Hamburg[6]	49
Huisman Warmtetechniek B.V., NL, Stadskanaal[1]	100
HYPION GmbH, DE, Heide[6]	25
I-1 Beteiligungs GmbH, DE, Helmstedt[2]	100
Idola Solkraft AB, SE, Norrköping[7]	100
Improvers B.V., NL, Utrecht[1]	100
Improvers Community B.V., NL, Utrecht[1]	100
Induboden GmbH, DE, Düsseldorf[2]	100
Induboden GmbH & Co. Grundstücksgesellschaft oHG, DE, Essen[2]	100
Industriekraftwerk Greifswald GmbH, DE, Kassel[6]	49
Industry Development Services Limited, GB, Coventry[2]	100
Inenergie Holding B.V., NL, Utrecht[6]	32.7
InfraServ - Bayernwerk Gendorf GmbH, DE, Burgkirchen a .d. Alz[6]	50
Infrastrukturgesellschaft Stadt Nienburg/Weser mbH, DE, Nienburg/Weser[6]	49.9
innogy e-mobility US LLC, US, Dover (Delaware)[1]	100
innogy Hungária Tanácsadó Kft., HU, Budapest[2]	100
innogy International Middle East LLC, AE, Dubai[6]	49
innogy South East Europe s.r.o., SK, Bratislava[2]	100
innogy.C3 GmbH i. L., DE, Essen[6]	25.1
Installatietechniek Totaal B.V., NL, Leeuwarden[1]	100
Intelligent Maintenance Systems Limited, GB, Milton Keynes[6]	25
IPP ESN Power Engineering GmbH, DE, Kiel[2]	51
Isar Loisach Stromnetz GmbH & Co. KG, DE, Wolfratshausen[6]	49
Isoprofs B.V., NL, Meijel[1]	100
It's a beautiful world B.V., NL, Amersfoort[1]	100
iWATT s.r.o., SK, Košice[2]	80
Jihočeská plynárenská, a.s., CZ, České Budějovice[2]	100
Kalmar Energi Försäljning AB, SE, Kalmar[6]	40
Kalmar Energi Holding AB, SE, Kalmar[4]	50
Kavernengesellschaft Staßfurt mbH, DE, Staßfurt[6]	50
KAWAG AG & Co. KG, DE, Pleidelsheim[6]	49
KAWAG Gas GmbH & Co. KG, DE, Pleidelsheim[6]	49
KAWAG Netze GmbH & Co. KG, DE, Abstatt[6]	49
KAWAG Netze Verwaltungsgesellschaft mbH, DE, Abstatt[6]	49
KDT Kommunale Dienste Tholey GmbH, DE, Tholey[6]	49
Kemkens Groep B.V., NL, Oss[5]	49
Kemsley CHP Limited, GB, Coventry[1]	100
KEN GmbH, DE, Püttlingen[2]	100
Kernkraftwerk Brokdorf GmbH & Co. oHG, DE, Hamburg[1]	80
Kernkraftwerk Brunsbüttel GmbH & Co. oHG, DE, Hamburg[5]	33.3
Kernkraftwerk Krümmel GmbH & Co. oHG, DE, Hamburg[3]	50
Kernkraftwerk Stade GmbH & Co. oHG, DE, Hamburg[1]	66.7
Kernkraftwerke Isar Verwaltungs GmbH, DE, Essenbach[1]	100
KEVAG Telekom GmbH, DE, Koblenz[6]	50
KEW Kommunale Energie- und Wasserversorgung Aktiengesellschaft, DE, Neunkirchen[5]	28.6
KGW - Kraftwerk Grenzach-Wyhlen GmbH, DE, Munich[1]	100
Kite Power Systems Limited, GB, Chelmsford[6]	26.6
KlickEnergie GmbH & Co. KG, DE, Neuss[6]	65
KlickEnergie Verwaltungs-GmbH, DE, Neuss[6]	65
Klíma És Hűtéstechnológiai Tervező, Szerelő És Kereskedelmi Kft., HU, Budapest[1]	100

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Name, Location	Stake
Komáromi Kogenerációs Erőmű Kft., HU, Budapest[2]	100
KommEnergie GmbH, DE, Eichenau[6]	49
Kommunale Dienste Marpingen Gesellschaft mit beschränkter Haftung, DE, Marpingen[6]	49
Kommunale Energieversorgung GmbH Eisenhüttenstadt, DE, Eisenhüttenstadt[6]	49
Kommunale Klimaschutzgesellschaft Landkreis Celle gemeinnützige GmbH, DE, Celle[6]	25
Kommunale Klimaschutzgesellschaft Landkreis Uelzen gemeinnützige GmbH, DE, Celle[6]	25
Kommunale Netzgesellschaft Steinheim a. d. Murr GmbH & Co. KG, DE, Steinheim an der Murr[6]	49
Kommunalwerk Rudersberg GmbH & Co. KG, DE, Rudersberg[6]	49.9
Kommunalwerk Rudersberg Verwaltungs-GmbH, DE, Rudersberg[6]	49.9
Konnektor B.V., NL, Utrecht[1]	100
Konsortium Energieversorgung Opel beschränkt haftende oHG, DE, Karlstein[4,10]	66.7
Koprivnica Plin d.o.o., HR, Koprivnica[1]	100
Kraftwerk Hattorf GmbH, DE, Munich[1]	100
Kraftwerk Marl GmbH, DE, Munich[1]	100
Kraftwerk Neuss GmbH, DE, Munich[1]	100
Kraftwerk Plattling GmbH, DE, Munich[1]	100
Kraftwerk Wehrden Gesellschaft mit beschränkter Haftung, DE, Völklingen[6]	33.3
KSG Kraftwerks-Simulator-Gesellschaft mbH, DE, Essen[6]	41.7
KSP Kommunaler Service Püttlingen GmbH, DE, Püttlingen[6]	40
KTA Kältetechnischer Anlagenbau GmbH, DE, Garbsen[2]	100
KVK Kompetenzzentrum Verteilnetze und Konzessionen GmbH, DE, Cologne[6]	74.9
KWS Kommunal-Wasserversorgung Saar GmbH, DE, Saarbrücken[2]	100
LandE GmbH, DE, Wolfsburg[1]	69.6
LANDWEHR Wassertechnik GmbH, DE, Schöppenstedt[2]	100
Latorca Sport Kft., HU, Budapest[2]	96.6
LE Montáže, s.r.o., CZ, Zlín[2]	51
Lech Energie Gersthofen GmbH & Co. KG, DE, Gersthofen[2]	100
Lech Energie Verwaltung GmbH, DE, Augsburg[2]	100
Lechwerke AG, DE, Augsburg[1]	89.9
Leicon GmbH, DE, Neustadt am Rübenberge[6]	50
Leitungs- und Kanalservice Bauer GmbH, DE, Schönbrunn i. Steigerwald[2]	100
Leitungspartner GmbH, DE, Düren[1]	100
Lemonbeat GmbH, DE, Dortmund[2]	100
LEW Anlagenverwaltung Gesellschaft mit beschränkter Haftung, DE, Gundremmingen[1]	100
LEW Beteiligungsgesellschaft mbH, DE, Gundremmingen[1]	100
LEW Netzservice GmbH, DE, Augsburg[1]	100
LEW Service & Consulting GmbH, DE, Augsburg[1]	100
LEW TelNet GmbH, DE, Neusäß[1]	100
LEW Verteilnetz GmbH, DE, Augsburg[1]	100
LEW Wasserkraft GmbH, DE, Augsburg[1]	100
Licht Groen B.V., NL, Amsterdam[1]	100
Lichtverbund Straßenbeleuchtung GmbH, DE, Helmstedt[2]	89.8
Lighting for Staffordshire Holdings Limited, GB, Coventry[1]	60
Lighting for Staffordshire Limited, GB, Coventry[1]	100
Liikennevirta Oy, FI, Helsinki[6]	25
Lillo Energy NV, BE, Brussels[6]	50
Limfjordens Bioenergi ApS, DK, Frederiksberg[6]	50
Local Energies, a.s., CZ, Zlín - Malenovice[2]	100
Lößnitz Netz GmbH & Co. KG, DE, Lößnitz[6]	74.9
LSW Energie Verwaltungs-GmbH, DE, Wolfsburg[6]	57
LSW Holding GmbH & Co. KG, DE, Wolfsburg[5,10]	57
LSW Holding Verwaltungs-GmbH, DE, Wolfsburg[6]	57
LSW Netz Verwaltungs-GmbH, DE, Wolfsburg[6]	57
Luna Lüneburg GmbH, DE, Lüneburg[6]	49
MAINGAU Energie GmbH, DE, Obertshausen[5]	46.6
MDE Service GmbH, DE, Gersthofen[6]	24.9
medl GmbH, DE, Mülheim an der Ruhr[5]	39
Mehr Ampere GmbH, DE, Regensburg[2]	100
Melle Netze GmbH & Co. KG, DE, Melle[6]	50
MEON Pensions GmbH & Co. KG, DE, Essen[1,8]	100
MEON Verwaltungs GmbH, DE, Essen[2]	100
MINUS 181 GmbH i. L., DE, Parchim[6]	25.1
MITGAS Mitteldeutsche Gasversorgung GmbH, DE, Halle (Saale)[1]	75.4
Mitteldeutsche Netzgesellschaft Gas HD mbH, DE, Halle (Saale)[2]	100
Mitteldeutsche Netzgesellschaft Gas mbH, DE, Halle (Saale)[1]	100
Mitteldeutsche Netzgesellschaft mbH, DE, Chemnitz[2]	100
Mitteldeutsche Netzgesellschaft Strom mbH, DE, Halle (Saale)[1]	100
Mittlere Donau Kraftwerke AG, DE, Landshut[6]	40
MNG Stromnetze GmbH & Co. KG, DE, Lüdinghausen[6]	25.1

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Name, Location	Stake
MNG Stromnetze Verwaltungs GmbH, DE, Lüdinghausen[6]	25.1
Montcogim - Plinara d.o.o., HR, Sveta Nedelja[1]	100
Moslavina Plin d.o.o., HR, Kutina[2]	100
Mosoni-Duna Menti Szélerőmű Kft., HU, Budapest[2]	100
Murrhardt Netz AG & Co. KG, DE, Murrhardt[6]	49
MWE Mecklenburgische Wärme- und Energiedienstleistungen GmbH, DE, Wismar[6]	50
MZEC - OPAŁ Sp. z o.o., PL, Chojnice[2]	100
MZEC Sp. z o.o., PL, Szczecin[2]	100
Nadácia VSE, SK, Košice[2]	100
Nahwärme Ascha GmbH, DE, Ascha[2]	90
Naturstrom Betriebsgesellschaft Oberhonnefeld mbH, DE, Koblenz[6]	25
Navirum Energi AB, SE, Malmö[1]	100
Nebelhornbahn-Aktiengesellschaft, DE, Oberstdorf[6]	20.1
Nederland Isoleert B.V., NL, Amersfoort[1]	100
Nederland Verkoopt B.V., NL, Amersfoort[1]	100
Nereon S.r.l., IT, Brindisi[2]	51
Netz- und Wartungsservice (NWS) GmbH, DE, Schwerin[2]	100
Netzanschluss Mürow Oberdorf GbR, DE, Bremerhaven[6]	34.8
Netzdienste Oberursel (Taunus) GmbH & Co. KG, DE, Oberursel[6]	49
Netzgesellschaft Bad Münder GmbH & Co. KG, DE, Bad Münder[6]	49
Netzgesellschaft Barsinghausen GmbH & Co. KG, DE, Barsinghausen[6]	49
Netzgesellschaft Bedburg Verwaltungs-GmbH, DE, Bedburg[6]	49
Netzgesellschaft Betzdorf GmbH & Co. KG, DE, Betzdorf[6]	49
Netzgesellschaft Bühlertal GmbH & Co. KG, DE, Bühlertal[6]	49.9
Netzgesellschaft Elsdorf Verwaltungs-GmbH, DE, Elsdorf[6]	49
Netzgesellschaft Gehrden mbH, DE, Gehrden[6]	49
Netzgesellschaft GmbH & Co. KG Bad Homburg v. d. Höhe, DE, Bad Homburg v. d. Höhe[6]	45.7
Netzgesellschaft Grimma GmbH & Co. KG, DE, Grimma[6]	49
Netzgesellschaft Hemmingen mbH, DE, Hemmingen[6]	49
Netzgesellschaft Hennigsdorf Strom mbH, DE, Hennigsdorf[6]	50
Netzgesellschaft Hildesheimer Land GmbH & Co. KG, DE, Giesen[6]	49
Netzgesellschaft Hildesheimer Land Verwaltung GmbH, DE, Giesen[6]	49
Netzgesellschaft Hochtaunuskreis - Usinger Land GmbH & Co. KG, DE, Usingen[6]	49
Netzgesellschaft Hohen Neuendorf Strom GmbH & Co. KG, DE, Hohen Neuendorf[6]	49
Netzgesellschaft Horn-Bad Meinberg GmbH & Co. KG, DE, Horn-Bad Meinberg[6]	49
Netzgesellschaft Hüllhorst GmbH & Co. KG, DE, Hüllhorst[6]	49
Netzgesellschaft Kelkheim GmbH & Co. KG, DE, Kelkheim[6]	49
Netzgesellschaft Korb GmbH & Co. KG, DE, Korb[6]	49.9
Netzgesellschaft Korb Verwaltungs-GmbH, DE, Korb[6]	49.9
Netzgesellschaft Kreisstadt Bergheim Verwaltungs-GmbH, DE, Bergheim[6]	49
Netzgesellschaft Lauf GmbH & Co. KG, DE, Lauf[6]	49.9
Netzgesellschaft Lennestadt GmbH & Co. KG, DE, Lennestadt[6]	25.1
Netzgesellschaft Leutenbach GmbH & Co. KG, DE, Leutenbach[6]	49.9
Netzgesellschaft Leutenbach Verwaltungs-GmbH, DE, Leutenbach[6]	49.9
Netzgesellschaft Maifeld GmbH & Co. KG, DE, Polch[6]	49
Netzgesellschaft Maifeld Verwaltungs GmbH, DE, Polch[6]	49
Netzgesellschaft Marl mbH & Co. KG, DE, Marl[6]	25.1
Netzgesellschaft Neuenkirchen mbH & Co. KG, DE, Neuenkirchen[6]	49
Netzgesellschaft Osnabrücker Land GmbH & Co. KG, DE, Bohmte[4]	50
Netzgesellschaft Ottersweier GmbH & Co. KG, DE, Ottersweier[6]	49.9
Netzgesellschaft Panketal GmbH, DE, Panketal[2]	100
Netzgesellschaft Rheda-Wiedenbrück GmbH & Co. KG, DE, Rheda-Wiedenbrück[6]	49
Netzgesellschaft Rheda-Wiedenbrück Verwaltungs-GmbH, DE, Rheda-Wiedenbrück[6]	49
Netzgesellschaft Rietberg-Langenberg GmbH & Co. KG, DE, Rietberg[6]	25.1
Netzgesellschaft Ronnenberg GmbH & Co. KG, DE, Ronnenberg[6]	49
Netzgesellschaft S-1 GmbH, DE, Helmstedt[2]	100
Netzgesellschaft Schwerin mbH (NGS), DE, Schwerin[6]	40
Netzgesellschaft Stuhr/Weyhe mbH i. L., DE, Helmstedt[2]	100
Netzgesellschaft Südwestfalen mbH & Co. KG, DE, Netphen[6]	49
Netzgesellschaft Syke GmbH, DE, Syke[6]	49
Netzgesellschaft W-1 GmbH, DE, Helmstedt[2]	100
Netzinfrastrukturgesellschaft Nordwest GmbH & Co. KG, DE, Heek[2]	100
Netzinfrastrukturgesellschaft Nordwest Verwaltung GmbH, DE, Heek[2]	100
NetzweltFabrik GmbH, DE, Machern[2]	100
Neumünster Netz Beteiligungs-GmbH, DE, Neumünster[1]	100
NEW AG, DE, Mönchengladbach[1, 9]	42.5
NEW b_gas Eicken GmbH, DE, Schwalmtal[2]	100
New Cogen Sp. z o.o., PL, Warsaw[2]	66.7
NEW Netz GmbH, DE, Geilenkirchen[1]	100

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Disclosures Pursuant to Section 313 (2) HGB of Companies in Which Equity Investments Are Held (as of December 31, 2022)

Name, Location	Stake
NEW Niederrhein Energie und Wasser GmbH, DE, Mönchengladbach[1]	100
NEW NiederrheinWasser GmbH, DE, Viersen[1]	100
NEW Re GmbH, DE, Mönchengladbach[2]	95.5
NEW Smart City GmbH, DE, Mönchengladbach[2]	100
NEW Tönisvorst GmbH, DE, Tönisvorst[1]	98.7
NEW Viersen GmbH, DE, Viersen[1]	100
NEW Windenergie Verwaltung GmbH, DE, Mönchengladbach[2]	100
NEW Windpark Linnich GmbH & Co. KG, DE, Mönchengladbach[2]	100
NEW Windpark Viersen GmbH & Co. KG, DE, Mönchengladbach[2]	100
NiersEnergieNetze GmbH & Co. KG, DE, Kevelaer[6]	51
NiersEnergieNetze Verwaltungs-GmbH, DE, Kevelaer[6]	51
NIS Norddeutsche Informations-Systeme Gesellschaft mbH, DE, Schwentinental[2]	100
NORD-direkt GmbH, DE, Neumünster[2]	100
NordNetz GmbH, DE, Quickborn[2]	100
Npower Business and Social Housing Limited, GB, Swindon[2]	100
Npower Commercial Gas Limited, GB, Coventry[1]	100
Npower Financial Services Limited, GB, Swindon[1]	100
Npower Gas Limited, GB, Coventry[2]	100
Npower Group Business Services Limited, GB, Coventry[1]	100
Npower Group Limited, GB, Coventry[1]	100
Npower Limited, GB, Coventry[1]	100
Npower Northern Limited, GB, Coventry[2]	100
Npower Northern Supply Limited, GB, Coventry[2]	100
Npower Yorkshire Limited, GB, Coventry[2]	100
Npower Yorkshire Supply Limited, GB, Coventry[2]	100
NRF Neue Regionale Fortbildung GmbH, DE, Halle (Saale)[2]	100
Oberland Stromnetz GmbH & Co. KG, DE, Murnau a. Staffelsee[6]	33.9
ocean5 Business Software GmbH i. L., DE, Kiel[6]	50.2
Oebisfelder Wasser und Abwasser GmbH, DE, Oebisfelde[6]	49
Oer-Erkenschwick Netz GmbH & Co. KG, DE, Oer-Erkenschwick[6]	49
OIE Aktiengesellschaft, DE, Idar-Oberstein[1]	100
OOO E.ON Connecting Energies, RU, Moscow[6]	50
Orcan Energy AG, DE, Munich[6]	22.3
Oschatz Netz GmbH & Co. KG, DE, Oschatz[2]	74.9
Oschatz Netz Verwaltungs GmbH, DE, Oschatz[2]	100
Oskarshamn Energi AB, SE, Oskarshamn[4]	50
Ostwestfalen Netz GmbH & Co. KG, DE, Bad Driburg[6]	25.1
PannonWatt Energetikai Megoldások Zrt., HU, Győr[6]	49.9
PEEK GmbH, DE, Herrsching am Ammersee[2]	60
PEG Infrastruktur AG, CH, Zug[13]	100
Peißenberger Kraftwerksgesellschaft mit beschränkter Haftung, DE, Peißenberg[2]	100
Peißenberger Wärmegesellschaft mbH, DE, Peißenberg[2]	100
Peridot Beteiligungs GmbH & Co. KG, DE, Essen[6]	99
PFALZWERKE AKTIENGESELLSCHAFT, DE, Ludwigshafen am Rhein[5]	26.7
PG 2022 Limited, GB, Coventry[2]	100
PIS Progress Sp. z o.o., PL, Piła[2]	100
Placense Ltd., IL, Caesarea[6]	20
Plin-Projekt d.o.o., HR, Nova Gradiška[2]	100
Plus Shipping Services Limited, GB, Swindon[1]	100
Portfolio EDL GmbH, DE, Helmstedt[1,8]	100
Powergen Holdings B.V., NL, Rotterdam[2]	100
Powergen International, GB, Coventry[2]	100
Powergen Limited, GB, Coventry[2]	100
Powergen Luxembourg Holdings S.À R.L., LU, Luxembourg[1]	100
Powergen Power No. 1 Limited, GB, Coventry[2]	100
Powergen Power No. 2 Limited, GB, Coventry[2]	100
Powergen UK Investments, GB, Coventry[2]	100
Powerhouse B.V., NL, Amsterdam[1]	100
prego services GmbH, DE, Saarbrücken[6]	50
PRENU Projektgesellschaft für Rationelle Energienutzung in Neuss mit beschränkter Haftung, DE, Neuss[6]	50
PreussenElektra GmbH, DE, Hanover[1]	100
Projecta 14 GmbH, DE, Saarbrücken[5]	50
Propan Rheingas GmbH, DE, Brühl[6]	27.5
Propan Rheingas GmbH & Co Kommanditgesellschaft, DE, Brühl[6]	29.6
PS Energy UK Limited, GB, Coventry[2]	100
Purena Consult GmbH, DE, Wolfenbüttel[2]	100
QDTE GmbH, DE, Sarstedt[2]	100
Qualitas-AMS GmbH, DE, Siegen[2]	100
Rain Biomasse Wärmegesellschaft mbH, DE, Rain[6]	51

