

Welcome to your CDP Climate Change Questionnaire 2021

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

EnBW Energie Baden-Württemberg AG :

The energy landscape has been changing for years – and thus, EnBW has changed along with it. In 2013, we set a new course for the future. From a traditional energy company, we are evolving into a strong partner for energy and infrastructure. As a consequence EnBW has declared to become climate-neutral by 2035.

Tomorrow - forward-looking, intelligent, networked

Energy is the basis of our business and renewable energies are a mainstay. Since 2013, we have invested massively in the expansion of renewable energies, built wind farms on land and at sea, constructed solar farms and supported local authorities and households in becoming sustainable energy producers themselves.

With our network subsidiaries, we have strong players at our side to make the energy transition a success. They are making electricity networks fit for the future – through expansion and digital technology. Our subsidiaries are driving forward the development of smart grids. This is necessary to ensure that the electricity networks can continue to absorb the increasing proportion of decentrally generated renewable energy in the future. Electric vehicles also need strong, reliable networks – a decisive factor for us as the market leader in electromobility. We already offer access to the largest electric charging network in Germany and five European countries. Together with partners, we are working in Germany to further expand the nationwide network of high-performance fast-charging stations. Today, you can already find an EnBW fast-charging station at every third freeway service station in Germany.

Developing innovative solutions for energy and infrastructure has a firm place in our company; with our innovation management, we develop new business models and support start-up projects. One successful early start-up from the EnBW think tank, for example, is ChargeHere, which offers charging infrastructure solutions for car parks and large parking areas to further expand electromobility. Another example is Smight. A start-up that offers services in the field of traffic sensor technology. An important field of action is urban infrastructure. We lay the

lifelines for sustainable and livable urban neighborhoods: decentralized generation plants produce electricity, heating and cooling. Storage facilities supply electricity to the neighborhood or to the charging infrastructure for electric vehicles as needed. Intelligent systems ensure public safety and ultimately closer interaction between the energy and transport infrastructures. The basis for networking all these products is our high-performance broadband network. Tomorrow, we will continue to offer our customers forward-looking solutions and infrastructure for generations that have their roots in our R&D today.

Today - how we think, what we do

We have almost achieved the goals of our EnBW 2020 strategy. Since 2013, we have realigned our business model and made renewable energies a focus area of EnBW.

With our expertise in wind power and photovoltaics, we want to continue to grow and are also working with selected international partners. We are expanding our established grid business. At the transport grid level, we are involved in the construction of the two high-performance north-south links "Ultranet" and "Südlink" via TransnetBW. Our grid subsidiaries are pressing ahead with the expansion of the power distribution grids. They are thus ensuring that, among other things, even more renewable generation facilities can be connected to the grids in future. We are developing new, innovative products and services for our customers, for example in the field of home electricity storage or in the supply of biogas. We already operate ultrafast charging stations for e-vehicles at every third "Tank & Rast" service station. In the EnBW HyperNetz, e-car drivers can charge at more than 100,000 charging points in Germany and five European countries at consistent prices.

Our nuclear power plants will be shut down by 2022 at the latest, and four of our plants are already being dismantled. We have submitted an application to decommission our Neckarwestheim II nuclear power plant. In order to make EnBW climate-neutral, we are systematically phasing out coal-fired power generation. Today, our coal-fired power plants have a capacity of 4,600 megawatts. By 2035, we will gradually take these out of operation; in recent years, we have already decommissioned 2,600 megawatts of CO₂-intensive plants or transferred them to the reserve power plant regulation. For some of our plants, we are looking into switching to more climate-friendly gases (fuel switch) and, in a second step, to CO₂-free gases such as biogas or hydrogen. This will immediately reduce CO₂ emissions and ensure security of supply. We see natural gas as a bridging technology to the future of renewable energies. Our stake in VNG in Leipzig has made us the third-largest supplier in the German gas market.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting years	Select the number of past reporting years you will be providing emissions data for
Reporting year	January 1, 2020	December 31, 2020	Yes	3 years

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

- Czechia
- France
- Germany
- Sweden
- Switzerland

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

- EUR

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

- Financial control

C-EU0.7

(C-EU0.7) Which part of the electric utilities value chain does your organization operate in? Select all that apply.

Row 1

Electric utilities value chain

- Electricity generation
- Transmission
- Distribution

Other divisions

- Gas storage, transmission and distribution
- Smart grids / demand response
- Battery storage

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

- Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Chief Executive Officer (CEO)	<p>CEO Dr. Frank Mastiaux. (Responsibility for corporate development and sustainability).</p> <p>The CEO of EnBW is responsible for the topics of corporate development and sustainability (remit CEO). This also means that he is intensively involved in climate protection - for example in the context of EnBW's strategic development (sustainability is an integral part of the EnBW group strategy - fields of action, measures and objectives are prioritised and operationalised) .</p> <p>Dr Frank Mastiaux has stated that "We will more consistently benchmark our future decisions and investments against sustainability criteria and align our growth accordingly. EnBW is thus taking a clear stance, even though we have been aligned towards sustainability since we began remodelling the company in 2013, for example through our investment in renewable energies and electricity grids. Now is the right time to explicitly adopt a holistic concept."</p> <p>"Example of a climate-related decision made by the individual": 2020: In October 2020, the EnBW climate neutrality target was published, in agreement between the Executive Board and the Supervisory Board - 2035 climate neutrality target in relation to Scope 1 and 2 is in line with the requirements and targets in the Paris Climate Agreement. In order to achieve net zero emissions by 2035 and the interim target of a 50 % emission reduction by 2030 (relative to the 2018 baseline), we have adopted a package of various climate action measures. As CEO, Dr. Frank Mastiaux has decisively driven the issue forward.</p> <p>Ecological issues are discussed on all hierarchical levels, from the board of directors (including CEO, CFO and CTO), to the operational levels, such as the CSR Committee, the Environmental Steering Committee, which is headed by the CTO as well as the Corporate Environment Committee which brings together all responsible environment protection officers of all business units.</p>
Other C-Suite Officer	<p>Chief Operating Officer Generation Dr. Georg Stamatelopoulos (Head of Environment Steering Committee).</p> <p>Ecological issues are discussed on all hierarchical levels, from the board of directors (including CEO and CTO), to the operational levels, such as the Environmental Steering Committee, which is headed by the CTO as well as the Corporate Environment Committee which brings together all responsible environment protection officers of all business units.</p>

Chief Financial Officer (CFO)	<p>Chief Financial Officer Thomas Kusterer (active involvement with TCFD and TEG).</p> <p>Sustainable Finance/ Sustainable Economic Development: We endeavour to conduct all of our activities in a sustainable way, from the responsible procurement of raw materials through to the provision of smart energy solutions for our customers. In addition, we are actively involved in the area of sustainable finance, which is exemplified by, amongst other things, the membership of the EnBW Chief Financial Officer, Thomas Kusterer, on the EU Technical Expert Group on Sustainable Finance (TEG) that was founded in June 2018 and on the Task Force on Climate related Financial Disclosures (TCFD). As part of his work in the climate protection initiatives named above, he has reported on a regular basis to internal bodies on the climate-related opportunities and risks. EnBW has also issued its first Green Bond in 2018, and since then on a continuous basis additional Green Bonds.</p> <p>Statement Thomas Kusterer: "The European Commission announced a clear-cut target in the Green Deal: Europe is to become the world's first climate-neutral continent by 2050. How to go about achieving climate neutrality is one of the central questions facing companies today. A key building block here is the EU Taxonomy, a common classification system for sustainable business activities. The Taxonomy was proposed in the EU Sustainable Finance Action Plan and developed by the Technical Expert Group on Sustainable Finance (TEG). We regard it as an important and groundbreaking development.</p> <p>In line with our sustainable corporate strategy, we decided to move early this year by including some of the disclosures required in future by the Taxonomy Regulation in our integrated annual report, even though those disclosures are not yet mandatory. We share our experience in implementing the taxonomy in a detailed supplementary report. In doing so, we aim to contribute to the onward implementation of the Taxonomy and support other companies in the process."</p>
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C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Please explain
Scheduled – some meetings	<p>Reviewing and guiding strategy</p> <p>Reviewing and guiding major plans of action</p> <p>Reviewing and guiding risk management policies</p>	<p>EnBW & climate related issues (governance mechanisms) - examples:</p> <p>- Reviewing and guiding strategy/major plans of action:</p> <p>The strategy being followed by strategy EnBW 2020/2025 of concentrating investment on renewable</p>

	<p>Reviewing and guiding annual budgets</p> <p>Reviewing and guiding business plans</p> <p>Setting performance objectives</p> <p>Monitoring implementation and performance of objectives</p> <p>Overseeing major capital expenditures, acquisitions and divestitures</p> <p>Monitoring and overseeing progress against goals and targets for addressing climate-related issues</p>	<p>energies, expanding the grids and developing new and increasingly digitalised business models works towards the achievement of the 2015-Paris Goals/ COP 21, while the strategy itself is being validated by the international efforts for climate protection.</p> <p>We safeguard the implementation of our strategy by means of a holistic goal and performance management system. This system reflects the overall performance of the company and strengthens integrated thinking within it.</p> <p>- Reviewing and Guiding Risk management policies:</p> <p>Structures and processes of the iRM (integrated Risk Management) are well-known throughout the group. The central risk management & ICS functional unit is responsible for specifying methods, processes and systems for the whole group, determining the opportunity and risk position of the group and for reporting. The central steering body is the risk committee, which – with the involvement of specially selected units / companies – is responsible for clarifying relevant issues from various group perspectives, as well as for determining selected top opportunities / risks.</p> <p>In order to identify and categorise opportunities and risks, the opportunity and risk map that is well-known throughout the group is utilised. The risk map is used to explicitly consider possible opportunities and risks that affect the sustainable orientation of our company. As well as focusing on the fulfillment of the requirements for a non-financial declaration, the recommendations of the TCFD are also taken into account.</p> <p>- Setting performance objectives / Monitoring implementation and performance of objectives:</p> <p>Since 2013, corporate management has been continually expanded through the addition of non-financial and strategic goals, so that it encompasses the dimensions of strategy, customers and society, employees and environment. The key performance indicators of EnBW in the environment goal dimension are the installed output of renewable energies (RE)</p>
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		<p>and the share of the generation capacity accounted for by RE and CO2 intensity. Targets until 2025 are published in the EnBW Report 2020.</p> <p>Furthermore in October 2020, we have set ourselves the goal of climate neutrality by 2035 at the latest.</p> <p>- Overseeing major capital expenditures, acquisitions and disinvestments:</p> <p>Climate targets are also taken into consideration when making investment decisions. In this context, the investment Guidelines were adapted in the 2018 financial year: The influence significant investment projects will have on environmental and Climate protection targets and figures – in the sense of the TCFD recommendations – must be presented. This additional information flows into the approval processes carried out by the investment committee and Board of Management.</p>
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C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Responsibility	Frequency of reporting to the board on climate-related issues
Chief Executive Officer (CEO)	Both assessing and managing climate-related risks and opportunities	More frequently than quarterly
Risk committee	Both assessing and managing climate-related risks and opportunities	Quarterly
Other, please specify Investment committee	Both assessing and managing climate-related risks and opportunities	More frequently than quarterly
Other committee, please specify CSR-Committee	Both assessing and managing climate-related risks and opportunities	More frequently than quarterly

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

CEO:

- The CEO at EnBW is responsible and accountable for the topic of sustainability. Since June 2021 the sustainability department/ staff office reports directly to the CEO.
- Sustainability is a key topic at EnBW: Our company is on its way from being an integrated energy supplier to becoming a sustainable and innovative infrastructure partner, even beyond energy. sustainability is a key element of our business model and a compass for our strategic orientation.
- Key topics in the area of sustainability and climate protection and ecology, opportunities and risks are coordinated, discussed and developed between the CEO and the sustainability functional unit (head of the functional unit) on a monthly and more frequent basis (for example, measures for climate neutrality).
- Trends and identified issues related to sustainability climate protection are analysed, evaluated and, if necessary, coordinated with risk management and specialist departments.
- Monitoring of developments in the field of climate neutrality. Ensuring the implementation of measures that contribute to climate neutrality.

Risk Committee:

- The Committee belongs to the functional unit Controlling & Risk Management (Finance Ressort - CFO). Among other things, an important activity is the identification and management of climate-related opportunities and risks based on an established and proven process for risk management. As EnBW is an electrical utility our business is very closely related to the climate driven transition of the power sector. Furthermore, also physical climate change aspects considerably impact our business. Both aspects lead to substantial risks and opportunities.
- This also explains the importance of the Committee vis-à-vis the management of climate-related issues. One essential member is the CFO which has also a major part in the Taskforce for climate-related financial disclosure. Further members are the COOG and the leading management for each business unit (Generation, Grids, Sales etc.). The role of the CFO and of the COOG on the Committee is to approve the risk report for the board of management of EnBW every three month. Important aspects relating to climate protection are coordinated at the meeting and tracked by the responsible persons/units.
- The Risk Committee coordinates the group reporting to the executive board.

Investment committee:

- As we have been integrating the TCFD recommendations, we have pushed forward the integration of environmental and climate protection targets and performance indicators (alongside social sustainability criteria) into the group-wide investment approval process at a governance level.
- This has been based on the revision of our investment guidelines that was already completed in 2018. In the 2020 financial year, we evaluated our planned investments in the areas of generation, grids and sales based on sustainability criteria as part of a comprehensive pilot

project. Alongside economic factors, this "type of sustainability rating" will become a fixed component of the approval process used by the EnBW investment committee from the 2021 financial year onwards, providing additional information relevant for the evaluation.

- "Members" of the Investment Committee: The board member responsible for Finance , the managers of the individual departments within the F-Ressort, representative for the core business , head of Strategy & Energy Economics, head of Control Technology, a member from the Personnel Board of Management... For the evaluation the department sustainability.

CSR(Corporate Social Responsibility) Committee/Sustainability Committee:

- The Committee is organised by the functional unit Sustainability.
- Goal: Coordination between the functional units of EnBW on CSR-related topics is handled by the CSR-Committee.
- Tasks: Development and coordination of non-financial key performance indicators at EnBW (including climate indicators); presentation of current developments in the area of sustainability, including trends; presentation of selected topics (e.g. climate-friendly purchasing).
- "Members": Team Sustainability, leading management of strategy/energy industry, communication, procurement, risk management etc.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	Yes	

C1.3a

(C1.3a) Provide further details on the incentives provided for the management of climate-related issues (do not include the names of individuals).

Entitled to incentive	Type of incentive	Activity incentivized	Comment
Board/Executive board	Monetary reward	Emissions reduction target	Remuneration in the reporting year comprises basic remuneration, single-year and multi-year variable remuneration, as well as contributions as part of the company pension scheme. Ratio of single-year to multi-year variable remuneration is approx. 40% to 60%, depending on individual target income for the member of the Board of Management, so that multi-year variable remuneration significantly outweighs single-year variable remuneration. In general, the variable remuneration components have a multi-year measurement basis. Single-year variable remuneration component is described as the Short Term Incentive (STI), while multi-year variable remuneration component is described as Long Term

			<p>Incentive (LTI).</p> <p>STI & Sustainability; Amount of total preliminary STI remuneration, which is calculated exclusively on basis of financial Performance indicators, is then evaluated qualitatively using additional criteria. The adjustment is carried out by multiplying the total preliminary remuneration by a certain factor, whose lowest value is 0.7 and highest value is 1.3. Only one decimal place is used for this factor. If not defined otherwise by the Supervisory Board, the default factor is 1.0. The level of this factor is primarily determined by the Supervisory Board on the basis of an Evaluation of criteria that are defined in advance on an annual basis. The sustainable growth of the company is an aspect that is particularly taken into account.</p> <p>LTI & Sustainability: - LTI & sustainability: LTI value appreciation bonus according to the old remuneration system consisted of a basic LTI, a competition component and a sustainability component. Goal of the sustainable growth of the company in its strictest sense is also taken into account through the LTI sustainability component. In this component, the impact of the sustainable growth of the company on the areas of customers, employees and environment / society is taken into account. - Regulations for Board of Management remuneration system that were valid up to 31 December 2017 apply for the long-term variable remuneration in the measurement periods 2015 to 2017, 2016 to 2018 and 2017 to 2019, whereby the Supervisory Board of EnBW passed a resolution on 12 July 2018 that a remuneration cap for the total LTI of 110% of the total target remuneration will be introduced for the measurement periods 2016 to 2018 and 2017 to 2019.</p>
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C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	Deviations are checked and counteracted during the year.
Medium-term	1	3	Opportunities and risks are considered within medium-term planning.
Long-term	3	50	Opportunities and risks are coordinated with the strategy division and with the sustainability division.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

Substantive financial or strategic impact on EnBW business:

- EnBW defines risks with a substantive financial or strategic impact on the business as followed:

Risks with class 5 or 6 in the category “strategic/sustainability” (achievement of strategic targets, sustainability targets, e.g. climate protection, environmental protection, reputation) are considered substantive strategic. Risks with class 5 or 6 in category “financial” (achievement of financial targets, generally in accordance with mediumterm planning or approved (project) budgets) are substantive financial.

- We use a so called relevance filter for classifying opportunities and risks. The relevance filter is categorized in six classes. Class one is the lowest, class six is the highest impact, and there are different categories, e.g. “strategic/sustainability” and “financial”.

For example:

Category “strategic/sustainability”: Is a risk at least relevance class five in our category “strategic/sustainability” this means, one key strategic/sustainability target for the EnBW group is not achieved. Is a risk here relevance class six, several or all strategic / sustainability targets for the EnBW Group are not achieved.

Category financial: Is a risk ranked at least relevance class five in our category “financial” this means, the financial impact includes at least €50 million on Adjusted EBITDA or Net Debt. Is a

risk here relevance class 6 this means the financial impact includes at least €250 million on Adjusted EBITDA or Net Debt.

- In order to identify and categorize opportunities and risks, the opportunity and risk map that is well-known throughout the Group is utilized. The risk map is used to explicitly consider possible opportunities and risks that affect the sustainable orientation of our company. As well as focusing on the fulfillment of the requirements for a non-financial declaration, the recommendations of the Task Force on Climate-related Financial Disclosures are also taken into account.

- As a rule, a financial opportunity/risk assessment takes place within the medium-term planning. Because the opportunities and risks in the sustainability area generally have a significantly longer period of consideration, the financial effects of these opportunities and risks can also be significantly higher and substantially relevant. The financial values stated in the CDP report are generally annual financial impact figures. EnBW describes in this rating significant opportunities and risks, which include strategic and/or financial impacts.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations
Upstream
Downstream

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

More than once a year

Time horizon(s) covered

Short-term
Medium-term
Long-term

Description of process

Integrated opportunity/risk management system iRM aims, through a holistic, integrated approach, to effectively and efficiently identify, evaluate, manage opportunities/risks and report their position, as well as to ensure appropriateness and functionality of related processes. IRM involves measures for avoiding, reducing or transferring risk through adequate accounting provisions, as well as measures for managing risk tolerance. EnBW defines an opportunity/risk as an event that might cause a potential over-attainment/non-attainment of strategic/sustainability, operational, financial and

compliance goals in the future.

Our process used to determine which risks/opportunities could have a substantive financial or strategic impact consists of 2 steps plus response:

- 1) Identification process: In order to identify and categorise opportunities/risks, an opportunity and risk map that is anchored throughout the group is utilised. The map explicitly considers possible opportunities/risks that affect the sustainable orientation of EnBW. Local risk managers hold discussions with the group-wide specialist departments within quarterly risk surveys. The surveys focus on questions relating to climate protection and sustainability. In this context, issues identified by our local risk management, e.g. environmental protection, are also specifically addressed. The risks are then reported to the management board and supervisory board. The risks get qualified by specific parameters like description, cause, effect, sustainability impact, measures for risk reduction, financial key figures, etc. The risks get quantified by probability scenarios and financial risk bandwidths by scenario method. With the quantification of risks the board decides which risks are substantial. Additionally we see annual workshops with departments and business units previously identified as relevant to sustainability as “a specific climate-related risk management process”. This represents the expansion of the company-wide risk management process for identifying sustainability opportunities/risks. In general we follow the TCFD-rationale.

- 2) Assessment process: For purposes of evaluation, all opportunities/risks are firstly assessed with help of the iRM relevance filter. Risks are defined as substantive to our business if following conditions are fulfilled:

- financial impact of at least € 50 million
- likelihood of occurrence > 50 % (after risk mitigation measures are taken)
- period of consideration: within the next three years. In case of any significant changes, a special report is immediately issued. Those opportunities or risks relevant to the group report on opportunities and risks are generally evaluated in relation to the current planning period using quantitative methods (e.g. scenario techniques and distribution functions) for the purpose of stochastic modelling. Any possible effects on the adjusted EBITDA, the adjusted EBIT and the debt repayment potential are considered. Alongside these financial effects, opportunities and risks can also have impacts on other key performance indicators, which are discussed with those responsible in specialist areas. In addition, opportunities and risks with a significant strategic impact are still taken into account in the process.
- Responding: Potential measures are already dealt with in the two steps presented. Prioritised measures relating to the main opportunities/risks are implemented by the responsible and qualified departments and accompanied and monitored by the risk managers.

Case study of physical risk:

Impairment of electricity grid operations and thus of supply reliability due to increasing weather extremes (for example storms, thunderstorms, heavy rain, flooding):

a) Situation: EnBW subsidiary Netze BW operates high, medium and low voltage grids in Baden-Württemberg and is thus responsible for the continuous supply of electricity to

companies and citizens. EnBW risk manager responsible for Netze BW, together with the Netze BW risk manager, have identified and analysed the risk of weather extremes increasing and leading to disruptions in grid operations. The risk is being handled in accordance with the risk management process.

b) Task: Development of measures to reduce the negative impact of extreme weather on continuous grid operations by specialised departments in coordination with risk management. Implementation of measures. If disruptions occur, measures are required to restore electricity supply as quickly as possible.

c) Action - examples of measures taken:

- Grid operation: Regular checking of stability of the wooden electricity masts in the medium and low-voltage range; If necessary, proactive replacement of old wooden electricity masts with new, more robust electricity masts; Increased track maintenance (e.g. cutting back).

- Grid development: Consideration of increasing weather extremes in grid development (e.g. location of transformer stations), so that as little damage as possible is caused to operating equipment.

- Grid disruption: Continuous improvement of the processes for disruption and creation of electricity supply (competences and know-how).

d) Result:

- By taking weather extremes into account in grid development and grid expansion, the electricity grid becomes more robust and less vulnerable to faults.

- Regular maintenances of the electricity grid reduce the susceptibility to disruptions.

- Disruption operations are more effective and efficient due to standardised and optimised processes.

- Success of the measures is checked by the specialist departments and risk management.

Case study of transitional risk:

Increasing sustainability expectations on utilities, thus EnBW announced a climate neutrality target:

a) Situation: Climate protection by companies has continued to gain importance among stakeholders - politicians, customers and the capital market - in recent years. The energy sector causes CO₂ emissions. The capital market and investors expect EnBW to set a climate neutrality target.

This expectation has been identified, analysed and evaluated by the Risk Management, Sustainability and Investor Relations departments, among others.

b) Task: Develop a climate neutrality target for EnBW including measures for implementation. The capital market, investors expect EnBW to be able to demonstrate a transparent plan for climate neutrality. This task was added to the risk management process.

c) Action: A team consisting of various EnBW departments under the leadership of the Energy Economics and Strategy department and Sustainability has developed a package of measures and the climate neutrality target. Risk management accompanied this process.

d) Result: The climate neutrality target for 2035, including measures to ensure that the target is achieved, was published in October 2020. In accordance with the risk

management process, the implementation of the measures is regularly reviewed by the risk manager.

