Investor and analyst conference call FY 2021

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23 March 2022

Resilient business model in times of market volatility and geopolitical change
Strategy EnBW 2025 – shaping the infrastructure world of tomorrow

Our exposure to Russia

Natural gas

EnBW

No direct import contracts

VNG

2 direct import contracts
1 ending Dec. 2022

2021: 99 of 495 TWh
2022: ~100 TWh
2023 – 2030: ~65 TWh p.a.

Diversification

Option to use LNG, VNG's extensive gas storage inventory, source internationally

Coal

EnBW

86% imported from Russia (~3.6 m t) in 2021
Additional coal supplies from Colombia and South Africa

Diversification

Screening of potential new coal suppliers already started at year-end 2021 e.g. the US, Australia and Indonesia

Integrated set up along entire value chain - resilient business model

Smart infrastructure for customers

System-critical infrastructure

Sustainable generation infrastructure

Strategy EnBW 2025 and beyond focuses on infrastructure and is supported by national and European goals

EnBW manages risk proactively and successfully

Planning cash flow and hedging generation margins forward

Generation hedge (Own generation 2021: 42 TWh)

- Margins locked in by selling generation forward into the market
- Significant margin calls comfortably served at all times
- 2022 entirely hedged: No material impact on earnings expected

Hedge levels[1]

2022: 100%
2023: 60 – 90%
2024: 30 – 50%

Diversified debt instruments

Bilateral bank lines,
syndicated credit facility,
commercial papers programme,
bonds, bank loans,
promissory notes, etc.

Forward-looking liquidity management

- Liquidity risk covered in advance with operational liquidity sources
- Limitation of counterparty risks
- Careful evaluation of different scenarios including stress tests
- Forecast of potential short- and long-term margin movements

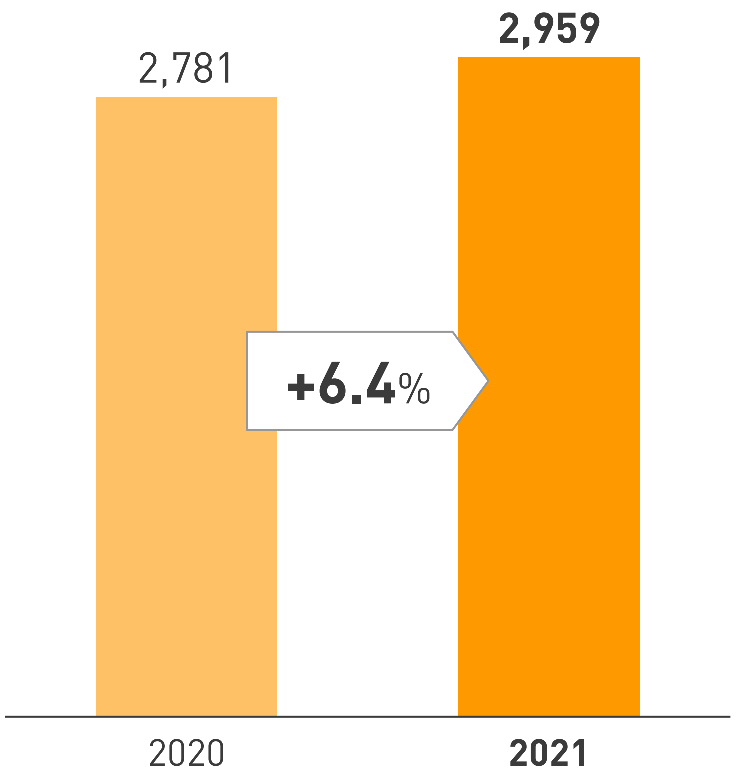
Proactive further strengthening of the liquidity position

- Active management of hedging position
- Adding bilateral bank lines
- Drawing EnBW's syndicated loan
- Use of commercial paper

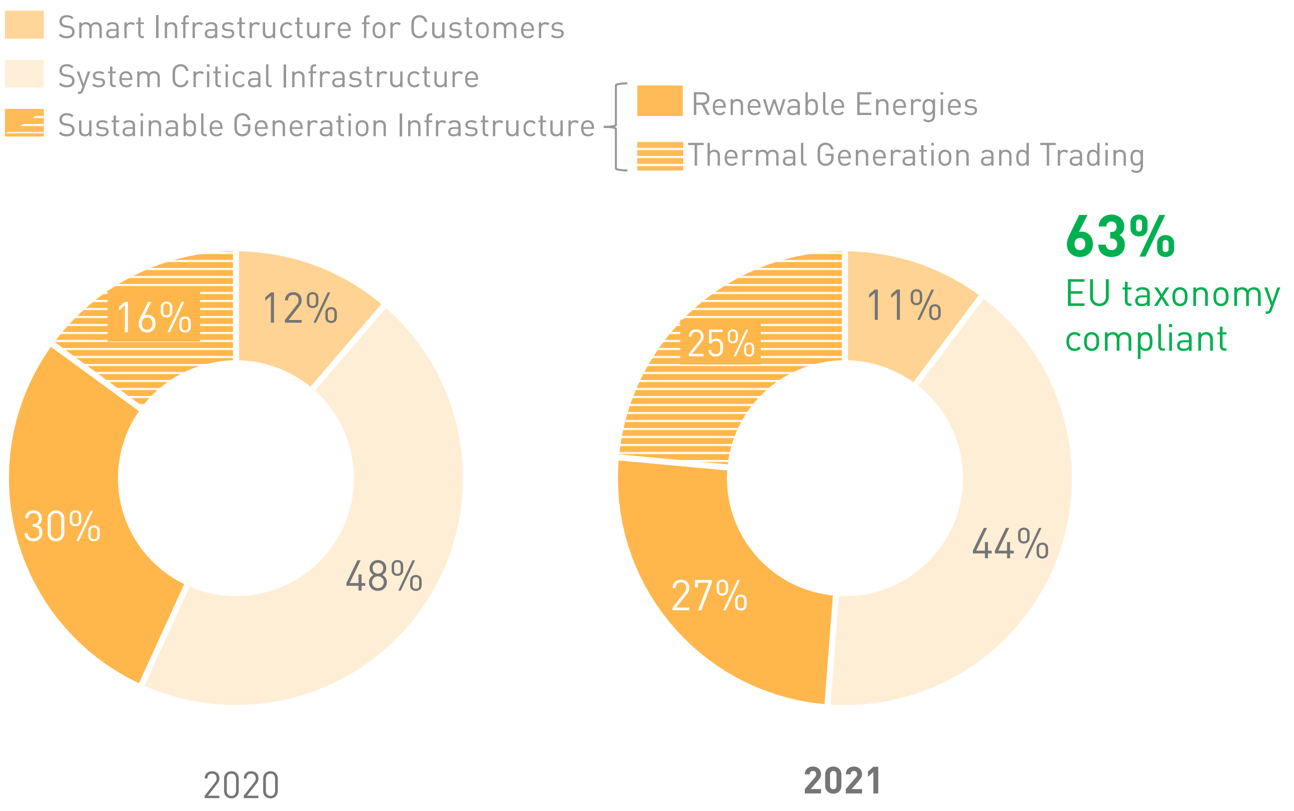
[1] As of 31 December 2021

Positive earnings development at upper end of forecast range

Adjusted EBITDA
in € m



Share of adjusted EBITDA by segments[1]