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Name, Location	Stake
Rauschbergbahn Gesellschaft mit beschränkter Haftung, DE, Ruhpolding[7]	77.4
RDE Regionale Dienstleistungen Energie GmbH & Co. KG, DE, Veitshöchheim[2]	100
RDE Verwaltungs-GmbH, DE, Veitshöchheim[2]	100
Recklinghausen Netzgesellschaft mbH & Co. KG, DE, Recklinghausen[5]	49.9
Recklinghausen Netz-Verwaltungsgesellschaft mbH, DE, Recklinghausen[6]	49
Refarmed ApS, DK, Copenhagen[6]	20
REGAS GmbH & Co KG, DE, Regensburg[6]	50
REGAS Verwaltungs-GmbH, DE, Regensburg[6]	50
REGENSBURGER ENERGIE- UND WASSERVERSORGUNG AG, DE, Regensburg[6]	35.5
Regionale Energiewende Beteiligung Freyung-GmbH, DE, Freyung[6]	33.3
Regionetz GmbH, DE, Aachen[1, 9]	49.2
RegioNetzMünchen GmbH & Co. KG, DE, Garching[6]	50
RegioNetzMünchen Verwaltungs GmbH, DE, Garching[6]	50
Regnitzstromverwertung Aktiengesellschaft, DE, Erlangen[6]	33.3
Renergie Stadt Wittlich GmbH, DE, Wittlich[6]	30
Reservekraft AS, NO, Lillestrøm[2]	100
rEVUlution GmbH, DE, Essen[2]	100
REWAG REGENSBURGER ENERGIE- UND WASSERVERSORGUNG AG & CO KG, DE, Regensburg[5]	35.5
Rhegio Dienstleistungen GmbH, DE, Rhede[6]	24.9
Rhein-Ahr-Energie Netz GmbH & Co. KG, DE, Grafschaft[6]	25.1
RheinEnergie AG, DE,Cologne[5]	20
Rheinland Westfalen Energiepartner GmbH, DE, Essen[7]	100
Rhein-Main-Donau GmbH, DE, Landshut[5]	22.5
Rhein-Sieg Netz GmbH, DE, Siegburg[1]	100
rhenag Rheinische Energie Aktiengesellschaft, DE, Cologne[4]	66.7
RHENAGBAU Gesellschaft mit beschränkter Haftung, DE, Cologne[2]	100
RIWA GmbH, DE, Kempten (Allgäu)[6]	20
R-KOM Regensburger Telekommunikationsgesellschaft mbH & Co. KG, DE, Regensburg[6]	20
R-KOM Regensburger Telekommunikationsverwaltungsgesellschaft mbH, DE, Regensburg[6]	20
RL Besitzgesellschaft mbH, DE, Essen[1]	100
RL Beteiligungsverwaltung beschr. haft. OHG, DE, Essen[1, 8]	100
RURENERGIE GmbH, DE, Düren[6]	30.1
Rüthen Gasnetz GmbH & Co. KG, DE, Rüthen[6]	25.1
RWE Windpark Garzweiler GmbH & Co. KG, DE, Essen[6]	49
RWW Rheinisch-Westfälische Wasserwerksgesellschaft mbH, DE, Mülheim an der Ruhr[1]	79.8
S.C. Salgaz S.A., RO, Salonta[7]	53.8
SafeRadon GmbH, DE, Munich[2]	100
Safetec GmbH, DE, Heidelberg[2]	100
Safetec-Swiss GmbH, CH, Würenlingen[2]	100
Sandersdorf-Brehna Netz GmbH & Co. KG, DE, Sandersdorf-Brehna[6]	49
Scharbeutzer Energie- und Netzgesellschaft mbH & Co. KG, DE, Scharbeutz[2]	51
SchlauTherm GmbH, DE, Saarbrücken[2]	75
Schleswig-Holstein Netz AG, DE, Quickborn[1]	69.2
Scorebreeze Limited, GB, Coventry[1]	100
SEC A Sp. z o.o., PL, Szczecin[2]	100
SEC B Sp. z o.o., PL, Szczecin[2]	100
SEC C Sp. z o.o., PL, Szczecin[2]	100
SEC Chojnice Sp. z o.o, PL, Szczecin[2]	100
SEC D Sp. z o.o., PL, Szczecin[2]	100
SEC E Sp. z o.o., PL, Szczecin[2]	100
SEC Energia Sp. z o.o., PL, Szczecin[2]	100
SEC F Sp. z o.o., PL, Szczecin[2]	100
SEC G Sp. z o.o., PL, Szczecin[2]	100
SEC H Sp. z o.o., PL, Szczecin[2]	100
SEC I Sp. z o.o., PL, Szczecin[2]	100
SEC J Sp. z o.o., PL, Szczecin[2]	100
SEC K Sp. z o.o., PL, Szczecin[7]	100
SEC L Sp. z o.o., PL, Szczecin[2]	100
SEC M Sp. z o.o., PL, Szczecin[2]	100
SEC N Sp. z o.o., PL, Szczecin[2]	100
SEC NewGrid Sp. z o.o., PL, Szczecin[2]	100
SEC O Sp. z o.o., PL, Szczecin[2]	100
SEC Obrót Sp. z o.o., PL, Szczecin[2]	100
SEC P Sp. z o.o., PL, Szczecin[2]	100
SEC R Sp. z o.o., PL, Szczecin[2]	100
SEC Region Sp. z o.o., PL, Szczecin[7]	100
SEC Serwis Sp. z o.o., PL, Szczecin[2]	100
SEC Zgorzelec Sp. z o.o., PL, Zgorzelec[2]	75
SEG Solarenergie Guben GmbH & Co. KG, DE, Guben[6]	25.1

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Name, Location	Stake
SEG Solarenergie Guben Management GmbH, DE, Lützen[7]	100
Selm Netz GmbH & Co. KG, DE, Selm[6]	25.1
SEN Solarenergie Nienburg GmbH & Co. KG, DE, Lützen[2]	100
SERVICE plus GmbH, DE, Neumünster[7]	100
SERVICE plus Recycling GmbH, DE, Neumünster[2]	100
SEW Solarenergie Weißenfels GmbH & Co. KG, DE, Lützen[2]	100
Shamrock Energie GmbH, DE, Herne[6]	40
SHW/RWE Umwelt Aqua Vodogradnja d.o.o., HR, Zagreb[6]	50
Siegener Versorgungsbetriebe GmbH, DE, Siegen[6]	24.9
Skandinaviska Kraft AB, SE, Halmstad[2]	100
Skive GreenLab Biogas ApS, DK, Frederiksberg[6]	50
ŠKO-ENERGO, s.r.o., CZ, Mladá Boleslav[6]	21
Smart Energy for Industry GmbH, DE, Munich[2]	100
Solar Energy Group S.p.A., IT, Pordenone[1]	100
Solar Service S.r.l., IT, Pordenone[2]	100
Solar Supply Sweden AB, SE, Karlshamn[2]	100
Solarpark Schönteichen GmbH & Co. KG, DE, Ellzee[6]	49
SolarProjekt Mainaschaff GmbH, DE, Mainaschaff[6]	50
Solnet d.o.o., HR, Zagreb[1]	100
Sønderjysk Biogas Bevtoft A/S, DK, Vojens[6]	50
Sønderjysk Biogas Løgumkloster ApS, DK, Bevtoft[6]	50
SPG Solarpark Guben GmbH & Co. KG, DE, Lützen[2]	100
SPIE Energy Solutions Harburg GmbH, DE, Hamburg[6]	35
SPX, s.r.o., SK, Zilina[6]	33.3
SSW - Stadtwerke St. Wendel GmbH & Co KG., DE, St. Wendel[5]	49.5
SSW Stadtwerke St. Wendel Geschäftsführungsgesellschaft mbH, DE, St. Wendel[6]	49.5
St. Clements Services Limited, GB, London[6]	37.5
Stadtentfalter GmbH, DE, Mönchengladbach[2]	100
Stadtentfalter Quartiere GmbH, DE, Sarstedt[2]	100
Städtische Betriebswerke Luckenwalde GmbH, DE, Luckenwalde[6]	29
Städtische Werke Borna GmbH, DE, Borna[6]	36.8
Städtische Werke Magdeburg GmbH & Co. KG, DE, Magdeburg[5]	26.7
Städtische Werke Magdeburg Verwaltungs-GmbH, DE, Magdeburg[6]	26.7
Städtisches Wasserwerk Eschweiler GmbH, DE, Eschweiler[6]	24.9
Stadtnetze Neustadt a. Rbge. GmbH & Co. KG, DE, Neustadt am Rübenberge[6]	24.9
Stadtnetze Neustadt a. Rbge. Verwaltungs-GmbH, DE, Neustadt am Rübenberge[6]	24.9
Stadtversorgung Pattensen GmbH & Co. KG, DE, Pattensen[6]	49
Stadtversorgung Pattensen Verwaltung GmbH, DE, Pattensen[6]	49
Stadtwerk Verl Netz GmbH & Co. KG, DE, Verl[6]	25.1
Stadtwerke - Strom Plauen GmbH & Co. KG, DE, Plauen[6]	49
Stadtwerke Ahaus GmbH, DE, Ahaus[6]	36
Stadtwerke Aschersleben GmbH, DE, Aschersleben[6]	35
Stadtwerke Aue - Bad Schlema GmbH, DE, Aue-Bad Schlema[6]	24.5
Stadtwerke Bad Bramstedt GmbH, DE, Bad Bramstedt[6]	36
Stadtwerke Barth GmbH, DE, Barth[6]	49
Stadtwerke Bayreuth Energie und Wasser GmbH, DE, Bayreuth[5]	24.9
Stadtwerke Bergen GmbH, DE, Bergen[6]	49
Stadtwerke Bernburg GmbH, DE, Bernburg (Saale)[5]	45
Stadtwerke Bitterfeld-Wolfen GmbH, DE, Bitterfeld-Wolfen[6]	40
Stadtwerke Blankenburg GmbH, DE, Blankenburg[6]	30
Stadtwerke Bogen GmbH, DE, Bogen[6]	41
Stadtwerke Burgdorf GmbH, DE, Burgdorf[6]	49
Stadtwerke Castrop-Rauxel Stromnetz GmbH & Co. KG, DE, Castrop-Rauxel[6]	25.1
Stadtwerke Dillingen/Saar GmbH, DE, Dillingen[6]	49
Stadtwerke Duisburg Aktiengesellschaft, DE, Duisburg[5]	20
Stadtwerke Dülmen Dienstleistungs- und Beteiligungs-GmbH & Co. KG, DE, Dülmen[4]	50
Stadtwerke Dülmen Verwaltungs-GmbH, DE, Dülmen[6]	50
Stadtwerke Düren GmbH, DE, Düren[1,9]	49.9
Stadtwerke Ebermannstadt Versorgungsbetriebe GmbH, DE, Ebermannstadt[6]	25
Stadtwerke Eggenfelden GmbH, DE, Eggenfelden[6]	49
Stadtwerke Emmerich GmbH, DE, Emmerich am Rhein[6]	24.9
Stadtwerke Essen Aktiengesellschaft, DE, Essen[5]	29
Stadtwerke Frankfurt (Oder) GmbH, DE, Frankfurt (Oder)[5]	39
Stadtwerke Garbsen GmbH, DE, Garbsen[6]	24.9
Stadtwerke Geesthacht GmbH, DE, Geesthacht[6]	24.9
Stadtwerke Geldern GmbH, DE, Geldern[6]	49
Stadtwerke Gescher GmbH, DE, Gescher[6]	25.1
Stadtwerke GmbH Bad Kreuznach, DE, Bad Kreuznach[5]	24.5
Stadtwerke Goch Netze GmbH & Co. KG, DE, Goch[6]	25.1

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Name, Location	Stake
Stadtwerke Goch Netze Verwaltungsgesellschaft mbH, DE, Goch[6]	25.1
Stadtwerke Haan GmbH, DE, Haan[6]	25.1
Stadtwerke Husum GmbH, DE, Husum[6]	49.9
Stadtwerke Kamp-Lintfort GmbH, DE, Kamp-Lintfort[5]	49
Stadtwerke Kerpen GmbH & Co. KG, DE, Kerpen[6]	25.1
Stadtwerke Kirn GmbH, DE, Kirn/Nahe[6]	49
Stadtwerke Langenfeld GmbH, DE, Langenfeld[6]	21.5
Stadtwerke Lingen GmbH, DE, Lingen (Ems)[4]	40
Stadtwerke Lübz GmbH, DE, Lübz[6]	25
Stadtwerke Ludwigsfelde GmbH, DE, Ludwigsfelde[6]	29
Stadtwerke Meerane GmbH, DE, Meerane[6]	24.5
Stadtwerke Merseburg GmbH, DE, Merseburg[5]	40
Stadtwerke Merzig Gesellschaft mit beschränkter Haftung, DE, Merzig[5]	49.9
Stadtwerke Neunburg vorm Wald Strom GmbH, DE, Neunburg vorm Wald[6]	24.9
Stadtwerke Neuss Energie und Wasser Beteiligungs-GmbH, DE, Neuss[7, 10]	51
Stadtwerke Nordfriesland GmbH, DE, Niebüll[6]	49.9
Stadtwerke Oberkirch GmbH, DE, Oberkirch[6]	33.3
Stadtwerke Olching Stromnetz GmbH & Co. KG, DE, Olching[6]	49
Stadtwerke Olching Stromnetz Verwaltungs GmbH, DE, Olching[6]	49
Stadtwerke Parchim GmbH, DE, Parchim[6]	25.2
Stadtwerke Premnitz GmbH, DE, Premnitz[6]	35
Stadtwerke Pritzwalk GmbH, DE, Pritzwalk[6]	49
Stadtwerke Ratingen GmbH, DE, Ratingen[5]	24.8
Stadtwerke Reichenbach/Vogtland GmbH, DE, Reichenbach im Vogtland[6]	24.5
Stadtwerke Ribnitz-Damgarten GmbH, DE, Ribnitz-Damgarten[6]	39
Stadtwerke Roßlau Fernwärme GmbH, DE, Dessau-Roßlau[6]	49
Stadtwerke Saarlouis GmbH, DE, Saarlouis[5]	49
Stadtwerke Schwarzenberg GmbH, DE, Schwarzenberg/Erzgeb.[6]	27.5
Stadtwerke Schwedt GmbH, DE, Schwedt/Oder[6]	37.8
Stadtwerke Siegburg GmbH & Co. KG, DE, Siegburg[6]	49
Stadtwerke Steinfurt, Gesellschaft mit beschränkter Haftung, DE, Steinfurt[6]	33
Stadtwerke Tornesch GmbH, DE, Tornesch[6]	49
Stadtwerke Unna GmbH, DE, Unna[6]	24
Stadtwerke Vilshofen GmbH, DE, Vilshofen[6]	41
Stadtwerke Vlotho GmbH, DE, Vlotho[6]	24.9
Stadtwerke Wadern GmbH, DE, Wadern[6]	49
Stadtwerke Waltrop Netz GmbH & Co. KG, DE, Waltrop[6]	25.1
Stadtwerke Weilburg GmbH, DE, Weilburg[6]	20
Stadtwerke Weißenfels GmbH, DE, Weißenfels[6]	24.5
Stadtwerke Wesel Strom-Netzgesellschaft mbH & Co. KG, DE, Wesel[6]	25
Stadtwerke Wismar GmbH, DE, Wismar[5]	49
Stadtwerke Wittenberge GmbH, DE, Wittenberge[6]	22.7
Stadtwerke Wolfenbüttel GmbH, DE, Wolfenbüttel[6]	26
Stadtwerke Wolmirstedt GmbH, DE, Wolmirstedt[6]	49.4
Stadtwerke Wülfrath Netz GmbH & Co. KG, DE, Wülfrath[6]	36
Stadtwerke Zeitz GmbH, DE, Zeitz[6]	24.8
STAWAG Abwasser GmbH, DE, Aachen[2]	100
STAWAG Infrastruktur Monschau GmbH & Co. KG, DE, Monschau[2]	100
STAWAG Infrastruktur Monschau Verwaltungs GmbH, DE, Monschau[2]	100
STAWAG Infrastruktur Simmerath GmbH & Co. KG, DE, Simmerath[2]	100
STAWAG Infrastruktur Simmerath Verwaltungs GmbH, DE, Simmerath[2]	100
STEAG Windpark Ullersdorf GmbH & Co. KG, DE, Jamlitz[6]	20.8
Stibbe Kälte-Klima-Technik GmbH & Co. KG, DE, Garbsen[2]	100
Stoen Operator Sp. z o.o., PL, Warsaw[1]	100
Stollberg Netz GmbH & Co. KG, DE, Stollberg[6]	49
Strom Germering GmbH, DE, Germering[2]	90
Stromnetz Diez GmbH und Co. KG, DE, Diez[6]	25.1
Stromnetz Diez Verwaltungsgesellschaft mbH, DE, Diez[6]	25.1
Stromnetz Essen GmbH & Co. KG, DE, Essen[4]	50
Stromnetz Euskirchen GmbH & Co. KG, DE, Euskirchen[6]	25.1
Stromnetz Friedberg GmbH & Co. KG, DE, Friedberg[6]	49
Stromnetz Gersthofen GmbH & Co. KG, DE, Gersthofen[6]	49
Stromnetz Günzburg GmbH & Co. KG, DE, Günzburg[6]	49
Stromnetz Günzburg Verwaltungs GmbH, DE, Günzburg[6]	49
Stromnetz Hallbergmoos GmbH & Co. KG, DE, Hallbergmoos[6]	49
Stromnetz Hallbergmoos Verwaltungs GmbH, DE, Hallbergmoos[6]	49
Stromnetz Hofheim GmbH & Co. KG, DE, Hofheim am Taunus[6]	49
Stromnetz Hofheim Verwaltungs GmbH, DE, Hofheim am Taunus[6]	49
Stromnetz Kulmbach GmbH & Co. KG, DE, Kulmbach[6]	49

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Disclosures Pursuant to Section 313 (2) HGB of Companies in Which Equity Investments Are Held (as of December 31, 2022)