C2.2a

(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	<p>Current Regulation is part of the EnBW opportunity and risk map (risk type).</p> <p>Relevance: The energy industry is one of the most heavily regulated economic sectors along the entire value chain. Specifications come from EU, federal and state levels. The trend to influence the development and future of energy policy and thus the energy industry through legislation and regulation remains unbroken. The fields of generation (conventional and renewable), grids, e-mobility and broadband expansion are particularly affected. International framework conditions continue to play an increasingly important role.</p> <p>Example: Expansion of renewable onshore energies in Germany: For EnBW, there are risks in the expansion of onshore wind energy as a result of approval and auction procedures. Uncertainties in current legislative processes (e.g. area tenders, distance rules) but also court rulings and legal proceedings due to citizens' initiatives lead and have led to planning uncertainties in the expansion of onshore wind energy. In particular, the distance regulations for the construction of onshore wind turbines reduce potential projects and increase the risk of a lack of expansion of renewable energy.</p>
Emerging regulation	Relevant, always included	<p>Emerging regulation is part of the EnBW opportunity and risk map (risk type).</p> <p>Relevance: EnBW central risk management and sustainability identified, that new reporting requirements associated with the EU taxonomy have the potential to significantly increase the informative value of non-financial reporting by establishing a link between financial and non-financial topics for the first time. They will be relevant for the capital market to fulfil its own reporting obligations and require early and intensive consideration in the reporting companies. The first-time reporting obligation will start relatively early after the adoption of the taxonomy</p>

		<p>regulation in June 2020, from 1 January 2022. The required criteria are partly open for interpretation, and some are not yet finalised.</p> <p>Example: Companies that are obliged to report non-financially (§§ 289b et seq., 315b et seq. HGB) are required for the first time under the EU Taxonomy Regulation for the year 2021 to disclose information on "environmentally sustainable" revenues, investments (capex) and operating expenses (opex). EnBW has to prepare for the implementation of the taxonomy reporting obligations at an early stage. In this context, it must also be examined which investments will fulfil the criteria of environmental/ climate protection in the future. EnBW has in accordance with the central risk manager already carried out a project on the implementation of the taxonomy - and published a case study on the EU Sustainable Finance Taxonomy (March 2021). A follow-up project is currently in progress. With the internal projects on the implementation of the EU taxonomy, competences are being built up and initial experience gained. Previous reporting and also potential future investments at EnBW are being considered as part of the projects. The EnBW risk manager accompanies the process.</p>
Technology	Relevant, always included	<p>Technology is part of the EnBW opportunity and risk map (risk type).</p> <p>Relevance: In addition to the regulatory provisions, the successful economic operation of plants in the energy sector depends largely on the maturity and functionality of the technology used. It is therefore important to observe, accompany and ideally even participate in technological developments. In the context of the energy transition/Energiewende, this applies in particular to developments in the field of renewable energy and in the topic electromobility.</p> <p>Example: The economic viability or profitability of the EnBW He Dreih offshore wind farm project (900 MW) has been planned on the assumption that wind turbines will be available by the time the project is realized (Commissioning planned 2025), which will provide the technological generation capacities assumed at the time of the tender (e. g. high installed output of each wind turbine). If at that time the wind turbine technology is not available as planned, this could lead to project cancellation due to lack of economic viability.</p> <p>The development of the technological progress of the wind turbines depends, among other things, on changes in the political and regulatory</p>

		<p>framework conditions, the price and supply situation on the manufacturer market for offshore components and services, negative deviations from the planned electricity prices, as well as permit-related or site-related causes. A low level of maturity and functionality could have a negative impact on the EnBW performance indicator adjusted EBITDA.</p>
Legal	Relevant, always included	<p>Legal is part of the EnBW opportunity and risk map (risk type).</p> <p>Relevance: Legal issues are of particular importance due to a large number of legal conditions in the energy sector. In addition to the regulatory requirements, which must be complied with, the expansion of the sustainable energy mix (renewable energies) plays an important role. For example, the expansion of wind and solar plants influences the lives of citizens and is increasingly becoming a matter of public interest and thus a risk for legal issues.</p> <p>Example: Due to various citizens' initiatives and environmental associations, there is an increased risk for EnBW of lawsuits against the planning and construction of new onshore wind farms in Germany. EnBW is also planning a significant expansion of photovoltaic plants. Here, too, there is a risk of legal proceedings being brought by stakeholders in the context of approval or construction.</p>
Market	Relevant, always included	<p>Market is part of the EnBW opportunity and risk map (risk type).</p> <p>Relevance: Market environment: There is a risk that the continued tense market- and competitive situation (transformation of the energy sector; digitalization; sustainability etc.) for all companies in the electricity, gas and energy solutions business could have a negative effect on the own customer base, sales volumes and price levels. In addition, companies must adapt to changes in customer needs and contribute to climate protection.</p> <p>Examples: - In energy trading, EnBW carries the risk that market developments or demand may change due to changes in demand for sustainable products, or that social and technological trends may not be correctly assessed or recognized at an early stage. The consequence would be that new products/services are not developed in line with the market or existing products are no longer competitive. - There is a high level of competition in the commodity business (B2C). Relevant criteria for potential customers are not only price but also sustainability and climate protection. One risk is not anticipating</p>

		customer needs correctly. EnBW wants to meet customer needs in the best possible way.
Reputation	Relevant, always included	<p>Reputation is part of the EnBW opportunity and risk map (risk type).</p> <p>Relevance: A strong reputation is an important factor for the sustainable success of a company. The good social reputation of a company reflects the trust placed by the general public and relevant stakeholders in the competent and responsible actions of a company. EnBW assumes the responsibilities for the economy and society and aspires to be a driver of the Energiewende. In the process, we want to gain social acceptance and improve our reputation. A good reputation signals the willingness of society and its different stakeholder groups to cooperate with and invest in the company. We aim to continuously improve our reputation. The Reputation Index is a Top KPI of EnBW. Reputation is regularly measured through surveys. Internal measures are taken based on the results.</p> <p>Example – expansion EnBW wind onshore: An important part of the EnBW strategy 2025 is the expansion of renewable energies with wind onshore. With increasing expansion of such wind onshore parks the risk increases that citizens get a negative view on EnBW, because onshore parks could negatively affect the landscape. This can lead to a loss of reputation due to negative reporting, citizens' initiatives etc. and thus have a negative impact on the sustainable success of the company and projects. The lack of objective or subjective acceptance for individual project developments - local, regional or national - leads to cost increases due to possible expert opinions or a deterioration in efficiency due to possible official requirements. The risk therefore remains that certain EnBW projects cannot be implemented as planned for reputational reasons. This could have a financially unspecified impact on the performance indicator Adj. EBIDTA.</p>
Acute physical	Relevant, always included	<p>“Acute physical” is part of the EnBW opportunity and risk map (risk type).</p> <p>Relevance: Electricity grids are used to supply companies and citizens with energy. Utility companies that are in the grid business strive to achieve the highest possible reliability of supply. The increasing number of weather extremes (floods, strong winds, high temperatures) due to climate change risk the high level of supply reliability. Disruptions to grid operations can occur due to weather</p>

		<p>extremes. With climate change progressing, this risk is increasing - countermeasures are needed.</p> <p>Example - Impairment of electricity grid operations and thus reliability of supply caused by increasing weather extremes: The EnBW subsidiary Netze BW operates high, medium and low voltage grids in Baden-Württemberg and is thus responsible for the continuous supply of electricity to companies and citizens. Weather extremes - for example storms, thunderstorms, heavy rain, floods - are continuously increasing due to climate change and lead to disruptions in grid operations. Interruptions in electricity supply may occur. Disruptions in the electricity grid cause high costs and lead to stakeholder dissatisfaction. If disruptions in grid operations occur, standardised measures should be taken to restore power supply as quickly as possible. In accordance with Netze BW and the risk management of Netze BW and EnBW, increasing weather extremes are for example taken into account as a measure in grid development and construction.</p>
Chronic physical	Relevant, always included	<p>“Chronic physical” is part of the EnBW opportunity and risk map (risk type).</p> <p>Relevance: Energy utilities faces potential risks due to the ongoing and future process of climate change (increasing temperatures). The output from thermal power plants that must be cooled could possibly be impacted by temperature limits on discharged water. If the inflow of water is extremely low, the engine / power plant which need water for cooling or running may have to be switched off due to danger of lack of water. As this is below the permissible engine throughput. In case of switch off, the plant can not produce any power. This leads to a lower production and as a result of this to a lower revenue.</p> <p>Example – EnBW thermal power plant (hard coal):</p> <p>Power generation with thermal power plants (for example hard coal) requires a cooling system for the production facilities. There is a comprehensive concept for the functioning of this cooling system. The resource water is used for cooling. At the hard coal power plant of EnBW – for example Karlsruhe, RDK 8 – water is taken from the river river “Rhein”. With regard to the cooling process, two conditions must be fulfilled: There must be sufficient water in the rivers (water level) and the water temperature must not exceed a specified temperature (maximum cooling water temperature). If a condition is not met because of high temperature and no rain, this can lead to power limitations,</p>

		interruptions in power generation or shutdown of the power plant of EnBW. The consequence is a negative impact on the KPI Adj. EBIDTA.
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C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact

Other, please specify

Decreased Adjusted EBITDA due to reduced energy generation

Company-specific description

Fluctuations in energy yield regarding wind offshore/onshore because of increased severity and frequency of extreme weather events such as cyclones, floods or low wind:

We have the specific risk that fluctuations in wind have a direct impact to the operation of our wind parks. Less wind will result in downtime for wind turbines as well as too much wind. Maintenance can also be affected by too much wind or weather extremes, like high tides, and floods. We see an increasing effect of weather extremes due to global acute physical climate changes. Consequences are increasing wind fluctuation. Revenue of our wind portfolio depends on the one hand to the amount of wind and windspeed and on the other hand also on the forecast of the wind speed, because expected downtime can be used for maintenance. Predicting wind amounts and wind speeds become more important, but also difficult, due to climate change.

Example (offshore): A wind power plant starts up from 3 - 5 m/s. It achieves a capacity of 2 MW to 7 MW (depending on technology) from a wind speed of 13 - 14 m/s . Output is held at constant level by adjusting rotor blades. In partial-load range, rotor speed and

pitch angle of rotor blades is continuously adjusted in order to achieve a maximum level of aerodynamic efficiency. At wind speeds greater than 25 m/s, wind power plant is automatically switched off. If wind speed falls below restart value, safety system is automatically reset. Rotor blades are set to their operating position and turbine is restarted.

EnBW offshore wind farms:

EnBW became one of the pioneers of wind energy at sea (offshore) through the first offshore wind farm EnBW Baltic 1 in Germany in the Baltic Sea in 2011. It was then followed by EnBW Baltic 2 in 2015. We thus have 330 MW of installed output in the Baltic Sea. The joint project involving EnBW Hohe See and Albatros provide another 609 MW of clean electricity in North Sea. We are on course for further growth in the North Sea and beyond. We are currently developing our third North Sea wind farm – EnBW He Dreiht (900 mMW).

Onshore wind farms:

We operate onshore wind farms not only in Baden-Württemberg, but throughout Germany. By the end of 2020, we had wind turbines with total output of around 561 MW in operation at 49 locations. With a secured project pipeline of over 2200 MW, we continue to focus on expansion. To supplement our core market of Germany, we have expanded our onshore wind energy activities into France and Sweden.

Time horizon

Short-term

Likelihood

About as likely as not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

10,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The financial potential impact figure is in a short term time horizon on a yearly base and varies through the years – it is minimum €10 million Adjusted EBITDA. Because wind energy is in a strategic long term view, this risk could have a substantive financial and strategic impact on our business.

In order to take these fluctuations into account in our planning, wind reports were

created. Measurement campaigns were carried out up to the end of 2020 to evaluate wind speeds and are being continued in 2021. The potential financial impact figure is taken from the wind reports. The expected value of the respective distribution corresponds to the annual planned value after correction for turbine availability and for electrical losses.

The annual standard deviation consists of a random and a systematic part. The random part corresponds to the scatter caused by the future local wind conditions. The systematic part consists of the components:

- Wind speed basis of the expert opinion (historical wind speeds)
- Current meter error
- Shading calculation
- Characteristic curve of the wind turbines
- Uncertainty of the frequency distribution of the wind speed
- Uncertainty of the hysteresis loss

These fluctuations could have a negative impact in the mid double-digit million euro range on the key performance indicator Adjusted EBITDA. As our wind farm portfolio continues to grow, the variation in the level of risk will increase.

Cost of response to risk

1

Description of response and explanation of cost calculation

Business case:

Use of knowledge, experience and technology to optimize service/maintenance of wind power plants by strengthening cooperation between EnBW and subsidiary Connected Wind Services (CWS).

1. Situation: On days with less wind, electricity generation from wind farms is lower than on windy days. Regular maintenance must be carried out at wind turbines - for this purpose respective turbines must also be switched off - in this case no electricity is generated. To ensure highest possible electricity generation, work on wind turbines should be carried out in times of low wind. In addition, maintenance should be carried out in the shortest possible time and the number of maintenance operations should be kept to a minimum. Regular maintenance is required for EnBW offshore/onshore wind farms.

2. Task: An intelligent maintenance strategy shall reduce the time and financial effort - and ensure that the plants generate optimal yields. Cooperation and knowledge transfer between EnBW and CWS will therefore be further intensified to achieve process optimization.

3. Action: EnBW carries out maintenance of its wind turbines in cooperation with the subsidiary CWS (50 service-teams, 30 years experience). CWS does not only carry out maintenance at its own plants, but also offers services to third parties and can therefore continuously improve its service.

EnBW works intensively on optimising operational management of its own wind farms, thus increasing the rentability :

- Application and use of knowledge, as well as experience of CWS for its own wind power plants
- New concepts: Better weather forecasts for planning maintenance; evaluation of maintenance work; digital documentation in the future
- Technology: in order to be competitive as service provider, EnBW and CWS use innovative technologies

4. Result: Minimal downtime and lower costs; higher flexibility; high level performance; better international wind yields: The knowledge and also the technical equipment for customers is used for the own wind farms.

Explanation costs:

With acquisition of CWS (2016), EnBW systematically accelerated the expansion of renewable energy business and the acquisition of expertise in the maintenance of wind parks. This reduces risk of wind yield fluctuations and increases rentability of its own plants via optimized maintenance at the right time. We have here synergy effects - for this reason, no additional costs are reported, (we added "1" for cost of response to risk).

Comment

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Current regulation

Other, please specify

Risks in approval procedures in the field of wind onshore in germany – the current legal framework allows a variety of intervention options for different stakeholders, what slow down procedures or prevent the realisation.

Primary potential financial impact

Other, please specify

Decreased Adjusted EBITDA for the operation of wind onshore power plants in Germany because of a lower number of own plants as planned.

Company-specific description

Risks in approval procedures in the field of wind onshore in germany – the current legal framework allows a variety of intervention options for different stakeholders, what slow down procedures or prevent the realisation:

In 2020, 1.431 megawatts (MW) were installed in Germany. It is not enough to meet the climate targets or the industry's growing demand for climate-neutral energy. The EEG 2021, which was passed at the end of 2020, provides for an expansion target for onshore wind energy of 71 gigawatts (GW) by 2030. With reference to the increased EU greenhouse gas reduction target, the Federal Environment Ministry is aiming to increase the expansion target to 95 GW. This makes it all the more necessary to swiftly implement measures for more land and permits.

The provision of land and the approval of projects remain decisive for the necessary significant increase regarding the expansion of wind onshore. The approval process can now take around 70 months in Germany, that is far too long.

EnBW operates wind onshore plants not only in Baden-Württemberg, but throughout the whole of Germany. By the end of 2020, we had wind turbines with a total output of around 561 megawatts in operation at 49 locations. With a secured project pipeline of over 2200 MW, we continue to focus on expansion. The generation capacity of our wind power plants (onshore and offshore) is due to increase to 4.0 GW by 2025 (2020: 1927 MW).

EnBW has already had to cancel several planned projects in recent years due to difficulties with approval ((bureaucracy, citizens' initiatives, environmental aspects etc.). One problem with realised projects was that the approval process took significantly longer than originally planned. These general conditions represent a high risk for EnBW and have negative strategic and financial implications.

Time horizon

Medium-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

1

Potential financial impact figure – maximum (currency)

11,750,000

Explanation of financial impact figure

EnBW had an installed capacity of 3536 MW of renewable energies in operation in 2020 (renewable energies segment only, not identical to the Group's total). This installed

capacity generated 10907 GWh. In the segment renewable energies an Adjusted EBITDA of € 835.6 million was achieved.

Assumption:

- With 1 MW, EnBW generated an average Adjusted EBITDA of approximately € 235000.
- EnBW plans to expand the installed capacity in the wind onshore business from approx. 1000 MW in 2020 to 2000 MW in 2025.
- If one assumes that up to 100 MW less capacity will be built than planned (i.e. 5% less) because of difficulties with the approval process etc. in Germany, this would lead to a maximum annual risk of approximately €11,750,000 Adjusted EBITDA.

Cost of response to risk

1

Description of response and explanation of cost calculation

Description of response:

1) Situation:

At present, EnBW has projects with a capacity of several hundreds MW in the approval process in Germany. The delays in the restrictive approval practice are known to politicians, but there is a lack of legal implementation. Also, the determination of the distance regulations for onshore wind turbines by the federal states is still pending. Against the background of the decision of the German parliament in the course of the 1000m distance regulation, projects may be dropped from the approval process. As a result, there is a risk that projects of EnBW's secured project pipeline will no longer be approvable and, in addition, the area potential for future acquisitions of approvable areas is decreasing.

2) Task:

We expect that uncertainty about the legal implementation of the planned measures regarding wind onshore will continue to lead to further delays in approval procedures in the future.

In order to achieve our expansion targets, further internationalization will be necessary for EnBW and its expansion projects.

3) Action:

The risk that only limited areas will be available in Germany for the expansion of onshore wind in the future is reduced by global projects. EnBW is therefore driving forward its internationalization in other countries - including construction and operation. For example, acquisition of Valeco in June 2019 continues to be an important step in our strategy of selective internationalization in the field of renewable energies. EnBW regularly reviews developments regarding wind onshore in European countries and beyond. Market and competitor analyses are made for this purpose.

4) Result:

EnBW operates onshore wind farms in various countries in order to reduce its dependence on Germany. The number of wind farms outside Germany has increased steadily in recent years - further expansion is planned.

Examples for wind onshore projects in different countries:

- Turkey: 146 MW Saros wind farm (anticipated commissioning date: 2021).
- Sweden: Onshore wind energy 108 MW in operation. 12,6 MW under construction

(operation date: 2021).

- France: EnBW is growing on the french market with Valeco – 410 MW onshore wind energy.

Cost explanation:

i. A cost calculation (“1”) to reduce the risk cannot be given in this rating because of competitive reasons, as the international expansion of our onshore volume is also related to confidential M&A projects . We are active in tenders for wind farm projects worldwide.

Comment

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Acute physical

Increased severity and frequency of extreme weather events such as cyclones and floods

Primary potential financial impact

Other, please specify

Decreased Adjusted EBITDA due to reduced energy generation.

Company-specific description

Risk of reduced energy generation with run-of-river power plants because of extreme weather (low water, floods etc.):

Run-of-river power plants are an important component of EnBW's Renewable Energies segment. As a result of global acute physical climate changes we are facing and reporting the risk of lack of water for the operation of our hydropower plants in general.

More frequent extreme weather conditions leading to highly fluctuating water levels could have a negative impact especially on the operation of power plants and thus the reliability of supply. Both a lack of or also an abundance of water leads to significantly lower electricity generation of our hydropower plants. While the lack of water means a direct operational downtime, the abundance of water leads to the effect that the absorption capacity of the turbine is exceeded, the excess water flows unused into the tailwater and the rising water level there reduces the falling height and with that the performance.

Run-of-river power plants are usually built on rivers with a slight gradient but large flow

rates, usually following the same pattern: A weir with several lockable gates can dam the river water. To produce electricity, the water from this reservoir is fed through turbines. These in turn drive generators in the engine house. Control devices in front of the impeller ensure that the optimum amount of water is directed onto the impeller blades. A screen in front of the water inlet protects the turbines from twigs, branches, and refuse.

EnBW has an electrical output of 1007 MW (2020) with run-of-river power plants. In 2020, 5137 GWh were generated with run-of-river power plants, and 5342 GWh in 2019.

Time horizon

Short-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

1

Potential financial impact figure – maximum (currency)

15,300,000

Explanation of financial impact figure

EnBW had an installed capacity of 3536 MW of renewable energies in operation in 2020 (renewable energies segment only, not identical to the Group's total). This installed capacity generated 10907 GWh. In the segment renewable energies an Adjusted EBITDA of € 835.6 million was achieved.

Assumption:

- With 10907 GWh, an Adjusted EBITDA of € 835.6 million was generated. It follows that with 1 GWh approximately € 76500 Adjusted EBITDA was generated.
- If one assumes that up to 200 GWh less generation will be generated because of extreme weather (i.e. around 4% less than in 2019) - this would lead to a maximum annual risk of around € 15,300,000 Adjusted EBITDA.

Cost of response to risk

1,700,000,000

Description of response and explanation of cost calculation

Description of response:

Business Case A: Diversification of generation Portfolio – expansion of wind and solar

power

1. Situation:

EnBW has a high electrical output from run-of-river power plants (1007 MW in 2020). The share of run-of-river power plants in the generation portfolio (installed output) is over 8 %. This generation technology is dependent on climatic conditions - extreme weather (low water, floods) can lead to less energy being generated.

2. Task:

The dependence on run-of-river power plants is being reduced by investing in other generation technologies. For example, the installed capacity of solar power plants is significantly lower than that of run-of-river power plants (EnBW, 2020). EnBW is focusing on the further expansion of renewable energies, particularly wind and solar. The task is to steadily expand wind and solar power over the next few years (portfolio diversification).

3. Action:

- Significant event in 2020: Construction and partial commissioning of the Weesow-Willmersdorf solar park with a capacity of 187 MWp without EEG funding
- Investment of around €1.7 billion for the expansion of renewable energies is planned for the period 2021 to 2023. For example investment is planned photovoltaic parks (including the two solar parks Gottesgabe and Alttrebbin, each with a capacity of around 150 MWp, by the end of 2021) from our comprehensive project pipeline.

4. Result:

- With expansion of solar and wind energy, we achieve greater diversification of the generation portfolio and reduce negative effects of low, high water.
- With investments in solar power plants, the difference regarding installed capacity between solar power plants and run-of-river power plants will be steadily reduced.

Cost Calculation:

Investment of around €1.7 billion for the expansion of renewable energies is planned for the period 2021 to 2023, which corresponds to 20% of the gross investment. The planned investment in renewable energies includes funds for the realization of further offshore wind farms, such as our EnBW He Dreiht wind farm in the German North Sea, and for further offshore projects in Great Britain. In addition, investment is planned for the construction of onshore wind farms to achieve a total capacity of 1,500 MW at home and abroad by 2023 and for photovoltaic parks (including the two solar parks Gottesgabe and Alttrebbin, each with a capacity of around 150 MWp, by the end of 2021) from our comprehensive project pipeline.

Comment

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Other, please specify

Increased Adjusted EBITDA resulting from increased demand for products and services.

Company-specific description

Expansion and modernisation of electricity grids (transmission, distribution) contributes to climate-friendly energy and mobility system transformation in Germany:

EnBW restructured its segments. The grids segment is now managed under the business field system critical infrastructure. The transformation of the energy system is still ongoing in Germany ("Energiewende") - in particular the conversion of electricity generation from conventional to renewable. One of the driving forces is climate protection. The overall success of the Energiewende is closely linked to the expansion of the transmission and distribution grids. Connection of renewable energy generation installation as well as vehicle electrification will require further construction measures at all levels of the electricity grid.

The grid segment of EnBW encompasses mainly the transmission and distribution of electricity and the provision of grid-related services. Value added in the grid segment is based on the existing infrastructure and built up process Know-how over time. Furthermore, value added is anchored in the numerous close relationships with local authorities and citizens. The grid business will be expanded further in the course of the

Energiewende and will thus contribute to the central objective reliability of supply. At the level of the transmission grids, this includes the construction of the two north-south connections SuedLink and Ultranet by our subsidiary TransnetBW and its partners. Partnerships will play a more important role in the distribution grid in future as our grid companies efficiently manage our customers' grid installations and facilities and prepare them to meet the new requirements - this is mainly the business of our subsidiary Netze BW.