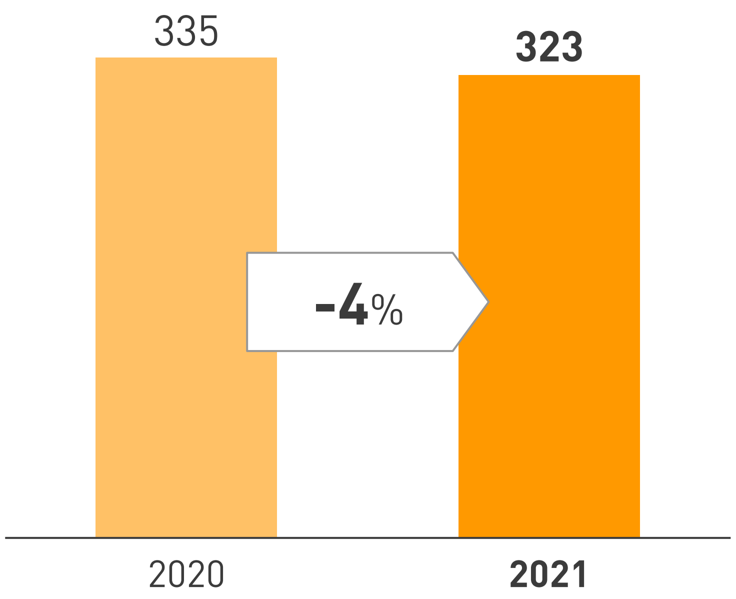


[1] Divergence from 100% due to others/consolidation

Smart Infrastructure for Customers

Positive development in underlying business overcompensated by rising procurement costs for basic service

Adjusted EBITDA
in € m

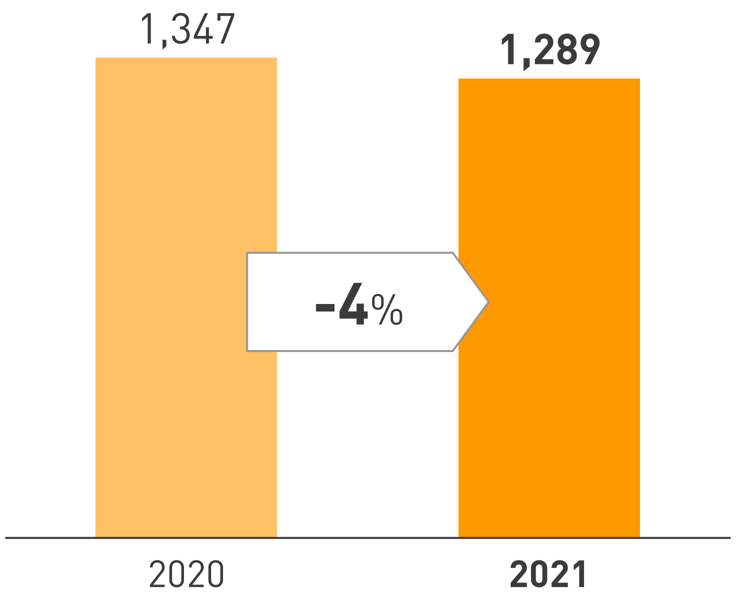


Electricity and gas sales

- ▲ Improved earnings in commodity business
- ▼ Unpredictable increase in number of customers in basic service led to substantial additional procurement cost
- ▼ Bad debt allowances

System Critical Infrastructure
Higher expenses to maintain security of supply

Adjusted EBITDA
in € m

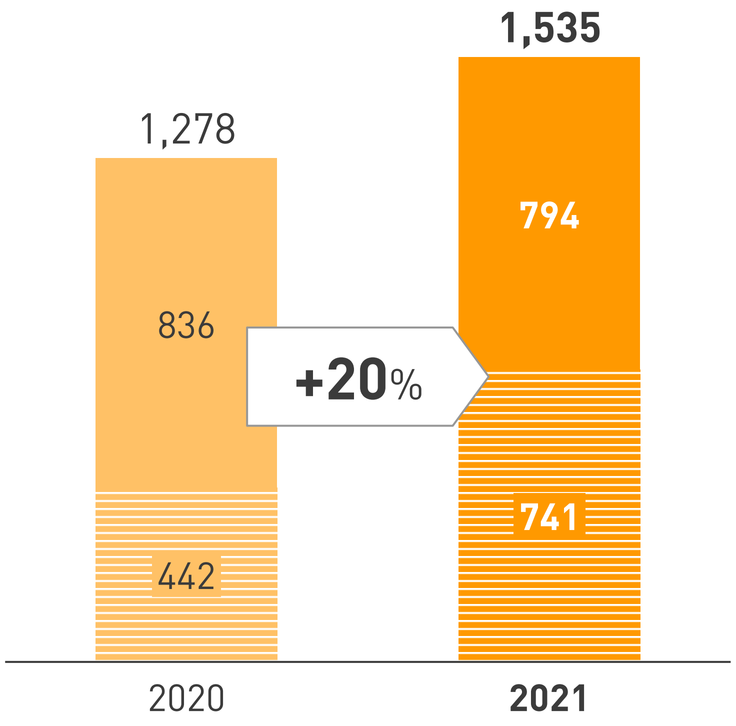


Transmission and distribution grids

- ▲ Higher grid revenues
- ▼ Higher expenses for plants in grid reserve and procurement of balancing energy to maintain security of supply
- ▼ Higher personnel expenses due to necessary grid expansion

Sustainable Generation Infrastructure
Forecast range exceeded due to high market volatility

Adjusted EBITDA
in € m



Renewable Energies

- Lower wind yields compared to previous year and long-term average

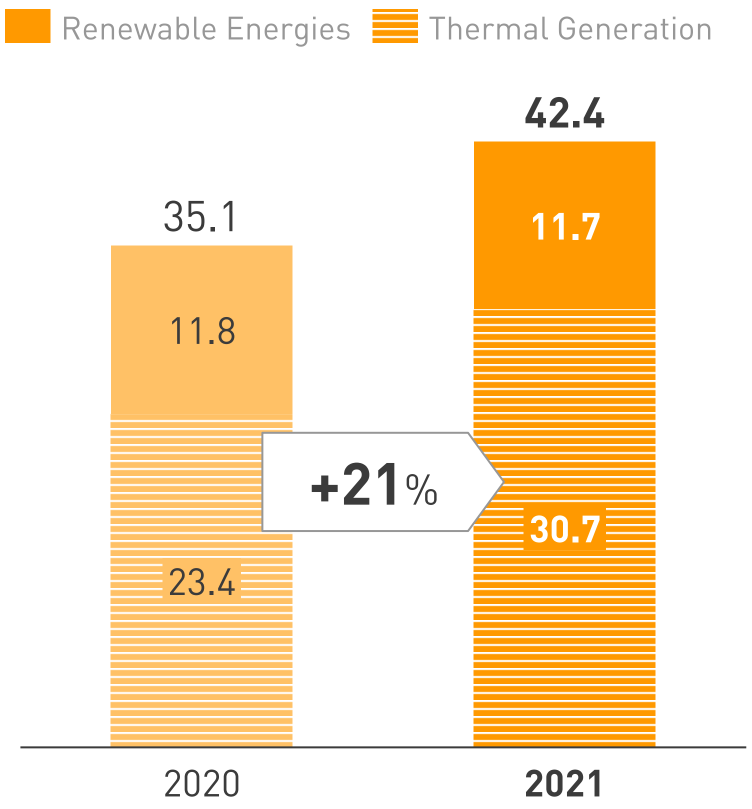
Thermal Generation and Trading

- Increased volatility on wholesale markets led to significant contribution from trading activities in electricity and gas