Name, Location	Stake
Stromnetz Kulmbach Verwaltungs GmbH, DE, Kulmbach[6]	49
Stromnetz Neckargemünd GmbH, DE, Neckargemünd[6]	49.9
Stromnetz Pulheim GmbH & Co. KG, DE, Pulheim[6]	25.1
Stromnetz Pullach GmbH, DE, Pullach im Isartal[6]	49
Stromnetz Traunreut GmbH & Co. KG, DE, Traunreut[6]	49
Stromnetz Traunreut Verwaltungs GmbH, DE, Traunreut[6]	49
Stromnetz Verbandsgemeinde Katzenelnbogen GmbH & Co. KG, DE, Katzenelnbogen[6]	49
Stromnetz Verbandsgemeinde Katzenelnbogen Verwaltungsgesellschaft mbH, DE, Katzenelnbogen[6]	49
Stromnetz VG Diez GmbH und Co. KG, DE, Altendiez[6]	49
STROMNETZ VG DIEZ Verwaltungsgesellschaft mbH, DE, Altendiez[6]	49
Stromnetz Weiden i. d. OPf. GmbH & Co. KG, DE, Weiden i. d. OPf.[6]	49
Stromnetz Weilheim GmbH & Co. KG, DE, Regensburg[2]	100
Stromnetz Weilheim Verwaltungs GmbH, DE, Regensburg[2]	100
Stromnetz Würmtal GmbH & Co. KG, DE, Planegg[2]	74.5
Stromnetz Würmtal Verwaltungs GmbH, DE, Planegg[2]	100
Stromnetze Peiner Land GmbH, DE, Ilsede[6]	49
Stromnetzgesellschaft Bad Salzdetfurth - Diekholzen mbH & Co. KG, DE, Bad Salzdetfurth[6]	49
Stromnetzgesellschaft Barsinghausen GmbH & Co. KG, DE, Barsinghausen[6]	49
Strom-Netzgesellschaft Bedburg GmbH & Co. KG, DE, Bedburg[6]	25.1
Stromnetzgesellschaft Bramsche mbH & Co. KG, DE, Bramsche[6]	25.1
Stromnetzgesellschaft Datteln GmbH & Co. KG, DE, Datteln[6]	49
Strom-Netzgesellschaft Elsdorf GmbH & Co. KG, DE, Elsdorf[6]	25.1
Stromnetzgesellschaft Gescher GmbH & Co. KG, DE, Gescher[6]	25.1
Strom-Netzgesellschaft Kolpingstadt Kerpen GmbH & Co. KG, DE, Kerpen[6]	25.1
Strom-Netzgesellschaft Kreisstadt Bergheim GmbH & Co. KG, DE, Bergheim[6]	25.1
Stromnetzgesellschaft Langenfeld mbH & Co. KG, DE, Langenfeld[6]	49
Stromnetzgesellschaft Mettmann mbH & Co. KG, DE, Mettmann[6]	25.1
Stromnetzgesellschaft Neuenhaus mbH & Co. KG, DE, Neuenhaus[6]	49
Stromnetzgesellschaft Neuenhaus Verwaltungs-GmbH, DE, Neuenhaus[6]	49
Stromnetzgesellschaft Neunkirchen-Seelscheid mbH & Co. KG, DE, Neunkirchen-Seelscheid[6]	49
Stromnetzgesellschaft Schwalmtal mbH & Co. KG, DE, Schwalmtal[6]	51
Stromnetzgesellschaft Seelze GmbH & Co. KG, DE, Seelze[6]	49
Stromnetzgesellschaft Siegen GmbH & Co.KG, DE, Siegen[6]	25.1
Strom-Netzgesellschaft Voerde mbH & Co. KG, DE, Voerde[6]	25.1
Stromnetzgesellschaft Windeck mbH & Co. KG, DE, Windeck[6]	49.9
Stromnetzgesellschaft Wunstorf GmbH & Co. KG, DE, Wunstorf[6]	49
Stromversorgung Angermünde GmbH, DE, Angermünde[6]	49
Stromversorgung Penzberg GmbH & Co. KG, DE, Penzberg[6]	49
Stromversorgung Pfaffenhofen a. d. Ilm GmbH & Co. KG, DE, Pfaffenhofen[6]	49
Stromversorgung Pfaffenhofen a. d. Ilm Verwaltungs GmbH, DE, Pfaffenhofen[6]	49
Stromversorgung Ruhpolding Gesellschaft mit beschränkter Haftung, DE, Ruhpolding[2]	100
Stromversorgung Unterschleißheim GmbH & Co. KG, DE, Unterschleißheim[6]	49
Stromversorgung Unterschleißheim Verwaltungs GmbH, DE, Unterschleißheim[6]	49
Stromverwaltung Schwalmtal GmbH, DE, Schwalmtal[6]	51
strotög GmbH Strom aus Töging, DE, Töging am Inn[6]	50
StWB Stadtwerke Brandenburg an der Havel GmbH & Co. KG, DE, Brandenburg an der Havel[5]	36.8
StWB Verwaltungs GmbH, DE, Brandenburg an der Havel[6]	36.8
SüdWasser GmbH, DE, Erlangen[2]	100
Südwestfalen Netz-Verwaltungsgesellschaft mbH, DE, Netphen[6]	49
Sustainable Energy Aschaffenburg GmbH, DE, Munich[2]	100
Süwag Energie AG, DE, Frankfurt am Main[1]	77.6
Süwag Grüne Energien und Wasser AG & Co. KG, DE, Frankfurt am Main[1]	100
Süwag Management GmbH, DE, Frankfurt am Main[2]	100
Süwag Vertrieb AG & Co. KG, DE, Frankfurt am Main[1]	100
SVH Stromversorgung Haar GmbH, DE, Haar[6]	50
SVI-Stromversorgung Ismaning GmbH, DE, Ismaning[6]	25.1
SVO Access GmbH, DE, Celle[1]	100
SVO Fischer electric GmbH, DE, Celle[2]	67
SVO Holding GmbH, DE, Celle[1]	50.1
SVO Tiemann electric GmbH, DE, Celle[2]	100
SVO Vertrieb GmbH, DE, Celle[1]	100
SVS-Versorgungsbetriebe GmbH, DE, Stadtlohn[4]	30
SWG Glasfaser Netz GmbH, DE, Geesthacht[6]	33.4
SWN Stadtwerke Neustadt GmbH, DE, Neustadt bei Coburg[6]	25.1
SWS Energie GmbH, DE, Stralsund[5]	49
SWT trilan GmbH, DE, Trier[6]	26
SWTE Netz GmbH & Co. KG, DE, Ibbenbüren[5]	33
SWTE Netz Verwaltungsgesellschaft mbH, DE, Ibbenbüren[6]	33
Syna GmbH, DE, Frankfurt am Main[1]	100

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Disclosures Pursuant to Section 313 (2) HGB of Companies in Which Equity Investments Are Held (as of December 31, 2022)

Name, Location	Stake
Szczecińska Energetyka Cieplna Sp. z o.o., PL, Szczecin[1]	66.5
Szombathelyi Erőmű Zrt., HU, Budapest[2]	80
Szombathelyi Távhőszolgáltató Kft., HU, Szombathely[6]	25
Täby Fjärrvärme AB, SE, Upplands Väsby[2]	100
TCA Sustainable Energy Solutions GmbH, DE, Unterschleißheim[6]	50
Technische Werke Naumburg GmbH, DE, Naumburg (Saale)[6]	47
The Power Generation Company Limited, GB, Coventry[2]	100
TNA Talsperren- und Grundwasser-Aufbereitungs- und Vertriebsgesellschaft mbH, DE, Nonnweiler[6]	22.8
TRANSELEKTRO, s.r.o., SK, Košice[6]	25.5
TraveNetz GmbH, DE, Lübeck[5]	25.1
Trinkwasserverbund Niederrhein TWN GmbH, DE, Grevenbroich[6]	33.3
Trocknungsanlage Zolling GmbH & Co. KG, DE, Zolling[6]	33.3
Trocknungsanlage Zolling Verwaltungs GmbH, DE, Zolling[6]	33.3
TWE Technische Werke der Gemeinde Ensdorf GmbH, DE, Ensdorf[6]	49
TWL Technische Werke der Gemeinde Losheim GmbH, DE, Losheim am See[6]	49.9
TWM Technische Werke der Gemeinde Merchweiler Gesellschaft mit beschränkter Haftung, DE, Merchweiler[6]	49
TWRS Technische Werke der Gemeinde Rehlingen-Siersburg GmbH, DE, Rehlingen-Siersburg[6]	35
TWS Technische Werke der Gemeinde Saarwellingen GmbH, DE, Saarwellingen[6]	51
Überlandwerk Krumbach Gesellschaft mit beschränkter Haftung, DE, Krumbach[1]	74.6
Überlandwerk Leinetal GmbH, DE, Gronau[6]	48
Überlandwerk Mittelbaden GmbH & Co. KG, DE, Lahr[4]	37.8
Überlandwerk Mittelbaden Verwaltungs-GmbH, DE, Lahr[6]	37.8
Ultra-Fast Charging Venture Scandinavia ApS, DK, Copenhagen[6]	50
Umspannwerk Miltzow-Mannhagen GbR, DE, Sundhagen[6]	26.8
Union Grid s.r.o., CZ, Prague[6]	34
Untere Iller GmbH, DE, Landshut[6]	40
Untermain EnergieProjekt AG & Co. KG., DE, Kelsterbach[6]	49
Untermain Erneuerbare Energien GmbH, DE, Raunheim[6]	25
URANIT GmbH, DE, Jülich[4]	50
Urban Energy Solutions GmbH, DE, Cologne[6]	50
Vandebron Energie B.V., NL, Amsterdam[1]	100
VEM Neue Energie Muldental GmbH & Co. KG, DE, Markkleeberg[6]	50
Versorgungsbetrieb Waldbüttelbrunn GmbH, DE, Waldbüttelbrunn[6]	49
Versorgungsbetriebe Helgoland GmbH, DE, Helgoland[6]	49
Versorgungskasse Energie (VVaG) i. L., DE, Hanover[6]	69.6
Versuchsatomkraftwerk Kahl GmbH, DE, Karlstein[6]	20
Verteilnetz Plauen GmbH, DE, Plauen[1]	100
Verteilnetze Energie Weißenhorn GmbH & Co.KG, DE, Weißenhorn[6]	35
Verwaltungsgesellschaft Dorsten Netz mbH, DE, Dorsten[6]	49
Verwaltungsgesellschaft Energie Weißenhorn GmbH, DE, Weißenhorn[6]	35
Verwaltungsgesellschaft Energieversorgung Timmendorfer Strand mbH, DE, Timmendorfer Strand[2]	51
Verwaltungsgesellschaft GKW Dillingen mbH, DE, Dillingen[6]	25.2
Verwaltungsgesellschaft Scharbeutzer Energie- und Netzgesellschaft mbH, DE, Scharbeutz[2]	51
"Veszprém-Kogeneráció" Energiatermelő Zrt., HU, Budapest[2]	100
Visualix GmbH i. L., DE, Berlin[6]	25
VKB-GmbH, DE, Neunkirchen[1]	50
Volta Limburg B.V., NL, Schinnen[1]	100
Volta Service B.V., NL, Schinnen[1]	100
Volta Solar B.V., NL, Heerlen[1]	100
VOLTARIS GmbH, DE, Maxdorf[6]	50
VSE - Windpark Merchingen GmbH & Co. KG, DE, Saarbrücken[2]	100
VSE - Windpark Merchingen VerwaltungsGmbH, DE, Saarbrücken[2]	100
VSE Agentur GmbH, DE, Saarbrücken[2]	100
VSE Aktiengesellschaft, DE, Saarbrücken[1]	51.4
VSE Call centrum s.r.o., SK, Košice[2]	100
VSE Ekoenergia, s.r.o., SK, Košice[2]	100
VSE NET GmbH, DE, Saarbrücken[1]	100
VSE Solutions s.r.o., SK, Bratislava[7]	100
VSE Verteilnetz GmbH, DE, Saarbrücken[1]	100
VSE-Stiftung Gemeinnützige Gesellschaft zur Förderung von Bildung, Erziehung, Kunst und Kultur mbH, DE, Saarbrücken[2]	100
Východoslovenská distribucná, a.s., SK, Košice[1]	100
Východoslovenská energetika a.s., SK, Košice[1]	100
Východoslovenská energetika Holding a.s., SK, Košice[1, 9]	49
Wärmeenergie Verwaltungs GmbH, DE, Essen[7]	100
Wärmeversorgung Limburg GmbH, DE, Limburg an der Lahn[6]	50
Wärmeversorgung Mücheln GmbH, DE, Mücheln (Geiseltal)[6]	49
Wärmeversorgung Schenefeld GmbH, DE, Schenefeld[6]	40
Wärmeversorgung Schwaben GmbH, DE, Augsburg[2]	100
Wärmeversorgung Wachau GmbH, DE, Markkleeberg[6]	49

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Name, Location	Stake
Wärmeversorgung Würselen GmbH, DE, Stolberg/Rhld.[7]	100
Wärmeversorgungsgesellschaft Königs Wusterhausen mbH, DE, Königs Wusterhausen[2]	50.1
Wasser- und Abwassergesellschaft Vienenburg mbH, DE, Goslar[6]	49
Wasserkraft Baierbrunn GmbH, DE, Unterschleißheim[6]	50
Wasserkraft Farchet GmbH, DE, Bad Tölz[2]	60
Wasserkraftnutzung im Landkreis Gifhorn GmbH, DE, Müden/Aller[6]	50
Wassernetzgesellschaft Erft GmbH & Co. KG, DE, Bergheim[6]	51
Wasser-Netzgesellschaft Kolpingstadt Kerpen GmbH & Co. KG, DE, Kerpen[6]	25.1
Wasserverbund Niederrhein Gesellschaft mit beschränkter Haftung, DE, Moers[6]	38.5
Wasserversorgung Main-Taunus GmbH, DE, Frankfurt am Main[6]	49
Wasserversorgung Sarstedt GmbH, DE, Sarstedt[6]	49
Wasserzweckverband der Gemeinde Nalbach, DE, Nalbach[6]	49
WB Wärme Berlin GmbH, DE, Schönefeld[6]	51
WEA Schönerlinde GbR mbH Kiepsch & Bosse & Beteiligungsges. e.disnatur mbH, DE, Berlin[2]	70
weeenergie GmbH, DE, Dresden[6]	40
Weissmainkraftwerk Röhrenhof Aktiengesellschaft, DE, Bad Berneck[7]	93.5
WEK Windenergie Kolkwitz GmbH & Co. KG, DE, Kolkwitz[2]	100
Welver Netz GmbH & Co. KG, DE, Welver[6]	49
Wendelsteinbahn Gesellschaft mit beschränkter Haftung, DE, Brannenburg am Inn[2]	100
Wendelsteinbahn Verteilnetz GmbH, DE, Brannenburg am Inn[2]	100
werkkraft GmbH, DE, Munich[6]	50
Werne Netz GmbH & Co. KG, DE, Werne[6]	49
Westconnect GmbH, DE, Essen[4]	50
Westenergie AG, DE, Essen[1]	100
Westenergie Aqua GmbH, DE, Mülheim an der Ruhr[1, 8]	100
Westenergie Metering GmbH, DE, Mülheim an der Ruhr[1]	100
Westenergie Netzservice GmbH, DE, Dortmund[1]	100
Westenergie Rheinhessen Beteiligungs GmbH, DE, Essen[1, 8]	100
Westerwald-Netz GmbH, DE, Betzdorf-Alsdorf[1]	100
Westnetz Asset Komplementär GmbH, DE, Essen[2]	100
Westnetz GmbH, DE, Dortmund[1]	100
Westnetz Immobilien GmbH & Co. KG, DE, Essen[1,8]	100
Westnetz Kommunikationsleitungen GmbH & Co. KG, DE, Essen[1]	100
WET Windenergie Trampe GmbH & Co. KG, DE, Lützen[2]	100
WEVG Salzgitter GmbH & Co. KG, DE, Salzgitter[1]	50.2
WEVG Verwaltungs GmbH, DE, Salzgitter[2]	50.2
WGK Windenergie Großkorbetha GmbH & Co. KG, DE, Lützen[2]	75
WHP Tiefbaugesellschaft mbH & Co. KG, DE, Mönchengladbach[2]	100
WHP Verwaltungs GmbH, DE, Mönchengladbach[7]	100
Willems Koeltechniek B.V., NL, Beek[1]	100
Windeck Energie GmbH, DE, Windeck[6]	49.9
Windenergie Briesensee GmbH, DE, Neu Zauche[6]	31.5
Windenergie Frehne GmbH & Co. KG, DE, Lützen[6]	41.0
Windenergie Frehne Management GmbH, DE, Lützen[2]	100
Windenergie Leinetal GmbH & Co. KG, DE, Freden (Leine)[6]	26.2
Windenergie Leinetal Verwaltungs GmbH, DE, Freden (Leine)[6]	24.9
Windenergie Merzig GmbH, DE, Merzig[6]	20
Windenergie Osterburg GmbH & Co. KG, DE, Osterburg (Altmark)[6]	49
Windenergie Osterburg Verwaltungs GmbH, DE, Osterburg (Altmark)[6]	49
Windenergie Schermbeck-Rüste GmbH & Co. KG, DE, Schermbeck[6]	20.3
Windenergiepark Heidenrod GmbH, DE, Heidenrod[6]	45
WINDENERGIEPARK WESTKÜSTE GmbH, DE, Kaiser-Wilhelm-Koog[2]	80
Windkraft Hochheim GmbH & Co. KG, DE, Lützen[2]	90
Windkraft Jerichow-Mangelsdorf I GmbH & Co. KG, DE, Burg[6]	25.1
Windpark Anhalt-Süd (Köthen) OHG, DE, Potsdam[2]	83.3
Windpark Büschdorf GmbH, DE, Perl[2]	51
Windpark Eschweiler Beteiligungs GmbH, DE, Stolberg/Rhld.[6]	55.1
Windpark Hof Tatschow GmbH & Co. KG, DE, Potsdam[2]	100
Windpark Jüchen & NEW GmbH & Co. KG, DE, Jüchen[2]	51
Windpark Jüchen & NEW Verwaltung GmbH, DE, Jüchen[2]	51
Windpark Losheim-Britten GmbH, DE, Losheim am See[6]	50
Windpark Lützen GmbH & Co. KG, DE, Lützen[7]	100
Windpark Mallnow GmbH & Co. KG, DE, Potsdam[2]	100
WINDPARK Mutzschen OHG, DE, Potsdam[2]	77.8
Windpark Naundorf OHG, DE, Potsdam[2]	66.7
Windpark Nohfelden-Eisen GmbH, DE, Nohfelden[6]	50
Windpark Oberthal GmbH, DE, Oberthal[6]	35
Windpark Paffendorf GmbH & Co. KG, DE, Bergheim[6]	49
Windpark Perl GmbH, DE, Perl[6]	42

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Disclosures Pursuant to Section 313 (2) HGB of Companies in Which Equity Investments Are Held (as of December 31, 2022)

Name, Location	Stake
Windpark Verwaltungsgesellschaft mbH, DE, Lützen[2]	100
Windpark Wadern-Felsenberg GmbH, DE, Wadern[2]	100
WKH Windkraft Hochheim Management GmbH, DE, Lützen[2]	100
WLN Wasserlabor Niederrhein GmbH, DE, Mönchengladbach[6]	45
WPB Windpark Börnicke GmbH & Co. KG, DE, Lützen[2]	100
WUN Pellets GmbH, DE, Wunsiedel[6]	25.1
WVG - Warsteiner Verbundgesellschaft mbH, DE, Warstein[6]	25.1
WVL Wasserversorgung Losheim GmbH, DE, Losheim am See[6]	49.9
WVM Wärmeversorgung Maßbach GmbH, DE, Maßbach[6]	22.2

Name, Location	Stake
WVW Wasser- und Energieversorgung Kreis St. Wendel Gesellschaft mit beschränkter Haftung, DE, St. Wendel[6]	28.1
WWS Wasserwerk Saarwellingen GmbH, DE, Saarwellingen[6]	49
WWW Wasserwerk Wadern GmbH, DE, Wadern[6]	49
Zagrebacke otpadne vode d.o.o., HR, Zagreb[4]	48.5
Zagrebacke otpadne vode-upravljanje i pogon d.o.o., HR, Zagreb[6]	29
Západoslovenská energetika a.s. (ZSE), SK, Bratislava[4]	49
ZonnigBeheer B.V., NL, Lelystad[1]	100
Zwickauer Energieversorgung GmbH, DE, Zwickau[5]	27

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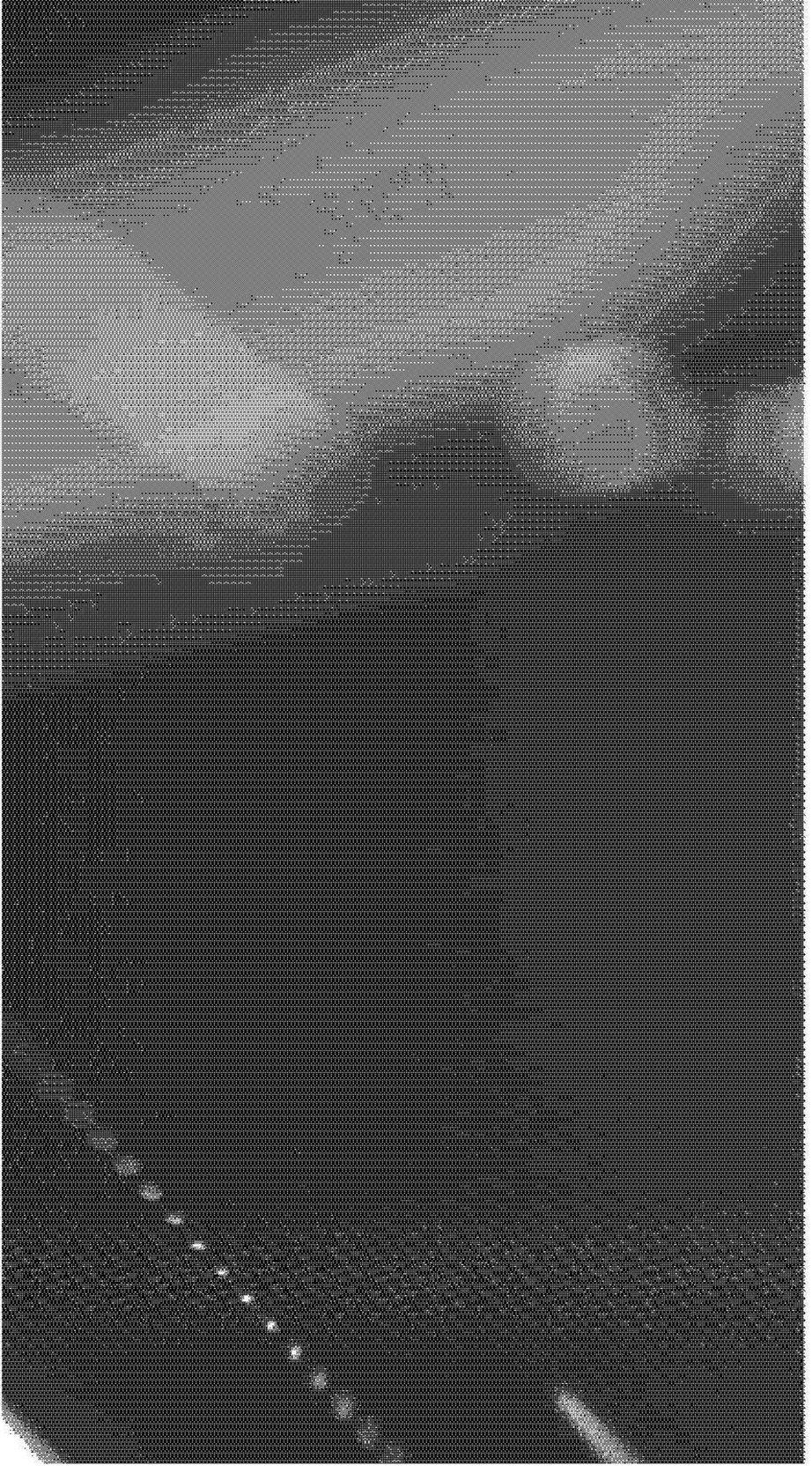
Name, Location	Stake %
Consolidated investment funds	
HANSEFONDS, DE, Düsseldorf[1]	100.0
MI-FONDS 178, DE, Frankfurt am Main[1]	100.0
MI-FONDS F55, DE, Frankfurt am Main[1]	100.0
MI-FONDS G55, DE, Frankfurt am Main[1]	100.0
MI-FONDS J55, DE, Frankfurt am Main[1]	100.0
MI-FONDS K55, DE, Frankfurt am Main[1]	100.0
OB 2, DE, Düsseldorf[1]	100.0
OB 5, DE, Düsseldorf[1]	100.0

