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Press Release >

Annual General Meeting: EnBW to invest a record €40 billion in the energy transition by 2030

- **New EnBW CEO Georg Stamatelopoulos looks back on very successful 2023 financial year and confirms guidance for 2024**
- **Proposed dividend of €1.50 per share, up 36% on previous year**
- **EnBW CEO emphasizes the importance of a stable regulatory framework and clarity in energy policy**
- **Energy transition is creating jobs: EnBW plans to hire around 10,000 skilled employees by 2026**

Stuttgart. EnBW is to invest around €40 billion in the energy transition by 2030. As before, the focus will be on the expansion of renewable energies and of the electricity and gas grids. For a secure supply of energy, hydrogen-ready power plants are planned that can go onstream at any time when there is a lack of wind or sun. EnBW is developing products and solutions for customers that map out a smart and innovative path to climate neutrality. "This is the largest investment program in our corporate history. As Germany's only remaining integrated energy company, we see ourselves as having a special role and responsibility to make a decisive contribution to the success of the energy transition," emphasized EnBW's new Chief Executive Officer Georg Stamatelopoulos at today's Annual General Meeting, which was broadcast virtually from the EnBW headquarters in Stuttgart. On behalf of the entire EnBW Board of Management, he thanked his predecessor Andreas Schell for his commitment and welcomed Peter Heydecker as the new Board of Management member for Sustainable Generation Infrastructure.

Regarding the company's current and future strategic direction, the EnBW CEO explained: "We cover all stages of the value chain and understand every step, from generation to grids to the customer. Above all, we understand the interrelations between the various stages. This allows us to make better capitalize on opportunities and better balance risks. Thanks to this breadth of knowledge and expertise, EnBW plays a special role in implementing the energy transition. This is reflected in the EnBW 2025 Strategy, which serves us as a very good basis and which we plan to extend in essence through to 2030. It goes without saying that we will adapt and revise our strategic goals and plans in line with current and future changes in the operating environment. We will take time for this review in the months ahead," Stamatelopoulos explained.

He also emphasized that the considerable investment spending planned to implement the strategy will represent a major financial undertaking for the company. "That is why we have to be financially successful, because it is our profits that make these investments possible, and these enable the energy transition. And the success of the energy transition is in everyone's

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interest.” The fact that EnBW achieved very healthy results in the 2023 financial year is therefore positive for both the company and the energy transition, he added.

Exceptionally high operating result: proposed dividend of €1.50 per share

EnBW generated an exceptionally high Group operating result in the 2023 financial year. Adjusted EBITDA, at around €6.4 billion, was 60% higher than in the previous year. This is EnBW’s seventh increase in earnings in a row. “We owe this gratifying result first and foremost to the outstanding performance and strong motivation of our employees. Our workforce is the most important factor in EnBW’s past and future success, which goes hand in hand with the success of the energy transition,” Stamatelopoulos said.

In view of the good result, the EnBW Board of Management proposed a dividend of €1.50 per share at the Annual General Meeting. Last year’s dividend was €1.10 per share. This corresponds to a 36% increase on the previous year and a moderate 15% payout ratio. It allows more resources to be channeled into growth projects to implement the energy transition at EnBW, Stamatelopoulos explained.

2024 guidance: earnings below last year but still at a high level

For the current financial year, the EnBW CEO confirmed the existing guidance. EnBW expects adjusted EBITDA at Group level of between €4.6 billion and €5.2 billion. “This is significantly below last year’s earnings, which were partly due to exceptional market conditions that will not recur in the same way in the current year.” However, our earnings forecast for 2024 is at a high level and above our earnings in 2022.” This reflects the company’s lasting financial strength,” Stamatelopoulos explained.

Specifically, for each of the segments, the earnings guidance for 2024 is as follows: Adjusted EBITDA in the segment Sustainable Generation Infrastructure is expected to be down, at between €2.6 billion and €3.1 billion. This is because market volatility is decreasing and EnBW expects to sell the generated electricity volumes at lower prices than in 2023. Renewables are expected to contribute around €1.3 billion to adjusted EBITDA. In the segment System Critical Infrastructure, adjusted EBITDA is expected to be between €1.9 billion and €2.2 billion. The segment Smart Infrastructure for Customers is expected to contribute between €250 million and €350 million to Group adjusted EBITDA this year.

EnBW's investment program needs stable regulatory framework and skilled labor

Emphasizing the contribution that EnBW intends to make with its planned investments of some €40 billion, Georg Stamatelopoulos said: “With this investment program, we are doing what society demands and policymakers urgently want to see: As a private-sector player, we are leading the way to make our contribution to a sustainable energy future.” In this connection, he emphasized the importance of a stable energy policy framework, clear conditions for investment and prospects for the long-term refinancing of investment funding. The company therefore pays close attention to the relevant policymaking discussions and processes, he said. A lot of progress has already been made here, he added, but important points still need

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clarification. With a view to the German government's power plant strategy, for example, he said: If the power plants are to be built in the near future, we need clarity about the future investment environment even sooner. Above all, the first tenders have to be issued this year."

The EnBW CEO ended his remarks with a topic that is becoming increasingly important for the energy transition and its successful implementation: the need for skilled labor. By 2026, EnBW intends to hire around 10,000 more employees. This includes 2,500 new jobs. "We welcome everyone who joins us in advancing the energy transition."

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