Thermal Generation high due to market-driven developments

Electricity generation volume

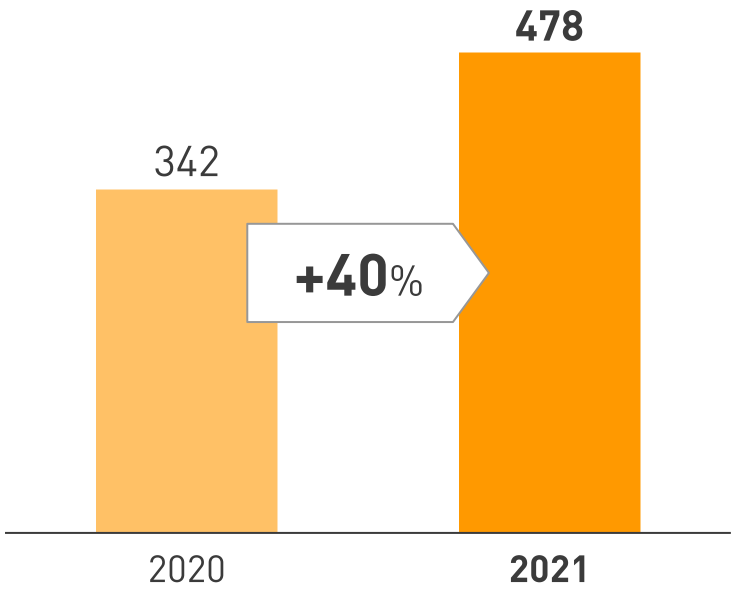
in TWh



CO_2 intensity

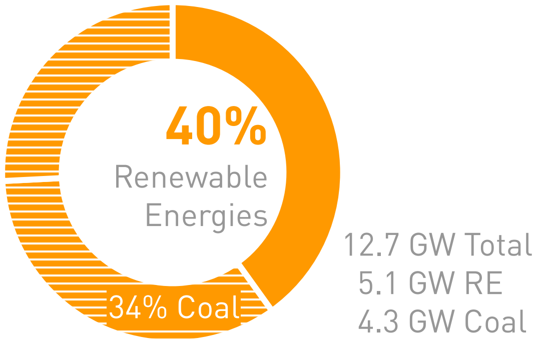
in g/kWh

Target range 2025: 387 - 470g/kWh



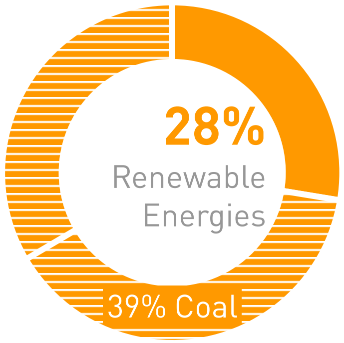
Electricity generation capacity[1]

in %



Electricity generation volume[2]

in %



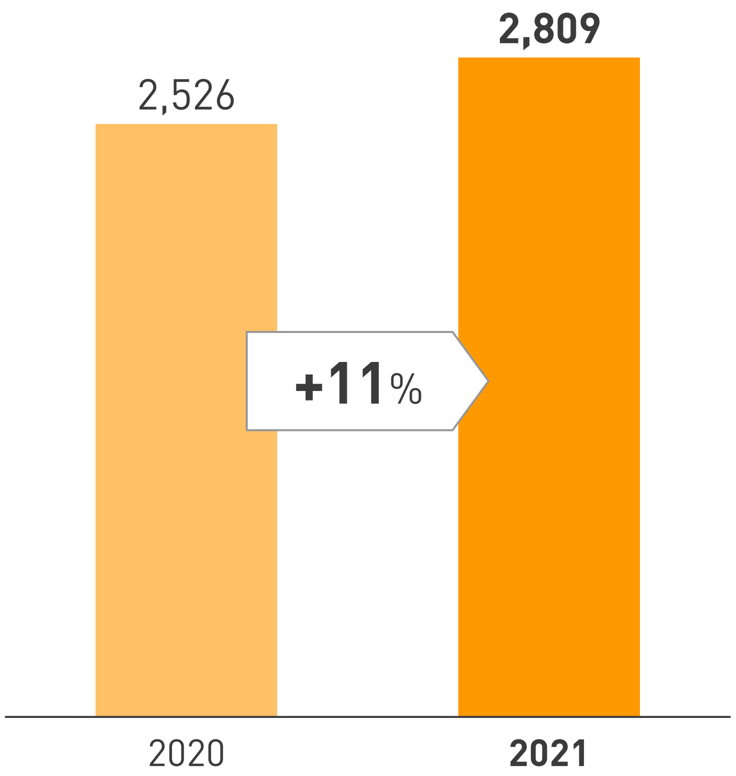
Gradual coal phase-out and climate neutrality by 2035