Name, Location	Stake %	Equity € in millions	Earnings € in millions
Investments Pursuant to Section 313 (2) No. 5 HGB			
BEW Bergische Energie- und Wasser-Gesellschaft mit beschränkter Haftung, DE, Wipperfürth[7]	19.5	35.0	5.1
Energieversorgung Limburg Gesellschaft mit beschränkter Haftung, DE, Limburg an der Lahn[7]	10.0	29.0	4.3
e-werk Sachsenwald GmbH, DE, Reinbek[7]	16.0	32.3	4.5
Herzo Werke GmbH, DE, Herzogenaurach[7]	19.9	20.3	-
infra fürth gmbh, DE, Fürth[7]	19.9	79.6	-
Nord Stream AG, CH, Zug[4,14]	15.5	3,360.7	467.8
PSI Software AG, DE, Berlin[7]	17.8	98.2	12.5
Stadtwerke Bamberg Energie- und Wasserversorgungs GmbH, DE, Bamberg[7]	10.0	30.1	-
Stadtwerke Detmold GmbH, DE, Detmold[7]	12.5	31.5	-
Stadtwerke Hof Energie+Wasser GmbH, DE, Hof[7]	19.9	22.1	-
Stadtwerke Neuss Energie und Wasser GmbH, DE, Neuss[7]	17.5	88.3	-
Stadtwerke Straubing Strom und Gas GmbH, DE, Straubing[7]	19.9	15.8	-
Stadtwerke Wertheim GmbH, DE, Wertheim[7]	10.0	20.5	-
SWT Stadtwerke Trier Versorgungs-GmbH, DE, Trier[7]	18.7	57.3	-

1) Consolidated affiliated company. 2) Non-consolidated affiliated company for reasons of immateriality (valued at cost). 3) Joint operations pursuant to IFRS 11. 4) Joint ventures pursuant to IFRS 11. 5) Associated company (valued using the equity method). 6) Associated company (valued at cost for reasons of immateriality). 4) Joint ventures pursuant to IFRS 11. 5) Associated company (valued using the equity method). 6) Associated company (valued at cost for reasons of immateriality). 7) Investments pursuant to Section 313 (2) No. 5 HGB. 8) This company exercised its exemption option under Section 264, Paragraph 3 of the German Commercial Code or under Section 264b. 9) Control by virtue of company contract. 10) No control by virtue of company contract. 11) Significant influence via indirect investments. 12) Structured entity pursuant to IFRS 10 and 12. 13) Affiliated company which is held by E.ON Pension Trust e.V. on behalf of MEON Pensions GmbH & Co. KG. 14) Other equity investment which is held by E.ON Pension Trust e.V. on behalf of MEON Pensions GmbH & Co. KG.



Other Information



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Declaration of the Board of Management

To the best of our knowledge, we declare that, in accordance with applicable financial reporting principles, the Annual Financial Statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company, and the Management Report of the Company, which is combined with the Group Management Report, provides a fair review of the development and performance of the business and the position of the Company, together with a description of the principal opportunities and risks associated with the expected development of the Company.

Essen, Germany, March 6, 2023

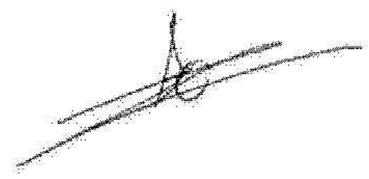
The Management Board



Birnbaum



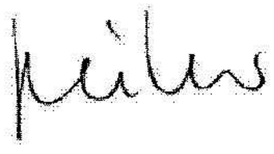
König



Lammers



Ossadnik



Spieker

Independent auditor's report

To E.ON SE, Essen

Report on the audit of the consolidated financial statements and the combined group management report

Opinions

We have audited the consolidated financial statements of E.ON SE and its subsidiaries (the Group) comprising the consolidated statement of income, the consolidated statement of recognised income and expenses, the consolidated balance sheet, the consolidated statement of cash flows and the consolidated statement of changes in equity for the financial year from 1 January to 31 December 2022 and the notes to the financial statements, including a summary of significant accounting policies. In addition, we have audited the management report of the Company and the Group (hereinafter also referred to as "combined group management report") of E.ON SE for the financial year from 1 January to 31 December 2022.

In accordance with the German legal requirements, we have not audited the contents of the elements of the combined group management report set out in the "Other information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- the attached consolidated financial statements comply, in all material respects, with IFRS, as adopted by the EU, and the additional requirements of German law pursuant to Section 315e (1) HGB and, in accordance with these requirements, give a true and fair view of the Group's net assets and financial position as at 31 December 2022 and of its results of operations for the financial year from 1 January to 31 December 2022 and

- the accompanying combined group management report as a whole provides an appropriate view of the Group's position. In all material respects, this combined group management report is consistent with the consolidated financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

Pursuant to Section 322 (3) sentence 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the consolidated financial statements and the combined group management report.

Basis for the Opinions

We conducted our audit of the consolidated financial statements and the combined group management report in accordance with Section 317 HGB and the EU Audit Regulation (No. 537/2014; hereinafter the "EU-AR"), taking into account the German generally accepted standards for the audit of financial statements promulgated by the German Institute of Public Auditors (IDW). Our responsibilities under those requirements and standards are further described in the "Auditor's Responsibilities for the Audit of the Consolidated Financial Statements and of the Combined Group Management Report" section of our auditor's report. We are independent of the group entities in accordance with the requirements of European law and German commercial and professional law and have fulfilled our other German professional obligations in compliance with these requirements. Furthermore, we declare in accordance with Article 10 (2)(f) EU-AR that we have not provided any prohibited non-audit services referred to in Article 5 (1) EU-AR. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the consolidated financial statements and on the combined group management report.

Key audit matters in the audit of the consolidated financial statements

Key audit matters are such matters that, in our professional judgement, were the most significant in our audit of the consolidated financial statements for the financial year from 1 January to 31 December 2022. These matters were taken into account in connection with our audit of the consolidated financial statements as a whole and in forming our audit opinion; we do not provide a separate audit opinion on these matters.

Recognition and measurement of provisions for anticipated losses from sales-related gas and electricity supply contracts

Please refer to Section [1] and Section [26] in the notes to the consolidated financial statements for information on the accounting policies applied. Comments on the development of electricity and gas prices in the financial year can be found in the Business Report in the combined group management report.

RISK FOR THE FINANCIAL STATEMENTS

As at 31 December 2022, E.ON SE accounted for provisions for anticipated losses totalling EUR 3.2 billion from executory sales contracts in the miscellaneous provisions in the consolidated financial statements. E.ON SE additionally reported market values of EUR 29.2 billion in the non-current and current (other) operating liabilities market values of EUR 26.3 billion in the operating liabilities that are accounted for at fair value in accordance with the provisions of IFRS 9: Financial Instruments.

A requirement for recognising provisions for onerous contracts is that there is a current external obligation in which an outflow of resources embodying economic benefit is probable and which can be reliably estimated. The amount of the provisions is determined here based on the best estimate of the amount by which the unavoidable costs of fulfilling the contract will exceed the expected economic benefit of the contract, i.e. generally the agreed sales price in sales transactions. Both procurement

transactions that are not accounted for as financial instruments in accordance with the own use regulations of IFRS 9 and the above-mentioned procurement transactions that are accounted for as financial instruments at their currently high market values are conducted in the E.ON Group for the Group's sales obligations to its electricity and gas customers. Direct allocation of procurement transactions to individual sales obligations is generally not possible for electricity and gas supply companies and thus also not possible in the E.ON Group.

The recognition and measurement of the recognised provisions for anticipated losses from executory sales contracts – in due consideration of the various procurement transactions of the E.ON Group – are consequently based on complex allocations and calculations for the sales portfolios of the E.ON Group as well as discretionary estimates by management, for example of anticipated contribution margins from the sales portfolios.

There is a risk for the consolidated financial statements that the provisions are not created or adequate provisions are not created.

OUR AUDIT APPROACH

As a first step, we gained an understanding of the process at the E.ON Group for recognising the above-mentioned provisions for onerous contracts.

We subsequently assessed the design, implementation and effectiveness of controls that the E.ON Group has set up to ensure that the data for calculating the provisions for onerous contracts is collected in full. If IT processing systems were used in order to identify and collate the relevant data, we worked together with our IT specialists to test the effectiveness of the regulations and procedures that relate to a large number of IT applications and support the effectiveness of IT controls. We additionally assessed the design and implementation of controls that the E.ON Group has set up in order to ensure that appropriate assumptions are made.

We additionally assessed the appropriateness of the key data and assumptions as well as of the Company's calculation model. To this end, we verified the recognition and allocations of the procurement transactions and also discussed the expected development of margins and earnings in the various sales portfolios of the E.ON Group with the people responsible for the planning. We also carried out reconciliation with other forecasts that are available within the Group, e.g. the budget drawn up by the Board of Management and approved by the Supervisory Board and the medium-term planning. In addition, we assessed in sales markets of the E.ON Group selected on a risk-oriented basis the consistency of the assumptions relating to the sales volumes (and resulting unavoidable costs), e.g. in terms of possibilities for amending contracts, with the general regulatory conditions in these markets. In order to ensure that the valuation model used was mathematically accurate, we verified the Company's calculations on the basis of elements selected from a risk perspective.

OUR CONCLUSIONS

The calculations of the provisions for anticipated losses from executory sales transactions are appropriate. Overall, the assumptions made by management are reasonable.

Recoverability of goodwill

Please refer to Section [1] in the notes to the consolidated financial statements for information on the accounting policies applied. Disclosures on the assumptions used as well as on the amount of the goodwill can be found in Section [15] of the notes to the consolidated financial statements.

RISK FOR THE FINANCIAL STATEMENTS

The goodwill amounts to EUR 17.0 billion as at 31 December 2022 and, at 78 % of the Group equity, constitutes a significant proportion of the assets.

Goodwill is tested for impairment once a year without this requiring a specific reason. If indications of impairment arise in the course of the year, an ad hoc impairment test is additionally carried out during the year. The goodwill is allocated to the cash-generating units or groups of cash-generating units, which essentially correspond to the operating segments at the E.ON Group. For the goodwill impairment test, the carrying amount is compared with the recoverable amount of the relevant cash-generating units or groups of cash-generating units. If the carrying amount exceeds the recoverable amount, an impairment loss has to be recognised. At E.ON, the recoverable amount is initially calculated as the fair value less costs to sell.

The goodwill impairment test is complex and based on a number of discretionary assumptions. These include the expected business and earnings performance of the operating segments for generally the next three to five years, the long-term growth rates that are assumed and the discount rate that is applied.

As a result of the impairment tests that were carried out, the Company did not identify any need for impairment.

There is a risk for the consolidated financial statements that impairment existing as at the reporting date was not identified. There is also a risk that the related disclosures in the notes are not complete.

OUR AUDIT APPROACH

To begin with, we gained an understanding of the process for assessing the recoverability of goodwill by getting explanations from staff of the finance organisation and by evaluating the Company's documentation. With the support of our valuation specialists, we assessed, among other things, the appropriateness of the key assumptions as well as of the Company's valuation model. To this end, we discussed and validated the expected business and earnings development as well as the assumed long-term growth rates with those responsible for the planning. We also carried out reconciliation with other forecasts that are

available within the Group and the budget drawn up by the Board of Management and approved by the Supervisory Board and the medium-term planning that has been acknowledged by Supervisory Board. We additionally assessed the consistency of the assumptions with external market forecasts.

We furthermore satisfied ourselves of the Company's planning accuracy by comparing plans from earlier financial years with the results actually realised and analysing any deviations. We compared the assumptions and data underlying the weighted average costs of capital, especially the risk-free interest rate, the market risk premium and the beta factor, with our own assumptions and publicly available data.

To assess whether the implementation of the valuation model is methodically and mathematically appropriate, we verified the measurement carried out by the Company using our own calculations and analysed any deviations.

In order to take account of forecast uncertainty and the date of the impairment testing, which is before the financial reporting date, we investigated the impact of potential changes in the discount rate, earnings performance and the long-term growth rate on the recoverable amount by calculating alternative scenarios and comparing them with the values stated by the Company (sensitivity analysis).

Finally, we assessed whether the disclosures in the notes regarding recoverability of goodwill are appropriate.

OUR CONCLUSIONS

The valuation model underlying the impairment test of the goodwill is appropriate and consistent with the applicable measurement principles.

The Company's assumptions and data underlying the measurement are appropriate.

The related disclosures in the notes are appropriate.

Other Information

The Board of Management and/or the Supervisory Board are/is responsible for the other information. The other information includes the following elements of the combined group management report that have not been audited for content:

- the sections marked as "not part of the statutory audit" and the disclosures contained there and thus marked as unaudited; and
- the summarised corporate governance statement of the Company and of the Group, which is contained in the section "Corporate governance statement" of the combined group management report.

The other information additionally includes the other parts of the annual report. The other information does not include the consolidated financial statements, the disclosures in the combined group management report audited for content or our auditor's report thereon.

Our opinions on the consolidated financial statements and on the combined group management report do not cover the other information and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in doing, to consider whether the other information

- is materially inconsistent with the consolidated financial statements, with the disclosures in the combined group management report information audited for content or our knowledge obtained in the audit or
- otherwise appears to be materially misstated.

Responsibility of the Board of Management and the Supervisory Board for the consolidated financial statements and the combined group management report

Management is responsible for the preparation of the consolidated financial statements that comply, in all material respects, with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB and that the consolidated financial statements, in compliance with these requirements, give a true and fair view of the assets, liabilities, financial position, and financial performance of the Group. In addition, management is responsible for such internal control as they have determined necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud (i.e. fraudulent financial reporting and misappropriation of assets) or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting unless there is an intention to liquidate the Group or to cease operations, or there is no realistic alternative but to do so.

Furthermore, management is responsible for the preparation of the combined group management report that, as a whole, provides an appropriate view of the Group's position and is, in all material respects, consistent with the consolidated financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined group management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined group management report.

The Supervisory Board is responsible for overseeing the Group's financial reporting process for the preparation of the consolidated financial statements and of the combined group management report.

Auditor's responsibilities for the audit of the consolidated financial statements and of the combined group management report

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined group management report as a whole provides an appropriate view of the Group's position and, in all material respects, is consistent with the consolidated financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the consolidated financial statements and on the combined group management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU-AR and in compliance with the German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW) will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements and this combined group management report.

We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- identify and assess the risks of material misstatement of the consolidated financial statements and of the combined group management report, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.

- Obtain an understanding of internal control relevant to the audit of the consolidated financial statements and of arrangements and measures (systems) relevant to the audit of the combined group management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems.

- Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the consolidated financial statements and in the combined group management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to be able to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements present the underlying transactions and events in a manner that the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Group in compliance with IFRSs as adopted by the EU and the additional requirements of German commercial law pursuant to Section 315e (1) HGB.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express opinions on the consolidated financial statements and on the combined group management report. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

- Evaluate the consistency of the combined group management report with the consolidated financial statements, its conformity with German law, and the view of the Group's position it provides.

- Perform audit procedures on the prospective information presented by management in the combined group management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We provide those charged with governance with a statement that we have complied with the relevant independence requirements and discuss with them all relationships and other matters that can reasonably be assumed to affect our independence and, where relevant, the actions or protective measures taken to eliminate threats to independence.

From the matters that we have discussed with those charged with governance, we determine which matters were most important during the audit of the consolidated financial statements for the current reporting period and are therefore the key audit matters. We describe these matters in the independent auditor's report, unless laws or other legal provisions preclude their public disclosure.

Other statutory and legal requirements

Report on the assurance of the electronic rendering of the consolidated financial statements and of the combined group management report prepared for publication purposes in accordance with Section 317 (3a) HGB

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance on whether the electronic renderings of the consolidated financial statements and of the combined group management report contained in the file „eonse-2022-12-31-de.zip" (SHA256-hash value: 626317821c79cdb4ae5d1b2de04739e9ecf7bb1c4bbff2418b70b5d91f7fc463) prepared for publication purposes (hereinafter the "ESEF documents") comply in all material respects with the requirements of Section 328 (1) HGB relating to the electronic reporting format ("ESEF format"). In accordance with the German legal requirements, this assurance work extends only to the conversion of the information contained in the consolidated financial statements and the combined group management report into the ESEF format and therefore relates neither to the information contained in these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the consolidated financial statements and of the combined group management report contained in the file made available and prepared for publication purposes complies in all material respects requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying consolidated financial statements and the accompanying combined group management group report for the financial year from 1 January to 31 December 2022 contained in the "Report on the audit of the consolidated financial statements and the combined group management report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in file identified above.

We conducted our assurance work on the rendering of the consolidated financial statements and of the combined group management report contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (06.2022))- Our responsibility therewith is further described below. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in Audit Firms (IDW QS 1).

The Company's management is responsible for the preparation of the ESEF documents including the electronic rendering of the consolidated financial statements and the group management report in accordance with Section 328 (1) sentence 4 item 1 HGB and for the tagging of the consolidated financial statements in accordance with Section 328 (1) sentence 4 item 2 HGB.

In addition, the company's management is responsible for such internal control that they consider necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.

- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.

- Evaluate the technical validity of the ESEF documents, i.e. whether the file made available containing the ESEF documents meets the requirements of the Delegated Regulation (EU) 2019/815, as amended as at the reporting date, on the technical specification for this electronic file.

- Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited consolidated financial statements and the audited group management report.

- Evaluate whether the tagging of the ESEF documents with Inline XBRL technology (iXBRL in accordance with the requirements of Articles 4 and 6 of Delegated Regulation (EU) 2019/815 as amended as at the reporting date, enables an appropriate and complete machine-readable XBRL copy of the XHTML rendering.

Other disclosures in accordance with Article 10 EU-AR

We were elected as the auditor of the consolidated financial statements by the Annual General Meeting on 12 May 2022. We were engaged by the Audit and Risk Committee of the Supervisory Board on 6 December 2022. We have been the auditor of the consolidated financial statements of E.ON SE since the 2021 financial year.

We declare that the audit opinions contained in this auditor's report are consistent with the additional report to the Audit Committee according to Article 11 EU-AR (audit report).

Other matter – Use of the auditor's report

Our auditor's report must always be read together with the audited consolidated financial statements and the audited group management report as well as the examined ESEF documents. The consolidated financial statements and group management report converted to the ESEF format – including the versions to be published in the German Federal Gazette [Bundesanzeiger] – are merely electronic renderings of the audited consolidated financial statements and the audited group management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents made available in electronic form.

Responsible auditor

The auditor responsible for the audit is Gereon Lurweg.

Düsseldorf, 7 March 2023

KPMG AG
Wirtschaftsprüfungsgesellschaft

Kneisel Wirtschaftsprüfer [German Public Auditor]	Lurweg Wirtschaftsprüfer [German Public Auditor]

Independent Practitioner's Report on Non-Financial Information

Independent assurance practitioner's report[7]

To the supervisory board of E.ON SE, Essen

We have performed a limited assurance engagement of the combined consolidated non-financial statement integrated in the combined management report of the company and the group (hereinafter the „consolidated non-financial statement") and further qualitative and quantitative sustainability information of E.ON SE, Essen (hereinafter the „company"), with reference to the Standards of Global Reporting Initiative (GRI), which are marked accordingly with ◎ and , for the period from January 1 to December 31, 2022.

Furthermore, we have performed a reasonable assurance engagement on selected parts of the qualitative and quantitative sustainability information marked accordingly with ☑ of the company with reference to the Standards of Global Reporting Initiative (GRI) for the period from January 1 to December 31, 2022.

Not subject to our assurance engagement are parts marked with or ›‹.

Also, not subject to our assurance engagement are external sources of documentation or expert opinions, which are marked as unassured.

Furthermore, not subject to our assurance engagement are the qualitative and quantitative information covered by the statutory auditor's report.

Responsibilities of Management

Management of the company is responsible for the preparation of the consolidated non-financial statement for the period from January 1 to December 31 2022 in accordance with Sections 289c to 289e and 315c in conjunction with 289c to 289e HGB ("Handelsgesetzbuch": German Commercial Code) and Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18 June 2020 on establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereinafter the "EU Taxonomy Regulation") and the Delegated Acts adopted thereunder, as well as for making their own interpretation of the wording and terms contained in the EU Taxonomy Regulation and the delegated acts adopted thereunder as set out in section "EU Taxonomy".

Moreover, the management of the company is responsible for the preparation of the further qualitative and quantitative sustainability information for the period from January 1 to December 31 2022 in accordance with the sustainability reporting standards of E.ON SE (hereinafter the "reporting criteria"), which reference to the Standards of Global Reporting Initiative (GRI).