Selected projects in 2020 with important impact for the following years:

- Laying of the foundation stone for the Ultranet converter station in Philippsburg.
- Further preparations for SuedLink as part of the approval process.
- Successful conclusion of the pilot phase for the Data exchange/Redispatch project of TransnetBW and Netze BW with partners to coordinate measures to stabilize the grid via a digital platform.
- The "EnBW connects" participation model with which local authorities in Baden-Württemberg can invest in Netze BW GmbH is generating a lot of interest.
- Driving forward integration of e-mobility into the grid and testing it in practice as part of the "E-Mobility-Carré" and "E-Mobilitychaussee" pilot projects.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

1,400,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

The adjusted EBITDA of the System critical infrastructure segment could reach a higher level in 2021 (up to €1.400 million Adjusted EBITDA) than in the 2020 financial year (€1.347 million Adjusted EBITDA). Revenue from the use of the grids is expected to increase slightly in comparison to the previous year, despite the ongoing coronavirus pandemic, as a result of returns on increased investment activity in projects that are included in the Network Development Plan Electricity.

Cost to realize opportunity

5,208,000,000

Strategy to realize opportunity and explanation of cost calculation

Business Case for our subsidiary Netze BW:

1. Situation: In Baden-Württemberg (BW) the energy transformation is visible in many places. Regenerative, decentralised generation plants such as biomass, photovoltaic and wind energy plants are representing an increasingly important part of electricity generation. As a result, considerable power flows are increasingly taking place from lower to higher grid levels. This can lead to bottlenecks in the electricity distribution networks, which must be eliminated by appropriate technical measures. Grids are thus becoming a key success factor in the energy turnaround.
2. Task: Netze BW takes on these challenges and makes the grid future-proof/ready through intelligent solutions and the conversion and expansion of the electricity networks so that our customers can continue to benefit from the highest quality of supply.
3. Action: For this reason, Netze BW regularly draws up a grid expansion plan for its high-voltage grid (i.e. 110 kV grid), taking current technological and political developments into account, which describes and transparently presents the necessary grid expansion requirements of Netze BW in the high-voltage sector.
4. Result: Netze BW is making a significant contribution to the transformation of energy systems and mobility by expanding/ modernizing distribution networks in Baden-Württemberg (BW). Renewable energy can continue to be included and distributed on the grid, and electric mobility is made possible.

Selected projects in BW are currently being planned and implemented - examples:

- Renewal of the existing 110 kV high-voltage grid between Rheinau and Leimen.
- Planned new construction of a 110 kV high-voltage electricity grid between Kupferzell and Rot am See.

Explanation of cost:

To continue to play an active role in shaping the Energiewende, gross investment of €8.4 billion is planned for the 2021 to 2023 period. This represents on average €2.8 billion per year. €2.3 billion (27%) of this investment will be on existing projects and €6.1 billion (73%) on growth projects. The majority of the gross investment (83%) will be in the "System critical infrastructure" segment and the expansion of renewable energies. Around 62% of the investment will flow into the System critical infrastructure segment (€ 5,208,000,000), of which growth investment will account for 41% of the overall gross investment. In particular, Netze BW and Transnet BW are investing in the expansion, modernization of grids.

Comment

Identifier

Opp2

Where in the value chain does the opportunity occur?

Downstream

Opportunity type

Products and services

Primary climate-related opportunity driver

Development and/or expansion of low emission goods and services

Primary potential financial impact

Other, please specify

Increased Adjusted EBITDA resulting from increased demand for products and services .

Company-specific description

Steady and consistent expansion of the EnBW business field electromobility with contribution to climate protection:

An essential part of our Strategy EnBW 2025 is the steady and consistent expansion of the business field electromobility with positive effects on climate protection - planning, construction and operation of charging infrastructure as well as offering charging solutions for different customer groups (for example private customers, business customers, municipalities). We see the growing market and demand for electromobility products as an opportunity to gain additional revenue.

EnBW already assumed a pioneering role in the area of charging infrastructure many years ago. The company began installing charging stations for electric vehicles in Stuttgart in 2012 and has supplied electricity to the largest fleet of electric vehicles in a major city. In comparison to conventional AC charging stations (alternating current), DC charging stations (direct current) allow for a significantly faster charging process. This means that customers can, for example, charge their vehicle with enough electricity to cover a distance of around 100 kilometres in just 3 minutes at DC charging stations with a charging capacity of 300 kilowatts (so-called "high power chargers"). EnBW is one of the market leaders for the operation of fast charging stations in Germany with currently more than 550 fast charging locations, primarily at motorway service stations and in urban areas. At Kamener Kreuz in North Rhine-Westphalia, EnBW is building Europe's largest public fast-charging park with 52 charging points (2021).

Time horizon

Long-term

Likelihood

Likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, an estimated range

Potential financial impact figure (currency)

Potential financial impact figure – minimum (currency)

400,000,000

Potential financial impact figure – maximum (currency)

500,000,000

Explanation of financial impact figure

EnBW expects €400 million till €500 million Adjusted EBITDA related to the period 2021-2030 in the two roles CPO (charging point operator) and EMP (electric mobility provider).

Electromobility is a fast developing market and EnBW is investing in charging infrastructure, IT systems, business infrastructure and product development. With these investments we assume an positive annual balance by 2025.

EnBW is investing massively in the infrastructure for electric mobility up to 2030 - this guarantees in future a further increase in revenues, especially in the long term (after 2030).

On the revenue side for EnBW, these are mainly incomes from charging operations, namely

- To our charging infrastructure (through our own and customers of other EMPs)
- Through our end customers (at our own and other charging infrastructure) - both in Germany and abroad. Currently (A, CH, NL, F, I, B, LUX, LIE) – more countries will be added in the coming months/years.

Costs in relation with the e-mobility business for EnBW:

- Overall construction of the charging infrastructure
- The operation of the charging infrastructure
- Electricity procurement costs
- IT costs for the back-end systems
- Expenses for customer APP
- Overheads, personnel

Cost to realize opportunity

1,000,000,000

Strategy to realize opportunity and explanation of cost calculation

Business Case E-Mobility:

1. Situation: E-Mob. is an important growth field for EnBW. Ambition of EnBW is to operate 2,500 fast charging locations across Germany by 2025 (2020: 550) and to increase publicly accessible charging points.

We are already the operator of the largest fast-charging network in Germany/Austria. E-Mob. is a rising market and EnBW is focusing on building a widely spread charging network by investing in charging infrastructure and offering digital services to customers.

2. Task: EnBW has to invest significant in the infrastructure of E-Mob. Furthermore, we are striving for new cooperations with partners. Operating and establishing business in a

rising market like E-Mob. is challenging and as a result all opportunities must be sorted and evaluated. Flexibility and customer orientation important.

3. Action: EnBW has entered into various collaborations with renowned partners that promote, above all, the expansion of the quick-charging infrastructure in urban areas and is now the largest provider of high-power charging locations in Germany. EnBW mobility+ app provides access to more than 190.000 publicly accessible charging points in Germany and 8 further countries where e-car drivers pay the same price per kilowatt. In addition, drivers can use the app directly to pay for electricity used to charge their e-cars at these stations. EnBW is focusing on success of E-Mob. and is therefore bundling its electromobility activities in an independent company. Foundation of EnBW mobility+ AG & Co. KG (2020) enables growth beyond Germany.

4. Result: In the sector E-Mob., EnBW will be a fullservice provider and together with its subsidiaries cover the complete spectrum of services for the development and expansion of E-Mob. from the supply of electricity and the operation of a comprehensive charging infrastructure through to digital services for the consumer.

The ambition of EnBW is to operate 2,500 fast charging locations across Germany by 2025 - continuous investments ensure the achievement of the target.

Cost calculation:

An investment of around €100 million per year until 2030 mainly in the infrastructure business (€1 billion till 2030):

- Overall construction of the charging infrastructure
- Operation of the charging infrastructure
- Electricity procurement costs
- IT expenses for the back-end systems
- Expenses for customer -Applications (mobile apps)
- Overhead costs, personnel

EnBW will continue to benefit from this even after 2025.

Comment

If you are looking for a definition for electromobility, you will quickly find it, but in view of the technologies and developments involved, electromobility, or e-mobility, is more of a dynamic process and less of a static concept, which makes it even more difficult to come up with a permanently valid definition. In general, electromobility refers to the use of electric vehicles. These include electric cars as well as electric trains, electric motorcycles and scooters, battery buses, electronic trucks, electric bicycles and electric tricycles. Electric vehicles include fuel cell vehicles, battery electric and hybrid vehicles.

E-mobility is regarded as the basic building block of a sustainable transport concept using renewable energies. In summary, e-mobility describes not only the vehicles with electric drive themselves, but also the entire concept of future mobility based on modernised networks in cities, municipalities, countries and states. This includes smart technologies of traffic electronics (e.g. for traffic light switching) as well as car sharing offers that are primarily based on apps and whose operators also rely on electric vehicles in the best case.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of lower-emission sources of energy

Primary potential financial impact

Other, please specify

Increased Adjusted EBITDA resulting from increased production capacity of renewable energies (increased generation capacity).

Company-specific description

Consequent and steady expansion of renewable energies - various renewable energy projects of EnBW make an important contribution to climate protection and transformation of the energy system:

With the ongoing expansion of our generation from renewable energies (wind, solar and hydropower), we see an opportunity to achieve our corporate goal of climate neutrality by 2035.

Activities in the area of power generation from renewable energies are combined under our Renewable Energies (RE) segment. With the new strategy EnBW 2025 we define it "Sustainable generation infrastructure". In the upcoming years we are expanding RE significantly, above all in the areas of onshore and offshore wind energy as well as solar energy.

The partnership principle plays a central role in this context and we offer potential investors such as local authorities and private citizens, whom we attract with the aid of targeted models, the chance to participate in RE projects. The value we add in this segment encompasses project development, construction and efficient operation, as well as the repowering of the plants and installations in future.

Important projects in 2020:

- Commissioning of EnBW Albatros offshore wind farm with an output of 118 MW.
- Expansion of onshore wind power portfolio by 125 MW.
- Achievement of strategic target of 1,000 MW of onshore wind power.
- Major contracts for maintenance of onshore wind turbines in Denmark and France.
- Successful conclusion of Nezy 2 pilot project for floating foundations as a pioneering technological project.
- Construction and partial commissioning of Weesow-Willmersdorf solar park with a capacity of 187 MWp without EEG funding.
- Expansion of photovoltaic portfolio by a total of around 190 MWp.

-Two EEG bids accepted for PV projects in first innovation auction of German Federal Network Agency.

Time horizon

Medium-term

Likelihood

Very likely

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

Yes, a single figure estimate

Potential financial impact figure (currency)

900,000,000

Potential financial impact figure – minimum (currency)

Potential financial impact figure – maximum (currency)

Explanation of financial impact figure

Adjusted EBITDA for renewable energy is expected to increase steadily. Our offshore wind farms make a significant contribution to this result. Our forecasts are basically based on wind yields in line with the long-term average. Wind conditions in 2020 below the long-term average and below these forecasts. The Adj. EBITDA for the Renewable Energies segment will increase in 2021 to around €900 million (2020: €731,1 million). In addition, the expansion and acquisition of onshore wind farms and photovoltaic power plants will make a positive contribution to earnings.

EnBW will massively expand renewable energies in the following years. This will lead to a further increase in revenue and Adjusted EBITDA.

Cost to realize opportunity

4,000,000,000

Strategy to realize opportunity and explanation of cost calculation

Business Case:

EnBW Segment Renewable Energies - tasks and initiatives: Project development and management; construction and operation of renewable energy power plants.

1. Situation: The installed output of renewable energies (RE) and the share of the generation capacity accounted for by RE are measures/KPIs for the expansion of renewable energies at EnBW. With our strategy EnBW 2025 we aim to raise the share of the generation capacity accounted for by renewable energies by 2025 to over 50% (compared to 39% in 2020) and the installed output of renewable energies (RE) from 5,0 GW in 2020 to 6,5-7,5 GW in 2025.

2. Task: Massive investments will be necessary in the coming years to ensure that the EnBW targets will be achieved. Investments will be made especially in power generation with wind and solar. The projects must be successfully implemented based on competencies and experience of EnBW.

3. Action – selected Projects in future:

- We plan to develop a solar energy portfolio of 1,200 MW across Germany by 2025 (nearly double compared to 2020).

-We will continue to push forward expansion of wind power with other planned onshore and offshore projects. Between 2020 and 2025, we want to increase our wind power capacities to 4,000 MW (2020: 1927 MW). We are planning, for example, to construct the EnBW He Dreih wind farm until 2025 in North Sea with an output of 900 MW – for the first time without state subsidies.

- New wind farms benefit from rapid technological development and professionalization of the wind energy sector - as well as from enormous experience of EnBW's offshore experts.

4. Result: With these investments, renewable energies will be gradually expanded over time. This will make an important contribution to climate-friendly electricity generation. Example for 2020: EnBW built the Hohe See Albatros offshore wind farm in 2020 with a total installed capacity of 112 megawatts. Example for the future: EnBW plans to build the offshore wind farm He Dreih with an installed capacity of 900 megawatts by 2025.

Cost calculation – investment:

In order to continue to play an active role in shaping the Energiewende, total investment of €12.0 billion is planned for the 2021-2025 period (EnBW invest). Up to €4.0 billion of the total investment will be attributable to the Renewable Energies segment – investment of around €1.7 billion for the expansion of renewable energies is planned for the period 2021 to 2023.

Comment

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes, and we have developed a low-carbon transition plan

C3.1a

(C3.1a) Is your organization's low-carbon transition plan a scheduled resolution item at Annual General Meetings (AGMs)?

Is your low-carbon transition plan a	Comment
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	scheduled resolution item at AGMs?	
Row 1	No, and we do not intend it to become a scheduled resolution item within the next two years	<p>In October 2020 EnBW committed itself to climate neutrality in the year 2035. Sustainability is the guiding principle towards which EnBW orients itself. Every decision and every investment must be measured against this benchmark. Our commitment to sustainability goes far beyond protecting the environment, the climate and natural resources: The current strategy EnBW 2025 gives us clear perspectives with respect to sustainability. The sustainability agenda comprises a package of 25 new measures that take ecological, economic and social aspects into account. One central theme of our sustainable corporate strategy is climate protection. And we have set ourselves an ambitious goal in this regard: We want to become climate neutral with respect to our own emissions across the whole company by 2035. We aim to already reduce the CO₂ emissions at EnBW by 50% until 2030, based on the reference year of 2018. The path to climate neutrality will require the rigorous phasing out of coal-fired generation. EnBW had already phased out 40% of its particularly carbon-intensive electricity generation. A further at least 2.5 GW will be removed from operation by 2030 and the phase-out process will be fully completed by 2035. To this end, several fuel switch options will be examined. The fuel switch will take place in two stages: firstly from coal to more climate-friendly natural gas and then in the medium term to climate-neutral gas (biogas or hydrogen). The committed timeline is in line with the Paris goals.</p> <p>A decision of this magnitude is prepared internally in a long process in which the implications for the company are discussed. On this basis, the board makes a recommendation, which is presented to the members of the supervisory board for a decision. The majority of the Group's shareholders are represented on the Supervisory Board. Therefore, an additional decision at the general meeting was not necessary. However, the resolution was presented at the Annual General Meeting.</p> <p>Various subsidiaries of EnBW have already published their targets for achieving climate neutrality. The subsidiary Energiedienst, for example, was one of the first integrated energy supply companies in Germany to achieve climate neutrality as early as 2020. Netze BW is aiming for climate neutrality in 2021.</p>

C3.2

(C3.2) Does your organization use climate-related scenario analysis to inform its strategy?

Yes, qualitative and quantitative

C3.2a

(C3.2a) Provide details of your organization’s use of climate-related scenario analysis.

Climate-related scenarios and models applied	Details
<p>IEA 450 IEA Sustainable development scenario BNEF NEO Other, please specify Further information regarding our own model see details.</p>	<p>Identification process: The IEA 450 and IEA Sustainable development scenarios represent ambitious climate protection scenarios that are comparable with our assumptions of possible developments. Therefore, EnBW uses them to check the results of our own model calculations. BNEF NEO and analyses from other providers deliver information on the global development of commodity markets. Understanding these markets is of particular importance, as they determine, for example, the development of coal or gas prices, which has an impact on the profitability of our power plants. For the development of knowledge on specific issues, e.g. for foreign energy markets such as Scandinavia, France, UK,..., EnBW uses analyses from different providers, e.g. THEMA.</p> <p>Time Horizon: Investments in energy infrastructure are always long-term. Therefore, we consider the time horizon until 2050. This time-period reflects the changes caused by the pursuit of climate targets. This allows us to draw conclusions about the long-term economic viability of investments, e.g. the construction of a new wind farm or the installation of a charging network for e-vehicles.</p> <p>Areas considered: With the phase-out of nuclear and coal-fired power plants, new demands are arising in the energy sector. In our internal scenarios we consider the development of the power and the gas markets. For new business areas, e.g. the development of eMobility, EnBW use external scenarios and reflect them on our own estimations. The scenarios are also used to evaluate the future activities of the Group.</p> <p>Summary of the results: Obviously, traditional power generation in fossil-fuelled power plants is becoming less and less important. A large increase in renewable energies will be needed in the coming years as well as the expansion of capacities of gas-fired power plants. Furthermore, the provision of energy solutions for municipalities and customers is becoming increasingly important.</p> <p>Informed business objectives and strategy:</p>

	<p>EnBW do the scenario analysis to understand the developments and long-term effects of changes. The results are essential for investment decisions and the future strategic orientation of the Group. High investments have been made in the expansion of renewable energies and in the expansion of electricity and gas grids in recent years. In the future, however, it will be necessary for EnBW to develop beyond the traditional supply of electricity and gas. As a sustainable infrastructure partner, we will continue to serve the needs of our customers. EnBW is setting new priorities in the areas of broadband, the development and operation of urban districts and the expansion of e-mobility.</p> <p>Case study/example: Situation: In order to achieve the objective of the German Climate Protection Act, emissions in the transport sector must be reduced. One way to reduce emissions is to switch to e-vehicles, especially in the passenger car sector.</p> <p>Task: An accelerated vehicle ramp-up requires a broader and area-wide charging infrastructure. A network of fast-charging stations is to be created on long-distance routes and in urban areas.</p> <p>Action: In cooperation with the state of Baden-Württemberg, EnBW has been implementing the "Urban Fast Charging Parks in BW" and "Fast Lane BW" projects since 2020. 15 cities will be equipped with 16 locations for public fast-charging parks and five existing fast-charging locations along long-distance routes in Baden-Württemberg will be expanded into fast-charging parks.</p> <p>Result: EnBW is demonstrating what the future of charging e-vehicles could look like at the charging park in Rutesheim on the A8. The charging park is equipped with all standard connections and enables ultra-fast charging with an output of up to 300 kW. At the new Werratal South service station, EnBW fast-charging stations are located directly next to pumps for conventional fuels. All types re-fuelling infrastructure are combined under one service station roof.</p>
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C3.3

(C3.3) Describe where and how climate-related risks and opportunities have influenced your strategy.

Have climate-related risks and	Description of influence
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	opportunities influenced your strategy in this area?	
Products and services	Yes	<p>1. Strategy & influence: As a result of Paris Climate Protection Agreement, framework conditions for renewable energies (RE) in various countries are being shaped positively by politics. Incentives are being created for investments by companies (opportunity). Conventional generation is thus losing importance. Today, RE and the Grids Segments account for a combined share of over 75% of the operating result of EnBW - this share increased significantly in the last years. We have thus successfully completed the desired transformation of our portfolio in the last few years. We decided to continue to focus on expansion of RE and will invest 4 billion euros in corresponding activities in Germany and selected foreign markets up to 2025 (strategy EnWB 2025). Selective internationalisation: We can generate value through growth abroad – above and beyond the potential offered by our home market of Germany. This internationalisation is “selective” in the sense that we choose our target markets very deliberately so that we will be able to take up a prominent position on these markets.</p> <p>2. Time horizon & strategy: This strategic direction is based on the strategy EnBW 2025 (till 2025).</p> <p>3. Case study - selective internationalisation: Situation: The foundations for our growth in the area of RE certainly lie in the significant upgrading of this business field as part of our EnBW 2020 strategy. Further growth in RE is targeted.</p> <p>Task: Following initial success in Germany, the decision to extend our business activities and teams geographically is the logical continuation of our aspiration to achieve further growth through the expansion of RE using the expertise we have gained (strategy EnBW2025).</p> <p>Action: - RE-Activities in: Germany, Denmark, Sweden, France,</p>

		<p>Austria, Switzerland</p> <ul style="list-style-type: none"> - First activities in Taiwan and the USA - USA: Our own representative offices in Jersey City and Boston will ensure close contact with local cooperation Partners (opened 2019). - Expansion of the onshore wind power Portfolio in France and Sweden in 2020 - EnBW and its British partner bp had their bid for two high-quality sites in the Irish Sea accepted in February 2021. We want to jointly construct two offshore wind farms with a total output of 3 GW on these sites by 2028. <p>Result: We believe that new markets offer great opportunities for expansion of offshore and onshore wind energy.</p>
Supply chain and/or value chain	Yes	<p>1. Strategy and influence: Against background of climate change and its challenges for global society EnBW has set the vision in its strategy 2025 to transform into a sustainable, innovative infrastructure partner. Negative impact of a company on environment and climate aspects is generated within its supply chain (Scope 3, environmental interventions etc.). Because of that sustainable development of EnBW's central procurement is one important component of the EnBW strategy.</p> <p>2. Time horizon: 2020 - 2023 (ongoing transition of EnBW's procurement)</p> <p>3. Case study: Situation: In most cases the biggest negative impact of a company on environment, climate, human rights is generated within the supply chain (risk).</p> <p>Tasks: EnBW started 2019 with planning a project to establish a sustainable supply chain management in central procurement. Since climate protection/carbon reduction are focal points of EnBW's overall sustainability strategy these aspects are addressed within this project. Project's implementation started by the end of 2020 and is seen as a starting point for an ongoing transition of EnBW's procurement. It is envisaged that within 2 years EnBW has implemented an ambitious supply chain management.</p>

		<p>Action: Development of a supplier code of conduct addressing specifically climate protection and reduction of polluting emissions, and the project focuses on implementing sustainability criteria defined in the supplier code of conduct into the procurement process. Regarding climate protection our business partners must reduce climate damaging emissions continuously. Therefore, suppliers are asked to define and document clear carbon reduction goals. Further, our business partners shall contribute to developing climate friendly products and processes. Compliance with these requirements will be monitored on a regular base. If necessary EnBW will start a process of dialogue about corrective action measure.</p> <p>Result: EnBW uses from 2020 onwards risk score cards for every product category. This enables purchasers to know about potential impact on climate and environment before a project or tendering process is started. Product category groups that exhibit a high level of risk will introduce at least two sustainable products into their portfolio in a pilot project starting in summer 2021. Climate-friendly products will be the focus of this pilot phase.</p>
Investment in R&D	Yes	<p>As a result of Paris Climate Protection Agreement, framework conditions for RE in various countries are being shaped positively by politics. Incentives are being created for investments by companies - e.g. in the field of wind energy . Conventional generation is thus losing importance. A key success factor in the field of wind energy is the use of innovative technologies to generate electricity.</p> <p>1. Strategy & Influence: Despite challenging conditions, we will continue to push forward expansion of wind power with onshore and offshore projects. Till 2025, we want to increase our wind power capacities to 4,000 MW. Innovative technologies for power generation from wind power are an important element in our approach to research and development. Goal of our R&D is to identify technological trends at an early stage, assess their economic potential, build up expertise in business units and implementation of pilot projects</p>

		<p>2. Time horizon(s) & Strategy: R&D activities in the field of wind power are ongoing within the strategy EnBW 2025.</p> <p>3. Case study Wind Energy: Situation: Offshore wind power plants with fixed foundations are limited to shallow waters with water depths of up to around 50 meters.</p> <p>Task: Floating platforms could be used to install wind turbines in deeper waters. In cooperation with partners, we are investigating several different concepts for floating offshore wind farm projects that would be suitable for opening up new international offshore wind energy regions.</p> <p>Action: In cooperation with the engineering company aerodyn, we tested a 1:10 scale model of a new design for Floating wind turbines called Nezy² in 2020. Tests carried out on a gravel pit lake in northern Germany and in the Baltic Sea demonstrated that the platform concept worked even in stormy winds. Scaled up to the later true size of the system, the wave and wind conditions were equivalent to category 4 to 5 hurricane with waves reaching heights of up to 30 meters.</p> <p>Result: Nezy² will be tested under real conditions at sea. The test using a 1:1 scale model is due to be carried out in China at the end of 2021 or beginning of 2022. We also concluded a cooperation Agreement with other European companies at the end of 2020 to construct a pilot plant in the Irish Sea. We use two demonstration projects to identify which type of floating platform is the best solution.</p>
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Operations	Yes	<p>1. Strategy & influence: The climate action package introduced by German government includes the phaseout of coal power, the introduction of charges for CO2 emissions in the transport and heating sectors and numerous other measures, such as subsidies to promote electromobility - according to politics, CO2 emissions in transport sector are to be significantly reduced over the next years.</p> <p>Incentives for the purchase of electric vehicles are created. Positive conditions are being created for companies with regard to business activities in the field of electromobility.</p> <p>Strategy EnBW 2025 - ongoing operations: In the strategic business field smart infrastructure for customers, we will develop new and digital business models, launch them onto the market and scale them up – even beyond traditional energy industry value chain. The main focus will be placed here amongst others on operations regarding electromobility, e.g. on expansion of quickcharging infrastructure,</p> <p>2. Time horizon(s) & strategy: Activities for electromobility are ongoing within strategy EnBW 2025 (plans till 2030). It is planned to increase sales of electromobility gradually.</p> <p>3. Case study - electromobility: Situation: As a full-service provider together with our subsidiaries, EnBW covers the complete spectrum of services for the development and expansion of electromobility from the supply of electricity and operation of a comprehensive charging infrastructure through to digital services for the consumer.</p> <p>Task: Electromobility business should be continuously expanded. Concrete projects with customers and partners should be realized.</p> <p>Action: EnBW's comprehensive charging network is still being expanded at a rapid pace even though EnBW already had a</p>

		<p>clear lead in the area of quick-charging infrastructure before 2020 in Germany. Almost every second new ultrafast charging station in Germany was placed into operation by EnBW. In addition, we followed a completely new strategy for some new locations in 2020 by focusing on city centers: Urban quick-charging parks have been opened in inner-city areas of Stuttgart and Karlsruhe and more are set to follow.</p> <p>Result: With e-mobility, EnBW is making an important contribution to climate protection. EnBW continues to invest massively in the electromobility business. In this way, the company intends to remain a pioneer and secure its competitiveness.</p>
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C3.4

(C3.4) Describe where and how climate-related risks and opportunities have influenced your financial planning.