[1] As of 31. December 2021
[2] 2021

Investments focused on energy transition

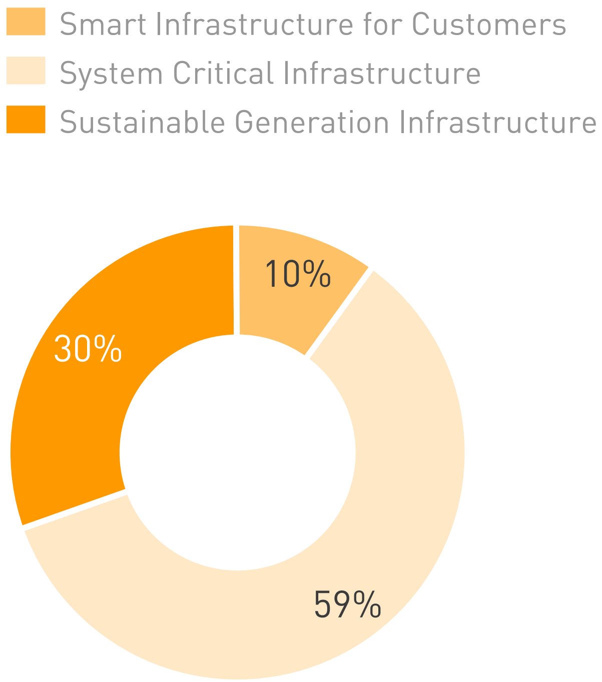
EnBW

Total investments
in € m



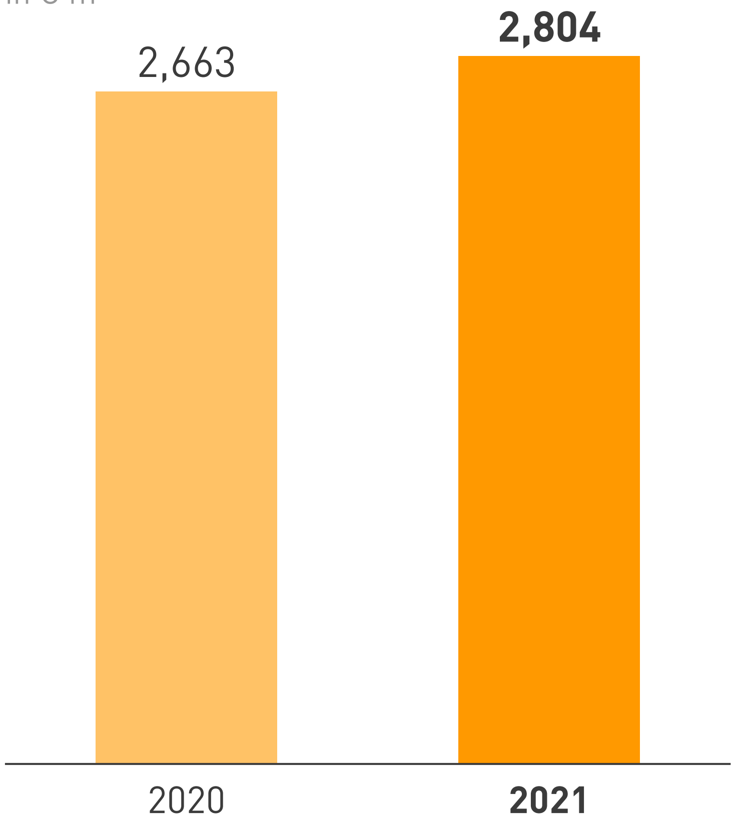
Net cash investment by segments

72% growth



Higher RCF mainly due to increase in EBITDA

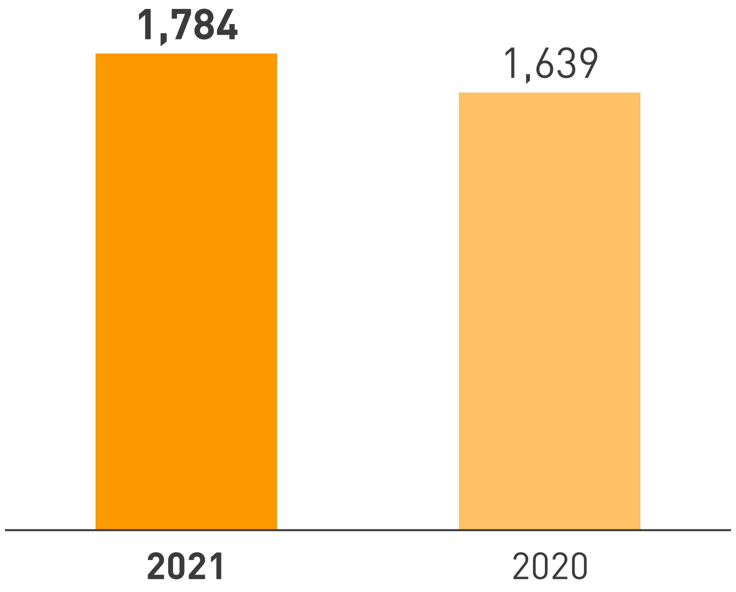
EBITDA
in € m



in € m

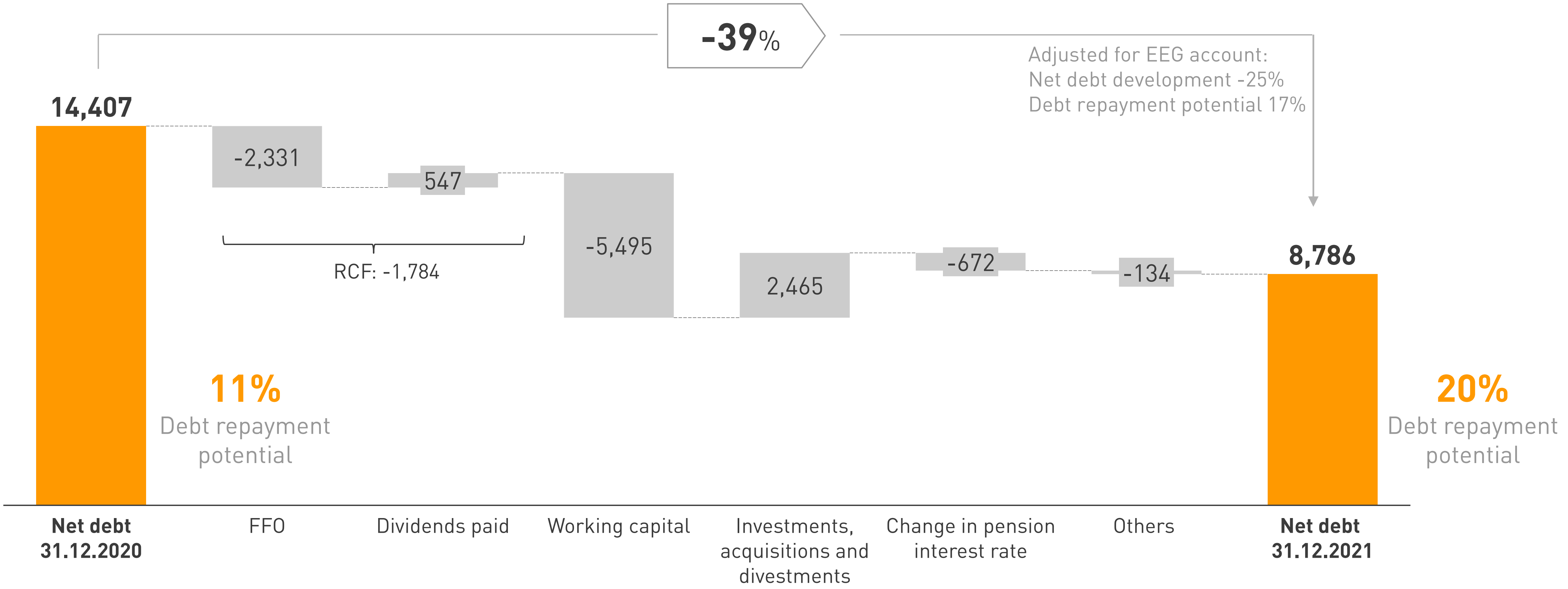
Provisions	-104
Taxes	-201
Non-cash items	-396
Net interest/ dividends received	+45
Contribution from dedicated financial assets	+185
Dividends paid	-547

Retained cash flow
in € m



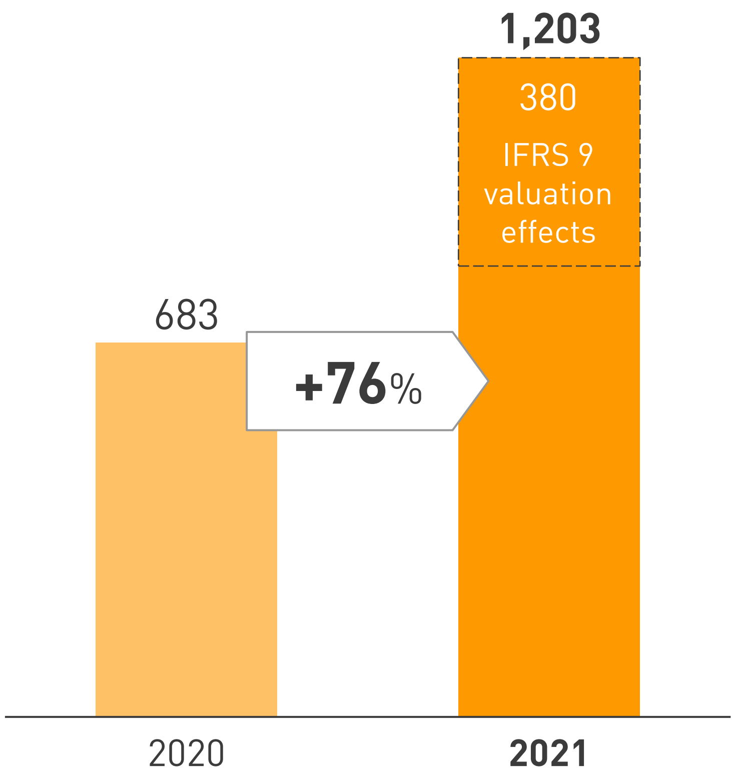
Reduction of net debt driven by significantly reduced working capital, higher RCF and increased pension discount rate

in € m



Adjusted Group net profit driven by improvement in financial result
Dividend proposal of € 1.10