This responsibility includes the selection and application of appropriate non-financial reporting methods and making assumptions and estimates about individual non-financial disclosures of the group and qualitative and quantitative sustainability information that are reasonable in the circumstances. Furthermore, management is responsible for such internal control as they consider necessary to enable the preparation of a consolidated non-financial statement that is free from material misstatement, whether due to fraud or error (manipulation of the consolidated non-financial statement as well as the further qualitative and quantitative sustainability information).

The EU Taxonomy Regulation and the Delegated Acts issued thereunder contain wording and terms that are still subject to considerable interpretation uncertainties and for which clarifications have not yet been published in every case. Therefore, management has disclosed their interpretation of the EU Taxonomy Regulation and the Delegated Acts adopted thereunder in section "EU Taxonomy" of the consolidated non-financial statement. They are responsible for the defensibility of this interpretation. Due to the immanent risk that indeterminate legal terms may be interpreted differently, the legal conformity of the interpretation is subject to uncertainties.

Independence and Quality Assurance of the Assurance Practitioner's firm

We have complied with the independence and quality assurance requirements set out in the national legal provisions and professional pronouncements, in particular the Professional Code for German Public Auditors and Chartered Accountants (in Germany) and the quality assurance standard of the German Institute of Public Auditors (*Institut der Wirtschaftsprüfer, IDW*) regarding quality assurance requirements in audit practice (IDW QS 1).

Responsibility of the Assurance Practitioner

Our responsibility is to express a conclusion based on our assurance engagement

- with limited assurance on the consolidated non-financial statement from January 1 to December 31 2022 in

[7]The English language text below is a translation provided for information purposes only. The original German text shall prevail in the event of any discrepancies between the English translation and the German original. We do not accept any liability for the use of, or reliance on, the English translation or for any errors or misunderstandings that may arise from the translation.

accordance with Sections 289c to 289e and 315c in conjunction with 289c to 289e HGB ("Handelsgesetzbuch": German Commercial Code) and the EU Taxonomy Regulation and the Delegated Acts adopted thereunder, as well as for management's own interpretation of the wording and terms contained in the EU Taxonomy Regulation and the delegated acts adopted thereunder as set out in section "EU Taxonomy"

- with limited assurance on the further qualitative and quantitative sustainability information, which are marked accordingly with ◎ and
- with reasonable assurance on the further qualitative and quantitative sustainability information, which are marked accordingly with ☑

except for the information marked as unassured and external sources of documentation or expert opinions mentioned therein.

Limited Assurance engagement

We conducted our assurance engagement for the consolidated non-financial statement and for the further qualitative and quantitative sustainability information, which are marked accordingly with ◎ and , in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information" issued by the IAASB as a limited assurance engagement. This standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether any matters have come to our attention that cause us to believe that

- the consolidated non-financial statement of the company, except for the information marked as unassured and the external sources of documentation or expert opinions mentioned therein, have not been prepared, in all material respects, in accordance with Sections 289c to 289e and 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by management disclosed in section "EU Taxonomy"
- the further qualitative and quantitative sustainability information of the company, which are marked accordingly with ◎ and , have not been prepared, in all material respects, in accordance with the reporting criteria.

In a limited assurance engagement, the procedures performed are less extensive than in a reasonable assurance engagement, and accordingly, a substantially lower level of assurance is obtained. The selection of the assurance procedures is subject to the professional judgment of the assurance practitioner.

In the course of our assurance engagement we have, among other procedures, performed the following assurance procedures and other activities:

- Interviewing employees responsible for the materiality analysis at group level in order to obtain an understanding on the approach for identifying key issues and related reporting boundaries of E.ON SE.
- Carrying out a risk assessment, including media analysis, to identify relevant information on E.ON SE's sustainability performance in the reporting.
- Assessing the design and implementation of systems and processes for identifying, handling and monitoring information on environmental, employee and social matters, respect for human rights and combatting corruption and bribery, including the consolidation of data.
- Inquiries of group level personnel, who are responsible for the disclosures on concepts, due diligence processes, results and risks, the performance of internal control activities and the consolidation of the disclosures.
- Inspecting selected internal and external documents.
- Analytical procedures of the data and trends of the quantitative information reported for consolidation at group level by all sites.
- Evaluation of local data collection, validation and reporting processes as well as the reliability of reported data based on a sample of individual cases.

With regard to the assurance of the non-financial disclosures on the EU taxonomy, we performed the following supplementary assurance procedures in particular:

- Inquiries of responsible employees at group level to obtain an understanding of the approach to identify taxonomy eligible and aligned economic activities in accordance with EU taxonomy.
- Assessing the design and implementation of systems and procedures for identifying, processing and monitoring information of revenue, capital expenditures and operating expenditures for the taxonomy eligible and aligned economic activities on group level as well as in significant local units.
- Inquiries of responsible employees at group level as well as in significant local units, for determining disclosures of taxonomy eligible and aligned economic activities, performing internal control procedures and consolidating disclosures.

- Assessment of the overall presentation of the information.

In determining the disclosures in accordance with Article 8 of the EU Taxonomy Regulation, management is required to interpret undefined legal terms. Due to the immanent risk that undefined legal terms may be interpreted differently, the legal conformity of their interpretation and, accordingly, our assurance engagement thereon are subject to uncertainties.

Reasonable Assurance engagement

We conducted our assurance engagement in accordance with the International Standard on Assurance Engagements ISAE 3000 (Revised) as reasonable assurance engagement for the parts of the further qualitative and quantitative sustainability information accordingly marked with ☑. This standard requires that we have to comply with our professional duties and that we plan and perform the assurance engagement in such a way that we, respecting the principle of materiality, reach our conclusion with a reasonable level of assurance. The selection of the assurance procedures is subject to the own professional judgment of the assurance practitioner.

In addition to the procedures described above, we have performed the following procedures on the quantitative and qualitative sustainability information:

- Assessment of the local data collection, validation, and reporting processes, as well as the reliability of reported data, through an additional sample of individual cases in significant local units.

- Evaluation of the design and implementation and testing the functionality of the systems and methods used to collect the processing of the data, including the aggregation of this data for selected disclosures.

- Review of internal and external documents to determine whether the selected information as presented in the report corresponds to the relevant underlying sources and whether all relevant information from the underlying sources is included in the report.

In our opinion, we obtained sufficient and appropriate evidence for reaching conclusions on our assurance engagement.

Assurance Opinions

Based on the assurance procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that

- the consolidated non-financial statement of E.ON SE, Essen, except the information marked as unassured and the external sources of documentation or expert opinions mentioned therein, for the period from January 1 to December 31, 2022 have not been prepared in all material respects, in accordance with Sections 289c to 289e and 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by management disclosed in section "EU Taxonomy" and that

- the parts of further qualitative and quantitative sustainability information, which are marked accordingly with ◎ and have not been prepared, in all material respects, in accordance with the reporting criteria.

In our opinion the parts of the further qualitative and quantitative sustainability information accordingly marked with ☑ of E.ON SE, Essen, for the period from January 1 to December 31, 2022 have been prepared in all material respects in accordance with the reporting criteria.

We do not express an assurance opinion on the parts which are marked separately with or ›‹.

Also, we do not express an assurance opinion on external sources of documentation and expert opinions.

Furthermore, we do not express an assurance opinion on the qualitative and quantitative information covered by the statutory auditor's report.

Restriction of Use

This assurance report is solely addressed to supervisory board of E.ON SE, Essen.

Our assignment for E.ON SE and professional liability is governed by the General Engagement Terms for Wirtschaftsprüfer (German Public Auditors) and Wirtschaftsprüfungsgesellschaften (German Public Audit Firms) (Allgemeine Auftragsbedingungen für Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) in the version dated 1 January 2017 (https://www.kpmg.de/bescheinigungen/lib/aab_english.pdf). By reading and using the information contained in this assurance report, each recipient confirms having taken note of provisions of the General Engagement Terms (including the limitation of our liability for negligence to EUR 4 million as stipulated in No. 9) and accepts the validity of the attached General Engagement Terms with respect to us.

Cologne, March 7, 2023

KPMG AG
Wirtschaftsprüfungsgesellschaft

Krause Herr

Wirtschaftsprüferin
[German Public Auditor]

Boards

Supervisory Board (and Information on Other Directorships)

Dr. Karl-Ludwig Kley

Chairman of the Supervisory Board, E.ON SE
- → Deutsche Lufthansa AG[1] (Chairman)

Erich Clementi

Deputy Chairman of the Supervisory Board, E.ON SE
- → Deutsche Lufthansa AG[1]

Christoph Schmitz

Deputy Chairman of the Supervisory Board, E.ON SE;
Member of the ver.di-Federal Executive Committee; Federal Department Head, Financial Services, Communications and Technology, Culture, Utilities and Waste Management
- → AXA Konzern AG
- → Ruhrfestspiele Recklinghausen GmbH

Katja Bauer (since April 1, 2022)

Deputy Chairperson of the General Works Council of E.ON Energie Deutschland GmbH;
Deputy Chairperson of the Works Council, Wunstorf/Osnabrück/Kassel of E.ON Energie Deutschland GmbH;
Member of the SE Works Council, E.ON SE
Member of the Group Works Council, E.ON SE
- → E.ON Energie Deutschland GmbH[2]

Klaus Fröhlich

Former member of the Management Board, Bayerische Motoren Werke AG

Ulrich Grillo

Chief Executive Officer, Grillo-Werke AG
- → Rheinmetall AG1 (Chair)
- → Grillo Zinkoxid GmbH[2]
- → Rheinzink GmbH & Co. KG (since October 1, 2022)[2]
- → Zinacor S.A.[2]

Anke Groth (since July 1, 2022)

Member of the Supervisory Board
- → DKV Mobility Group SE

Carolina Dybeck Happe (until June 30, 2022)

Chief Financial Officer, General Electric Company (GE)

Monika Krebber (until March 31, 2022)

Former Chairperson of the Works Council of the Dortmund Plant, E.ON Energie Deutschland GmbH

Eugen-Gheorghe Luha

Chairman of the Gaz România gas trade union federation;
Chairman of the Employees' Representatives of Romania;
Member of the SE-Works Council, E.ON SE

Stefan May

Deputy Chairman of the Group Works Council, E.ON SE;
Chairman of the General Works Council, Westenergie AG/Westnetz GmbH;
Chairman of the Works Council of the Münster Region, Westnetz GmbH
- → Westenergie AG[2]
- → E.ON Pensionsfonds AG[2]

Szilvia Pinczésné Márton

Chairperson of the Works Council, E.ON Dél-dunántúli Áramhálózati Zrt.; Member of the SE Works Council, E.ON SE

Miroslav Pelouch

Deputy Chairman of the SE Works Council. E.ON SE;
Chairman of the Association of Grassroots Organisations of the ECHO Energy Industry Trade Union Confederation in E.ON companies in the Czech Republic; Member of the Presidium of the Confederation of Trade Unions ECHO
- → E.ON Energie a.s.[2]
- → EG.D a.s.[2] (formerly E.ON Distribuce a.s.)

René Pöhls

Deputy Chairman of the SE Works Council, E.ON SE;
Deputy Chairman of the Group Works Council, E.ON SE;
Chairman of the Group Works Council, envia Mitteldeutsche Energie AG; Chairman of the Joint Central Works Council and the Joint Halle/Kabelsketal Works Council, envia Mitteldeutsche Energie AG, MITGAS Mitteldeutsche Gasversorgung GmbH, Mitteldeutsche Netzgesellschaft Strom mbH und Mitteldeutsche Netzgesellschaft Gas mbH
- → envia Mitteldeutsche Energie AG[2]

Andreas Schmitz

Attorney
- → Scheidt & Bachmann GmbH (Chair)

Dr. Rolf Martin Schmitz

Former Chief Executive Officer RWE AG
- → TÜV Rheinland AG
- → Encavis AG[1]
- → Jaeger Grund GmbH & Co. KG (Jaeger Gruppe, Chair)
- → Kärntner Energieholding Beteiligungs GmbH
- → KELAG-Kärntner Elektrizitäts-AG

Unless otherwise indicated, information is as of December 31, 2022, or as of the date on which membership in the E.ON SE Supervisory Board ended.
- → Directorships/memberships in other statutory supervisory boards.
- → Directorships/memberships in comparable domestic and foreign supervisory bodies of commercial enterprises.

[1] Listed company.
[2] E.ON Group directorships/memberships.

Fred Schulz

Chairman of the SE Works Council, E.ON SE;
Deputy Chairman of the Group Works Council, E.ON SE;
Chairman of the General Works Council, E.DIS AG;
Chairman of the East Region Works Council, E.DIS Netz GmbH
- → E.DIS AG[2]
- → Szczecińska Energetyka Cieplna Sp. z o.o.[2]

Dr. Karen de Segundo

Attorney

Elisabeth Wallbaum

Expert, SE Works Council E.ON SE and E.ON Group Works Council

Deborah Wilkens

Management consultant

Axel Winterwerber (since January 1, 2023)

Chairman of the SE Works Council, E.ON SE;
Chairman of the General Works Council, Süwag AG;
Chairman of the Frankfurt Region Works Council;
Member of the SE Works Council E.ON SE
- → E.ON Pensionsfonds AG[2] (since January 1,2023)
- → Süwag AG[2]
- → Syna GmbH[2]

Ewald Woste

Management consultant
- → Bayernwerk AG[2]
- → GASAG AG
- → GreenCom Networks AG (until October 10, 2022)
- → STEAG GmbH (since December 7, 2022)
- → Energie Steiermark AG

Albert Zettl (until December 31, 2022)

Deputy Chairman of the SE Works Council, E.ON SE;
Chairman of the E.ON Group Works Council,
Chairman of the Division Works Council, Bayernwerk AG;
Chairman of the Eastern Bavaria Works Council, Bayernwerk Netz GmbH
- → Bayernwerk AG[2] (until December 31, 2022)
- → E.ON Pensionsfonds AG[2] (until December 31, 2022)
- → Versorgungskasse Energie VVaG i. L.

Supervisory Board Committees

Executive Committee

Dr. Karl-Ludwig Kley, Chairman
Christoph Schmitz, Deputy Chairman
Erich Clementi
Ulrich Grillo
Fred Schulz
Albert Zettl (until December 31, 2022)

Audit and Risk Committee

Andreas Schmitz, Chairman
Fred Schulz, Deputy Chairman
Ulrich Grillo
René Pöhls
Elisabeth Wallbaum
Deborah Wilkens

Innovation and Sustainability Committee

Klaus Fröhlich, Chairman (since May 11, 2022)
Stefan May, Deputy Chairman
Dr. Karen de Segundo (Chairperson until May 10, 2022)
Monika Krebber (until March 31, 2022)
Eugen-Gheorghe Luha
Miroslav Pelouch (since May 11, 2022)
Ewald Woste

Nomination Committee

Dr. Karl-Ludwig Kley, Chairman
Erich Clementi, Deputy Chairman
Dr. Karen de Segundo

Unless otherwise indicated, information is as of December 31, 2022, or as of the date on which membership in the E.ON SE Supervisory Board ended.
- → Directorships/memberships in other statutory supervisory boards.
- → Directorships/memberships in comparable domestic and foreign supervisory bodies of commercial enterprises.

[1] Listed company.
[2] E.ON Group directorships/memberships.

Management Board (and Information on Other Directorships)

Dr.-Ing. Leonhard Birnbaum

Born in 1967 in Ludwigshafen, Germany
Chief Executive Officer of the Management Board since 2021
Member of the Management Board since 2013
Strategy, Human Resources, Communications & Political Affairs, Legal, Compliance & Corporate Security, Corporate Audit, Sustainability, Health/Safety & Environment, PreussenElektra

- → Georgsmarienhütte Holding GmbH (Chairman)
- → Nord Stream AG

Dr. Thomas König

Born in 1965 in Finnentrop, Germany
Member of the Management Board since 2018
Energy Networks (including Turkey), Procurement

- → Avacon AG[2] (Chairman)
- → envia Mitteldeutsche Energie AG[2]
- → Westenergie AG[2]
- → Rheinenergie AG
- → Stadtwerke Essen AG
- → E.ON Česká republika s.r.o.[2] (Chairman)
- → EG.D a.s.[2] (Chairman, formerly E.ON Distribuce a.s.)
- → E.ON Hungária Zrt.[2] (Chairman)
- → E.ON Sverige AB[2] (until June 22, 2022)
- → Essener Wirtschaftsförderungsgesellschaft mbH

Patrick Lammers

Born in 1964 in Rotterdam, Netherlands
Member of the Management Board since 2021
Retail and Customer Solutions, Market Excellence, Energy Management, Marketing

- → E.ON Energie Deutschland GmbH[2] (Chairman)
- → E.ON Sverige AB[2] (Chairman until June 22, 2022)
- → E.ON Energie A.S.[2] (Chairman)
- → E.ON Italia S.p.A.[2]
- → Essent N.V.[2] (Chairman)
- → E.ON Romania S.R.L.[2] (Chairman)
- → Zuid Nederlandse Theatermaatschappij B.V. (Chairman)

Dr. Victoria Ossadnik

Born in 1968 in Frankfurt am Main, Germany
Member of the Management Board since 2021
Digital Technology, Consulting, Cyber Security, Innovation

- → E.ON Digital Technology GmbH[2] (Chairperson)
- → Linde plc.[1]

Dr. Marc Spieker

Born in 1975 in Essen, Germany
Member of the Management Board since 2017
Finance, Investor Relations, Mergers & Acquisitions, Accounting, Controlling, Risk Management, Tax

- → Süwag Energie AG[2]
- → Westenergie AG[2]
- → Nord Stream AG

Unless otherwise indicated, information is as of December 31, 2022, or as of the date on which membership in the E.ON SE Supervisory Board ended.
→ Directorships/memberships in other statutory supervisory boards.
→ Directorships/memberships in comparable domestic and foreign supervisory bodies of commercial enterprises.
[1] Listed company.
[2] E.ON Group directorships/memberships.

Summary of Financial Highlights[1]

€ in millions	2018	2019[5]	2020	2021	2022
Sales and earnings					
Sales	30,084	41,284	60,944	77,358	115,660
Adjusted EBITDA[2]	4,840	5,564	6,905	7,889	8,059
Adjusted EBIT[2]	2,989	3,220	3,776	4,723	5,197
Net income/Net loss	3,524	1,792	1,270	5,305	2,242
Net income/Net loss attributable to shareholders of E.ON SE	3,223	1,550	1,017	4,691	1,831
Adjusted net income[2]	1,505	1,526	1,638	2,503	2,728
Value measures					
ROCE (%)	10,4	8,3	6,2	7,8	8,8
Asset and capital structure					
Non-current assets	30,883	75,786	75,484	80,637	81,769
Current assets	23,441	22,294	19,901	39,122	52,240
Total assets	54,324	98,080	95,385	119,759	134,009
Equity	8,518	13,248	9,055	17,889	21,867
Capital stock	2,201	2,641	2,641	2,641	2,641
Minority interests without controlling influence	2,760	4,149	4,130	5,836	5,944
Non-current liabilities	30,545	58,982	61,761	61,359	74,670
Provisions	15,706	20,669	21,384	19,449	14,968
Financial liabilities	8,323	27,572	29,423	28,131	28,965
Other liabilities and other	6,516	10,741	10,954	13,779	30,737
Current liabilities	15,261	25,850	24,569	40,511	37,472
Provisions	2,117	4,019	3,904	11,782	5,528
Financial liabilities	1,563	3,841	3,418	6,530	5,186
Other liabilities and other	11,581	17,990	17,247	22,199	26,758
Total assets and liabilities	54,324	98,080	95,385	119,759	134,009

[1]Adjusted for discontinued operations.
[2]Adjusted for non-operating effects.

Summary of Financial Highlights[1]

€ in millions	2018	2019[5]	2020	2021	2022
Cash flow, investments, and financial ratios					
Cash provided by operating activities of continuing operations[3]	2,853	2,965	5,313	4,069	10,045
Cash-effective investments	3,523	5,515	4,171	4,762	4,753
Equity ratio (%)	16	14	9	15	16
Economic net debt (at year-end)	16,580	38,895	40,736	38,773	32,742
Cash provided by operating activities of continuing operations as a percentage of sales	9,5	7,2	8,7	5,3	8,7
Stock and E.ON SE long-term ratings					
Earnings per share attributable to shareholders of E.ON SE (€)	1,49	0,68	0,4	1,8	0,7
Dividend per share[4] (€)	0,43	0,46	0,47	0,49	0,51
Dividend payout[6]	932	1,199	1,225	1,278	1331
Moody's	Baa2	Baa2	Baa2	Baa2	Baa2
Standard & Poor's	BBB	BBB	BBB	BBB	BBB
Fitch					BBB+
Employees					
Employees (at year-end)[6]	42,036	75,659	74,866	69,733	69,378

[1]Adjusted for discontinued operations.
[2]Adjusted for non-operating effects.
[3]Fully includes the Renewables segment from January 1, 2018, to September 18, 2019, and innogy's business in the Czech Republic from September 18, 2019, to October 30, 2020.
[4]For the respective financial year; the 2022 figure is management's proposed dividend.
[5]Figures for 2019 were retroactively adjusted for effects from the innogy purchase-price allocation and the recognition of failed-own-use transactions.
[6]Core workforce does not include apprentices, working students, or interns. This figure reports full-time equivalents ("FTE").