	Financial planning elements that have been influenced	Description of influence
Row 1	<p>Capital expenditures</p> <p>Acquisitions and divestments</p> <p>Access to capital</p>	<p>Capital expenditures/ CAPEX: The issue of climate protection is receiving a greater and greater amount of public attention in Germany and in Europe. Clear examples of this can be found in the “Fridays for Future” movement and the results of the European Parliamentary elections in 2019.</p> <p>Case Study: Situation: The national climate protection targets and the international efforts for climate protection have effects on energy supply. Our strategy of concentrating investment on renewable energies, expanding the grids and developing new and increasingly digitalised business models makes a contribution to energy system transformation and CO2-reduction (EnBW strategy 2020/2025).</p> <p>Task: In order to continue to play an active role in shaping the Energiewende, massive investments are needed in the next years in the generation, in the distribution and sale of climate-friendly products. A mid-term investment plan must be developed and operationalised for EnBW.</p> <p>Action (Investment over a three-year period): In order to continue to play an active role in shaping the Energiewende,</p>

	<p>gross investment of €8.4 billion is planned for the 2021 to 2023 period. This represents on average €2.8 billion per year. €2.3 billion (27%) of this investment will be on existing projects and €6.1 billion (73%) on growth projects. The majority of the gross investment (83%) will be in the “System critical infrastructure” segment and the expansion of renewable energies.</p> <p>Result (example Investment for RE): Around 28% of the investment is planned for the Sustainable generation infrastructure segment and for other Investment (other investment: 2%). 24% of the investment will be on growth themes. Investment of around €1.7 billion for the expansion of renewable energies is planned for the period 2021 to 2023, which corresponds to 20% of the gross investment. The planned investment in renewable energies includes funds for the realization of further offshore wind farms, such as our EnBW He Dreih wind farm in the German North Sea, and for further offshore projects in Great Britain.</p> <p>---</p> <p>Acquisitions and divestments: The issue of climate protection is receiving a greater and greater amount of public Attention in Germany and in Europe. Clear examples of this can be found in the “Fridays for Future” movement and the results of the European elections.</p> <p>Case Study: Situation: The mobility transition creates added value for climate protection. In particular, the switch to electric mobility makes an important contribution to reducing CO2 emissions. EnBW is aiming to expand its electromobility business. Massive investments are planned.</p> <p>Task: After successful examination by the respective cartel authorities in Germany and Austria, the closing of the joint venture SMATRICS mobility+ GmbH took place at the beginning of September 2020. As the majority owner - EnBW holds 51 percent - EnBW is expanding its market leadership for fast charging in Germany to the Austrian market with this Transaction.</p> <p>Action: The company was only founded in April by EnBW and the Viennese electromobility pioneer SMATRICS and is taking over the existing SMATRICS network in Austria. This is already the largest fast-charging network and will be massively expanded over the next few years, similar to the German HyperNetz.</p>
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	<p>Result: By bundling the competences of the two partners in the joint venture, a nationwide and future-proof charging infrastructure is now guaranteed in one of the most important transit countries of the EU. SMATRICES is taking on the role of technical service provider and has already been working successfully with EnBW in Germany for years.</p> <p>---</p> <p>Access to capital: Our business development is to be financed by retained cash flow and, if necessary, by external debt financing. Various financing instruments give EnBW flexible access to the debt capital markets. For example green bonds: EnBW sees sustainability as an integral part of its business strategy. With its Green Bonds, EnBW aims to mobilise the financial resources for the transformation targeted in that strategy.</p> <p>Case Study: Situation: EnBW is planning to invest around €12 billion in total between 2021 and 2025. The main focus of this investment will be the expansion of the grids, especially the central SuedLink and ULTRANET projects of our grid subsidiary TransnetBW for the future energy supply in Germany, the expansion of renewable energies, such as the planned realization of the EnBW He Dreiht offshore wind farm, and the further development of smart infrastructure for customers, for example, in the areas of broadband, telecommunications and electromobility.</p> <p>Task: The financing strategy at EnBW changed over the last few years as part of our strategic repositioning through EnBW 2020. We did not just significantly intensify the expansion of renewable energies but also focussed on other aspects of sustainable supply and sustainable business, such as restructuring and expanding the grids and investing in e-mobility. Accordingly, we also rigorously updated our financing strategy and made it more sustainable (task). For example we developed and published our first Green Financing Framework. The Green Financing Framework is the basis for sustainable finance at EnBW. Based on the Framework, a second party opinion is obtained from ISS ESG or another suitable sustainability agency. The Green Bond issues are certified by the Climate Bonds Initiative (CBI).</p> <p>Action: Bonds are “green” when they finance investment in sustainability goals. There has been strong demand on the markets for this type of bond. Green bonds especially address a wider group of investors who invest in sustainable products out of conviction.</p>
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		<p>Based on our Green Financing Framework, which was first published in October 2018 and is regularly updated, proceeds from our green bonds must go exclusively to projects in the following categories that are eligible for support:</p> <ul style="list-style-type: none"> - Renewable energy (onshore and offshore wind power and solar/photovoltaics) - Energy efficiency (such as smart meters) - Clean transportation (such as electric mobility infrastructure/ charging points) <p>Example: 22.6.2020: Green Subordinated Bond for €500 Million.</p> <p>Result: We are committed to ensuring that this financing complies with strict sustainability criteria. We issued our first green bond in 2018 – mainly to finance EnBW Hohe See and Albatros. Others have since followed, with the latest being a green subordinated bond with a volume of €500 million in 2020. The total volume of these types of securities issued to date by EnBW is €2 billion. We will also utilize sustainable financing instruments in future for Investments in our ambitious sustainability targets.</p>
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C3.4a

(C3.4a) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

Implementation of the EnBW 2020 strategy successfully concluded:

Strategically, 2020 was a very good year for us. We have been resolutely repositioning our company in accordance with measurable targets since 2013 and aligning it to meet the requirements of the Energiewende in Germany. Our EnBW 2020 strategy that was guided by the principle of “Energiewende. Safe. Hands on.” was based on sustainability criteria from the very beginning. Comprehensive investment in renewable energies, electricity grids and electromobility, the creation of new jobs and apprenticeships and intensive dialog with citizens, the public and non-government organizations (NGOs) characterized this phase of the transformation of the portfolio. This was accompanied by significant improvements in efficiency and the first targeted growth initiatives. To implement our strategy, we planned total investment of €14.1 billion and divestitures of €5.1 billion by 2020 (reference year of 2012). We realized total investments of €17.2 billion, exceeding our investment target, and divestitures of €5.8 billion since 2012. After the conclusion of the 2020 reporting year – the strategy horizon – the following is now clear: We have successfully implemented the repositioning of our company, increased our earnings to €2.8 billion, which is above both our earnings target of between €2.3 billion and €2.5 billion and the level before the Energiewende, and achieved or exceeded almost all the other targets in our EnBW 2020 strategy, reaching many of them earlier than planned.

The next step: EnBW 2025 strategy:

The EnBW 2025 strategy is based – just like the EnBW 2020 strategy – on a holistic approach to stakeholders. It defines specific financial and non-financial targets that take account of the economic, ecological and social dimensions of sustainability. We carried out a project at the Board of Management level during the coronavirus pandemic that closely examined the question of what opportunities and risks the pandemic could hold for our 2025 strategy. Under the motto “Making and shaping the infrastructure world of tomorrow,” the EnBW 2025 strategy will increasingly place the company’s focus onto the infrastructure aspects of existing business fields – for example, networking small, decentralized power plants to form virtual power plants or networking the energy sector with neighboring sectors such as transport or communications. Furthermore, we will exploit new growth opportunities above and beyond the energy sector that are aligned with our core expertise. Our core expertise – what we do well and do better than many others – lies in the safe and reliable construction, operation and management of critical infrastructure in the energy sector, such as the supply of energy or the distribution of energy by our grid subsidiaries. This well-developed expertise can be transferred to other infrastructure sectors in which we have already made significant progress, such as the broadband business, the expansion of quick-charging infrastructure and the area of urban infrastructure. Urban infrastructure, as we understand it, involves smart networking of the energy supply, heating, telecommunications, mobility, traffic management and parking space management, as well as security in the public sphere. Performance, creativity, freedom for independent action, quick decision-making processes that are as closely aligned to the business as possible and a resolute focus on the needs of our customers are defining the requirements for the future.

Sustainable and innovative infrastructure partner:

Using the EnBW 2025 strategy, we aim to transform our company into a sustainable and innovative infrastructure partner for our customers and other stakeholders. We will combine our business portfolio within three strategic business fields from 2021:

- In the business field **Smart infrastructure for customers**, we will transfer our core skills to new, often digital business models. In the next few years, our investment will mainly focus on the areas of electromobility, telecommunications and broadband, as well as on photovoltaics and energy storage systems. We want to further expand our quick-charging infrastructure to promote electromobility and thus maintain our position as the market leader in this sector. In the telecommunications and broadband business, we will expand our infrastructure, increase our range of services and aim to secure a strong position on the German market. On the German home electricity storage market for solar electricity, we aim to join the leading group of suppliers with SENEK. And in the area of B2B sales for electricity and gas, we will continue to rely on digitalization and improvements in cost efficiency.
- In the business field **System critical infrastructure**, our grid subsidiaries for electricity and gas will further expand the transmission grids into an important cornerstone of our earnings alongside the distribution grids. In addition, our grid subsidiaries will upgrade the electricity distribution grids so that they are ready to meet the requirements of the future and ensure they are optimally prepared for the demands that will be placed on them by electromobility and electric heating. We will continue our participation model for local authorities to participate in the distribution grids. As part of the decarbonization of the gas sector, our grid companies are preparing their grid infrastructure for the use of climate-neutral gas in the future.
- Renewable energies will dominant in the business field **Sustainable generation infrastructure**. This also includes further selective internationalization and projects without

state funding. The generation capacity of our wind power plants is due to increase to 4.0 GW by 2025 and our portfolio of photovoltaic projects to 1.2 GW. In addition, EnBW and BP have entered into an equal partnership to build two offshore wind farms with a total capacity of 3.0 GW off the coast of Great Britain and place them into operation from 2028. At the same time, we will further strengthen our strong position Strategy, goals and performance management system Integrated Annual Report 2020 of EnBW Management report › Strategy, goals and performance management system 35 in the gas business, especially in the area of climate-neutral gases. And we have defined a clear phase-out plan for coalbased conventional generation by 2035. The last nuclear power plants operated by EnBW will be decommissioned by the end of 2022 at the latest. We will adapt our trading activities to the changes in our generation portfolio and the energy markets.

The central goal of the EnBW 2025 strategy is to increase adjusted EBITDA to €3.2 billion. All three strategic business fields will make a significant contribution to this increase in earnings – which represents an increase of more than 30% compared to the strategic target value for 2020.

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Both absolute and intensity targets

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2020

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based)

Base year

2018

Covered emissions in base year (metric tons CO₂e)

17,583,128

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2030

Targeted reduction from base year (%)

50

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

8,791,564

Covered emissions in reporting year (metric tons CO₂e)

10,321,830

% of target achieved [auto-calculated]

82.5939275424

Target status in reporting year

New

Is this a science-based target?

Yes, we consider this a science-based target, but it has not been approved by the Science-Based Targets initiative

Target ambition

Well-below 2°C aligned

Please explain (including target coverage)

A central goal of our 25-point sustainability program is to achieve climate neutrality. As an integrated energy company with its own comprehensive generation portfolio, we can make an important contribution to safeguarding the livelihoods of future generations. We have thus set ourselves the ambitious aim of achieving climate neutrality by 2035 across the entire company with respect to our own emissions (Scope 1 and 2). Our Scope 3 emissions are mainly due to the gas consumption by our customers. We anticipate that it will only be possible to reduce Scope 3 emissions by switching to climate-neutral gases, which will probably not be available in sufficient quantities until the middle of the 2030s. An important milestone in our climate neutrality strategy will be halving our CO₂ emissions by 2030, based on the reference year of 2018. To this end, we will reduce our coal-based generation capacity of 4.6 GW (reference year of 2018) by around 2.5 GW. In parallel, we will examine the possibility of a fuel switch from coal to more climate-friendly gas and then in a second stage to climate neutral gases such as biogas or hydrogen.

Target reference number

Abs 2

Year target was set

2020

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based)

Base year

2018

Covered emissions in base year (metric tons CO₂e)

17,583,128

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2036

Targeted reduction from base year (%)

95

Covered emissions in target year (metric tons CO₂e) [auto-calculated]

879,156.4

Covered emissions in reporting year (metric tons CO₂e)

10,321,830

% of target achieved [auto-calculated]

43.4704881802

Target status in reporting year

New

Is this a science-based target?

Yes, we consider this a science-based target, but it has not been approved by the Science-Based Targets initiative

Target ambition

Well-below 2°C aligned

Please explain (including target coverage)

A central goal of our 25-point sustainability program is to achieve climate neutrality. As an integrated energy company with its own comprehensive generation portfolio, we can make an important contribution to safeguarding the livelihoods of future generations. We have thus set ourselves the ambitious aim of achieving climate neutrality by 2035 across the entire company with respect to our own emissions (Scope 1 and 2). Our Scope 3 emissions are mainly due to the gas consumption by our customers. We anticipate that

it will only be possible to reduce Scope 3 emissions by switching to climate-neutral gases, which will probably not be available in sufficient quantities until the middle of the 2030s. Coal-based energy generation will be fully phased out by the end of 2035. We are planning to use green electricity to compensate for grid losses in the energy system. Unavoidable residual emissions will be offset by acquiring recognized compensation certificates. The EnBW approach to achieving climate neutrality by 2035, based on electricity generation and supply of heating, is in harmony with the requirements and targets of the Paris Agreement.

C4.1b

(C4.1b) Provide details of your emissions intensity target(s) and progress made against those target(s).

Target reference number

Int 1

Year target was set

2016

Target coverage

Business activity

Scope(s) (or Scope 3 category)

Scope 1

Intensity metric

Metric tons CO₂e per megawatt hour (MWh)

Base year

2015

Intensity figure in base year (metric tons CO₂e per unit of activity)

0.606

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

86

Target year

2020

Targeted reduction from base year (%)

17.5

Intensity figure in target year (metric tons CO₂e per unit of activity) [auto-calculated]

0.49995

% change anticipated in absolute Scope 1+2 emissions

-14.2

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO2e per unit of activity)

0.372

% of target achieved [auto-calculated]

220.6506364922

Target status in reporting year

Achieved

Is this a science-based target?

No, but we are reporting another target that is science-based

Target ambition

Please explain (including target coverage)

The calculation basis for the KPI CO2 intensity is the amount of CO2 emissions from own generation of electricity for the Group, as well as the volume of electricity generated by the Group without the contribution made by the nuclear power plants. This performance indicator is calculated as the ratio between the emissions and the generated volume of electricity and thus specifically describes the amount of CO2 released per kilowatt hour. By discounting the electricity generated by nuclear power plants, the performance indicator will not be influenced by the phasing out of nuclear energy in the coming years. The goal of EnBW is to contribute actively to climate protection by successively reducing the CO2 intensity of its own generation of electricity (excluding nuclear power) by 15 to 20% by 2020 compared to 606 g/kWh in the reference year 2015. In 2020 the CO2 intensity of own generation of electricity excluding nuclear power fell to 372 g/kWh. The target relates only to Scope 1 emissions and covered nearly 86 % of the Scope 1 emissions in the base year 2015. Thus the reduction target of -17,5 % by mean, corresponds to a reduction of -15 % of the Scope 1 emissions. The target covered nearly 81% of the Scope 1+2 emissions in the base year 2015. Thus the reduction target of -17,5% by mean, corresponds to a reduction of -14,2 % of the Scope 1+2 emissions. EnBW reported this target to CDP in 2020 and are reporting progress against the same target in 2020. The reference number in 2020 was "Int1". However it is important to consider that 2020 CO2 intensity is an extraordinarily low value. In addition to the higher generation from renewable energies in comparison to 2019, especially due to the EnBW Hohe See and EnBW Albatros offshore wind farms, electricity generation at our fossil fuel-fired power plants was significantly lower than expected due to market-driven developments. The unforeseeable effects of the coronavirus pandemic also played a role. These conditions are out of the company's control and might not take place in the coming years.

Our target "Abs.1" and "Abs.2" are in harmony with the requirements and targets of the

Paris Agreement. We consider them to be a science-based target, but it has not been approved by the Science-Based Targets initiative. The target ambition for our targets "Abs.1" and "Abs.2" is aligned with well-below 2°C.

Target reference number

Int 2

Year target was set

2020

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1

Intensity metric

Metric tons CO₂e per megawatt hour (MWh)

Base year

2018

Intensity figure in base year (metric tons CO₂e per unit of activity)

0.553

% of total base year emissions in selected Scope(s) (or Scope 3 category) covered by this intensity figure

92

Target year

2025

Targeted reduction from base year (%)

22.5

Intensity figure in target year (metric tons CO₂e per unit of activity) [auto-calculated]

0.428575

% change anticipated in absolute Scope 1+2 emissions

-19.5

% change anticipated in absolute Scope 3 emissions

0

Intensity figure in reporting year (metric tons CO₂e per unit of activity)

0.372

% of target achieved [auto-calculated]

145.4691581274

Target status in reporting year

Revised

Is this a science-based target?

No, but we are reporting another target that is science-based

Target ambition

Please explain (including target coverage)

The calculation basis for the KPI CO2 intensity is the amount of CO2 emissions from own generation of electricity for the Group, as well as the volume of electricity generated by the Group without the contribution made by the nuclear power plants. This performance indicator is calculated as the ratio between the emissions and the generated volume of electricity and thus specifically describes the amount of CO2 released per kilowatt hour. By discounting the electricity generated by nuclear power plants, the performance indicator will not be influenced by the phasing out of nuclear energy in the coming years.

The goal of EnBW is to contribute actively to climate protection by successively reducing the CO2 intensity of its own generation of electricity (excluding nuclear power) by 15 to 30% by 2025 compared to 553 g/kWh in the reference year 2018. The 2025 target values for CO2 intensity were examined and adjusted based on the target of climate neutrality. The reference year for CO2 intensity was adjusted to 2018 based on the target of climate neutrality and because the 2020 reporting year cannot be considered representative for the coming years (due to, among other things, market effects and the coronavirus pandemic).

The target relates only to Scope 1 emissions and covers nearly 92 % of the Scope 1 emissions in the base year 2018. Thus the reduction target of -22,5 % by mean, corresponds to a reduction of nearly -21 % of the Scope 1 emissions. The target covers nearly 87 % of the Scope 1+2 emissions in the base year 2018. Thus the reduction target of -22,5% by mean, corresponds to a reduction of -19,5 % of the Scope 1+2 emissions.

Our target "Abs.1" and "Abs.2" are in harmony with the requirements and targets of the Paris Agreement. We consider them to be a science-based target, but it has not been approved by the Science-Based Targets initiative. The target ambition for our targets "Abs.1" and "Abs.2" is aligned with well-below 2°C.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

Target(s) to increase low-carbon energy consumption or production
Net-zero target(s)

C4.2a

(C4.2a) Provide details of your target(s) to increase low-carbon energy consumption or production.

Target reference number

Low 1

Year target was set

2013

Target coverage

Business activity

Target type: absolute or intensity

Absolute

Target type: energy carrier

Electricity

Target type: activity

Production

Target type: energy source

Renewable energy source(s) only

Metric (target numerator if reporting an intensity target)

Percentage

Target denominator (intensity targets only)

Base year

2013

Figure or percentage in base year

19.1

Target year

2025

Figure or percentage in target year

50

Figure or percentage in reporting year

39

% of target achieved [auto-calculated]

64.4012944984

Target status in reporting year

Revised

Is this target part of an emissions target?

Yes, this target is part of the absolute target "Abs 1" and of the intensity targets number "Int1" and "Int 2". The expansion of the installed capacity of renewable energies is essential to reach the absolute target number "Abs 1" and to reach the intensity targets number "Int1" and "Int 2".

Is this target part of an overarching initiative?

Other, please specify

"The Foundation 2°", an initiative of chairmen, CEOs and family businesses with the aim of limiting global warming to 2 degrees.

Please explain (including target coverage)

The EnBW business model is aligned to the national and international goals for climate protection, such as those defined in the Paris Agreement. Thus are increasing our generation based on renewable energies. Therefore we focus on building and commissioning offshore and onshore wind farms and photovoltaic power plants. To measure this expansion we defined the installed capacity of renewable energies as the top performance indicator. It represents the installed output of the plants using renewable energies rather than the volume of electricity produced by these facilities. Among other factors, electricity production depends on the wind and the sun and can fluctuate strongly. The advantage of the ratio we have selected is that it is measurable and doesn't depend on the aforementioned influences. Based on the portfolio streamlining envisaged, we intend to have realised a total of 6.5 GW to 7.0 in installed renewable energy capacity in our own electricity generation by 2025. This comes along with a share of the generation capacity accounted for renewable energies at least of 50 % in the target year 2025. The installed capacity of renewable energies in the base year 2013 was 2.6 GW, with a share of the generation capacity accounted for renewable energies of 19.1 %. In the reporting year 2020 the installed capacity of renewable energies was 4.9 GW, with a share of the generation capacity accounted for renewable energies of 39.0 % . This corresponds to 70 % to 75 % and 78 % achieved target in 2020 respectively.