Adjusted Group net profit[1]
in € m

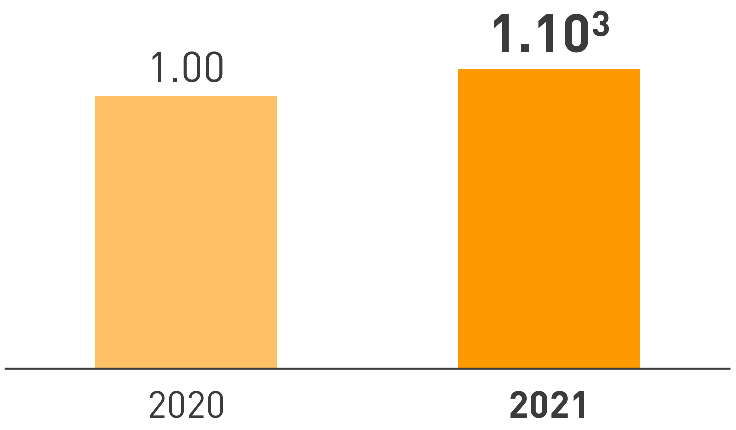


€298 m
Distribution

36%
Payout ratio 2021[2]

Dividend policy:
Payout ratio of 40%-60%

Dividend per share
in €



[1] Adjusted Group net profit attributable to the shareholders of EnBW AG
[2] Payout ratio related to adjusted group net profit additionally adjusted for IFRS 9 effects in financial result
[3] Dividend proposal per share subject to the approval of the AGM 5.5.2022

Outlook 2022 – adjusted EBITDA

in € m

Group	3,025 to 3,175

Smart Infrastructure for Customers	System Critical Infrastructure	Sustainable Generation Infrastructure
323 2021	1,289 2021	1,535 2021
350 to 425	1,225 to 1,325	1,650 to 1,750

Questions & Answers

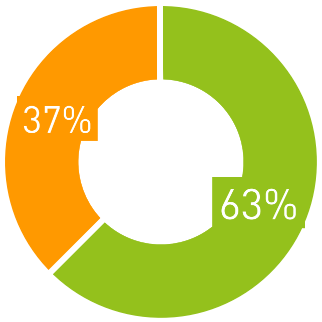
Appendix

EU taxonomy

EU taxonomy compliant activities

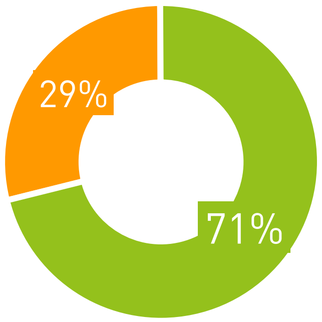
Smart Infrastructure for Customers	System Critical Infrastructure	Sustainable Generation Infrastructure	
	› Electricity distribution networks › Electricity transmission networks	› Wind onshore › Wind offshore › Solar › Running water	2020
• E-mobility	› Water networks › Water supply	› Biomass › Pumped storage	2021

Adjusted EBITDA

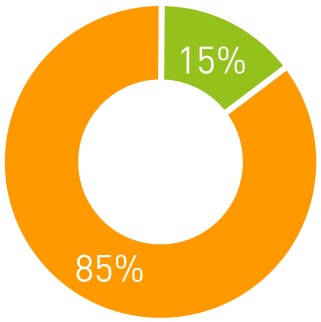


Expanded Capex[1]

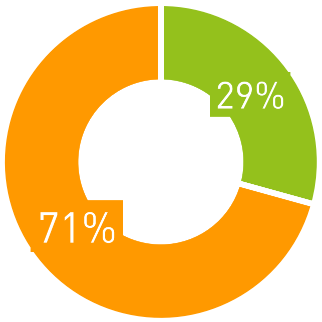
incl. IFRS 11 I IAS 28



Revenue



Opex

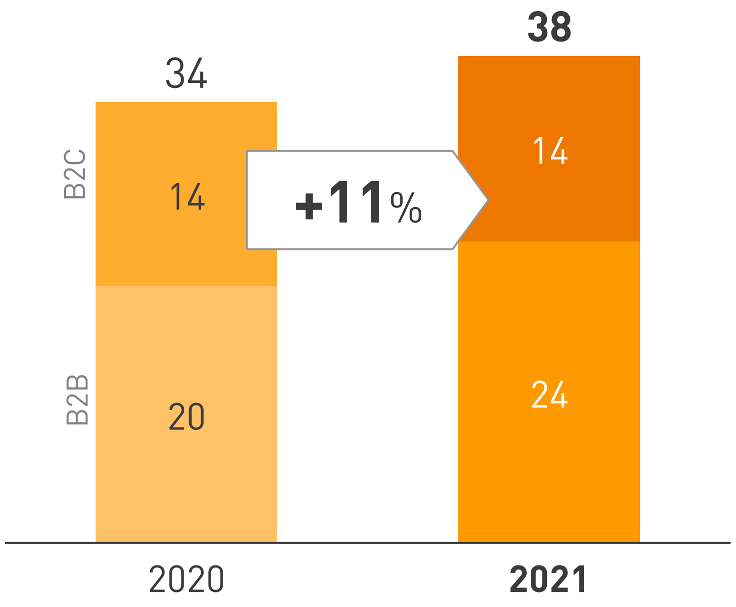


EU taxonomy compliant

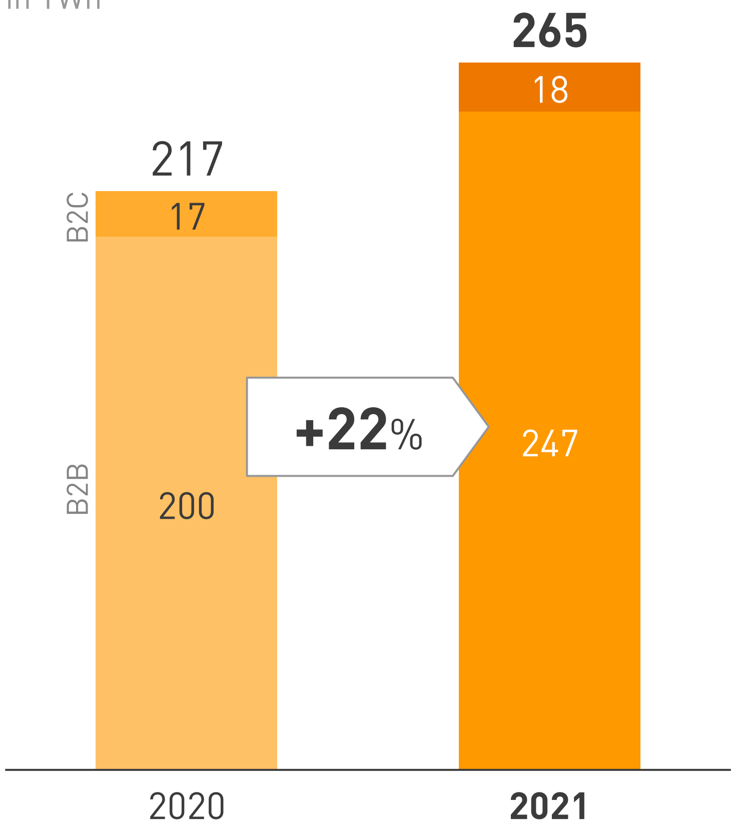
[1] In accordance with the Taxonomy Regulation, expanded by acquisitions and capital increases from companies accounted for using the equity method