Task Force on Climate-related Financial Disclosures ("TCFD")

E.ON aims for its business to become continually more sustainable. This includes making steady progress toward our climate targets, effectively managing climate-related risks, seizing climate-related opportunities that fit with our corporate strategy, and reporting transparently on all these matters. To ensure that we do so, we have put in place a highly effective governance structure.

The TCFD's recommendations provide important guidance for reporting. Established in 2015, the TCFD aims to develop consistent, comparable, and accurate climate-related financial risk disclosures that companies can use to provide information to investors, lenders, insurers, and other stakeholders. E.ON became an official TCFD supporter in 2019, which marks the start of our TCFD reporting below. Going forward, we will continue to expand our TCFD reporting. One consequence of TCFD reporting is that we have developed a qualitative scenario analysis to assess how our businesses might be affected under different climate scenarios.

› In addition, the TCFD reporting is supported by additional information in the publication "On course for net zero—Supporting paper for E.ON's decarbonization strategy and climate-related disclosures." ‹

Governance

The importance of climate change for E.ON is reflected in our governance. The Management Board has overall responsibility for the sustainability strategy, including the climate targets. It is informed on a quarterly basis by the Chief Sustainability Officer ("CSO") about important initiatives and developments as well as KPIs. The CSO manages and monitors all of the Company's sustainability activities and chairs the Sustainability Council. The council is E.ON's most important forum for discussing sustainability issues, establishing a sustainable mindset, and embedding it in business processes. The Supervisory Board is regularly informed about material sustainability topics by its Audit and Risk Committee, by its Innovation and Sustainability Committee, and by the Management Board. As part of the carbon management plan introduced in 2022, emission reduction paths were defined for the business units to implement the Group's climate targets at the local level. Our units conduct annual controls to ensure that we are on track to meet our targets.

Strategy

E.ON's business operations cause carbon emissions. Yet our two core businesses—Energy Networks and Customer Solutions—also help millions of customers avoid emissions. They make the energy system more efficient and increase the proportion of renewables in the energy mix. E.ON's current climate strategy includes emission-reduction targets for 2030, 2040, and 2050. In 2020 E.ON set new climate targets and intends to be climate-neutral by 2040 (Scope 1 and 2).

Both climate change and the energy transition aimed at slowing it could create risks as well as opportunities for E.ON's business. In 2022 we again performed a qualitative scenario analysis to model how the key value drivers of E.ON and five of our business units might be affected under different scenarios through 2050. The analysis consisted of three different climate scenarios: a conservative, ambitious, and fully committed climate policy. Subject experts analyzed the implications, which were used to conduct a risk-and-opportunity assessment. It shows that we have a robust business model and great opportunities for decarbonization for every scenario. E.ON's high proportion of regulated business makes it robust, while massive electrification and decarbonization offer major opportunities for the Company's business model. In view of these important findings, we intend to review of the scenario analysis on an annual basis.

Risk Management

E.ON regularly monitors and assesses its non-financial, climate, and other sustainability risks and opportunities and their potential impact in the short, medium, and long term. In 2020 we integrated climate-related risks into our Enterprise Risk Management system. In 2021 human rights risks in the supply chain, employee matters, social matters, and anti-corruption were integrated as well. Risk and sustainability managers at the units were actively involved in this process. The status of this process is presented to the E.ON Group Risk Committee on a regular basis. Our analyses of climate risks encompass physical risks (such as extreme weather and rising temperatures) as well as transitional risks (such as changes in consumer preferences, the regulatory environment, and carbon pricing).

Metrics and Targets

E.ON's current climate metrics consist mainly of the emission figures for its carbon footprint categories (Scope 1, 2, and 3) and the measurement of progress toward its climate targets (see above). The climate targets defined in 2020 remain valid (see the Climate Protection chapter). We monitor progress toward these targets on an annual basis for all relevant GHG categories. The aforementioned carbon management plan apportions our emission-reduction targets to the business units, while giving them the operational decision-making authority on how to achieve them.

In addition, E.ON discloses avoided emissions. This applies to the annual reporting for its green bonds, which includes disclosures on the metric tons of CO_2e avoided by the projects funded. A green bond is a fixed-interest security whose issuance proceeds are used to fund infrastructure and energy-efficiency projects that yield measurable carbon savings. In 2022 E.ON issued three green bonds totaling €2.3 billion.

ESG Figures

We assess the effectiveness of our sustainability strategy and initiatives by monitoring key performance indicators ("KPIs"). Capital markets in particular want standardized ESG KPIs. Consequently, we have reported KPIs that give an indication on our ESG performance over three years.

In addition, since 2010 we've reported our KPIs in accordance with standards of the German Association for Financial Analysis and Asset Management (German abbreviation: "DVFA") and the European Federation of Financial Analysts Societies ("EFFAS"). KPIs that reflect these standards are indicated by the DVFA/EFFAS ID. KPIs that are particularly important to us are highlighted.

The KPIs that were part of the independent Sustainability Assurance represent the different audit levels as follows:

☑ Not part of the statutory audit, audited with reasonable assurance as part of the Sustainability Assurance in accordance with ISAE 3000.

◎ Not part of the statutory audit, audited with limited assurance as part of the Sustainability Assurance in accordance with ISAE 3000.

More information about these figures (such as more detailed breakdowns) can be found in the corresponding chapters of this report. Prior-year figures and quantified changes from the prior year included in sections marked as audited are audited with limited assurance.

Environment

Climate protection[1]

	DVFA/EFFAS	2022		2021	2020
Greenhouse gas emissions (total CO_2 equivalents in million metric tons, location-based)	**E03-01**	86.81	☑	107.99	116.27
Greenhouse gas emissions (total CO_2 equivalents in million metric tons, market-based)	**E03-01**	91.29	☑	113.02[12]	-[12]
Scope 1[2, 3]	**E02-01**	2.88	☑	3.71	3.92[4]
Scope 2 (location-based)[5]	**E02-01**	3.38	☑	3.90	4.49
Scope 2 (market-based)[6, 7]	**E02-01**	5.83	☑	5.73	6.09
Scope 3 (location-based)[3, 8, 9]	**E02-01**	80.55	☑	100.38	107.9610
Scope 3 (market-based)[11]	**E02-01**	82.58	☑	103.58	-

[1]For reasons of materiality, this figure includes E.ON companies with a headcount of more than 50 FTEs as well as companies with fewer than 50 FTEs but that exceeded the defined emissions threshold.
[2]The external global warming potential ("GWP") sources used are the Department for Business, Energy & Industrial Strategy ("BEIS", formerly DEFRA), the Naturvårdsverkets, the Greenhouse Gas Protocol, the Överenskommelse Värmemarknadskommittén 2021, and the IPCC AR5 report.
[3]From 2019 onward, emissions from power and heat generation are divided into emissions from plants owned and operated by E.ON (Scope 1) and emissions from plants leased to, and operated by, customers (Scope 3). This improves E.ON's ability to manage its emissions and makes progress toward its targets more transparent.
[4]Prior-year figures were adjusted. For power & heat generation mainly due to the addition of delayed data on natural gas used for energy generation from E.ON Energy Projects GmbH last year. For Internal Fuels mainly due to the correction of double accounting of natural gas consumption in buildings and in operations by Energy Networks in Romania.
[5]The external global warming potential ("GWP") sources used is the International Energy Agency ("IEA").
[6]The external global warming potential ("GWP") sources used are the International Energy Agency ("IEA") and the Association of Issuing Bodies ("AIB").
[7]First-time reporting of market-based Scope 2 emissions in 2020.
[8]The external global warming potential ("GWP") sources used include the International Energy Agency ("IEA"), the IPCC AR5 report, Department for Business, Energy & Industrial Strategy ("BEIS", formerly DEFRA), the Naturvårdsverkets, the Greenhouse Gas Protocol, and the Överenskommelse Värmemarknadskommittén 2021. Furthermore, primary data from external travel service providers was used for the calculation.
[9]Scope 3 emissions from purchased power and the combustion of natural gas sold to end users (energy sold to our residential and B2B customers), according to the GHG Scope 3 protocol. The emissions from distribution losses from energy sold to sales partners and the wholesale market are accounted for under our Scope 1 and Scope 2 emissions accordingly.
[10]Prior-year figures were adjusted for power & heat generation, mainly due to better data quality available for natural gas used for energy generation by E.ON Energy Projects GmbH.
[11]In 2021 we started to record market-based figures for purchased power sold to end-customers.
[12]Prior-year figures have been adjusted to reflect the market-based figure for Scope 3 emissions.

For more information, please visit the Climate Protection chapter.

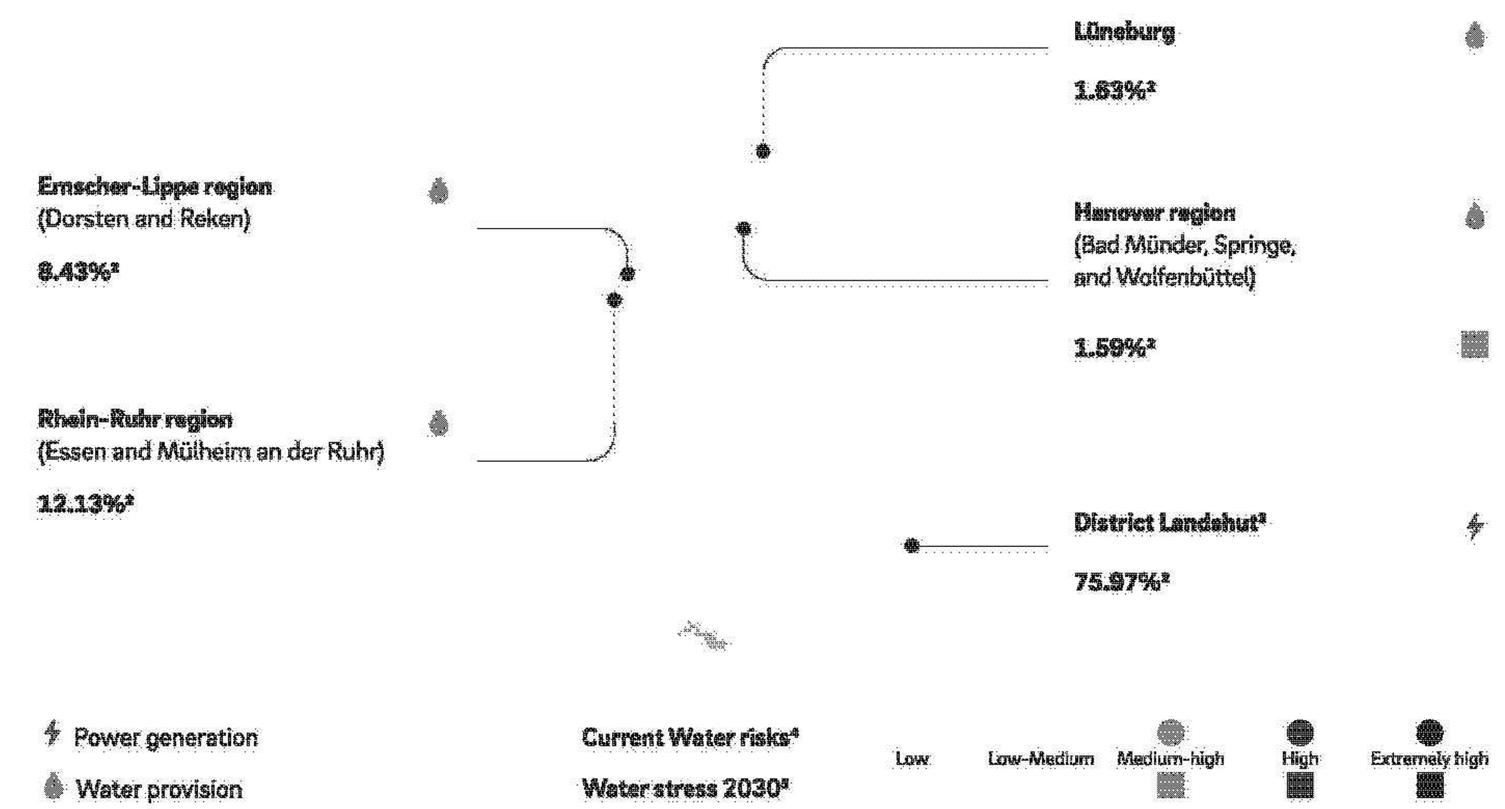
Environmental Management

	DVFA/EFFAS	2022	2021	2020
Energy consumption within the organization (million GJ)	**E01-01**	109	254	240
Share of employees working at business units certified to ISO-14001 (percentages)[1]	**E33-01**	75	78	86
Share of employees working at business units with ISO 50001 certification (percentages)[2]		67	86	80
Number of environmental incidents			0	0
4 (major)		0	0	0
3 (serious)		0	0	2
2 (moderate)		22	21	34
1 (minor)		287	305	246
0 (low)		480	576	509
Incidents on the seven-step International Nuclear Event Scale ("INES")		0	0	0
Provisions for environmental remediation and similar obligations (€ in millions)[3]	**E12-05**	435	519	485
Short term		84	66	58
Long term		351	453	427
Fresh water consumption (million cubic meters)[4]	**E28-01**	28.9	52.5	46.4

[1]In previous year's coverage rate reported the share of business units with ISO 14001 / EMAS certification in percentage. Therefore, comparability with 2021 figures is limited.
[2]In previous year's coverage rate reported the share of business units with ISO 50001 certification in percentage. Therefore, comparability with 2021 figures is limited.
[3]Funds set aside for potential redevelopment, water protection, and the remediation of contaminated sites.
[4]For reasons of materiality, includes the Non-Core Business segment (PreussenElektra) only.

For more information, please visit the Environmental Management chapter.

E.ON's Water Withdrawal and Water Risk Areas[1]



[1]Areas accounting for less than 1 percent of total withdrawal are not displayed.
[2]Proportion of E.ON's total water withdrawal.
[3]PreussenElektra will continue to operate Isar 2 NPP until April 15, 2023, due to political decisions made in the year under review, after which it will cease power production.
[4]Based on the current total water risks (baseline) of the Aqueduct Water Risk Atlas of the World Resource Institute ("WRI"), data request in January 2023.
[5]Based on the pessimistic scenario for 2023 of the Aqueduct Water Risk Atlas of WIR.

For more information, please visit the Environmental Management chapter.

Waste

	DVFA/EFFAS	2022	2021	2020
Non-hazardous waste (metric kilotons)		381.3	428.0	373.8
Recovered		364.1	410.1	345.9[1]
Disposed		17.3	17.9	27.9[1]
Hazardous waste (metric kilotons)	**E06-01**	162.2	141.3	138.2
Recovered		107.5	106.7	95.0
Disposed		54.7	34.5	43.2
Total waste (metric kilotons)[2]	**E04-01**	543.5	569.2	511.9
Total amount of waste recycled (percentages)[3]	**E05-01**	87.0	90.8	86.1
Low and intermediate-level radioactive waste (metric tons)	**E08-01/02**	1,105.7	1,420.2	684.0
High-level radioactive waste (metric tons)	**E08-03**	0.0	65.0	129.0

[1]Prior-year figures were adjusted.
[2]Hazardous and non-hazardous waste.
[3]Percentage of recycled hazardous and non-hazardous waste.

For more information, please visit the Environmental Management chapter.

Social

Employee Matters

	DVFA/EFFAS	2022		2021	2020
Group employees (FTE)[1]		69,378		69,733	74,866
New hires[2]					
Full-time equivalent (FTE)		8,499		7,871	6,363
Headcounts		9,128		8,590	6,962
Permanent employment contracts (percentages)		68		63	59
Employees with full-time contracts (percentages)[2]		89		88	88
Employees with permanent employment contracts (percentages)[2]		94		93	93
Employees with collective bargaining agreements (percentages)[2]		83		81	82
Employees with part-time contracts[2]		8,378		8,814	9,530
Average length of service (years)[2]		13		14	14
Voluntary turnover rate (percentages)[2]	**S01-01**	6,1		4.5	3.5
Apprentices in Germany (headcount)		2,213		2,308	2,395
Apprentice ratio in Germany (percentages)		5,6		5,8	6.0
Female workforce (percentages)[2]	**S10-01**	31	☑	32	32
Female executives (percentages)[3]	**S10-01**	23	☑	21	21
Severely disabled employees in Germany (percentages)[2]		5.0	◎	5,3	5,4
Severely disabled employees in Germany (headcount)[2]		1,782	◎	1,948	2,016
Nationalities (number)[2]		110	◎	119	115
Average age (in years)[2]		42		42	42
Age distribution (percentages)[2]	**S03-01**				
< 30 years		21		20	20
31 – 50 years		49		49	50
> 50 years		30		31	30

[1]Core workforce includes board members and managing directors but excludes apprentices, interns, and working students.
[2]Total workforce includes board members, managing directors, apprentices, interns, and working students.
[3]Compared to the total number of executives.

For more information, please visit the Working Conditions and Employee Development chapter.

Occupational Health and Safety

	DVFA/ EFFAS	2022		2021	2020
Combined TRIF[1]		2.6		2.5	2.3
Employee TRIF		2.9		2.6	2.4
Contractor TRIF		2.3		2.3	2.3
Employee LTIF[2]		2.1	☑	2.1	1.6
Contractor LTIF[2]		2.0		2.0	1.9
Share of employees working at business units certified by ISO 45001 (percentages)[3]		85.0		94.0	87.0
Employee and contractor fatal accidents		3	☑	4	5
Employee health rate (percentages)[4]		96.0	◎	96.5	96.3

[1]Total recordable injury frequency measures the number of reported fatalities and occupational injuries and illnesses per million hours of work. It includes injuries that occur during work-related travel that result in lost time or no lost time and/or that lead to medical treatment, restricted work, or work at a substitute work station.

[2]Lost-time injury frequency measures work-related accidents resulting in lost time per million hours of work.

[3]In previous year's coverage rate reported the share of business units with ISO 45001 certification in percentage. Therefore, comparability with 2021 figures is limited.

[4]Includes board members, managing directors, and apprentices.

For more information, please visit the Occupational Health and Safety chapter.

Community involvement

	DVFA/EFFAS	2022		2021	2020
Corporate giving (€ in millions)		16.0	◎	8.6	7.9
Strategic community involvement (€ in millions)		2.3	◎	3.8	3.3
Total community investments (€ in millions)		18.3	◎	12.3	11.1
Volunteer activities of E.ON employees (number of volunteer hours)		13,340	◎	8,506	11,405

For more information, please visit the Community Involvement chapter.

Governance

Customers

	DVFA/EFFAS	2022		2021	2020
Number of power and gas customers (millions)		35.9		38.8[1]	41.5[2]
Installed smart energy meters (millions)[3]	V11-02	12.2	◎	9.7	8.5
Customer loyalty development	V06-01	Visit the "Customer Satisfaction" chapter.			
Reduction of CO_2e emissions at commercial and industrial customers in Germany (metric tonnes)		242,402		284,256	585,001

[1]Prior-year figures have been adjusted due to the harmonization of npower in the United Kingdom.
[2]Previous year's figures were adjusted due to changes in segment reporting (this concerns the activities in Slovakia (VSEH) and in Croatia).
[3]Includes Slovakia, in which E.ON has a 49 per cent stake.

For more information, please visit the Customer Satisfaction chapter.

Power generation

	DVFA/ EFFAS	2022		2021	2020
Owned generation by energy source (percentages)	E26-01				
Natural gas/oil[1]		8.0		4.8	1.4
Nuclear (Non-Core Business)[2]		74.0		87.1	95.9
Coal[3]		0.0		0.1	0.0
Other (includes biomass, wind and solar)		18.0		8.0	2.7

[1]Includes leased embedded CHP plants operated by our customers and plants for reserve and emergency heat and power generation.
[2]Our nuclear generation will end in 2023 due to Germany's phaseout of nuclear power.
[3]Used to generate heat for our district-heating networks.

Energy networks

DVFA/EFFAS	2022	2021	2020
Power system length (thousand kilometers)[1]	1,107	1,115	1,176
Gas system length (thousand kilometers)	146[1]	148[1]	147
Power distribution losses (percantage)	3.1	3.6	3.8

[1]Excluding Croatia.

For more information, please visit the Security of Supply chapter.

Compliance

DVFA/EFFAS	2022	2021	2020
Procurement volume in countries with corruption risks (percentages)[1]	19,11	15,98	16,2
Number of compliance notices[2]	137	160	135
Contributions to political parties (percentages)[3]	0	0	0

[1]Countries with less than 60 points in Transparency International's Corruption Perception Index.
[2]Cases recorded at Corporate Functions that resulted in investigations and were not subsequently found to be false reports.
[3]The E.ON Code of Conduct forbids donations to political parties, candidates, and incumbents.

For more information, please visit the Compliance and Anti-corruption chapter.

Supplier Management

DVFA/ EFFAS	2022	2021	2020
Supply chain: key performance narrative V28-04	Visit the "Human Rights and Supply Chain Management" chapter.		

For more information, please visit the Human Rights and Supply Chain Management chapter.