C4.2c

(C4.2c) Provide details of your net-zero target(s).

Target reference number

NZ1

Target coverage

Company-wide

Absolute/intensity emission target(s) linked to this net-zero target

Abs1

Int1

Int2

Target year for achieving net zero

2035

Is this a science-based target?

Yes, but we have not committed to seek validation of this target by the Science Based Targets initiative in the next 2 years

Please explain (including target coverage)

A central goal of our 25-point sustainability program is to achieve climate neutrality. As an integrated energy company with its own comprehensive generation portfolio, we can make an important contribution to safeguarding the livelihoods of future generations. We have thus set ourselves the ambitious aim of achieving climate neutrality by 2035 across the entire company with respect to our own emissions (Scope 1 and 2). Our Scope 3 emissions are mainly due to the gas consumption by our customers. We anticipate that it will only be possible to reduce Scope 3 emissions by switching to climate-neutral gases, which will probably not be available in sufficient quantities until the middle of the 2030s. An important milestone in our climate neutrality strategy will be halving our CO₂ emissions by 2030, based on the reference year of 2018. To this end, we will reduce our coal-based generation capacity of 4.6 GW (reference year of 2018) by around 2.5 GW. In parallel, we will examine the possibility of a fuel switch from coal to more climate-friendly gas and then in a second stage to climate neutral gases such as biogas or hydrogen.

Coal-based energy generation will be fully phased out by the end of 2035. We are planning to use green electricity to compensate for grid losses in the energy system. Unavoidable residual emissions will be offset by acquiring recognized compensation certificates. Our subsidiary Energiedienst is already climate neutral and Netze BW aims to achieve this goal in 2021. In 2020, the non-governmental organization CDP awarded us the best possible "A" grade rating for our climate protection activities (p. 47) for the first time.

The EnBW approach to achieving climate neutrality by 2035, based on electricity generation and supply of heating, is in harmony with the requirements and targets of the Paris Agreement. It should also create a balance between the different expectations of our stakeholders, with whom we remain in constant dialog. Since 2013, even before the Coal Phase-out Act, we had already phased out around 40% of our particularly carbon-intensive generation capacity for ecological and economic reasons.

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	412	
To be implemented*	7	241,061
Implementation commenced*	12	239,774
Implemented*	22	383,935
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Low-carbon energy generation
Wind

Estimated annual CO2e savings (metric tonnes CO2e)

253,173

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

6,329,327

Investment required (unit currency – as specified in C0.4)

465,329,244

Payback period

>25 years

Estimated lifetime of the initiative

21-30 years

Comment

Annual monetary savings calculated by estimated annual CO₂ savings * annual average EU-Emission Allowances (EUA 2020); Investment required estimated by capacity installed * average specific investment costs for wind (onshore) (IEA Cost of Wind Energy Report 2019); Estimated lifetime is considered project specific and may be influenced by permitting, technical and energy market conditions.

Initiative category & Initiative type

Low-carbon energy generation

Solar PV

Estimated annual CO₂e savings (metric tonnes CO₂e)

130,739

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

3,268,486

Investment required (unit currency – as specified in C0.4)

141,271,063

Payback period

>25 years

Estimated lifetime of the initiative

21-30 years

Comment

Annual monetary savings calculated by estimated annual CO₂ savings * annual average EU-Emission Allowances (EUA 2020); Investment required estimated by capacity installed * average specific investment costs for solar PV (ITRPV Roadmap report 2019); Estimated lifetime is considered project specific and may be influenced by permitting, technical and energy market conditions.

Initiative category & Initiative type

Energy efficiency in buildings

Heating, Ventilation and Air Conditioning (HVAC)

Estimated annual CO₂e savings (metric tonnes CO₂e)

20

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

4,000

Investment required (unit currency – as specified in C0.4)

15,000

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

Modernisation of a heat recovery in one site.

Initiative category & Initiative type

Energy efficiency in buildings

Lighting

Estimated annual CO2e savings (metric tonnes CO2e)

2

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

4,000

Investment required (unit currency – as specified in C0.4)

35,000

Payback period

4-10 years

Estimated lifetime of the initiative

11-15 years

Comment

Installation of LED-lights in a warehouse.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for low-carbon product R&D	<p>We spent €70.6 million on research, development and innovation in the 2020 financial year. The increase was primarily due to higher expenditure for the grids and the growth in innovation management. Sales in the area of innovation management increased to €13.4 Million. We received Government research grants of €1.0 Million. There were 93 employees in the areas of research, development and innovation in 2020. 185 employees were involved in research and development projects as part of their operational work. A further 248 employees were involved in innovation projects.</p> <p>For example: expenditure research, development and Innovation for "generation from renewables" : € 7,0 Million, for "intelligent grids": € 16,0 Million, for "smart energy world, storage and electromobility": € 5,9Million, for Hydrogen: € 1,8 Million, for "Innovation Management": € 37,1 Million etc.</p> <p>Further Information:</p> <ul style="list-style-type: none"> - The goal of our research and development is to identify technological trends at an early stage, assess their economic potential and build up expertise in the business units. For this purpose, we carry out pilot and demonstration projects together with partners or customers directly at the site of their subsequent application. This ensures that successful research Projects deliver innovations for our company. - EnBW Innovation has been a fixed component of EnBW since the middle of 2014 and is one of the leading corporate Innovation labs in Germany. Together with employees, entrepreneurs, external partners and start-ups, we develop new business models in the strategic areas of connected home, digital utility, urban infrastructure and connected mobility. The Innovation strategy focuses on two main approaches: the generation and caling up of new business models and investments in external start-ups by EnBW New Ventures.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

Yes

C4.5a

(C4.5a) Provide details of your products and/or services that you classify as low-carbon products or that enable a third party to avoid GHG emissions.

Level of aggregation

Group of products

Description of product/Group of products

SENEC is a wholly owned subsidiary of EnBW AG. The products "SENEC.solar", "SENEC.home", "SENEC.cloud" and "SENEC.Wallbox to go" enable customers to generate their own solar energy, store it and sell it to the energy community. Our customers are also able to integrate heating solutions into SENEK.solar and to charge their electric cars at home using self generated electricity. The SENEK products are accessible in Germany, Italy and Australia.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

The products avoid emissions which would be caused by using non-renewable energies.

% revenue from low carbon product(s) in the reporting year

1

Comment

Further information:

<https://www.senec.com/>

<https://www.senec.it/>

<https://www.senec.com.au/>

% revenue from low carbon product(s) in the reporting year : 0-1%

Level of aggregation

Group of products

Description of product/Group of products

We offer climate-friendly and affordable green electricity for everyone who cares about nature. We are the reliable green electricity supplier from Baden-Württemberg and supply customers with sustainable and clean electricity from solar and bioenergy, hydropower and wind energy.

Products: EnBW Sorgenfrei und Grün Privatstrom, EnBW Planbar und Sicher Privatstrom, EnBW Günstig und Einfach Privatstrom.

- 100 % green electricity
- With price guarantee
- Mainly from regional hydropower

As a sustainable energy supplier, we operate the energy mix on a regional, consistent and future-oriented basis. The most important factor in the renewable energy mix is the ecological generation of electricity from hydropower. EnBW also relies on this inexhaustible source and supplies customers mainly with green electricity from its own hydropower plants in southern Germany.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

Our products have a CO₂-Emission of 0g. German average is 352g. The products avoid emissions which would be caused by using non-renewable energies. It includes different steps of the energy value chain such as generation and distribution.

% revenue from low carbon product(s) in the reporting year

1

Comment

Further information: <https://www.enbw.com/strom/produkte/oekostrom>

% revenue from low carbon product(s) in the reporting year: 0-1%.

Level of aggregation

Group of products

Description of product/Group of products

In the electromobility sector, EnBW has become a full-service provider and together with its subsidiaries covers the complete spectrum of services for the development and expansion of electromobility from the supply of electricity and the operation of a comprehensive charging infrastructure through to digital services for the consumer. EnBW entered into various collaborations with renowned partners that promote, above all, the expansion of the quick-charging infrastructure in urban areas across Germany. EnBW has become the biggest quick-charging provider in Germany and Austria and provides access to over 150.000 charging points in Europe. All EnBW-charging stations provide 100% green energy from renewable sources.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

The products avoid emissions which would be caused by using combustion engines.

% revenue from low carbon product(s) in the reporting year

1

Comment

Further information: <https://www.enbw.com/elektromobilitaet>; <https://www.smatrics.com>

% revenue from low carbon product(s) in the reporting year : 0-1%.

Level of aggregation

Product

Description of product/Group of products

Transformers for efficiency, environmental protection and safety - transformers convert the medium voltage required for energy transmission into a voltage of 400 or 230 volts usable by end users and industry. Every transformer user has different requirements. Our three transformer lines ensure that customers always receive a mature solution that optimally meets the requirements.

Outstanding in economy and ecology - The Eco-Line:

- All power classes up to 1,600 kVA
- Loss class A0-Ak
- Insulating medium either mineral oil or natural ester

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

The eco-transformer (loss class A0-Ak) is particularly efficient and low-loss, that means less energy is wasted and less CO2 emissions are emitted. Eco-transformer saves up to 200 tons of CO2 during its life cycle compared to a standard transformer.

% revenue from low carbon product(s) in the reporting year

1

Comment

The eco-transformer (loss class A0-Ak) is particularly efficient and low-loss, which means less energy is wasted and less CO₂ emissions are emitted. The eco-transformer saves up to 200 tons of CO₂ during its life cycle compared to a standard transformer. The low losses also avoid costs, as additional generation and transmission capacities are no longer required. The eco-transformer pays for itself particularly quickly and is therefore very economical. Further Information: <https://www.netze-bw.de/dienstleistungskunden/strom/trafo-linien#1-2>

% revenue from low carbon product(s) in the reporting year: 0-1%.

Level of aggregation

Product

Description of product/Group of products

A fuel cell heating as an energy-efficient and low-carbon heating solution for new and existing buildings. A fuel cell is a device that converts the chemical energy of a fuel and an oxidant into electricity. In principle, a fuel cell operates like a battery. Unlike a battery however, a fuel cell does not run down or require recharging. It will produce electricity and heat as long as fuel and an oxidizer are supplied. Product: "natürlichbrennstoffzelle" Erdgas Südwest GmbH.

Are these low-carbon product(s) or do they enable avoided emissions?

Low-carbon product and avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

The product avoids emissions which would be caused by using conventional energy generation like coal.

% revenue from low carbon product(s) in the reporting year

1

Comment

Further information: <https://www.enbw.com/bauen-und-modernisieren/brennstoffzelle>

% revenue from low carbon product(s) in the reporting year: 0-1%.

Level of aggregation

Group of products

Description of product/Group of products

The contracting division offers our customer numerous solutions oriented to CO₂ reduction, from modernization to efficiency improvement, always with a new digital approach.

The contracting division provides partnerships enabling: optimized building technologies, energy savings, improved building operation and advanced network solutions.

Example of energy network solution in Waldbronn, near Karlsruhe. Two industrial companies and two local authority facilities are supplied with heating, cooling, cooling water and electricity. Combined heat & power technology and waste heat recuperation result in cheaper generation costs and avoid 680 t CO₂ emissions per year.

Are these low-carbon product(s) or do they enable avoided emissions?

Avoided emissions

Taxonomy, project or methodology used to classify product(s) as low-carbon or to calculate avoided emissions

Other, please specify

The CO₂ avoidance is caused by the combined use of heat and power technology compared with single solutions.

% revenue from low carbon product(s) in the reporting year

1

Comment

Further information:

<https://www.enbw.com/contracting/geschaeftskunden/produkte/energieliefercontracting>

<https://www.enbw.com/contracting/geschaeftskunden/produkte/einsparcontracting>

<https://www.enbw.com/contracting/geschaeftskunden/energieoptimierung>

% revenue from low carbon product(s) in the reporting year: 0-1%.

C-EU4.6

(C-EU4.6) Describe your organization's efforts to reduce methane emissions from your activities.

i. Methane emissions:

We are continuously working to further reduce methane emissions with the aim of achieving a climate-neutral gas supply in the future. This includes measures for smart grid management to avoid blowouts, systematic integrity evaluations of the grid, eliminating any weaknesses and the continuous modernization of grid technology, as well as the application of special technical equipment and systems to avoid methane emissions from our lines during maintenance and repair work.

The monitoring of methane emissions from natural gas is becoming increasingly important due to the growing procurement volumes. It is very difficult to collect exact data on methane emissions particularly in the upstream gas supply chain due to the different calculation models used. We are currently working with a general emissions factor of 29 g CO₂eq / kWh natural gas for the upstream supply chain for our gas procurement. This figure includes the methane

emissions. For the combustion of the gas, we use an emissions factor (including methane) of 201 g CO₂eq / kWh natural gas based on data from the German Environment Agency (UBA) and the German Emissions Trading Authority (DEHSt).

ii. Specific description of methane emissions reduction efforts and activities (Netze BW):

- As a grid operator, we operate high-pressure gas pipelines over 1 bar in the supply area of Netze BW.
- During repairs or conversions, the affected line sections must be depressurized.
- For this purpose, the natural gas is discharged into the environment via blowers.
- If possible, the pressure in the pipelines is lowered as far as possible via suitable pipelines before it is released into the atmosphere.
- This reduces natural gas emissions (over 90% of natural gas consists of methane).

Example/case study of methane emissions reduction efforts:

A. In Baden-Württemberg - Bietigheim/Sachsenheim:

- Removal of a condensate collector on the SWG pipeline on 28.04.2020
- Barrier section 3400 m
- Avoided methane quantity 13685 m³
- Amount of methane blown out 1000 m³
- The sealing section had an operating pressure of 22 bar. This was lowered to 17 bar by the load control on the day of preparation. This 17 bar was fed into the grid via the control system (down to a pressure of 1.5 bar). The remaining 1.5 bar was released into the atmosphere.

B. In Baden-Württemberg - Stuttgart:

1. On 05.12.2019, a leaking gate valve had to be replaced on a high-pressure gas pipeline in the southwest of Stuttgart.

- For this purpose, a DN 200 high-pressure gas pipeline with an operating pressure of 18 bar had to be depressurised over a length of 6,100 metres.
- Via a gas pressure control station, the gas was fed into the downstream gas network up to 3 bar.
- Thus the pressure was reduced from 18 bar to 3 bar in the pipeline, 2874 m³ were diverted.
- The residual pressure of 3 bar (575 m³) had to be blown out.

2. The reason for a change was a leaky condensate collector in the town of Möglingen - determined by gas leak detection.

Procedure of our technical department:

- Slide valves close from the blocked section.
- The gas in the high-pressure pipeline was drawn off from 18 bar to 4 bar via the Gas pressure regulator and measuring station of the town Ludwigsburg.
- The barrier section has a diameter of 500 mm and a length of 3000m.
- Quantity expired: 10603 m³ (quantity of gas not released into the environment)
- Blown out quantity: 2356 m³

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO₂e)

16,618,800

Comment

In 2020 we set ourselves the aim of achieving climate neutrality by 2035 across the entire company with respect to our own emissions (Scope 1 and 2) based on the reference year of 2018. Furthermore in 2020 we set new / revised absolute and intensity goals which in accordance to our climate neutrality goal were also based on the reference year 2018. Thus we changed the base year from 2015 to 2018.

Scope 2 (location-based)

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO₂e)

920,800

Comment

In 2020 we set ourselves the aim of achieving climate neutrality by 2035 across the entire company with respect to our own emissions (Scope 1 and 2) based on the reference year of 2018. Furthermore in 2020 we set new / revised absolute and intensity goals which in accordance to our climate neutrality goal were also based on the reference year 2018. Thus we changed the base year from 2015 to 2018.

The location-based Scope 2 emissions are the greenhouse gas emissions through electricity grid losses. The grid losses are compensated by power purchased from the Energy Exchange. So the related Scope 2 emissions were calculated using average power generation emission factors for Germany. The market-based Scope 2 emissions includes greenhouse gas emissions mainly through electricity consumption of plants in the gas and electricity grid, water supplies and buildings. These emissions were calculated using CO₂ intensity of the generators from which we purchases electricity.

Scope 2 (market-based)

Base year start

January 1, 2018

Base year end

December 31, 2018

Base year emissions (metric tons CO₂e)

43,500

Comment

In 2020 we set ourselves the aim of achieving climate neutrality by 2035 across the entire company with respect to our own emissions (Scope 1 and 2) based on the reference year of 2018. Furthermore in 2020 we set new / revised absolute and intensity goals which in accordance to our climate neutrality goal were also based on the reference year 2018. Thus we changed the base year from 2015 to 2018.

The location-based Scope 2 emissions are the greenhouse gas emissions through electricity grid losses. The grid losses are compensated by power purchased from the Energy Exchange. So the related Scope 2 emissions were calculated using average power generation emission factors for Germany. The market-based Scope 2 emissions includes greenhouse gas emissions mainly through electricity consumption of plants in the gas and electricity grid, water supplies and buildings. These emissions were calculated using CO₂ intensity of the generators from which we purchases electricity.

C5.2

(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised Edition)

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

Gross global Scope 1 emissions (metric tons CO₂e)

9,559,186

Start date

January 1, 2020

End date

December 31, 2020

Comment

Past year 1

Gross global Scope 1 emissions (metric tons CO2e)

Start date

End date

Comment

Past year 2

Gross global Scope 1 emissions (metric tons CO2e)

Start date

End date

Comment

Past year 3

Gross global Scope 1 emissions (metric tons CO2e)

Start date

End date

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

The location-based Scope 2 emissions are the greenhouse gas emissions through electricity grid losses. The grid losses are compensated by power purchased from the Energy Exchange. So the related Scope 2 emissions were calculated using average power generation emission factors for Germany. The market-based Scope 2 emissions includes greenhouse gas emissions mainly through electricity consumption of plants in the gas and electricity grid, water supplies and buildings. These emissions were calculated using CO2 intensity of the generators from which we purchases electricity.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year

Scope 2, location-based

709,033

Scope 2, market-based (if applicable)

53,610

Start date

January 1, 2020

End date

December 31, 2020

Comment

The location-based Scope 2 emissions are the greenhouse gas emissions through electricity grid losses. The grid losses are compensated by power purchased from the Energy Exchange. So the related Scope 2 emissions were calculated using average power generation emission factors for Germany. The market-based Scope 2 emissions includes greenhouse gas emissions mainly through electricity consumption of plants in the gas and electricity grid, water supplies and buildings. These emissions were calculated using CO2 intensity of the generators from which we purchases electricity.

Past year 1

Scope 2, location-based

Scope 2, market-based (if applicable)

Start date

End date

Comment

Past year 2

Scope 2, location-based

Scope 2, market-based (if applicable)

Start date

End date

Comment

Past year 3

Scope 2, location-based

Scope 2, market-based (if applicable)

Start date

End date

Comment

C6.4

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

No

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Not relevant, explanation provided

Please explain

Our main purchased goods that contribute to our Scope 3 emissions are the purchased fuels for the energy generation in our power plants (coal, nuclear, gas, oil) and gas for sales to customers. This Scope 3 emissions (extraction, production, and transportation) we report in the categories "Fuel-and-energy-related activities (not included in Scope 1 or 2)" and "Upstream transportation and distribution" respectively.

Capital goods

Evaluation status

Not relevant, explanation provided

Please explain

In 2020 EnBW did not purchase relevant capital goods that would exceed more than 1% of our scope 3 emissions.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Relevant, calculated

Metric tonnes CO₂e

568,708

Emissions calculation methodology

Amount of transported coal, gas and nuclear fuel for the energy generation in our power plants and gas consumed in our gas plants. Emission factors from Ecoinvent database and Gemis database.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Scope 3 emissions for upstream transportation of the purchased fuels for the energy generation in our power plants (coal, nuclear, gas, oil) and Scope 3 emissions for upstream transportation of the gas consumed in our gas plants (compressors, gas pressure regulating and metering stations and gas pressure regulating stations).

Upstream transportation and distribution

Evaluation status

Relevant, calculated

Metric tonnes CO2e

6,286,713

Emissions calculation methodology

Amount of transported gas. Emission factor from "Zukunft ERDGAS e. V." database.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Here we report the Scope 3 emissions related to the upstream transportation of gas for sales to customers. The Scope 3 emissions for the upstream transportation of our gas for the energy generation in our gas power plants and the gas consumed in our gas plants (compressors, gas pressure regulating and metering stations and gas pressure regulating stations) is reported in the category "Fuel-and-energy-related activities (not included in Scope 1 or 2)".

Waste generated in operations

Evaluation status

Not relevant, explanation provided

Please explain

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

1,678

Emissions calculation methodology

CO2 emission from travelling by plane, train and rented cars. Data is gained directly from suppliers or other partners.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Employee commuting

Evaluation status

Not relevant, explanation provided

Please explain

EnBW calculated that CO2 emissions from employee commuting are accounting for less than 1% of EnBW Scope 3 emissions.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

CO2 emissions from upstream leased assets are mainly reported as scope 1 or scope 2 emissions. CO2 emissions from upstream leased assets nor reported as scope 1 or scope 2 emissions are accounting for less than 1% of EnBW Scope 3 emissions.

Downstream transportation and distribution

Evaluation status

Not relevant, explanation provided

Please explain

At EnBW the transport of our products (electricity and gas) is the focus of the analysis. The related CO2 emissions are already included in scope 1+2 emissions. Concerning electricity, CO2 emissions are already included in the grid losses reflected in the Scope 2 analysis. Concerning gas, CO2 emissions are already included in the operation of gas pipelines and systems reflected in the Scope 1 analysis.

Processing of sold products

Evaluation status

Not relevant, explanation provided

Please explain

According to the GHG Protocol Scope 3 Standard, here the end user emissions that occur from the processing of products that directly or indirectly consume energy should be disclosed. Our main product is the consumed energy. The related emissions are already accounted for our Scope 1 emissions. So this category is not relevant for our organization.

Use of sold products

Evaluation status

Relevant, calculated

Metric tonnes CO2e

42,596,442

Emissions calculation methodology

CO₂-Emissions calculated from group gas sales with CO₂-emission factor for combustion of gas.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

According to the GHG Protocol Scope 3 Standard, here the end user emissions that occur from the use of products that directly or indirectly consume energy should be disclosed. Our main products are the consumed electricity and gas. The related emissions for the electricity are already accounted for our Scope 1 emissions. So here only the emissions related to the consumption (namely the combustion) of gas by the consumer is reported.

End of life treatment of sold products

Evaluation status

Not relevant, explanation provided

Please explain

Our product is energy. The product energy itself has no relevant end of life treatment.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Please explain

EnBW calculated that CO₂ emissions from downstream leased assets are accounting for less than 1% of EnBW Scope 3 emissions.

Franchises

Evaluation status

Not relevant, explanation provided

Please explain

We don't conduct franchises.

Investments

Evaluation status

Not relevant, explanation provided

Please explain

We calculate and report our CO₂ emissions (Scope 1, 2 and 3) for the group of consolidated companies of EnBW, including all important equity investments, subsidiaries and associate companies. Thus the related emissions are already accounted for our Scope 1 and/or Scope 2 emissions or are captured in the other

disclosed sources of scope 3 emissions. So this category is not relevant for our organization.

Other (upstream)

Evaluation status

Please explain

Other (downstream)

Evaluation status

Please explain

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

Yes

C6.7a

(C6.7a) Provide the emissions from biogenic carbon relevant to your organization in metric tons CO2.

	CO2 emissions from biogenic carbon (metric tons CO2)	Comment
Row 1	7,023	

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.000524

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

10,326,406

Metric denominator

unit total revenue

Metric denominator: Unit total

19,694,300,000

Scope 2 figure used

Location-based

% change from previous year

15.9

Direction of change

Decreased

Reason for change

First as a result of our emissions reduction activities in power generation and distribution, mainly the expansion of renewable energies and efficiency activities in the grid, the gross global combined Scope 1 and 2 emissions decreased in comparison to the previous year by 11.7 %. On the other hand revenue was 1.3 % higher than the level in the previous year. So the intensity figure decreased by 15.9 %.