Smart Infrastructure for Customers
Sales volume

Sales volume electricity
in TWh

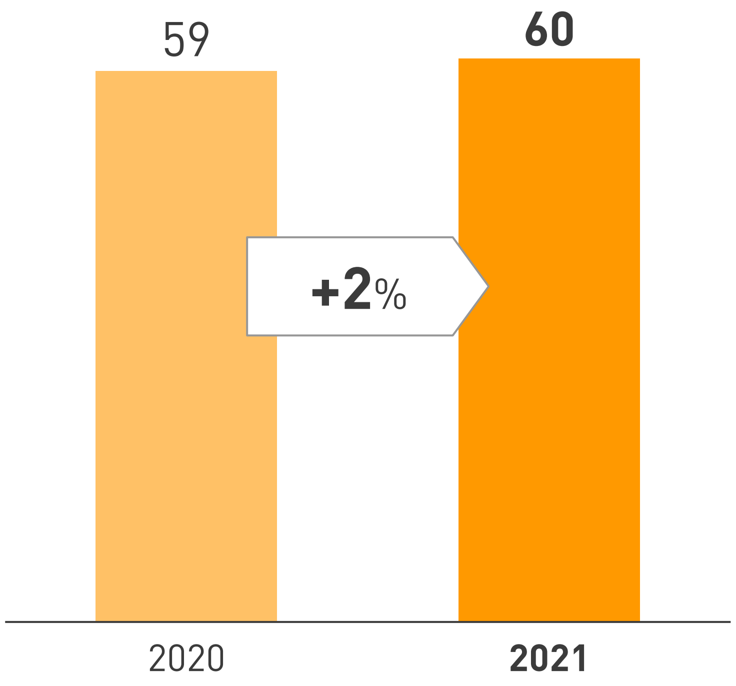


Sales volume gas
in TWh

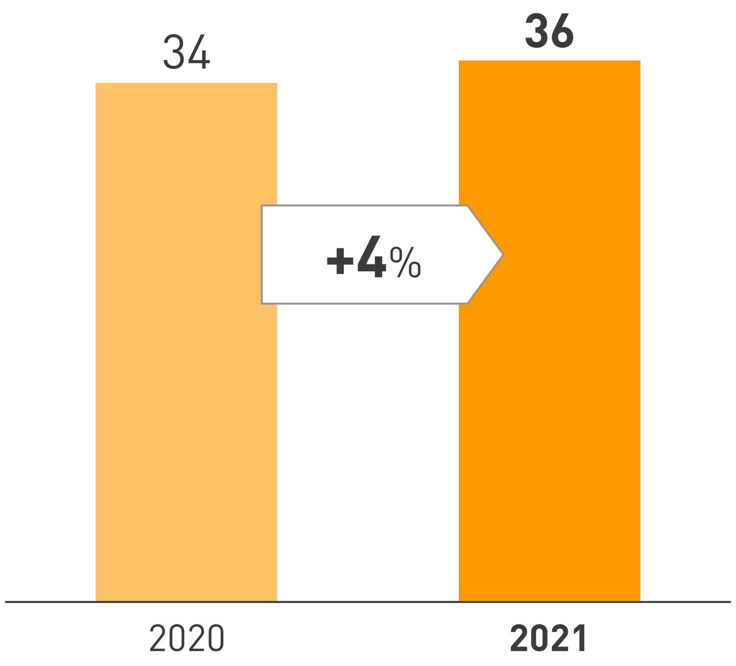


System Critical Infrastructure
Transmission volume

Transmission volume electricity
in TWh



Transmission volume gas
in TWh



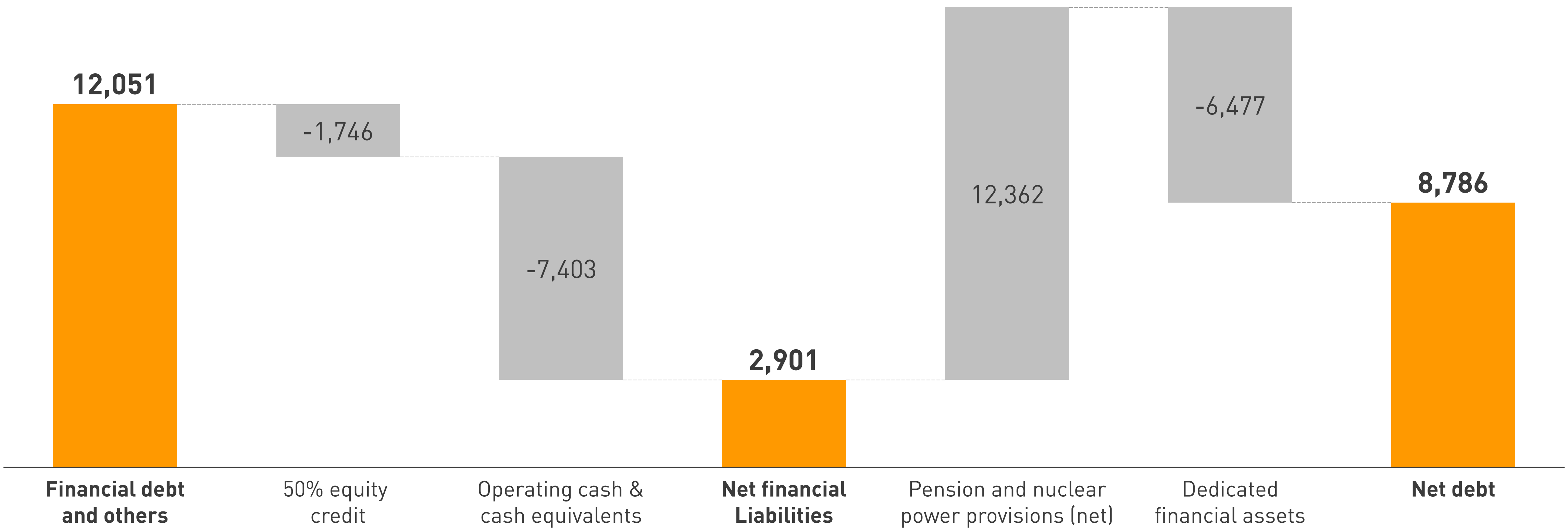
Non-operating result

in € m

	2021	2020	Change in %
Income/expenses relating to nuclear power	70.5	43.7	61.3
Income from the reversal of other provisions	8.6	38.3	-77.5
Result from disposals	-6.6	2.4	-
Reversals of/additions to the provisions for onerous contracts relating to electricity procurement agreements	-343.1	-56.8	-
Income from reversals of impairment losses	69.5	16.9	-
Restructuring	-42.3	-53.9	-21.5
Other non-operating result	87.6	-108.5	-
Non-operating EBITDA	**-155.8**	**-117.9**	**32.1**
Impairment losses	-1,088.3	-1709	-
Non-operating EBIT	**-1,244.1**	**-288.8**	**-**

Calculation of net debt[1]