Annexes to the Management Report

EU Taxonomy

EU Taxonomy Investments

			Significant contribution criteria						Do no significant harm criteria									
	Investments	Share of investments	Climate change mitigation	Climate change adaption	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaption	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Share of taxonomy-aligned 2022	Share of taxonomy-aligned 2021	Enabling activity (E)	Transition activity (T)
	€ in millions	in %	in %	in %	in %	in %	in %	in %	yes/no	yes/no	yes/no	yes/no	yes/no	yes/no	yes/no	in %	in %	E/-	T/-
A. Taxonomy-eligible activities (total A.1 and A.2)	**4,465**	**82**																	
A.1. Environmentally sustainable activities (taxonomy-aligned)	**4,384**	**80**	**100**	**0**	-	-	-	-								**80**	-		
4.1 Electricity generation using solar photovoltaic technology	40	1	100	0	-	-	-	-	-	yes	-	yes	-	yes	yes	1	-	-	-
4.3 Electricity generation from wind power	4	0	100	0	-	-	-	-	-	yes	yes	yes	-	yes	yes	0	-	-	-
4.5. Electricity generation from hydropower	5	0	100	0	-	-	-	-	-	yes	yes	-	-	yes	yes	0	-	-	-
4.6 Electricity generation from geothermal energy	3	0	100	0	-	-	-	-	-	yes	yes	-	yes	yes	yes	0	-	-	-
4.9 Transmission and distribution of electricity	3,354	62	100	0	-	-	-	-	-	yes	-	yes	yes	yes	yes	62	-	E	-
4.10 Storage of electricity	4	0	100	0	-	-	-	-	-	yes	yes	yes	-	yes	yes	0	-	E	-
4.14 Transmission and distribution networks for renewable and low-carbon gases	312	6	100	0	-	-	-	-	-	yes	yes	-	yes	yes	yes	6	-	-	-
4.15 District heating/cooling distribution	56	1	100	0	-	-	-	-	-	yes	yes	-	yes	yes	yes	1	-	-	-
4.16 Installation and operation of electric heat pumps	8	0	100	0	-	-	-	-	-	yes	yes	yes	yes	-	yes	0	-	-	-
4.19 Cogeneration of heat/cool and power from renewable non-fossil gaseous and liquid fuels	1	0	100	0	-	-	-	-	-	yes	yes	-	yes	yes	yes	0	-	-	-
4.20 Cogeneration of heat/cool and power from bioenergy	58	1	100	0	-	-	-	-	-	yes	yes	-	yes	yes	yes	1	-	-	-
4.21 Production of heat/cool from solar thermal heating	3	0	100	0	-	-	-	-	-	yes	-	yes	-	yes	yes	0	-	-	-
4.23 Production of heat/cool from renewable non-fossil gaseous and liquid fuels	19	0	100	0	-	-	-	-	-	yes	yes	-	yes	yes	yes	0	-	-	-
4.24 Production of heat/cool from bioenergy	26	0	100	0	-	-	-	-	-	yes	yes	-	yes	yes	yes	0	-	-	-
5.1 Construction, extension and operation of water collection, treatment and supply systems	69	1	100	0	-	-	-	-	-	yes	yes	-	-	yes	yes	1	-	-	-
6.13 Infrastructure for personal mobility, cycle logistics	25	0	100	0	-	-	-	-	-	yes	yes	yes	yes	yes	yes	0	-	E	-
6.15 Infrastructure enabling low-carbon road transport and public transport	4	0	100	0	-	-	-	-	-	yes	yes	yes	yes	yes	yes	0	-	E	-
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings	10	0	100	0	-	-	-	-	-	yes	-	-	-	-	yes	0	-	E	-
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and contr. energy performance of buildings	87	2	100	0	-	-	-	-	-	yes	-	-	-	-	yes	2	-	E	-
7.6 Installation, maintenance and repair of renewable energy technologies	1	0	100	0	-	-	-	-	-	yes	-	-	-	-	yes	0	-	E	-
8.2 Data-driven solutions for GHG emissions reductions	294	6	100	0	-	-	-	-	-	yes	-	yes	-	-	yes	6	-	E	-
9.3 Professional services related to energy performance of buildings	1	0	100	0	-	-	-	-	-	yes	yes	yes	yes	yes	yes	0	-	E	-
A.2. Not taxonomy-aligned activities	**81**	**2**																	
4.5. Electricity generation from hydropower	3	0																	
4.9 Transmission and distribution of electricity	12	0																	
4.10 Storage of electricity	5	0																	
4.14 Transmission and distribution networks for renewable and low-carbon gases	30	2																	
4.15 District heating/cooling distribution	10	0																	
4.22 Production of heat/cool from geothermal energy	2	0																	
4.23 Production of heat/cool from renewable non-fossil gaseous and liquid fuels	10	0																	
4.30 High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	5	0																	
5.2 Renewal of water collection, treatment and supply systems	1	0																	
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	2	0																	
B. Not taxonomy-eligible activities	**1,012**	**18**																	
Total A. + B.	**5,477**	**100**																	

EU Taxonomy Operating Expenses

			Significant contribution criteria						Do no significant harm criteria									
	Operating expenses	Share of operating expenses	Climate change mitigation	Climate change adaption	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaption	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Share of taxonomy-aligned 2022	Share of taxonomy-aligned 2021	Enabling activity (E)	Transition activity (T)
	€ in millions	in %	in %	in %	in %	in %	in %	in %	yes/no	yes/no	yes/no	yes/no	yes/no	yes/no	yes/no	in %	in %	E/-	T/-
A. Taxonomy-eligible activities (total A.1 and A.2)	**938**	**73**																	
A.1. Environmentally sustainable activities (taxonomy-aligned)	**911**	**71**	**100**	**0**	-	-	-	-	-	yes	yes	yes	-	yes	yes	**71**	-	-	-
4.3 Electricity generation from wind power	6	0	100	0	-	-	-	-	-	yes	yes	yes	-	yes	yes	0	-	-	-
4.5. Electricity generation from hydropower	1	0	100	0	-	-	-	-	-	yes	yes	-	-	yes	yes	0	-	-	-
4.9 Transmission and distribution of electricity	797	63	100	0	-	-	-	-	-	yes	-	yes	yes	yes	yes	63	-	E	-
4.14 Transmission and distribution networks for renewable and low-carbon gases	19	2	100	0	-	-	-	-	-	yes	yes	-	yes	yes	yes	2	-	-	-
4.15 District heating/cooling distribution	3	0	100	0	-	-	-	-	-	yes	yes	-	yes	yes	yes	0	-	-	-
4.20 Cogeneration of heat/cool and power from bioenergy	4	0	100	0	-	-	-	-	-	yes	yes	-	yes	yes	yes	0	-	-	-
4.24 Production of heat/cool from bioenergy	12	1	100	0	-	-	-	-	-	yes	yes	-	yes	yes	yes	1	-	-	-
5.2 Renewal of water collection, treatment and supply systems	3	0	100	0	-	-	-	-	-	yes	yes	-	-	yes	yes	0	-	-	-
6.13 Infrastructure for personal mobility, cycle logistics	7	1	100	0	-	-	-	-	-	yes	yes	yes	yes	yes	yes	1	-	E	-
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and contr. energy performance of buildings	1	0	100	0	-	-	-	-	-	yes	-	-	-	-	yes	0	-	E	-
7.6 Installation, maintenance and repair of renewable energy technologies	57	4	100	0	-	-	-	-	-	yes	-	-	-	-	yes	4	-	E	-
A.2. Not taxonomy-aligned activities	**27**	**2**																	
4.14 Transmission and distribution networks for renewable and low-carbon gases	1	0																	
4.15 District heating/cooling distribution	1	0																	
4.16 Installation and operation of electric heat pumps	1	0																	
4.28 Production of heat/cool from renewable non-fossil gaseous and liquid fuels	9	1																	
4.30 High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	1	0																	
4.31 Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	9	1																	
5.1 Construction, extension and operation of water collection, treatment and supply systems	5	0																	
B. Not taxonomy-eligible activities	**340**	**27**																	
Total A. + B.	**1,278**	**100**																	

EU Taxonomy Revenues

			Significant contribution criteria						Do no significant harm criteria									
	Revenues	Share of Revenues	Climate change mitigation	Climate change adaption	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaption	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Share of taxonomy-aligned 2022	Share of taxonomy-aligned 2021	Enabling activity (E)	Transition activity (T)
	€ in millions	in %	in %	in %	in %	in %	in %	in %	yes/no	yes/no	yes/no	yes/no	yes/no	yes/no	yes/no	in %	in %	E/-	T/-
A. Taxonomy-eligible activities (total A.1 and A.2)	**15,243**	**13**																	
A.1. Environmentally sustainable activities (taxonomy-aligned)	**14,795**	**13**	**100**	**0**	-	-	-	-	-	-	-	-	-	-	-	**13**	-		
4.1 Electricity generation using solar photovoltaic technology	29	0	100	0	-	-	-	-	-	yes	-	yes	-	yes	yes	0	-	-	-
4.5. Electricity generation from hydropower	1	0	100	0	-	-	-	-	-	yes	yes	-	-	yes	yes	0	-	-	-
4.9 Transmission and distribution of electricity	13,709	13	100	0	-	-	-	-	-	yes	-	yes	yes	yes	yes	13	-	E	-
4.15 District heating/cooling distribution	46	0	100	0	-	-	-	-	-	yes	yes	-	yes	yes	yes	0	-	-	-
4.16 Installation and operation of electric heat pumps	10	0	100	0	-	-	-	-	-	yes	yes	yes	yes	-	yes	0	-	-	-
4.19 Cogeneration of heat/cool and power from renewable non-fossil gaseous and liquid fuels	29	0	100	0	-	-	-	-	-	yes	yes	-	yes	yes	yes	0	-	-	-
4.20 Cogeneration of heat/cool and power from bioenergy	31	0	100	0	-	-	-	-	-	yes	yes	-	yes	yes	yes	0	-	-	-
4.24 Production of heat/cool from bioenergy	87	0	100	0	-	-	-	-	-	yes	yes	-	yes	yes	yes	0	-	-	-
5.2 Renewal of water collection, treatment and supply systems	14	0	100	0	-	-	-	-	-	yes	yes	-	-	yes	yes	0	-	-	-
5.3 Construction, extension and operation of waste water collection and treatment	18	0	100	0	-	-	-	-	-	yes	yes	-	yes	yes	yes	0	-	-	-
6.13 Infrastructure for personal mobility, cycle logistics	43	0	100	0	-	-	-	-	-	yes	yes	yes	yes	yes	yes	0	-	E	-
6.15 Infrastructure enabling low-carbon road transport and public transport	30	0	100	0	-	-	-	-	-	yes	yes	yes	yes	yes	yes	0	-	E	-
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings	13	0	100	0	-	-	-	-	-	yes	-	-	-	-	yes	0	-	E	-
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and contr. energy performance of buildings	481	0	100	0	-	-	-	-	-	yes	-	-	-	-	yes	0	-	E	-
7.6 Installation, maintenance and repair of renewable energy technologies	242	0	100	0	-	-	-	-	-	yes	-	-	-	-	yes	0	-	E	-
8.2 Data-driven solutions for GHG emissions reductions	1	0	100	0	-	-	-	-	-	yes	-	yes	-	-	yes	0	-	E	-
9.3 Professional services related to energy performance of buildings	11	0	100	0	-	-	-	-	-	yes	yes	yes	yes	yes	yes	0	-	E	-
A.2. Not taxonomy-aligned activities	**448**	**0**																	
4.5. Electricity generation from hydropower	13	0																	
4.9 Transmission and distribution of electricity	238	0																	
4.14 Transmission and distribution networks for renewable and low-carbon gases	100	0																	
4.16 Installation and operation of electric heat pumps	28	0																	
4.30 High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	21	0																	
4.31 Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	47	0																	
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings	1	0																	
B. Not taxonomy-eligible activities	**100,417**	**87**																	
Total A. + B.	**115,660**	**100**																	

CapEx Template 1: Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
Row	**Fossil gas related activities**	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

CapEx Template 2: Taxonomy-aligned economic activities (denominator)

		Amount and proportion (in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaption (CCA)	
Row	**Economic activities**	€ in millions	in %	€ in millions	in %	€ in millions	in %
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**4,384**	**81**	**4,384**	**81**	**-**	**-**
8	**Total applicable KPI**	**5,477**	**-**	**5,477**	**-**	**-**	**-**

CapEx Template 3: Taxonomy-aligned economic activities (numerator)

		Amount and proportion (in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaption (CCA)	
Row	Economic activities	€ in millions	in %	€ in millions	in %	€ in millions	in %
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**4,384**	**100**	**4,384**	**100**	**-**	**-**
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**4,384**	**100**	**4,384**	**100**	**-**	**-**

CapEx Template 4: Taxonomy-eligible but not taxonomy-aligned economic activities

		Amount and proportion (in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaption (CCA)	
Row	Economic activities	€ in millions	in %	€ in millions	in %	€ in millions	in %
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	5	6	5	6	-	-
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**76**	**94**	**76**	**94**	**-**	**-**
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**81**	**100**	**81**	**100**	**-**	**-**

CapEx Template 5 Taxonomy non-eligible economic activities

Row	Economic activities	€ in millions	in %
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
2	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
3	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
4	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
5	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
6	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**1,012**	**100**
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**1,012**	**100**

OpEx Template 1: Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
Row	**Fossil gas related activities**	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

OpEx Template 2: Taxonomy-aligned economic activities (denominator)

		Amount and proportion (in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaption (CCA)	
Row	**Economic activities**	€ in millions	in %	€ in millions	in %	€ in millions	in %
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**911**	**71**	**911**	**71**	**-**	**-**
8	**Total applicable KPI**	**1,278**	**-**	**1,278**	**-**	**-**	**-**

OpEx Template 3: Taxonomy-aligned economic activities (numerator)

		Amount and proportion (in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaption (CCA)	
Row	Economic activities	€ in millions	in %	€ in millions	in %	€ in millions	in %
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**911**	**100**	**911**	**100**	**-**	**-**
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**911**	**100**	**911**	**100**	**-**	**-**

OpEx Template 4: Taxonomy-eligible but not taxonomy-aligned economic activities

		Amount and proportion (in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaption (CCA)	
Row	Economic activities	€ in millions	in %	€ in millions	in %	€ in millions	in %
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	1	4	1	4	-	-
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	9	33	9	33	-	-
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**17**	**63**	**17**	**63**	**-**	**-**
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**27**	**100**	**27**	**100**	**-**	**-**

OpEx Template 5 Taxonomy non-eligible economic activities

Row	Economic activities	€ in millions	in %
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
2	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
3	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
4	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
5	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
6	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**340**	**100**
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**340**	**100**

Revenue Template 1: Nuclear and fossil gas related activities

Row	Nuclear energy related activities	
1	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	Yes
Row	**Fossil gas related activities**	
4	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

Revenue Template 2: Taxonomy-aligned economic activities (denominator)

		Amount and proportion (in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaption (CCA)	
Row	**Economic activities**	€ in millions	in %	€ in millions	in %	€ in millions	in %
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**14,795**	**13**	**14,795**	**13**	**-**	**-**
8	**Total applicable KPI**	**115,660**	**-**	**115,660**	**-**	**-**	**-**

Revenue Template 3: Taxonomy-aligned economic activities (numerator)

		Amount and proportion (in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaption (CCA)	
Row	Economic activities	€ in millions	in %	€ in millions	in %	€ in millions	in %
1	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
3	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
4	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
5	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
6	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the applicable KPI	-	-	-	-	-	-
7	**Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the applicable KPI**	**14,795**	**100**	**14,795**	**100**	**-**	**-**
8	**Total amount and proportion of taxonomy-aligned economic activities in the numerator of the applicable KPI**	**14,795**	**100**	**14,795**	**100**	**-**	**-**

Revenue Template 4: Taxonomy-eligible but not taxonomy-aligned economic activities

		Amount and proportion (in monetary amounts and as percentages)					
		CCM + CCA		Climate change mitigation (CCM)		Climate change adaption (CCA)	
Row	**Economic activities**	€ in millions	in %	€ in millions	in %	€ in millions	in %
1	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
2	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
3	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
4	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-	-	-	-	-
5	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	21	5	21	5	-	-
6	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	47	10	47	10	-	-
7	**Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**380**	**85**	**380**	**85**	**-**	**-**
8	**Total amount and proportion of taxonomy eligible but not taxonomy-aligned economic activities in the denominator of the applicable KPI**	**448**	**100**	**448**	**100**	**-**	**-**

Revenue Template 5 Taxonomy non-eligible economic activities

Row	Economic activities	€ in millions	in %
1	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
2	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
3	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
4	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
5	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
6	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the applicable KPI	-	-
7	**Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the applicable KPI**	**100,417**	**100**
8	**Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the applicable KPI**	**100,417**	**100**

Global Reporting Initiative ("GRI") Index

E.ON has based its sustainability reporting on the Global Reporting Initiative ("GRI") guidelines since 2005. This report was prepared with reference to the current version of the guidelines.

E.ON SE has reported the information cited in this GRI content index for the period 01-01-2022 – 12-31-2022 with reference to the GRI Standards. GRI 1: Fundamentals 2021 was used.

GRI Disclosure	References and Comments
GRI 2: General Disclosures (2021)	
The organization and its reporting practices	
2-1: Organizational details	→ About E.ON → About this Report → Business Model
2-2: Entities included in the organization's sustainability reporting	→ About this Report
2-3: Reporting period, frequency and contact point	→ About this Report → Financial Calendar and Imprint
2-4: Restatements of information	→ About this Report
2-5: External assurance	→ About this Report
Activities and workers	
2-6: Activities, value chain and other business relationships	→ About this Report → Business Model → Sustainable Products and Services → Security of Supply → Human Rights and Supply Chain Management
2-7: Employees	→ Working Conditions and Employee Development → ESG Figures
Governance	
2-9: Governance structure and composition	→ Strategy → Risks and Chances Report → Corporate Governance Declaration
2-19: Remuneration policies	→ Compensation Report
2-20: Process to determine renumeration	→ Compensation Report
Strategy, policies and practices	
2-22: Statement on sustainable development strategy	→ Strategy

GRI Disclosure	References and Comments
2-23: Policy commitments	→ Human Rights and Supply Chain Management → Compliance and Anti-corruption The "E.ON's Approach" section in each ESG chapters of this report provides information on the sustainability strategies and policies relevant to the chapter's topic. The Sustainability Channel on our corporate website contains a number of relevant employee and functional policies as well as our Code of Conduct. [> E.ON's Sustainability-Policies]
2-26: Mechanisms for seeking advice and raising concerns	→ Human Rights and Supply Chain Management → Compliance and Anti-corruption
2-28: Memberships of associations	→ ESG Materiality and Stakeholder Engagement
Stakeholder Engagement	
2-29: Approach to stakeholder engagement	→ ESG Materiality and Stakeholder Engagement
2-30: Collective bargaining agreements	→ Working Conditions and Employee Development → ESG Figures
GRI 3: Material Topics (2021)	
Disclosures on material topics	
3-1: Process to determine material topics	→ ESG Materiality and Stakeholder Engagement
3-2: List of material topics	→ ESG Materiality and Stakeholder Engagement
3-3: Management of material topics	→ Climate Protection → Environmental Management → Occupational Health and Safety → Working Conditions and Employee Development → Customer Satisfaction → Security of Supply → Sustainable Products and Services → Community Involvement → Data Protection, Cybersecurity and Product Safety → Business Resilience Management → Compliance and Anti-corruption → Energy Affordability → Diversity and Inclusion → Human Rights and Supply Chain Management → Tax In addition to the topics identified as material, the reporting of the other listed topics is also based on the requirements of GRI 3-3.
GRI 200: Economic	
GRI 205: Anti-corruption (2016)	
205-2: Communication and training about anti-corruption policies and procedures	→ Compliance and Anti-corruption → Human Rights and Supply Chain Management

GRI Disclosure	References and Comments
GRI 300: Environmental	
GRI 302: Energy (2016)	
302-1: Energy consumption within the organisation	→ Environmental Management → Sustainable Products and Services Our disclosures include following parameters: • Fuel consumed for energy generation (fossil, nuclear, and renewable fuel) for company purposes • Power and district heat consumption • Fuel combustion for heating • Vehicle fuel consumption • Power distribution losses (resold power and gas are excluded)

GRI Disclosure	References and Comments
GRI 305: Emissions (2016)	
305-1: Direct (Scope 1) GHG emissions	→ Climate Protection Our disclosures are based on CO_2 equivalents, which measure greenhouse gases in accordance with the Greenhouse Gas Protocol Community Accounting and Reporting Standard (GHG Protocol). In line with the Kyoto Protocol, the baseline year is 1990. Global warming potential is relative to a 100-year time horizon. Our GHG emission disclosures encompass all subsidiaries and generation assets (including leased assets) that are fully consolidated in E.ON's financial statements or in which E.ON owns a majority stake. Subsidiaries and generation assets with less than 50 employees do not need to be included if their activities in different Scope 1 – 3 categories do not exceed a certain CO_2e materiality threshold in relation to the E.ON Group.
305-2: Energy indirect (Scope 2) GHG emissions	→ Climate Protection Our disclosures are based on CO_2 equivalents, which include CH_4, N_2O, and CO_2 emissions. For baseline year and consolidation approach, see 305-1.
305-3: Other indirect (Scope 3) GHG emissions	→ Climate Protection We do not record emissions from the combustion or biodegradation of biomass that occur in our upstream value chain. Our disclosures are based on CO_2 equivalents, which include CH_4, N_2O, and CO_2 emissions. For baseline year and consolidation approach, see 305-1.