Intensity figure

0.295

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO₂e)

10,326,406

Metric denominator

megawatt hour generated (MWh)

Metric denominator: Unit total

35,059,442

Scope 2 figure used

Location-based

% change from previous year

15.3

Direction of change

Increased

Reason for change

First as a result of our emissions reduction activities in power generation and distribution, mainly the expansion of renewable energies and efficiency activities in the grid, the gross global combined Scope 1 and 2 emissions decreased in comparison to

the previous year by 11.7 %. On the other hand power generation decreased by 23.5 %
.This led to an increase of the related emission intensity by 15.3 %.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO2e)	GWP Reference
CO2	9,324,818	IPCC Fifth Assessment Report (AR5 – 100 year)
CH4	177,689	IPCC Fifth Assessment Report (AR5 – 100 year)
N2O	30,507	IPCC Fifth Assessment Report (AR5 – 100 year)
SF6	26,173	IPCC Fifth Assessment Report (AR5 – 100 year)

C-EU7.1b

(C-EU7.1b) Break down your total gross global Scope 1 emissions from electric utilities value chain activities by greenhouse gas type.

	Gross Scope 1 CO2 emissions (metric tons CO2)	Gross Scope 1 methane emissions (metric tons CH4)	Gross Scope 1 SF6 emissions (metric tons SF6)	Total gross Scope 1 emissions (metric tons CO2e)	Comment
Fugitives	327	7,054	0.866	166,630	
Combustion (Electric utilities)	9,279,277	53	0	9,280,607	
Combustion (Gas utilities)	39,589	0	0	39,589	

Combustion (Other)	34,392	0	0	34,392	Scope 1 CO2 emissions from fossile heating of buildings and vehicles.
Emissions not elsewhere classified	0	0	0	0	

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO2e)
Western Europe	9,557,629
Eastern Europe	1,557

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Fossil energy generation	9,280,607
CO2-Emissions from operation of gas pipelines and gas assets, of fossil heating of buildings and vehicles.	260,566

C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4

(C-CE7.4/C-CH7.4/C-CO7.4/C-EU7.4/C-MM7.4/C-OG7.4/C-ST7.4/C-TO7.4/C-TS7.4) Break down your organization's total gross global Scope 1 emissions by sector production activity in metric tons CO2e.

	Gross Scope 1 emissions, metric tons CO2e	Comment

Electric utility activities	9,280,607	Includes direct CO2 emissions of our fossil fired power plants and the CO2eq from the CH4 and N2O emissions of our fossile fired power plants.
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C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	135,000	Decreased	1.15	The CO2-Emissions from grid losses were reduced from 870,490 tons in 2019 to 709,000 tones in 2020 by 161,500 tons overall. One part of this reductions is a result of our emissions reduction activities such as the use of more efficient power transformer in the grid. Another part of the reduction of CO2-Emissions is due to higher renewable energy consumption due to an expanded electricity supply of our facilities with a correspondingly higher proportion of renewable energies which results in a higher renewable energy consumption. The higher renewable energy consumption in the named area reduced in 2020 the corresponding CO2-Emissions by 135,000 tons. Our total Scope 1+2 emissions for the previous year were 11,707,600 tons. Thus the reduction of 135,000 tons CO2 corresponds to 1.15% reduction of our previous year CO2 emissions ($135,000/11,707,600*100=1.15$).
Other emissions	1,189,300	Decreased	10.2	We increased our generation based on renewable energy sources due to our expansion of on- and offshore wind power from 9,988 GWh in 2019 to 11,850 GWh in

reduction activities				2020. On the other hand the generation from our fossil fuel-fired power plants decreased. As a result our Scope 1 emissions from our fossil fuel-fired power plants reduced from 9,683,800 tons in 2019 to 8,494,500 in 2020. This is equal to a reduction of 1,189,300 tons. Our total Scope 1+2 emissions for the previous year were 11,707,600 tons. Thus the reduction of 1,189,300 tons CO2 corresponds to 10.2% reduction of our previous year CO2 emissions (1,189,300/11,707,600*100=10.2).
Divestment	0	No change	0	
Acquisitions	0	No change	0	
Mergers	0	No change	0	
Change in output	0	No change	0	
Change in methodology	0	No change	0	
Change in boundary	0	No change	0	
Change in physical operating conditions	0	No change	0	
Unidentified	0	No change	0	
Other	0	No change	0	

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 0% but less than or equal to 5%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	1,415,036	31,626,170	33,041,206
Consumption of purchased or acquired electricity		1,486,703	582,237	2,068,940
Consumption of purchased or acquired heat		12,614	13,174	25,788
Consumption of self-generated non-fuel renewable energy		42,620		42,620
Total energy consumption		2,956,973	32,221,581	35,178,554

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	No
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Coal

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

20,236,920

MWh fuel consumed for self-generation of electricity

1,011,850

MWh fuel consumed for self-generation of heat

6,070

Emission factor

0.355

Unit

metric tons CO2 per MWh

Emissions factor source

Federal Office for Economic Affairs and Export Control

Comment

Fuels (excluding feedstocks)

Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

9,439,230

MWh fuel consumed for self-generation of electricity

471,960

MWh fuel consumed for self-generation of heat

2,830

Emission factor

0.202

Unit

metric tons CO2 per MWh

Emissions factor source

Federal Office for Economic Affairs and Export Control

Comment

Fuels (excluding feedstocks)

Other, please specify

Includes oil, waste and sewage sludge

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

3,272,690

MWh fuel consumed for self-generation of electricity

163,630

MWh fuel consumed for self-generation of heat

980

Emission factor

0.226

Unit

metric tons CO2 per MWh

Emissions factor source

Federal Office for Economic Affairs and Export Control

Comment

Fuels (excluding feedstocks)

Coal

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

20,236,920

MWh fuel consumed for self-generation of electricity

1,011,850

MWh fuel consumed for self-generation of heat

6,070

Emission factor

0.355

Unit

metric tons CO2 per MWh

Emissions factor source

Federal Office for Economic Affairs and Export Control

Comment

Fuels (excluding feedstocks)

Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

9,439,230

MWh fuel consumed for self-generation of electricity

471,960

MWh fuel consumed for self-generation of heat

2,830

Emission factor

0.202

Unit

metric tons CO2 per MWh

Emissions factor source

Federal Office for Economic Affairs and Export Control

Comment

Fuels (excluding feedstocks)

Other, please specify

Includes oil, waste and sewage sludge

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

3,272,690

MWh fuel consumed for self-generation of electricity

163,630

MWh fuel consumed for self-generation of heat

980

Emission factor

0.226

Unit

metric tons CO2 per MWh

Emissions factor source

Federal Office for Economic Affairs and Export Control

Comment

C-EU8.2d

(C-EU8.2d) For your electric utility activities, provide a breakdown of your total power plant capacity, generation, and related emissions during the reporting year by source.

Coal – hard

Nameplate capacity (MW)

2,755

Gross electricity generation (GWh)

3,838

Net electricity generation (GWh)

3,838

Absolute scope 1 emissions (metric tons CO₂e)

3,677,200

Scope 1 emissions intensity (metric tons CO₂e per GWh)

680

Comment

Due to confidential matters we report the gross electricity generation equal to the net electricity Generation. We calculate with an EnBW-specific average Scope 1 emissions intensity for hard coal of 680 metric tons CO₂ per GWh.

Lignite

Nameplate capacity (MW)

875

Gross electricity generation (GWh)

3,164

Net electricity generation (GWh)

3,164

Absolute scope 1 emissions (metric tons CO₂e)

2,927,000

Scope 1 emissions intensity (metric tons CO₂e per GWh)

925

Comment

Due to confidential matters we report the gross electricity generation equal to the net electricity Generation. We calculate with an EnBW-specific average Scope 1 emissions intensity for lignite of 925 metric tons CO₂ per GWh.

Oil

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

The data is included in the data reported under "Other non-renewable".

Gas

Nameplate capacity (MW)

1,165

Gross electricity generation (GWh)

4,404

Net electricity generation (GWh)

4,404

Absolute scope 1 emissions (metric tons CO2e)

1,539,600

Scope 1 emissions intensity (metric tons CO2e per GWh)

350

Comment

Due to confidential matters we report the gross electricity generation equal to the net electricity Generation. According to common Scope 1 emission factors for power plants , we calculate with an average Scope 1 emissions intensity for Gas of 350 metric tons CO2 per GWh.

Biomass

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

The data is included in the data reported under "Other non-renewable".

Waste (non-biomass)

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO₂e)

0

Scope 1 emissions intensity (metric tons CO₂e per GWh)

0

Comment

The data is included in the data reported under "Other non-renewable".

Nuclear

Nameplate capacity (MW)

1,223

Gross electricity generation (GWh)

10,247

Net electricity generation (GWh)

10,247

Absolute scope 1 emissions (metric tons CO₂e)

0

Scope 1 emissions intensity (metric tons CO₂e per GWh)

0

Comment

Due to confidential matters we report the gross electricity generation equal to the net electricity generation.

Fossil-fuel plants fitted with CCS

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

At the moment we have fossil-fuel plants which are CCS-ready, but not yet fitted with CCS.

Geothermal

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

The data is included in the data reported under "Other renewable".

Hydropower

Nameplate capacity (MW)

2,514

Gross electricity generation (GWh)

6,081

Net electricity generation (GWh)

6,081

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

Due to confidential matters we report the gross electricity generation equal to the net electricity generation. The given data is for Run-of-river power plants and Storage / pumped storage power plants using the natural flow of water.

Wind

Nameplate capacity (MW)

1,927

Gross electricity generation (GWh)

5,250

Net electricity generation (GWh)

5,250

Absolute scope 1 emissions (metric tons CO₂e)

0

Scope 1 emissions intensity (metric tons CO₂e per GWh)

0

Comment

Due to confidential matters we report the gross electricity generation equal to the net electricity generation. The given data is for onshore wind and offshore wind.

Solar

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO₂e)

0

Scope 1 emissions intensity (metric tons CO₂e per GWh)

0

Comment

The data is included in the data reported under "Other renewable".

Marine

Nameplate capacity (MW)

0

Gross electricity generation (GWh)

0

Net electricity generation (GWh)

0

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

Not relevant for EnBW. EnBW does not conduct such power plants.

Other renewable

Nameplate capacity (MW)

424

Gross electricity generation (GWh)

519

Net electricity generation (GWh)

519

Absolute scope 1 emissions (metric tons CO2e)

0

Scope 1 emissions intensity (metric tons CO2e per GWh)

0

Comment

Due to confidential matters we report the gross electricity generation equal to the net electricity generation. The other renewables include biomass, geothermal and solar.

Other non-renewable

Nameplate capacity (MW)

891

Gross electricity generation (GWh)

1,557

Net electricity generation (GWh)

1,557

Absolute scope 1 emissions (metric tons CO2e)

200,000

Scope 1 emissions intensity (metric tons CO2e per GWh)

128

Comment

Due to confidential matters we report the gross electricity generation equal to the net electricity generation. According to common Scope 1 emission factors for power plants, we calculate with an average Scope 1 emissions intensity for the other non-renewables of 128 metric tons CO₂ per GWh. The other non-renewables include mainly pumped storage power plants that do not use the natural flow of water and some oil and waste (non-biomass).

Total

Nameplate capacity (MW)

11,774

Gross electricity generation (GWh)

35,060

Net electricity generation (GWh)

35,060

Absolute scope 1 emissions (metric tons CO₂e)

8,343,800

Scope 1 emissions intensity (metric tons CO₂e per GWh)

238

Comment

C-EU8.4

(C-EU8.4) Does your electric utility organization have a transmission and distribution business?

Yes

C-EU8.4a

(C-EU8.4a) Disclose the following information about your transmission and distribution business.

Country/Region

Germany

Voltage level

Transmission (high voltage)

Annual load (GWh)

38,887

Annual energy losses (% of annual load)

1.69

Scope where emissions from energy losses are accounted for

Scope 2 (location-based)

Emissions from energy losses (metric tons CO2e)

709,030

Length of network (km)

3,200

Number of connections

103

Area covered (km²)

34,600

Comment

Country/Region

Germany

Voltage level

Distribution (low voltage)

Annual load (GWh)

53,079

Annual energy losses (% of annual load)

2.36

Scope where emissions from energy losses are accounted for

Scope 2 (location-based)

Emissions from energy losses (metric tons CO2e)

440,860

Length of network (km)

147,900

Number of connections

4,175,322

Area covered (km²)

25,547

Comment

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C-EU9.5a

(C-EU9.5a) Break down, by source, your total planned CAPEX in your current CAPEX plan for power generation.

Primary power generation source	CAPEX planned for power generation from this source	Percentage of total CAPEX planned for power generation	End year of CAPEX plan	Comment
Other, please specify Renewable Energies (especially wind and solar)	1,960,000,000	80	2023	In order to continue to play an active role in shaping the Energie wende, total investment of €8.4 billion is planned for the 2021 to 2023 period. Capex for renewable energies (2021-2023; €1,960,000,000 – 23% of the total Investment of €8.4 billion; 80% RE of CAPEX plan for power generation): Funds have been allocated for the construction of wind farms both in Germany and other countries to achieve the 4,000 MW target by 2025 and for the construction of solar parks to achieve the 1,200 MW target by 2025.

C-EU9.5b

(C-EU9.5b) Break down your total planned CAPEX in your current CAPEX plan for products and services (e.g. smart grids, digitalization, etc.).

Products and services	Description of product/service	CAPEX planned for product/service	Percentage of total CAPEX planned products and services	End of year CAPEX plan
Other, please specify	CAPEX (2021-2023) especially for the expansion of	825,000,000	10	2023

<p>Electromobility and energy solutions</p>	<p>electromobility, as well as for the development of Energy Solutions.</p> <p>In order to continue to play an active role in shaping the Energie wende, total investment of €8.4 billion is planned for the 2021 to 2023 period.</p> <p>Capex for products/services (2021-2023; €825,000,000 - 10% of the total Investment of €8.4 Billion).</p>			
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C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6

(C-CE9.6/C-CG9.6/C-CH9.6/C-CN9.6/C-CO9.6/C-EU9.6/C-MM9.6/C-OG9.6/C-RE9.6/C-ST9.6/C-TO9.6/C-TS9.6) Does your organization invest in research and development (R&D) of low-carbon products or services related to your sector activities?

	Investment in low-carbon R&D	Comment
Row 1	Yes	EnBW invests in low-carbon R&D.

C-CO9.6a/C-EU9.6a/C-OG9.6a

(C-CO9.6a/C-EU9.6a/C-OG9.6a) Provide details of your organization's investments in low-carbon R&D for your sector activities over the last three years.

Technology area	Stage of development in the reporting year	Average % of total R&D investment over the last 3 years	R&D investment figure in the reporting year (optional)	Comment
<p>Other, please specify</p> <p>Smart energy world and storage and electromobility</p>	Full/commercial-scale demonstration	≤20%	5,900,000	<p>Expenditure on research, development and Innovation in 2020:</p> <p>We spent €70.6 million (previous year: €54.4 million) on research, development and innovation in the 2020 financial year.</p>

				<p>The increase was primarily due to higher expenditure for the grids and the growth in innovation management. Sales in the area of innovation management increased to €13.4 Million (previous year: €11.1 million). We received government research grants of €1.0 million (previous year: €0.9 million). There were 93 employees (previous year: 81) in the areas of research, development and innovation in 2020. 185 employees (previous year: 236 employees) were involved in research and development projects as part of their operational work. A further 248 employees (previous year: 130) were involved in innovation projects.</p>
Renewable energy	Full/commercial-scale demonstration	≤20%	7,000,000	<p>Expenditure on research, development and Innovation in 2020:</p> <p>We spent €70.6 million (previous year: €54.4 million) on research, development and innovation in the 2020 financial year. The increase was primarily due to higher expenditure for the grids and the growth in innovation management. Sales in the area of innovation management increased to €13.4 Million</p>

				<p>(previous year: €11.1 million). We received government research grants of €1.0 million (previous year: €0.9 million). There were 93 employees (previous year: 81) in the areas of research, development and innovation in 2020. 185 employees (previous year: 236 employees) were involved in research and development projects as part of their operational work. A further 248 employees (previous year: 130) were involved in innovation projects.</p>
Smart grids	Full/commercial-scale demonstration	≤20%	16,000,000	<p>Expenditure on research, development and Innovation in 2020:</p> <p>We spent €70.6 million (previous year: €54.4 million) on research, development and innovation in the 2020 financial year. The increase was primarily due to higher expenditure for the grids and the growth in innovation management. Sales in the area of innovation management increased to €13.4 Million (previous year: €11.1 million). We received government research grants of €1.0 million (previous year: €0.9 million). There were 93 employees (previous year: 81) in the areas of research,</p>

				development and innovation in 2020. 185 employees (previous year: 236 employees) were involved in research and development projects as part of their operational work. A further 248 employees (previous year: 130) were involved in innovation projects.
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C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	Third-party verification or assurance process in place
Scope 2 (location-based or market-based)	Third-party verification or assurance process in place
Scope 3	Third-party verification or assurance process in place

C10.1a

(C10.1a) Provide further details of the verification/assurance undertaken for your Scope 1 emissions, and attach the relevant statements.

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

 06 EnBW CDP Letter 2020_final.pdf

Page/ section reference

Complete document (see attached document).

Relevant standard

Other, please specify

EY (Ernst & Young GmbH) issued an unqualified auditor's report (uneingeschränkter Bestätigungsvermerk) in accordance with German General Accepted Auditing Standards, in particular § 322 German Commercial Code (Handelsgesetzbuch).

Proportion of reported emissions verified (%)

100

C10.1b

(C10.1b) Provide further details of the verification/assurance undertaken for your Scope 2 emissions and attach the relevant statements.

Scope 2 approach

Scope 2 location-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

 06 EnBW CDP Letter 2020_final.pdf

Page/ section reference

Complete document (see attached document).

Relevant standard

Other, please specify

EY (Ernst & Young GmbH) issued an unqualified auditor's report (uneingeschränkter Bestätigungsvermerk) in accordance with German General Accepted Auditing Standards, in particular § 322 German Commercial Code (Handelsgesetzbuch).

Proportion of reported emissions verified (%)

100

Scope 2 approach

Scope 2 market-based

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

 06 EnBW CDP Letter 2020_final.pdf

Page/ section reference

Complete document (see attached document).

Relevant standard

Other, please specify

EY (Ernst & Young GmbH) issued an unqualified auditor's report (uneingeschränkter Bestätigungsvermerk) in accordance with German General Accepted Auditing Standards, in particular § 322 German Commercial Code (Handelsgesetzbuch).

Proportion of reported emissions verified (%)

100

C10.1c

(C10.1c) Provide further details of the verification/assurance undertaken for your Scope 3 emissions and attach the relevant statements.

Scope 3 category

Scope 3: Fuel and energy-related activities (not included in Scopes 1 or 2)

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

 06 EnBW CDP Letter 2020_final.pdf

Page/section reference

Complete document (see attached document).

Relevant standard

Other, please specify

EY (Ernst & Young GmbH) issued an unqualified auditor's report (uneingeschränkter Bestätigungsvermerk) in accordance with German General Accepted Auditing Standards, in particular § 322 German Commercial Code (Handelsgesetzbuch).

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Upstream transportation and distribution

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

 06 EnBW CDP Letter 2020_final.pdf

Page/section reference

Complete document (see attached document).

Relevant standard

Other, please specify

EY (Ernst & Young GmbH) issued an unqualified auditor's report (uneingeschränkter Bestätigungsvermerk) in accordance with German General Accepted Auditing Standards, in particular § 322 German Commercial Code (Handelsgesetzbuch).

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Business travel

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

 06 EnBW CDP Letter 2020_final.pdf

Page/section reference

Complete document (see attached document).

Relevant standard

Other, please specify

EY (Ernst & Young GmbH) issued an unqualified auditor's report (uneingeschränkter Bestätigungsvermerk) in accordance with German General Accepted Auditing Standards, in particular § 322 German Commercial Code (Handelsgesetzbuch).

Proportion of reported emissions verified (%)

100

Scope 3 category

Scope 3: Use of sold products

Verification or assurance cycle in place

Annual process

Status in the current reporting year

Complete

Type of verification or assurance

Reasonable assurance

Attach the statement

 06 EnBW CDP Letter 2020_final.pdf

Page/section reference

Complete document (see attached document).

Relevant standard

Other, please specify

EY (Ernst & Young GmbH) issued an unqualified auditor’s report (uneingeschränkter Bestätigungsvermerk) in accordance with German General Accepted Auditing Standards, in particular § 322 German Commercial Code (Handelsgesetzbuch).

Proportion of reported emissions verified (%)

100

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

Yes

C10.2a

(C10.2a) Which data points within your CDP disclosure have been verified, and which verification standards were used?