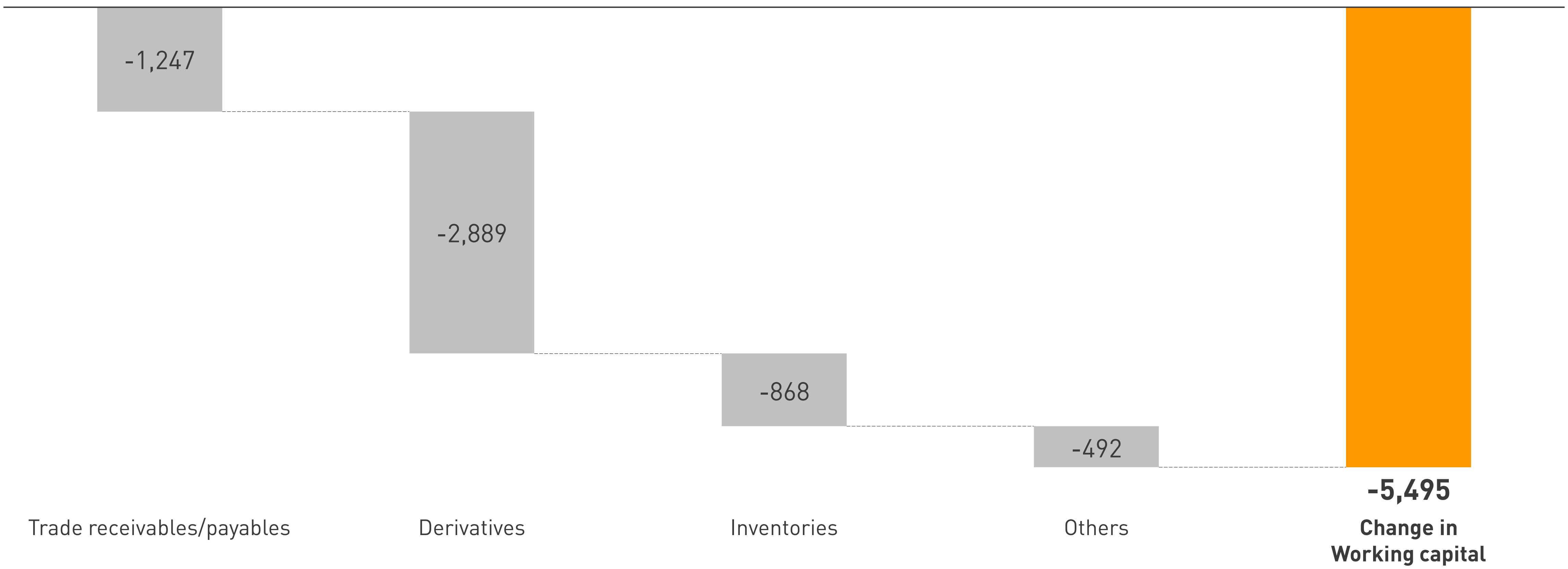
in € m



[1] As of 31 December 2021

Working capital effects[1]

in € m



[1] 1.1. – 31.12.2021

Income statement

in € m

	2021	2020	Change in %
Revenue	**32,147.9**	**19,694.3**	**63.2**
Changes in inventories/other own work capitalized	276.9	245.1	13.0
Cost of materials	-25,951.0	-14,280.9	81.7
Personnel expenses	-2,457.5	-2,178.7	12.8
Other operating income/expenses	-1,212.8	-816.5	48.5
EBITDA	**2,803.5**	**2,663.3**	**5.3**
Amortization and depreciation	-2,644.7	-1,560.6	69.5
EBIT	**158.8**	**1,102.7**	**-85.6**
Investment and financial result	-354.5	100.1	-
EBT	**513.3**	**1,002.6**	**-48.8**
Income tax	-72.1	-195.0	-63.0
Group net profit	**441.2**	**807.6**	**-45.4**
of which profit shares attributable to non-controlling interests	(78.0)	(211.5)	(-63.1)
of which profit shares attributable to the shareholders of EnBW AG	(363.2)	(596.1)	(-39.1)

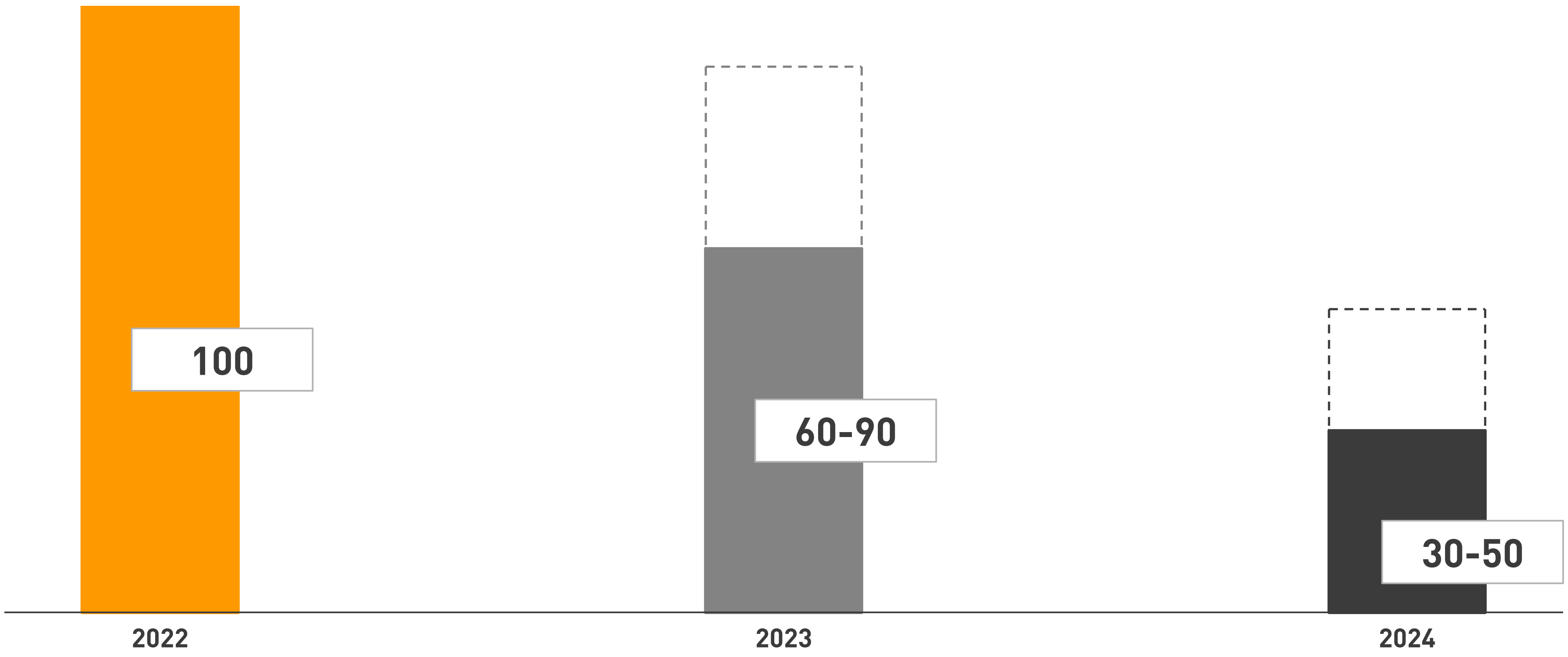
Retained cash flow

in € m

	2021	2020	Change in %
EBITDA	**2,803.5**	**2,663.3**	**5.3**
Changes in provisions	-103.9	-553.3	-81.2
Non-cash-relevant income/expenses	-396.3	-26.1	-
Income tax paid	-200.6	-207.8	-3.5
Interest and dividends received	358.0	264.5	35.3
Interest paid for financing activities	-314.5	-236.1	33.2
Dedicated financial assets contribution	184.8	123.1	50.1
Funds from Operations (FFO)	**2,331.0**	**2,027.6**	**15.0**
Dividends paid	-547.2	-389.1	40.6
Retained Cashflow	**1,783.8**	**1,638.5**	**8.9**

Electricity generation hedge levels[1]