GRI Disclosure	References and Comments
GRI 400: Social	
GRI 401: Employment (2016)	
401-1: New employee hires and employee turnover	→ Working Conditions and Employee Development → ESG Figures Our disclosures on new employee hires and employee turnover include numbers for the entire group. More detailed disclosures are not relevant.
GRI 403: Occupational health and safety (2018)	
403-1: Occupational health and safety management system	→ Occupational Health and Safety Our occupational health and safety management system has not been implemented due to legal requirements. They are part of our commitment as a responsible company and are completely based on ISO standards.
403-2: Hazard identification, risk assessment, and incident investigation	→ Occupational Health and Safety
403-3: Occupational health services	→ Occupational Health and Safety
403-4: Worker participation, consultation, and communication on occupational health and safety	→ Occupational Health and Safety
403-5: Worker training on occupational health and safety	→ Occupational Health and Safety
403-6: Promotion of worker health	→ Occupational Health and Safety
403-7: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	→ Occupational Health and Safety
403-8: Workers covered by an occupational health and safety management system	→ Occupational Health and Safety
403-9: Work-related injuries	→ Occupational Health and Safety At E.ON, reporting of accident numbers is carried out with the following key figures: • "Serious Incident and Fatality Frequency Rate" (SIF) – accidents and incidents that have caused serious or fatal injuries and that surpass a predefined severity threshold • "Total Recordable Injury Frequency" (TRIF) – number of work-related accidents and illnesses with and without lost working time • "Lost Time Injury Frequency" (LTIF) – work-related accidents with lost working time • "Near Miss Frequency Rate" (NMFR) - an unplanned event that had the potential to result in an accident but did not All indicators are reported for both E.ON employees and contractors' employees. A breakdown by gender is not applicable as we believe this would not provide useful information. Instead of breaking TRIF down by country, we do so by segment.
403-10: Work-related ill health	→ Occupational Health and Safety
GRI 404: Training and education (2016)	
404-2: Programmes for upgrading employee skills and transition assistance programmes	→ Working Conditions and Employee Development
GRI 405: Diversity and Equal Opportunity (2016)	
405-1: Diversity of governance bodies and employees	→ Working Conditions and Employee Development → Diversity and Inclusion → ESG Figures

GRI Disclosure	References and Comments
GRI 412: Human rights assessment (2016)	
412-2: Employee training on human rights policies or procedures	→ Human Rights and Supply Chain Management Our disclosures include the total number of procurement personnel who attended live online training sessions as well as the percentage of employees that used our group-wide self-paced eLearning module on human rights and data and cyber security.
GRI 418: Customer privacy (2016)	
418-1: Substantiated complaints concerning breaches of customer privacy and losses of customer data	→ Data Protection, Cybersecurity, and Product Safety Due to confidentially constraints and the sensitivity of such data, we are unable to provide information about substantiated complaints concerning data breaches.
GRI G4 Sector Disclosures Electric Utilities: Access (2013)	
G4-EU28: Power outage frequency (SAIFI)	→ Security of Supply
G4-EU29: Average power outage duration (SAIDI)	→ Security of Supply

Non-Financial Statement ("NFS") Index

The NFS Index shows where in the integrated Report 2022 the required content of the German CSR Directive Implementation Act (Section 315b, 315c in conjunction with Sections 289b to 289e of the German Commercial Code (German abbreviation: "HGB")) are disclosed.

In addition, E.ON reports in line with reporting requirements of Regulation 2020/852 of the European Parliament and of the Council ("EU Taxonomy") in the chapter entitled EU Taxonomy as well as in the EU Taxonomy section in the chapter Other Information.

Aspects Subject to Reporting Requirements	Integrated Report 2022
Business model	→ Business Model
Risks	→ Risk and Chances Report
Environmental matters	→ Climate Protection → Sustainable Products and Services*
Employee matters	→ Occupational Health and Safety* → Working Conditions and Employee Development* → Diversity and Inclusion*
Social matters	→ Security of Supply → Energy Affordability → Customer Satisfaction* → Data Protection, Cyber Security and Product Safety* → Business Resilience Management*
Human rights	→ Human Rights and Supply Chain Management*
Combating corruption and bribery	→ Compliance and Anti-corruption*

*Topics identified as not material in E.ON's 2022 materiality analysis, but reported due to its relevance for various stakeholders and for environmental, social, and governance ("ESG") rankings and ratings.

Sustainable Development Goals ("SDG") Index

The following index presents E.ONs reported sustainability activities in the context of the United Nations Sustainable Development Goals ("SDGs").

Contribution to UN Sustainable Development Goals	Reference
3 GOOD HEALTH AND WELL-BEING	→ Occupational Health and Safety → Human Rights and Supply Chain Management
4 QUALITY EDUCATION	→ Working Conditions and Employee Development → Diversity and Inclusion
5 GENDER EQUALITY	→ Working Conditions and Employee Development → Diversity and Inclusion
	→ Climate Protection → Energy Affordability → Security of Supply → Sustainable Products and Services
8 DECENT WORK AND ECONOMIC GROWTH	→ Working Conditions and Employee Development → Compliance and Anti-corruption → Human Rights and Supply Chain Management
9 INDUSTRY, INNOVATION AND INFRASTRUCTURE	→ Security of Supply → Sustainable Products and Services
11 SUSTAINABLE CITIES AND COMMUNITIES	→ Security of Supply → Sustainable Products and Services
12 RESPONSIBLE CONSUMPTION AND PRODUCTION	→ Climate Protection → Environmental Management → Human Rights and Supply Chain Management → Sustainable Products and Services → EU Taxonomy
13 CLIMATE ACTION	→ Climate Protection → Sustainable Products and Services → EU Taxonomy
17 PARTNERSHIPS FOR THE GOALS	→ ESG Materiality and Stakeholder Engagement → Community Involvement → Sustainable Products and Services

Sustainable Accounting Standards Board ("SASB") Index

Accounting Metric	Category	Code	Response
Greenhouse Gas Emissions & Energy Resource Planning			
(1) Gross global Scope 1 emissions, percentage covered under (2) emissions-limiting regulations, and (3) emissions-reporting regulations	Quantitative	IF-EU-110a.1	Scope 1: 2.88 million metric tons of CO_2e E.ON discloses its Scope 1, 2, and 3 GHG emissions. Our disclosures are based on CO_2 equivalents, which include GHG in correspondence with the GHG Protocol. In line with the Kyoto Protocol, the baseline year is 1990. GWP is relative to a 100-year time horizon. Our GHG emission disclosures encompass all subsidiaries and generation assets (including leased assets) that are fully consolidated in E.ON's financial statements or in which E.ON owns a majority stake. Subsidiaries and generation assets with less than 50 employees are not included if their activities in different Scope 1 – 3 categories do not exceed a certain threshold in relation to the E.ON Group. The percentage of Scope 1 GHG emissions covered under emissions-limiting regulation or emissions reporting-based regulations (EU ETS allowances and the Swedish Carbon Tax) is approximately 11 percent. → Climate Protection
Greenhouse gas ("GHG") emissions associated with power deliveries	Quantitative	IF-EU-110a.2	Purchased power sold to end-customers (location-based)[1]: 40.48 million metric tons of CO_2e[2,3] Purchased power sold to end-customers (market-based)[1]: 42.51 million metric tons of CO_2e[2,3] Power distribution losses (location-based)[4]: 3.14 million metric tons of CO_2e[2] Power distribution losses (market-based)[5]: 5.52 million metric tons of CO_2e[2,6] → Climate Protection

Accounting Metric	Category	Code	Response
Discussion of long-term and short-term strategy or plan to manage Scope 1 emissions, emissions reduction targets, and an analysis of performance against those targets	Discussion and Analysis	IF-EU-110a.3	A discussion and/or analysis of the following topics can be found in the linked sources below: • our long- and short-term strategy to manage our emissions • our emission reduction targets • our performance against our reduction targets • our strategy to manage risks and opportunities associated with GHG emissions • our activities and investments required to achieve targets and related risks • the scope of our strategies, plans, and targets • our reduction strategies that are not related to any emissions limiting and/or emissions reporting-based program → Climate Protection → Sustainable Products and Services → ESG Figures → On course for net zero—Supporting paper for E.ON's decarbonization strategy and climate-related disclosures—Climate change action
(1) Number of customers served in markets subject to renewable portfolio standards (RPS) and (2) percentage fulfillment of RPS target by market	Quantitative	IF-EU-110a.4	Data are not available. RPS mechanisms are commonly used in the United States. As E.ON operates in European countries, where the standards are not widely adopted, it is not applicable for E.ON.
Air Quality			
Air emissions of the following pollutants: (1) NOx (excluding N_2O), (2) SOx, (3) particulate matter (PM10), (4) lead (Pb), and (5) mercury (Hg); percentage of each in or near areas of dense population	Quantitative	IF-EU-110a.2	NOx emissions: 2,690 metric tons[7] SO_2 emissions: 652 metric tons[7] Dust emissions: 51 metric tons[7] Fossil-fueled power plants emit nitric oxide ("Nox"), sulfur dioxide ("SO_2"), and dust. This type of power generation is no longer a core E.ON business. We therefore no longer consider it a key indicator. We now focus on small-scale, embedded generation units. Our NOx, SO_2, and dust emissions are mostly attributable to small-scale gas-fired combined-heat-and-power (CHP) plants and larger district heat networks. Data on lead (Pb), mercury (Hg), and the percentage of each indicator in or near areas of dense population are not available as they are not relevant for E.ON. → Environmental Management

Accounting Metric	Category	Code	Response
Water Management			
1) Total water withdrawn, (2) total water consumed, percentage of each in regions with High or Extremely High Baseline Water Stress	Quantitative	IF-EU-140a.1	E.ON's water consumption from decentralized energy generation (Core business): <1 million cubic meters Fresh water withdrawal (PreussenElektra): 245.3 million cubic meters Fresh water consumption (PreussenElektra): 28.9 million cubic meters E.ON's core business and nuclear power business operate in European countries where the overall water risk is low to intermediate which leads at present to 0 percent for regions with high or extremely high baseline water stress. → Environmental Management → ESG Figures
Number of incidents of non-compliance associated with water quantity and/or quality permits, standards, and regulations	Quantitative	IF-EU-140a.2	Number of environmental incidents of non-compliance associated with water: Two One incident occurred in Sweden, one in Germany. The severity of both incidents was low.
Description of water management risks and discussion of strategies and practices to mitigate those risks	Quantitative	IF-EU-140a.3	E.ON's water-related activities involve the withdrawal of cooling water for the NPP operated by PreussenElektra, the withdrawal of fresh water by E.ON's water supply subsidiaries (such as RWW and Avacon Wasser), and smaller amounts relating to our distributed energy business. In addition, LEW operates a number of small and medium-sized run-of-river power plants in Germany with an installed capacity of 0.5 to 12 MW per plant. These plants accounted for about 0.02 percent of E.ON's total power generation in 2022. Based on available data, E.ON estimates the current and the possibility of future water scarcity in the relevant regions where E.ON uses freshwater for its operations to be generally low. Descriptions of strategies and actions to minimize residual risks can be found under the following chapters: → Environmental Management → ESG Figures
Coal Ash Management			
Amount of coal combustion residuals ("CCR") generated, percentage recycled	Quantitative	IF-EU-150a.1	Not applicable.
Total number of coal combustion residual ("CCR") impoundments, broken down by hazard potential classification and structural integrity assessment	Quantitative	IF-EU-150a.2	Not applicable.

Accounting Metric	Category	Code	Response
Energy Affordability			
Average retail electric rate for (1) residential, (2) commercial, and (3) industrial customers	Quantitative	IF-EU-240a.1	Data are not available and, in any case, differ by region and customer group.
Typical monthly electric bill for residential customers for (1) 500 kWh and (2) 1,000 kWh of electricity delivered per month	Quantitative	IF-EU-240a.2	Data are not available.
Number of residential customer electric disconnections for non-payment, percentage reconnected within 30 days	Quantitative	IF-EU-240a.3	In 2022, 15,400 electricity and gas customers were disconnected, 90 percent of whom were electricity customers. This figure refers only to customers of E.ON Energie Deutschland GmbH. Data from other entities are not available at the time of publication. Data on the number of customers reconnected within 30 days are not available. → Energy Affordability
Discussion of impact of external factors on customer affordability of electricity, including the economic conditions of the service territory	Discussion and Analysis	IF-EU-240a.4	Information is not available.
Workforce Health and Safety			
(1) Total recordable incident rate ("TRIR"), (2) fatality rate, and (3) near miss frequency rate ("NMFR")	Quantitative	IF-EU-320a.1	E.ON uses the following key performance indicators to monitor and report incidents: Total recordable injury frequency (employee "TRIF"): 2.9 per million hours of work[8] Serious incident and fatality rate (employee "SIF"): 0.04 per million hours of work[9] Lost-time injury frequency (employee "LTIF"): 2.1 per million hours of work[10] Near miss frequency rate ("NMFR"): 36 per million hours of work[11] Fatal accidents: 3 TRIF, SIF, LTIF and fatal accidents are reported for both E.ON employees and contractors' employees, the latter are disclosed in the chapter. NMFR is only reported for E.ON employees. Data on the total recordable incident rate ("TRIR") are not available. → Occupational Health and Safety → ESG Figures

Accounting Metric	Category	Code	Response
End-Use Efficiency and Demand			
Percentage of electric utility revenues from rate structures that (1) are decoupled and (2) contain a lost revenue adjustment mechanism (LRAM)	Quantitative	IF-EU-420a.1	Data are not available.
Percentage of electric load served by smart grid technology	Quantitative	IF-EU-420a.2	Data are not available as E.ON's control system do not differentiate between conventional and smart grids. Our distribution grids are getting progressively smarter, which enables them to integrate more renewable energy and manage increasingly complicated energy flows in real time while remaining reliable. Green power sales: 68,740,886 mWh
Customer electricity savings from efficiency measures, by market	Quantitative	IF-EU-420a.3	Data on customer electricity savings from efficiency measures are not available.
Nuclear Safety and Emergency Management			
Total number of nuclear power units, broken down by U.S. Nuclear Regulatory Commission (NRC) Action Matrix Column	Quantitative	IF-EU-540a.1	The PreussenElektra unit (Non-Core Business) is responsible for eight nuclear power plants (NPPs) in Germany. Seven have been decommissioned and are in various stages of being dismantled. Due to political decisions made in the year under review, Isar 2 NPP will continue to operate until April 15, 2023, after which electricity production will cease. A breakdown of our nuclear power units by U.S. Nuclear Regulatory Commission Action Matrix is not applicable.
Description of efforts to manage nuclear safety and emergency preparedness	Discussion and Analysis	IF-EU-540a.2	PreussenElektra is fully integrated into our safety organization and embraces our high standards. Its extensive experience in plant operations and decommissioning helps it to further optimize its health and safety processes and procedures. → Occupational Health and Safety → Business Resilience Management

Accounting Metric	Category	Code	Response
Grid Resiliency			
Number of incidents of non-compliance with physical and/or cybersecurity standards or regulations	Quantitative	IF-EU-550a.1	Data are not available.
(1) System Average Interruption Duration Index (SAIDI), (2) System Average Interruption Frequency Index (SAIFI), and (3) Customer Average Interruption Duration Index (CAIDI), inclusive of major event days	Quantitative	IF-EU-550a.2	**SAIDI power 2022**[12]

Minutes per year	Scheduled	Unscheduled	**Total**
Germany[13]	7	16	**24**
Sweden	30	91	**121**
Hungary[14]	87	54	**141**
Czech Rebuplic[15]	144	308	**451**
Romania	293	89	**382**
Slovakia[15]	80	66	**146**
Poland[14]	11	39	**50**

SAIFI power 2022[12]

Interruptions per customer per year	Scheduled	Unscheduled	**Total**
Germany[13]	0.3	0.6	**0.9**
Sweden	0.4	1.3	**1.7**
Hungary[14]	0.3	0.8	**1.1**
Czech Rebuplic[16]	0.6	0.5	**1.1**
Romania	0.8	0.9	**1.7**
Slovakia[16,17]	0.4	0.9	**1.3**
Poland[14]	0.1	0.9	**1.0**

Accounting Metric	Category	Code	Response

CAIDI power 2022[12]

Interruptions per minute	Scheduled	Unscheduled	**Total**
Germany[13]	83	53	**59**
Sweden	136	89	**87**
Hungary[14]	286	72	**132**
Czech Rebuplic[16]	267	74	**160**
Romania	313	102	**159**
Slovakia[16]	224	66	**110**
Poland[14]	59	55	**56**

→ Security of Supply
→ ESG Figures

[1]Scope 3 emissions from purchased power and the combustion of natural gas sold to end users (energy sold to our residential and B2B customers), according to the GHG Scope 3 protocol. The emissions from distribution losses from energy sold to sales partners and the wholesale market are accounted for under our Scope 1 and Scope 2 emissions accordingly.
[2]Includes Slovakia, in which we have a 49 per cent stake.
[3]Includes purchased power at EV charging points owned by E.ON and accessible by the public.
[4]Based on the emission factors of the national electricity mixes for specific geographic regions (source: IEA).
[5]Based on the emission factors of the national residual mixes for specific geographic regions. A country's residual mix emission factor represents the emissions and generation that remain after certificates, contracts, and supplier-specific factors have been claimed and removed from the calculation (source: EPA).
[6]Power distribution losses in Sweden were completely offset by the purchase of green electricity.
[7]For generation assets over 20 MW.
[8]TRIF measures the number of reported fatalities and occupational injuries and illnesses per million hours of work. It includes injuries that occur during work-related travel that result in lost time or no lost time and/or that lead to medical treatment, restricted work, or work at a substitute work station.
[9]Serious incidents and fatalities measures accidents and incidents that have caused serious or fatal injuries and that surpass a predefined severity threshold per million hours of work.
[10]Lost-time injury frequency measures work-related accidents resulting in lost time per million hours of work.
[11]Near-miss frequency rate measures unplanned incidents that had the potential to result in an accident (but did not) per million hours of work.
[12]Figures are for the respective previous year: 2021 for 2020, 2020 for 2019, and so forth. Totals may deviate due to rounding.
[13]Unscheduled figures do not include force majeure events; the flood event in the Ahr valley was therefore not taken into account.
[14]Unscheduled figures do not include force majeure events.
[15]Due to a change in scope, unscheduled figures for 2022 (as opposed to previous years) include force majeure events and vandalism.
[16]Unscheduled figures do not include force majeure events and vandalism.

Accounting Metric	Category	Code	Response
Number of: (1) residential, (2) commercial, and (3) industrial customers served mechanism (LRAM)	Quantitative	IF-EU-000.A	Number of power and gas customers in Europe: 35.9 million A more detailed breakdown of our customer groups cannot be provided. → ESG Figures
Total electricity delivered to: (1) residential, (2) commercial, (3) industrial, (4) all other retail customers, and (5) wholesale customers	Quantitative	IF-EU-000.B	**Power Sales**

	Germany	United Kingdom	The Netherlands	Other	Total
Billion kWh			**2022**		
Residential and SME	33.2	19.9	5.3	23.6	82.0
I&C	27.6	26.1	2.6	16.2	72.6
Sales partners	18.8	2.4	-	5.5	26.7
Customer groups	**79.6**	**48.4**	**7.9**	**45.3**	**181.3**
Wholesale market	53.5	6.0	11.2	9.8	80.4
Total	**133.1**	**54.4**	**19.1**	**55.1**	**261.7**

→ Sustainable Products and Services

Length of transmission and distribution lines	Quantitative	IF-EU-000.C	Total length of power networks: 1,107 thousand kilometers Total length of gas networks: 146 thousand kilometers[2] → ESG Figures
Total electricity generated, percentage by major energy source, percentage in regulated markets	Quantitative	IF-EU-000.D	Owned generation by energy source in percentages Natural gas/oil: 4.8 Nuclear (Non-Core Business)[1]: 87.1 Coal: 0.1 Other (includes biomass, wind and solar): 8.0 → ESG Figures
Total wholesale electricity purchased	Quantitative	IF-EU-000.E	Data are not available.

[1]E.ON's nuclear power generation will end April 15, 2023, with the shutdown of Isar 2, due to Germany's phaseout of nuclear power.

[2]Excluding Croatia.

Financial Calendar

May 10, 2023	**Quarterly Statement: January – March 2023**
May 17, 2023	**2023 Annual Shareholders Meeting**
August 9, 2023	**Half-Year Financial Report: January – June 2023**
November 8, 2023	**Quarterly Statement: January – September 2023**
March 13, 2024	**Release of the 2023 Integrated Annual Report**
May 15, 2024	**Quarterly Statement: January – March 2024**
May 16, 2024	**2024 Annual Shareholders Meeting**
August 14, 2024	**Half-Year Financial Report: January – June 2024**
November 14, 2024	**Quarterly Statement: January – September 2024**

This Integrated Annual Report was published on March 15, 2023.

Only the German version of this Integrated Annual Report is legally binding.

This Integrated Annual Report contains certain forward-looking statements based on E.ON management's current assumptions and forecasts and other currently available information. Various known and unknown risks, uncertainties, and other factors could lead to material differences between E.ON's actual future results, financial situation, development, or performance and the estimates given here. E.ON assumes no liability whatsoever to update these forward-looking statements or to confirm them to future events or developments.

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