Disclosure module verification relates to	Data verified	Verification standard	Please explain
C0. Introduction	Other, please specify About this report (EnBW Report 2020, p. 23)	Independent auditing and Evaluation (EY): We underline the high level of integration in the whole reporting process with the audit of the complete Integrated Annual Report 2020 with	Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft has audited the consolidated financial statements and the combined management report including the contents of the non-financial declaration with reasonable assurance and has thus carried out a complete audit. The full consolidated financial statements and the combined management report for the 2020 financial year are accessible to the public on the Website at www.enbw.com/report2020-downloads . The full set of consolidated financial statements – including the notes to the consolidated financial statements – and the combined management report for the company and the Group were both audited for the 2020 financial year by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft as the auditor and Group auditor elected by the Annual General Meeting of EnBW Energie Baden-Württemberg AG on 17 July 2020. Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft arrived at the overall conclusion that the audit did not lead to any reservations and issued an unqualified audit opinion. The full set of consolidated financial statements and the combined management report for the company and the Group, both for the 2020 financial year, as well as the unqualified audit opinion

		reasonable assurance.	<p>issued by the auditor, can be accessed on the website of EnBW Energie Baden-Württemberg AG.</p> <p>Further Information: EnBW Report 2020, page 130 (https://www.enbw.com/media/bericht/bericht_2020/downloads/integrated-annual-report-2020.pdf)</p>  1
C1. Governance	<p>Other, please specify</p> <p>Corporate Governance (EnBW Report 2020, p. 42-44)</p>	<p>Independent auditing and Evaluation (EY): We underline the high level of integration in the whole reporting process with the audit of the complete Integrated Annual Report 2020 with reasonable assurance.</p>	<p>Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft has audited the consolidated financial statements and the combined management report including the contents of the non-financial declaration with reasonable assurance and has thus carried out a complete audit. The full consolidated financial statements and the combined management report for the 2020 financial year are accessible to the public on the Website at www.enbw.com/report2020-downloads.</p> <p>The full set of consolidated financial statements – including the notes to the consolidated financial statements – and the combined management report for the company and the Group were both audited for the 2020 financial year by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft as the auditor and Group auditor elected by the Annual General Meeting of EnBW Energie Baden-Württemberg AG on 17 July 2020. Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft arrived at the overall conclusion that the audit did not lead to any reservations and issued an unqualified audit opinion. The full set of consolidated financial statements and the combined management report for the company and the Group, both for the 2020 financial year, as well as the unqualified audit opinion issued by the auditor, can be accessed on the website of EnBW Energie Baden-Württemberg AG.</p> <p>Further Information: EnBW Report 2020, page 130 (https://www.enbw.com/media/bericht/bericht_2020/downloads/integrated-annual-report-2020.pdf)</p>  1
C2. Risks and opportunities	<p>Other, please specify</p> <p>Report on opportunities and</p>	<p>Independent auditing and Evaluation</p>	<p>Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft has audited the consolidated financial statements and the combined management report including the contents of the non-financial declaration with reasonable assurance and has thus carried out a complete audit. The full consolidated</p>

	<p>risks (EnBW Report 2020, p. 100-110)</p>	<p>n (EY): We underline the high level of integration in the whole reporting process with the audit of the complete Integrated Annual Report 2020 with reasonable assurance.</p>	<p>financial statements and the combined management report for the 2020 financial year are accessible to the public on the Website at www.enbw.com/report2020-downloads.</p> <p>The full set of consolidated financial statements – including the notes to the consolidated financial statements – and the combined management report for the company and the Group were both audited for the 2020 financial year by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft as the auditor and Group auditor elected by the Annual General Meeting of EnBW Energie Baden-Württemberg AG on 17 July 2020. Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft arrived at the overall conclusion that the audit did not lead to any reservations and issued an unqualified audit opinion. The full set of consolidated financial statements and the combined management report for the company and the Group, both for the 2020 financial year, as well as the unqualified audit opinion issued by the auditor, can be accessed on the website of EnBW Energie Baden-Württemberg AG.</p> <p>Further Information: EnBW Report 2020, page 130 (https://www.enbw.com/media/bericht/bericht_2020/downloads/integrated-annual-report-2020.pdf)</p>  1
<p>C3. Business strategy</p>	<p>Other, please specify Strategy (EnBW Report 2020, p. 34-41)</p>	<p>Independent auditing and Evaluation (EY): We underline the high level of integration in the whole reporting process with the audit of the complete</p>	<p>Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft has audited the consolidated financial statements and the combined management report including the contents of the non-financial declaration with reasonable assurance and has thus carried out a complete audit. The full consolidated financial statements and the combined management report for the 2020 financial year are accessible to the public on the Website at www.enbw.com/report2020-downloads.</p> <p>The full set of consolidated financial statements – including the notes to the consolidated financial statements – and the combined management report for the company and the Group were both audited for the 2020 financial year by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft as the auditor and Group auditor elected by the Annual General Meeting of EnBW Energie Baden-Württemberg AG on 17 July 2020. Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft arrived at the overall conclusion that the audit did not lead to</p>

		Integrated Annual Report 2020 with reasonable assurance.	<p>any reservations and issued an unqualified audit opinion. The full set of consolidated financial statements and the combined management report for the company and the Group, both for the 2020 financial year, as well as the unqualified audit opinion issued by the auditor, can be accessed on the website of EnBW Energie Baden-Württemberg AG.</p> <p>Further Information: EnBW Report 2020, page 130 (https://www.enbw.com/media/bericht/bericht_2020/downloads/integrated-annual-report-2020.pdf)</p>  1
C4. Targets and performance	Other, please specify Goals and performance management system (EnBW Report 2020, p. 37-41)	Independent auditing and Evaluation (EY): We underline the high level of integration in the whole reporting process with the audit of the complete Integrated Annual Report 2020 with reasonable assurance.	<p>Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft has audited the consolidated financial statements and the combined management report including the contents of the non-financial declaration with reasonable assurance and has thus carried out a complete audit. The full consolidated financial statements and the combined management report for the 2020 financial year are accessible to the public on the Website at www.enbw.com/report2020-downloads.</p> <p>The full set of consolidated financial statements – including the notes to the consolidated financial statements – and the combined management report for the company and the Group were both audited for the 2020 financial year by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft as the auditor and Group auditor elected by the Annual General Meeting of EnBW Energie Baden-Württemberg AG on 17 July 2020. Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft arrived at the overall conclusion that the audit did not lead to any reservations and issued an unqualified audit opinion. The full set of consolidated financial statements and the combined management report for the company and the Group, both for the 2020 financial year, as well as the unqualified audit opinion issued by the auditor, can be accessed on the website of EnBW Energie Baden-Württemberg AG.</p> <p>Further Information: EnBW Report 2020, page 130 (https://www.enbw.com/media/bericht/bericht_2020/downloads/integrated-annual-report-2020.pdf)</p>  1

<p>C5. Emissions performance</p>	<p>Other, please specify Environment goal dimension (EnBW Report 2020 p. 79-86)</p>	<p>Independent auditing and Evaluation (EY): We underline the high level of integration in the whole reporting process with the audit of the complete Integrated Annual Report 2020 with reasonable assurance.</p>	<p>Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft has audited the consolidated financial statements and the combined management report including the contents of the non-financial declaration with reasonable assurance and has thus carried out a complete audit. The full consolidated financial statements and the combined management report for the 2020 financial year are accessible to the public on the Website at www.enbw.com/report2020-downloads.</p> <p>The full set of consolidated financial statements – including the notes to the consolidated financial statements – and the combined management report for the company and the Group were both audited for the 2020 financial year by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft as the auditor and Group auditor elected by the Annual General Meeting of EnBW Energie Baden-Württemberg AG on 17 July 2020. Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft arrived at the overall conclusion that the audit did not lead to any reservations and issued an unqualified audit opinion. The full set of consolidated financial statements and the combined management report for the company and the Group, both for the 2020 financial year, as well as the unqualified audit opinion issued by the auditor, can be accessed on the website of EnBW Energie Baden-Württemberg AG.</p> <p>Further Information: EnBW Report 2020, page 130 (https://www.enbw.com/media/bericht/bericht_2020/downloads/integrated-annual-report-2020.pdf)</p> <p> 1</p>
<p>C6. Emissions data</p>	<p>Other, please specify Environment goal dimension (EnBW Report 2020 p. 79-86)</p>	<p>Independent auditing and Evaluation (EY): We underline the high level of integration in the whole reporting</p>	<p>Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft has audited the consolidated financial statements and the combined management report including the contents of the non-financial declaration with reasonable assurance and has thus carried out a complete audit. The full consolidated financial statements and the combined management report for the 2020 financial year are accessible to the public on the Website at www.enbw.com/report2020-downloads.</p> <p>The full set of consolidated financial statements – including the notes to the consolidated financial statements – and the combined management report for the company and the Group were both audited for the 2020 financial year by Ernst &</p>

		process with the audit of the complete Integrated Annual Report 2020 with reasonable assurance	<p>Young GmbH Wirtschaftsprüfungsgesellschaft as the auditor and Group auditor elected by the Annual General Meeting of EnBW Energie Baden-Württemberg AG on 17 July 2020. Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft arrived at the overall conclusion that the audit did not lead to any reservations and issued an unqualified audit opinion. The full set of consolidated financial statements and the combined management report for the company and the Group, both for the 2020 financial year, as well as the unqualified audit opinion issued by the auditor, can be accessed on the website of EnBW Energie Baden-Württemberg AG.</p> <p>Further Information: EnBW Report 2020, page 130 (https://www.enbw.com/media/bericht/bericht_2020/downloads/integrated-annual-report-2020.pdf)</p>  1
C7. Emissions breakdown	Other, please specify Environment goal dimension (EnBW Report 2020 p. 79-86)	Independent auditing and Evaluation (EY): We underline the high level of integration in the whole reporting process with the audit of the complete Integrated Annual Report 2020 with reasonable assurance	<p>Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft has audited the consolidated financial statements and the combined management report including the contents of the non-financial declaration with reasonable assurance and has thus carried out a complete audit. The full consolidated financial statements and the combined management report for the 2020 financial year are accessible to the public on the Website at www.enbw.com/report2020-downloads.</p> <p>The full set of consolidated financial statements – including the notes to the consolidated financial statements – and the combined management report for the company and the Group were both audited for the 2020 financial year by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft as the auditor and Group auditor elected by the Annual General Meeting of EnBW Energie Baden-Württemberg AG on 17 July 2020. Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft arrived at the overall conclusion that the audit did not lead to any reservations and issued an unqualified audit opinion. The full set of consolidated financial statements and the combined management report for the company and the Group, both for the 2020 financial year, as well as the unqualified audit opinion issued by the auditor, can be accessed on the website of EnBW Energie Baden-Württemberg AG.</p> <p>Further Information: EnBW Report 2020, page 130</p>

			<p>(https://www.enbw.com/media/bericht/bericht_2020/downloads/integrated-annual-report-2020.pdf)</p> <p> 1</p>
C8. Energy	<p>Other, please specify</p> <p>Environment goal dimension (EnBW Report 2020 p. 79-86)</p>	<p>Independent auditing and Evaluation (EY): We underline the high level of integration in the whole reporting process with the audit of the complete Integrated Annual Report 2020 with reasonable assurance.</p>	<p>Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft has audited the consolidated financial statements and the combined management report including the contents of the non-financial declaration with reasonable assurance and has thus carried out a complete audit. The full consolidated financial statements and the combined management report for the 2020 financial year are accessible to the public on the Website at www.enbw.com/report2020-downloads.</p> <p>The full set of consolidated financial statements – including the notes to the consolidated financial statements – and the combined management report for the company and the Group were both audited for the 2020 financial year by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft as the auditor and Group auditor elected by the Annual General Meeting of EnBW Energie Baden-Württemberg AG on 17 July 2020. Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft arrived at the overall conclusion that the audit did not lead to any reservations and issued an unqualified audit opinion. The full set of consolidated financial statements and the combined management report for the company and the Group, both for the 2020 financial year, as well as the unqualified audit opinion issued by the auditor, can be accessed on the website of EnBW Energie Baden-Württemberg AG.</p> <p>Further Information: EnBW Report 2020, page 130 (https://www.enbw.com/media/bericht/bericht_2020/downloads/integrated-annual-report-2020.pdf)</p> <p> 1</p>
C9. Additional metrics	<p>Other, please specify</p> <p>Total investment 2021–2023 (EnBW Report 2020, p. 96)</p>	<p>Independent auditing and Evaluation (EY): We underline the high level of</p>	<p>Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft has audited the consolidated financial statements and the combined management report including the contents of the non-financial declaration with reasonable assurance and has thus carried out a complete audit. The full consolidated financial statements and the combined management report for the 2020 financial year are accessible to the public on the Website at www.enbw.com/report2020-downloads.</p>

		<p>integration in the whole reporting process with the audit of the complete Integrated Annual Report 2020 with reasonable assurance.</p>	<p>The full set of consolidated financial statements – including the notes to the consolidated financial statements – and the combined management report for the company and the Group were both audited for the 2020 financial year by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft as the auditor and Group auditor elected by the Annual General Meeting of EnBW Energie Baden-Württemberg AG on 17 July 2020. Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft arrived at the overall conclusion that the audit did not lead to any reservations and issued an unqualified audit opinion. The full set of consolidated financial statements and the combined management report for the company and the Group, both for the 2020 financial year, as well as the unqualified audit opinion issued by the auditor, can be accessed on the website of EnBW Energie Baden-Württemberg AG.</p> <p>Further Information: EnBW Report 2020, page 130 (https://www.enbw.com/media/bericht/bericht_2020/downloads/integrated-annual-report-2020.pdf)</p> <p> 1</p>
C11. Carbon pricing	<p>Other, please specify "ETS Verification"</p>	"ETS Verification"	<p>The relevant data were verified according to the ETS Standard.</p> <p> 1</p>
C12. Engagement	<p>Other, please specify Customers and society goal dimension (EnBW Report 2020, p. 76-79); In dialog with our stakeholders (EnBW Report 2020, p. 45-49)</p>	<p>Independent auditing and Evaluation (EY): We underline the high level of integration in the whole reporting process with the audit of the</p>	<p>Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft has audited the consolidated financial statements and the combined management report including the contents of the non-financial declaration with reasonable assurance and has thus carried out a complete audit. The full consolidated financial statements and the combined management report for the 2020 financial year are accessible to the public on the Website at www.enbw.com/report2020-downloads.</p> <p>The full set of consolidated financial statements – including the notes to the consolidated financial statements – and the combined management report for the company and the Group were both audited for the 2020 financial year by Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft as the auditor and Group auditor elected by the Annual General Meeting of EnBW Energie Baden-Württemberg AG on 17 July 2020. Ernst & Young GmbH Wirtschaftsprüfungsgesellschaft</p>

		complete Integrated Annual Report 2020 with reasonable assurance.	<p>arrived at the overall conclusion that the audit did not lead to any reservations and issued an unqualified audit opinion. The full set of consolidated financial statements and the combined management report for the company and the Group, both for the 2020 financial year, as well as the unqualified audit opinion issued by the auditor, can be accessed on the website of EnBW Energie Baden-Württemberg AG.</p> <p>Further Information: EnBW Report 2020, page 130 (https://www.enbw.com/media/bericht/bericht_2020/downloads/integrated-annual-report-2020.pdf)</p> <p> 1</p>
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 1 EnBW_integrated-annual-report-2020.pdf

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

Yes

C11.1a

(C11.1a) Select the carbon pricing regulation(s) which impacts your operations.

EU ETS

C11.1b

(C11.1b) Complete the following table for each of the emissions trading schemes you are regulated by.

EU ETS

% of Scope 1 emissions covered by the ETS

95

% of Scope 2 emissions covered by the ETS

0

Period start date

January 1, 2020

Period end date

December 31, 2020

Allowances allocated

201,558

Allowances purchased

8,606,258

Verified Scope 1 emissions in metric tons CO2e

8,807,816

Verified Scope 2 emissions in metric tons CO2e

0

Details of ownership

Facilities we own and operate

Comment

CO2 certificates are used to offset the emissions generated during the production process (electricity generation).

C11.1d

(C11.1d) What is your strategy for complying with the systems you are regulated by or anticipate being regulated by?

EnBW is a member of the European Emissions Trading System (EU-ETS). Within the EU-ETS it is defined that every ton of emitted CO2 must be balanced out by a CO2 certificate. The EU-ETS is following the principle of “cap and trade”. The cap (upper limit) is defining the maximum CO2 amount allowed to be emitted into the system. This upper limit is reduced by time, and will be 21% below the amount of 2005 by 2020. Following, the reduction in the amount of certificates in the EU-ETS over time, leads to a total decrease of the emissions of all participating businesses. The preliminary determined decrease in the amount of certificates is harmonized with the European goal to reduce greenhouse gas emissions.

EnBW is obliged to balance the amount of CO2 emitted by power generation with emission certificates. Since January 2013 there are no more certificates allocated at no charge.

Therefore, EnBW has to offset all emissions that arise in the course of electricity and heat generation by EnBW in own power plants by purchasing an equivalent quantity of certificates. The certificates (1 EUA (European Allowance) corresponds to 1 t CO2eq emitted) needed are bought at the stock exchange. Consequently, the market price of CO2 certificates has direct influence on the profitability of power plants and is one point of influence for the power plant deployment planning. The level of the CO2 certificate price thus has an indirect influence on the wholesale market price and is therefore a key parameter for EnBW. EnBW endeavours to provide the amount of energy sold at a reasonable price. In order to make this possible, a close coordination of wholesale market prices, CO2 prices and power plant deployment planning is necessary.

Description of Strategy for complying with the systems:

The strategy of EnBW is that there are always enough certificates purchased on the market to meet the compliance requirements. For this purpose the “concept of close consultation” is

used. This enables a close adjustment between the holding of CO₂ certificates and adjustments in electricity generation through our own power plants to market changes. It ensures that there are sufficient amounts of certificates bought at the market at all times to fulfill compliance requirements.

Case Study

Situation:

Since electricity is sold long in advance, it is necessary to optimize power plant scheduling again and again in line with changes in the market. Therefore, the quantity of CO₂-certificates must also be constantly adjusted.

Task:

A task of EnBW Trading is to ensure the compensation between generated emissions and certificates procured on the stock exchange.

Action:

The quantity of certificates required depends on the use of the power plants. This changes, for example, through on the amount of renewable electricity fed into the grid on the one hand or the electricity demand on the other. Power plant deployment planning determines the cost-optimal use of the power plants. The higher the operating hours of the power plant, the higher the emissions for which certificates have to be obtained to compensate. This process is ongoing until the real operating data and thus also the required amount of certificates is known after end of every year.

Result:

This process ensures that the amount of certificates is always adapted to the current deployment of the power.

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

Yes

C11.2a

(C11.2a) Provide details of the project-based carbon credits originated or purchased by your organization in the reporting period.

Credit origination or credit purchase

Credit purchase

Project type

Fossil fuel switch

Project identification

EnBW uses CERs for various purposes.

Among other things, the certificates are used to sell a green gas product. Gas from the

North Sea is used for this product. We compensate all CO₂ emissions released during the extraction, transport and combustion of the gas by supporting UN climate protection projects.

For the climate neutralization of this particular gas product we used 2020 CERs mainly from a project in China (CN1344). This project a gas fired-grid connects plant is built instead of a coal-fired plant. Comparing with the coal-fired plant, the project activity leads to substantial greenhouse gas emission reductions due to the use of less carbon intensive fuel and the application of the much higher efficient power generation technology.

Verified to which standard

CDM (Clean Development Mechanism)

Number of credits (metric tonnes CO₂e)

23,787

Number of credits (metric tonnes CO₂e): Risk adjusted volume

23,787

Credits cancelled

Yes

Purpose, e.g. compliance

Compliance

Credit origination or credit purchase

Credit purchase

Project type

Forests

Project identification

In addition, CO₂ emissions are offset by events organised by the Energie & Klimaschutz foundation. Certificates from a reforestation project in Ethiopia are used for this purpose. Local communities have developed the reforestation project in Soddo about 300 kilometres southwest of the capital Addis Ababa together with the non-governmental organisation World Vision. The members of the five communities that live here in the high mountain region of Southern Ethiopia in the vicinity of Mount Damota are directly responsible for project implementation. The aim is to protect the severely degraded forest on the slopes of Mount Damota and to plant new trees, thus contributing to the long-term regeneration of the ecosystem in the region. The project is not only an outstanding example of local co-determination, but also achieves numerous positive effects for biodiversity, climate protection and regional development.

Verified to which standard

Gold Standard

Number of credits (metric tonnes CO2e)

16

Number of credits (metric tonnes CO2e): Risk adjusted volume

16

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

Credit origination or credit purchase

Credit purchase

Project type

Forests

Project identification

Yello, a subsidiary of EnBW, makes a climate contribution for every new customer who takes out a climate tariff. For each customer - regardless of whether they are an electricity or gas customer - a one-off contribution of 0,5 t of CO2 is offset.

A contribution to climate and environmental protection is made by protecting and preserving the rainforest (162,350,000 m2 have already been protected). In this project, 400 indigenous families work together to protect 300,000 hectares of primary rainforest in the Amazon. The forest is their livelihood and habitat for countless animal and plant species. Through this project, the families obtain land rights and thus sustainable sources of income, for example by growing Brazil nuts. The small farmers receive micro-credits, support in marketing, transport and further processing methods of the nuts, such as the production of soap and oil.

Verified to which standard

VCS (Verified Carbon Standard)

Number of credits (metric tonnes CO2e)

80,172

Number of credits (metric tonnes CO2e): Risk adjusted volume

80,172

Credits cancelled

Yes

Purpose, e.g. compliance

Voluntary Offsetting

C11.3

(C11.3) Does your organization use an internal price on carbon?

Yes

C11.3a

(C11.3a) Provide details of how your organization uses an internal price on carbon.

Objective for implementing an internal carbon price

- Navigate GHG regulations
- Stakeholder expectations
- Change internal behavior
- Drive low-carbon investment

GHG Scope

Scope 1

Application

The CO₂ price is applied throughout the Group in the departments concerned. The price is particularly important in the trading department and in the dispatching, in the strategy department, as well as in all commercial departments. The CO₂ price also plays an important role in the department of M&A. The development of the CO₂ price in relation to political activities is of importance. EnBW is publicly committed to a carbon price floor. This makes the switch from coal to gas more attractive and supports the expansion of renewable energies.

Actual price(s) used (Currency /metric ton)

Variance of price(s) used

For time period beyond liquid market quotations EnBW uses assumptions regarding market prices for CO₂-certificates that our part of EnBW's Scenarios. These assumed market prices form the Basis for Evaluation for Long term assets such as power plants and contracts as well as Investments. Given the considerable uncertainty on the effectiveness of climate regulation there are big differences between the CO₂-prices in EnBW's Scenarios. Scenarios with rising CO₂-prices have a higher importance amongst EnBW's Scenarios than assumptions of low CO₂-prices.

Under the European emissions trading system, proof must be provided of CO₂ allowances for CO₂ emissions from power plants. In 2020, the price of EU allowances (EUAs) fluctuated between EUR 15 and almost EUR 30. In the second half of the year, the price levelled off around 25 EUR/EUA. In comparison, compensation certificates are much cheaper in some cases. However, certificates from certified projects with high demands on social standards are also in this price range.

Type of internal carbon price

Other, please specify

Own price forecast

Impact & implication

The internalisation of the EU-ETS carbon price on business activities impacts the full range of company activities from the dispatch decisions of power plants that incorporate the carbon price as a part of the operational costs to the valuation of assets where the future earnings are calculated based on quantitative premises on market prices and prices for carbon to the strategic assessment of risks and chances of the portfolio and its planned expansion with renewable energies under different scenarios with associated carbon prices.

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

Yes, our customers

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

1

% total procurement spend (direct and indirect)

1

% of supplier-related Scope 3 emissions as reported in C6.5

81

Rationale for the coverage of your engagement

Rationale for the coverage of EnBW engagement:

- EnBW is highly committed to the responsible procurement of hard coal. With the procurement of coal, 81% of the supplier-related Scope 3 emissions are generated. It is therefore very important to take action here and to emphasise the environmental and climate protection aspects, also coal suppliers are less than 1 % of all EnBW suppliers.
- Therefore, EnBW has adopted a supplier code of conduct for the responsible

procurement of hard coal and other raw materials. This supplier code of conduct asks direct coal suppliers to reduce environmentally polluting emissions and to use environmentally friendly technologies (added value for climate protection). The supplier code of conduct is a binding part of all EnBW business contracts with coal suppliers.

- In regular business partner checks EnBW monitors the compliance with the code of conduct. The evaluation follows the streetlight logic (green, yellow, red). Critical suppliers (yellow) will be asked to follow a corrective action plan set out by the EnBW sustainability department. Since climate protection and environmental protection are focal parts of EnBW's sustainability strategy these aspects have more weight than other in the evaluation result. If a supplier falls into the lowest compliance category (red) EnBW reserves the right to suspend or as a last resort cancel the contract.
- With these activities EnBW collects climate change and carbon information at least annually from coal suppliers.

Impact of engagement, including measures of success

1. Impact:

- Part of EnBW's supplier review process is a regular (at least annually) update of a data base that collects a set of sustainability data as set out and demanded in the supplier code of conduct covering all major coal producers worldwide from whom EnBW directly sources hard coal. Inter alia, EnBW asks all coal suppliers if climate protection is part of their business strategy and if evidencing KPIs can be provided. Critical suppliers must provide at least every six months a progress report according to a corrective action plan.
- Since climate and environmental protection are focal parts of EnBW's sustainability strategy these aspects have more weight than other in EnBW's supplier evaluation. If a supplier falls into the lowest compliance category EnBW reserves the right to suspend or as a last resort cancel the contract.
- EnBW is member of the Bettercoal corporate initiative since 2020 and actively involved in Bettercoal country working groups. In 2020, the Russia working group launched an advanced training series - webinars for coal producers from Russia on the topic of environment and climate protection. In Nov. 2020 the first webinar was held to environmental Monitoring and reduction of methane emissions. The aim is to enable Russian coal producers to measure their negative impact on the Environment/climate and to provide them with knowledge and techniques to reduce emissions.

2. Measures of success:

- Monitoring: 100% of EnBW's direct coal suppliers are committed to supplier code of conduct for coal and other raw materials.
- Regular monitoring and taking initiatives by EnBW: Suppliers must provide evidence on a regular base that they have taken measures to assure compliance with the code of conduct. This has an impact on the suppliers' environmental management system including aspects of climate protection and carbon reduction since these are focal points of the code of conduct and EnBW's evaluation system for its coal suppliers (sustainability registry).
- Assessment of developments regarding sustainability and climate protection: All coal suppliers EnBW currently sources coal from are rated green or yellow - all coal

suppliers measure emissions at least annually and have climate protection targets integrated into environmental management policy.

Comment

- % total procurement spend: The procurement volume of the EnBW Group in 2020 (without ITOs) amounted to around €3.2 Billion. A total of 1.8 million t of coal was delivered to our power plants in 2020. This corresponds to a procurement volume of €79 million (less than 1% of total procurement spend).
- % of supplier-related Scope 3 emissions for Fuel-and-energy-related activities.