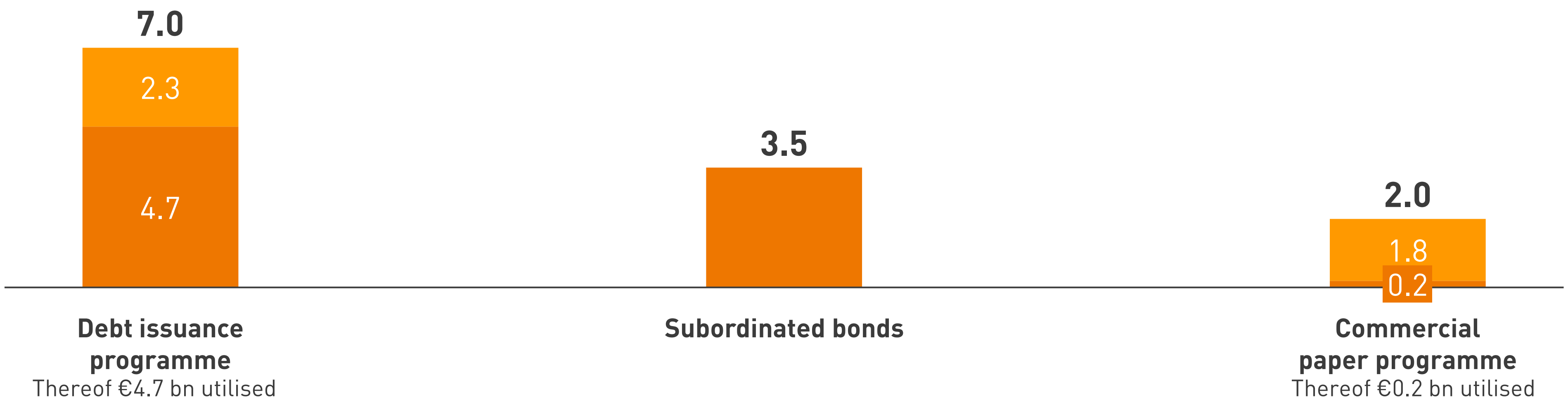
in %



[1] As of 31 December 2021

EnBW has flexible access to various financing sources [1,2]

in € bn

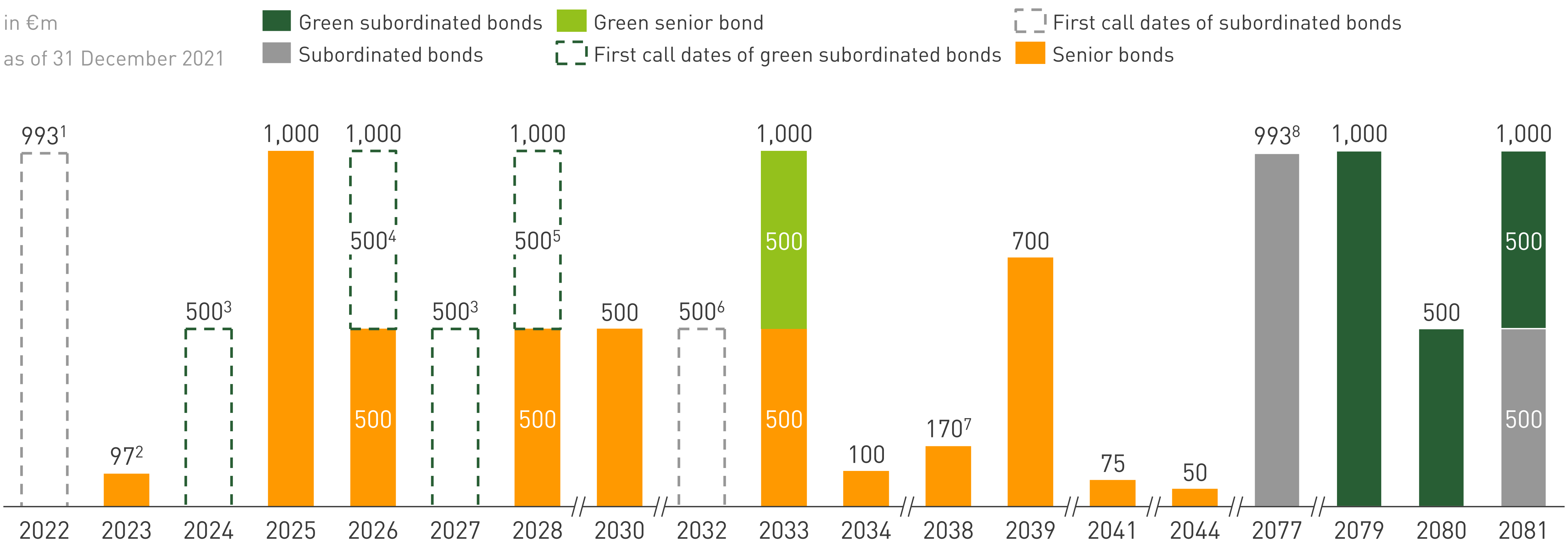


Other sources

- Project financing and EIB loans
- Financing activities in the form of bank loans and promissory notes in subsidiaries

[1] As of 31 December 2021
[2] Rounded figures
[3] Following exercise of the first annual renewal option after the first year. There is a second renewal option after the second year with the potential maximum term until end of June 2027.

Maturities of EnBW's bonds



[1] First call date: subordinated maturing in 2077; includes USD 300 m (swap in €), coupon before swap 5.125%

[2] CHF 100 m, converted as of the reporting date of 31.12.2021

[3] First call date: green subordinated maturing in 2079

[4] First call date: green subordinated maturing in 2080

[5] First call date: green subordinated maturing in 2081

[6] First call date: subordinated maturing in 2081

[7] JPY 20 bn (swap in €), coupon before swap 5.460%

[8] Includes USD 300 m, converted as of 5.10.2016

Fixed income: Credit ratings

EnBW

Moody's Investors Service

Baa1 / stable
18 May 2021

- Leadership position as vertically integrated utility within Baden-Württemberg
- Significant proportion of EBITDA, around 50%, from low-risk regulated distribution and transmission activities
- Growing share of renewables under contracts as EnBW continues to invest in line with its strategy
- Historically balanced financial policy and demonstrated commitment to robust credit quality
- Difficult operating environment in Germany for conventional generation and challenging retail markets
- Execution risks relating to a large investment programme, including offshore wind development
- Supportive stance of shareholders

S&P Global Ratings

A- / stable
2 June 2021

- Well positioned amid the European energy transition, with a business mix that is proving resilient to economic downturns
- EnBW to enter an intensive investment circle focusing mostly on low-risk grid projects and increasing renewable capacity
- Capex intensification will increase leverage, but consistent with current rating
- Regulated business and low-risk renewable portfolio will translate into stable and sustainable cash flow streams
- Prudent risk-sharing strategy; increasing share of minority shareholdings factored in in S&P's rating triggers
- Moderate likelihood of government support

Major sustainability ratings

EnBW

Climate Rating	ESG Risk Rating	ESG Rating	ESG Rating
CDP[1]	Sustainalytics[2]	ISS ESG[3]	MSCI[4]
2020: A (Leadership) → 2021: B (Management)	2020: 32.8 (High) → Risk → 2021: 31.0 (High)	2020: B- (Prime Status) → 2021: B (Prime Status)	2020: AA (Outperformer) → 2021: A (Average)
Top 32% of all Electric Utilities (Electric Utilities Sector)	**Top 32% of all Utilities** (Utilities Sector)	**Top 10% of all Multi Utilities** (Utilities/Multi Utilities Sector)	**Top 47% of all Utilities** (Utilities Sector)

[1] CDP Scale: A to D (Leadership A/A-; Management B/B-; Awareness C/C-; Disclosure D/D-; Failure F)
[2] Sustainalytics Scale: 0-100 (Risk Score: negligible (0-10); low (10-20); medium (20-30); high (30-40); severe (40+))
[3] ISS ESG Scale: A+ to D- (absolute best-in-class basis; Prime Status awarded)
[4] MSCI Scale: AAA to CCC (Leader AAA – AA; Average A – BB, Laggard B – CCC)

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Financial calendar

5 May 2022	Annual General Meeting 2022
13 May 2022	Publication figures Q1 2022 Investor and analyst conference call: 01:00 pm
12 August 2022	Publication figures Q2 2022 Investor and analyst conference call: 01:00 pm
11 November 2022	Publication figures Q3 2022 Investor and analyst conference call: 01:00 pm