Type of engagement

Information collection (understanding supplier behavior)

Details of engagement

Collect climate change and carbon information at least annually from suppliers

% of suppliers by number

100

% total procurement spend (direct and indirect)

90

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Rationale for the coverage of EnBW engagement:

- Sustainable procurement begins with the careful selection of business partners and suppliers. Central purchasing at EnBW AG uses a standardized prequalification process for this purpose. Suppliers are required to provide a self-assessment via our supplier portal on whether they have sustainable measures in place in the areas of environmental management, occupational health and safety, the respect for human rights, the fight against corruption, data protection and quality management.
- A large number of suppliers and service providers play an important role in our efforts to achieve a leading position on the energy market. Supplier management promotes successful cooperation with our suppliers because it makes the performance of the suppliers transparent and also makes continuous optimization in partnership possible. The careful selection of our business partners is a part of our risk management system and supports the observance of legal regulations and internally defined quality standards

Impact of engagement, including measures of success

Impact of engagement, including measures of success:

- This self-assessment was completed by almost 90% of our suppliers by the end of 2020 (measured by procurement volume).
- Added value for climate protection through application of the Supplier management process:

1. Supplier identification: Identification and documentation of potential suppliers
2. Supplier selection/prequalification: Registration/onboarding, completion of the EnBW qualification stages
3. Supplier evaluation/classification Assessing suppliers based on defined evaluation criteria, classification of the suppliers
4. Supplier development: Deriving development measures according to the classification of all suppliers

Comment

- 100 % of the suppliers of EnBW AG's central purchasing department are addressed as part of the prequalification process.
- Assumption: At least 45% of the Scope 3 emissions caused by the suppliers of EnBW Central Purchasing.

C12.1b

(C12.1b) Give details of your climate-related engagement strategy with your customers.

Type of engagement

Education/information sharing

Details of engagement

Share information about your products and relevant certification schemes (i.e. Energy STAR)

% of customers by number

90

% of customer - related Scope 3 emissions as reported in C6.5

100

Please explain the rationale for selecting this group of customers and scope of engagement

Rationale for selecting this group of customers:

- Energy efficiency regarding B2C customers is a success factor for the Energiewende and thus for a positive contribution to climate protection.
- As a pioneer of the Energiewende, it is therefore important for EnBW to educate the B2C customers of the EnBW Group about how energy can be saved and where the potential for this lies. EnBW has various customer groups: private customers (B2C), business customers, municipalities and Stadtwerke. B2C customers form the majority and account for well over 90%.
- The sale of electricity and gas to B2C customers generates high Scope3 emissions at EnBW - this customer group is therefore very central. Information and education in the area of energy efficiency is used to illustrate to customers how energy consumption and

CO₂-emissions can be reduced.

- With the EnBW sustainability programme and the climate-friendly products initiative, climate-friendly products are being developed and significantly expanded in the areas of electricity and gas. Parallel to this, customer communication (education, information) regarding the products is also being expanded (example:

<https://www.enbw.com/strom/produkte/oekostrom>).

- Relevant topics: Energy label, potential for energy savings, transparency in energy consumption, CO₂ reduction climate-friendly products and services (for example tariffs with green electricity and green gas) etc.

- EnBW Engagement:

1) Comprehensive and actual information for B2C customers on the EnBW website regarding energy efficiency and CO₂-reduction: <https://www.enbw.com/energiesparen>

2) EnBW customer service - EnBW customer service has already received several external awards for excellent advice. We strive for a high level of customer satisfaction and want to support customers in acting in a climate-friendly manner.

Scope of engagement:

- The sale of electricity and gas to B2C customers generates high Scope3 emissions at EnBW

- In 2020 downstream emissions by third parties (scope 3 downstream) created around 86 % of all Scope 3 emissions of EnBW. The Scope 3 downstream emissions result especially by gas consumption by customers. % of customer - related Scope 3: 100 %, focus B2C).

- Information and education in the area of energy efficiency is used to illustrate to customers how energy consumption and CO₂-emissions can be reduced.

Impact of engagement, including measures of success

Impact of Engagement:

- It is important to make customers aware of climate protection and ways to reduce CO₂. One tool for this is education and information by EnBW for customers.

- The numerous energy-saving tips on the EnBW website motivate customers to adopt a more sustainable lifestyle. Customers can follow these advices. If customers have any questions, they can contact EnBW by e-mail or get in touch with customer service directly.

- EnBW customer service employees regularly receive training on sustainability aspects. Customers can obtain information about climate-friendly products and services at any time. In addition, customers can find out how to increase transparency on electricity consumption and what measures to take to live more energy-efficiently.

Measures of success:

- We regularly organise customer surveys regarding both our website and customer service. With these surveys we measure whether the education and information meet the customers' expectations. Based on the results, we analyse whether we are successful and what measures need to be taken for improvement.

- We regularly improve our website to provide current and potential new customers with the best possible education and information about EnBW and sustainability. In addition,

we check the extent to which our website is successful (number of clicks etc.).
- We are continuously working on improving our customer service - also in terms of advice on sustainability aspects and climate protection aspects. The extent to which we are successful with our advice is also communicated to us in direct feedback from our customers.

Type of engagement

Collaboration & innovation

Details of engagement

Run a campaign to encourage innovation to reduce climate change impacts

% of customers by number

1

% of customer - related Scope 3 emissions as reported in C6.5

1

Please explain the rationale for selecting this group of customers and scope of engagement

The expansion of renewable energies, the reduction of greenhouse gases and the most efficient possible use of energy are the main pillars of the energy transition. In 2014, the German government already reached an agreement with associations and organizations from industry, trade, commerce and trade to contribute to increasing energy efficiency. The energy efficiency networks created under this associations' agreement have proven to be a successful approach to saving energy and thus emissions. In 2020, the stakeholders extended this agreement by five years and placed a stronger focus on the aspect of climate protection - which is also reflected in the name: The "new" Energy Efficiency and Climate Protection Networks initiative. By the end of 2025, a further 300 to 350 networks are to be created and continue to work on the goals of saving energy, reducing CO₂ emissions and sustainably lowering energy costs.

EnBW has been writing a success story here as a pioneer with its know-how and energy management expertise for 15 years now with the EnBW energy efficiency and climate protection networks, which we offer as a service to businesscustomers. Around 90 companies from all over Germany are taking part in EnBW's seven current networks, some of which have been running for many years.

Impact of engagement, including measures of success

Impact of Engagement:

The EnBW Energy Efficiency and Climate Protection Network enables business customers to tackle energy and sustainability issues together in an association of around 15 companies, to exchange experiences and to achieve results more effectively. Participants meet with their network partners at regular intervals. You exchange experiences, benefit from each other's knowledge and develop action plans for a wide

range of energy topics on your own responsibility - from investments in more efficient plants to discussions on current topics such as climate neutrality. Lectures by energy efficiency experts and plant tours round off the network meetings. Your EnBW takes care of the organisation and moderation.

Measures of success:

The focus of the network meetings is on climate protection through increased efficiency - the focus is on economic success: within three years, savings potentials of five to eight percent can realistically be realized. Or in other words: of around 25 million kWh/a per network.

By participating in the EnBW Energy Efficiency and Climate Protection Network, companies also support their continuous improvement process, as required, for example, in an energy management system in accordance with ISO 50001. In addition, participation in the network meetings can count as a further training measure for energy management officers. Thus, participants achieve their set savings targets more easily and make a valuable contribution to climate protection.

*regarding % of customer - related Scope 3 emissions as reported in C6.5 : 0-1 %

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

- Direct engagement with policy makers
- Trade associations
- Funding research organizations
- Other

C12.3a

(C12.3a) On what issues have you been engaging directly with policy makers?

Focus of legislation	Corporate position	Details of engagement	Proposed legislative solution
Cap and trade	Support	EnBW still considers the EU ETS cap and trade system as the cornerstone of EU climate policy. Since 2013, we continued to engage in discussions at EU level on the need of an ambitious ETS-cap and the relevance of a reliable and strong CO2-price signal to stimulate the necessary investments for the foreseen	Focus on a binding EU climate neutrality target by 2050 and especially a consistently higher 2030 target (at least -55%). Strengthened ETS, especially considering rebasing, stronger linear reduction factor (LRF), and enforced market stability reserve (MSR).

	<p>carbon emissions reduction path. In 2020, an essential focus was on the concrete negotiations at EU level of the Climate law - the legally binding 2050 neutrality target as well as the higher 2030 ambitions. At the same time, EnBW followed closely the already starting discussions on the concrete implementation of a higher 2030 climate target in the ETS legislation as well as its possible extension to other sectors. EnBW very much welcomed the proposal of the climate law, making the 2050 net zero objective legally binding. EnBW publicly committed itself to climate-neutrality by 2035. We also supported strongly the adaptation of the 2030-target of at least -55% and an early reform of the related climate legislation, especially the ETS directive. In this context, we continue to ask for the introduction of a price floor at EU- or national level. EnBW continuous to advocate for an effective CO2 price signal in all sectors. We participated to the EU public consultation for the EU climate ambition for 2030 and for the design of certain climate and energy policies and launched a study on the different policy options for the review of the ETS and its' possible extension to other sectors. We maintained the exchange on these topics, with representatives of the European institutions, German ministry officials, politicians, and NGO's EnBW participated also actively</p>	<p>Enhanced emission reductions in other sectors like transport and buildings, via a mixture of adequate CO2-pricing, regulation and support for new technologies. However, we consider an integration of other sectors in the ETS – while possibly to be envisaged from 2030 onwards – as not efficient at this stage due to the still very different CO2 abatement costs. The introduction of a carbon price floor in the ETS – if not at EU level, at least in a coalition of willing Member States, despite the rising CO2 prices, as “risk assurance instrument”. EnBW considers an adaptation of its initial request of 30 €/ton (2025) to a higher level.</p>
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		<p>in the positioning of different associations (BDEW/EURELECTRIC, WindEurope, BDI etc.) , e.g. in the context of the EU consultation and continued the exchange in networks at EU level and cooperated closely with NGOs like German Watch and Stiftung 2° (exchange of information, lobbying activities like e.g. in form of a position paper of the Stiftung 2° “Working together to relaunch Europe, now” with a strong focus on Climate neutral investments in line with Green Deal for the recovery after the COVID 19, etc.) and public statements i.a. at CEO-level.</p>	
Carbon tax	Support	<p>Although the price of allowances (EUA) has increased after the adoption of the new EU ETS directive and especially the Green Deal Strategy and the political endorsement of the 2050 climate neutrality target and the envisaged higher 2030 targetst does not create enough investment security for market participants. Also, the heavy charges and levies on the electricity prices prevent for more sector coupling/ electrification of other sectors. Therefore, EnBW supports not only the carbon floor price on top of the ETS but also a restructuring of the energy taxation system – to start at national level but preferentially also on EU level- to be CO2 based.</p>	<p>Within the national legislative process for the introduction of domestic CO2 pricing in the heating and transport sectors, EnBW advocated an increase in energy taxes linking the taxes to the given CO2 content. However, the German government decided to introduce a national fuel emissions trading system (BEHG).</p> <p>Even though EnBW considers the BEHG-system to be unnecessarily complex, it supports the fundamental introduction of CO2 pricing in the heating and transport sectors. EnBW works for</p>

		<p>Within the national legislative process for the introduction of domestic CO2 pricing in the heating and transport sectors, EnBW advocated an increase in energy taxes linking the taxes to the given CO2 content. At EU level, EnBW welcomes the suggestion of the European Commission to change the rules for decisions in taxation issues, especially concerning energy taxation, from unanimity to qualified majority. EnBW participated in the EU public consultation on the EU climate ambition for 2030 and for the design of certain climate and energy policies as well as actively in the positioning of different associations (BDEW / BEE, BDI etc.) but also in the exchange in networks with other companies and cooperated closely with NGOs like German Watch and Stiftung 2°.</p>	<p>effective CO2 pricing in all sectors and therefore also welcomes the increase in the CO2 price path adopted in the amendment to the BEHG 2020.</p>
<p>Clean energy generation</p>	<p>Support with minor exceptions</p>	<p>In 2020, 86,6% of the wind turbines commissioned in 2020 are located north of s of the Main river. The problem is combined with a lack of permissions granted in the whole country. This concentration in the expansion exacerbates the existing grid congestion in Germany and has a negative impact on the acceptance of the Energiewende. Therefore, EnBW advocated in favour of a regional control management in order to reach additional wind turbine capacities south of the Main river. We also plead for better and faster regulation</p>	<p>In Germany, EnBW supports a minimum capacity of 25 % of the allowances within the EEG (wind onshore) to be assigned to locations south of the Main river. Regarding offshore wind energy, we pleaded for an additional short term tender, to use free converter capacities. EnBW supports the idea of financial support for local communities, that build renewable energy generators e.g. WTG or solar on their community space, to address the</p>

	<p>concerning permissions for onshore wind. Regarding German offshore wind energy in the Baltic sea and North Sea (objectives at least 20 GW until 2030, 40 GW until 2040).</p> <p>On the PV side, we aim to remove the cap of 52 GW, which was finally decided beginning of July 2020. Keeping the cap, would most likely lead to job cuts within the company since we expect to reach a capacity of 52 GW in 2020. Additional to the short-term special tenders for wind and PV within the EEG we advocate for a concrete trajectory for renewables in Germany for the years after 2022. This is essential for reaching the goal of 65% renewables within the power sector in Germany by 2030.</p> <p>At EU level EnBW followed closely the implementation of the Clean Energy for all Europeans Package on the Electricity Market Design directive and regulation, as well as the Renewables directive, Energy Efficiency directive and the Governance regulation. In the re-opened discussions on the adaptation of the 2030-framework in view to a 2050 climate neutrality target, EnBW asks also – i.a. in the context of the EU public consultation on higher ambitions for 2030 - for a higher RES-Target of at least 40%. We call for an adequate political support and more efficient authorisation procedures on national level as</p>	<p>lack of acceptance of new windfarms. In general EnBW tries to tackle the problems of missing space, permissions and acceptance for wind onshore, as we have high targets of onshore wind in our strategy for 2025. EnBW advocates for older small-scale rooftop PV to stay in operation. We introduced the idea of direct marketing for small scale PV, to keep at least 180000 small rooftop-plants in operation till 2025, by using existing regulation combined with digital processes.</p> <p>At EU level, in the context of the implementation of the Clean Energy Package and possible adaptations of this framework in view of the Green Deal and climate neutrality by 2050, EnBW supports a positive framework towards further development of renewables while integrating them subsequently into the market. EnBW sees the outcome of the package overall rather positive but supports more ambitious targets in view to the possible adaptation of the</p>
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		<p>well as a firm implementation monitoring especially in the framework of the national energy and climate plans by the EU COM. We engaged also on issues like auctioning designs in the context of zero bids, new offshore EU COM strategy necessary adaptations for hybrid projects etc.</p> <p>On the EU level a very strong focus is also on the preparation of the decarbonization of the gas sector. On the basis of an extensive internal project on pathways to climate neutral gas system, we engaged in discussion on options to achieve climate neutrality for the electricity sector by 2040.</p>	<p>framework in 2021 However, key is the effective implementation. EnBW supports also the objectives of the EU biodiversity strategy but would welcome a truly integrated approach with energy policies to avoid possible conflicts as far as possible.</p> <p>EnBW also supports the decarbonisation of the gas sector and is running /planning pilot projects to detect challenges and potentials (grid integration etc.) for the gas grid infrastructure. EnBW supports a stronger energy system integration and the planned EU strategy as well as the national and EU strategy for a hydrogen economy. These last ones should follow a sector open approach considering hydrogen use also in electricity generation and to a certain extend in the heat sector.</p>
Energy efficiency	Support with minor exceptions	EnBW fully supports the energy efficiency objective and supporting policies. However, we are against obligation schemes in this context as they are not stimulating the most (cost) efficient solutions. EnBW is actively following the legislative and regulatory developments on national and regional level also in view to the	Focus on the implementation of the Energy Efficiency Directive and the Energy Efficient Buildings directive and Governance regulation. On the reform of the Energy Efficiency Directive, EnBW favors further efforts towards more

		<p>implementation of the Energy Efficiency directive and Energy Efficiency of Buildings directive, i.a. in the context of the EU consultation on the 2030 ambitions. EnBW was especially active in the positioning of the different stakeholder groups and associations EnBW is a member (BDEW, BDI) On regional level there have been and still continue to be many discussions specifically in the context of the integrated climate and energy concept.</p>	<p>energy efficiency, however advocates for the need to maintain alternative options to an obligation scheme as chosen in Germany. More push towards the use of renewables in the heating and cooling, as well as the transport sector as decided are welcome. A conflict between absolut energy saving requirements and partially reduction of efficiency in the sake of higher flexibility should be avoided.</p>
<p>Other, please specify Decarbonising Transport Sector (E-Mobility)</p>	<p>Support</p>	<p>EnBW is very active in the roll out of e-charging infrastructure in Germany as we see e-mobility as a very important mean of decarbonizing the transport sector. Specifically, we aim to install more than 2.000 fast-charging stations (DC) at motorway service stations and traffic junctions until the end of 2025. We are very much engaged in a close dialogue with policy makers, communes and stakeholders to support the further up-take of e-mobility. At European level EnBW engaged in the preparation of the review of the Alternative Fuels infrastructure (AFI) Directive and competitive and practical solutions for data handling between Automotive industry and car users or charging infrastructure operators. It engaged with the representatives of the European Commission and European</p>	<p>EnBW supports ambitious rules and limits for CO2 emissions of passenger cars and light duty vehicles at EU level. We also call for an expansion of the funding of charging infrastructure (public and private) and additional measures at national level.</p>

		Parliament as well as in the working groups /in the positioning of different Associations (BDEW, EURELECTRIC) as well as extended cross-sectoral cooperation in view to fostering e-mobility deployment.	
Other, please specify Sustainable Finance (Support for the EU Sustainable Finance Action Plan and climate related non financial disclosure with minor exceptions)	Support with minor exceptions	<p>EnBW (on the level of the CFO) participated to the G20 TF CFD on non-financial disclosure and is implementing the recommendations in our own reporting.</p> <p>At EU level, EnBW was and still is actively involved in the implementation of the EU Action Plan on Sustainable Finance by having still been member of the Commission's Expert Group, with a focus on non-financial reporting/carbon disclosure rules. Thus, EnBW was following very closely the legislative procedures, especially on the Taxonomy regulation via exchanges with representatives of the European Parliament, the Commission and the Council (German Permanent Representation/ Ministry for Finance) and other Stakeholders, also by participating in the working groups and in the positioning of different Associations (BDEW, EURELECTRIC).</p> <p>EnBW was also actively engaged in the concrete implementation preparatory work of the TEG Taxonomy subgroup organizing exchanges between the leading energy sector associations</p>	<p>EnBW supports carbon disclosure rules in non financial reporting obligations at international and EU level and is fully in line with the recommendation of the respective TEG Subgroup.</p> <p>EnBW also fully supports the EU Sustainable Finance Action Plan and the principles of the draft Taxonomy regulation. However, EnBW would prefer definitions where the quick and subsequent uptake of the market for sustainable financial products is fostered and therefore advocates for a broader approach. Especially the investments in the urgently needed transition activities should be recognized.</p>

		<p>(EURELECTRIC, Eurogas) and TEG members to enhance understanding on the challenges for the energy sector in a transition Phase and participated to the public consultation on the draft delegated act on screening criteria for climate mitigation and adaptation.</p> <p>At national, EnBW was active member i.a. of the Sustainable Finance Council of the German Federal Government.</p>	
<p>Other, please specify Klimaschutzgesetz/ Klimaschutzprogramm 2030/ Kohleausstiegsgesetz/ COVID19-Recovery</p>	<p>Support</p>	<p>In 2019, the government defined concrete measures and actions to reduce GHG emissions in all sectors as part of the Climate Protection Programme 2030. EnBW supports the plan, but considers many of the measures to be insufficient, e.g. in the area of the expansion of renewable energies, where numerous obstacles, e.g. in the area of land allocation or in planning and approval law, have not been removed.</p> <p>EnBW supports the climate protection targets for 2050 set by the government in the new Climate Protection Act, according to which the goal of greenhouse gas neutrality is pursued, as well as the setting of sector targets for 2030 including annual emissions budgets. If the allocated emission budgets are not met, the responsible ministers are to submit readjustment measures within set deadlines.</p>	<p>EnBW supports high ambitions, but attaches great importance to not only declaring targets, but urgently creating the necessary regulatory framework to enable substantial progress in all sectors. The higher climate targets require an effective policy mix with an ambitious CO2 price as a central steering element.</p> <p>In the context of the coal phase-out law, EnBW campaigned for equal treatment of the operators of systemically important and thermally coupled power plants in the tendering procedures. Another focus of activities was the amendment to the Combined Heat and Power Act with the reorganisation of fuel switch subsidies.</p>

	<p>In 2020, the German government regulated the gradual phase-out of coal-fired power generation by 2038 at the latest with the Coal Phase-out Act. EnBW welcomes the fact that this law establishes a plannable framework and that, in parallel with the Combined Heat and Power Act (KWKG), subsidy rates have also been agreed for the conversion of coal-fired power plants to more climate-friendly fuels such as gas. However, EnBW had campaigned for a more balanced regulation to end hard coal-fired power generation and to take greater account of the specific situation of southern German power plant operators with regard to maintaining security of supply. EnBW is developing fuel-switch concepts for its power plant sites and, in line with its goal of greenhouse gas neutrality by 2035, gradually switch its electricity and heat supply to climate-friendly technologies.</p> <p>2030</p> <p>In view of the need of stimulating the economic recovery after the COVID 19 crises, important public support programmes were discussed and launched at EU and national level. EnBW supported a strong focus of these programmes on sustainable investments in line with the Green Deal targets. We i.a. launched a study on recommendations at national level for sustainable investments with positive contribution to</p>	<p>EnBW supports the EU goal of climate neutrality by 2050 and the adaptation of the 2030 framework, in particular the ETS Directive, but also the greater electrification and decarbonisation of the heating and transport sectors. A stringent CO2 pricing system should be the starting point. EnBW underlined and supported the need for a strong focus of public support programs following the COVID 19 crises towards sustainable investments in line with the Green deal targets.</p>
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		<p>growth and jobs, underlining the positive effect especially in the field of renewables, e-mobility, green hydrogen and digitalisation. We also participated actively in the positioning of the respective associations.</p>	
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C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

BDEW (Bundesverband der Energie- und Wasserwirtschaft), German Energy and Water Association (BDEW)

Is your position on climate change consistent with theirs?

Mixed

Please explain the trade association's position

The BDEW is committed to the decarbonisation of the energy sector until 2050. BDEW is in favor of an ambitious binding CO2-target for 2030 and also of strengthening the ETS via structural reforms. BDEW was also in favor for an ambitious binding renewables target including its break-down in national targets. Besides that, BDEW rejects a carbon price floor within the EU-ETS. Regarding the financing of new projects of renewables within the German EEG, the BDEW calls for a contract for difference model instead of the existing sliding market premium.

How have you influenced, or are you attempting to influence their position?

EnBW actively participates in the different committees and Task Force (participation to meetings/discussions, commenting on draft position paper, bilateral exchange with other member companies, efforts to find viable but strong compromises). We have focused our engagement on issues concerning the positioning on strengthening the ETS but also on the general 2030-Framework. Contrary to the position of the BDEW, EnBW is committed to a carbon price floor within the ETS. Additionally EnBW pleads on keeping the sliding market premium that has been successful within the German market so far.

Trade association

BWE (German Wind Energy Association)

Is your position on climate change consistent with theirs?

Mixed

Please explain the trade association's position

BWE the German wind energy association is lobbying for good investment and planning conditions for wind energy projects in Germany and Europe.

How have you influenced, or are you attempting to influence their position?

EnBW actively participates in the associations working Group.

Trade association

BDI (Bundesverband der deutschen Industrie)

Is your position on climate change consistent with theirs?

Inconsistent

Please explain the trade association's position

The BDI provides political support for the opening up of international markets and provides information and economic policy advice on all topics relevant to industry including energy and climate policy. Concerning climate policy issue, like for example a quicker fix of the ETS and more ambitious targets for 2030, BDI's position is much more reluctant than EnBW's position. Following the BDI, the ambitions of the EU climate agenda should depend on the international climate negotiations and further burden for energy intensive industry /carbon leakage sectors have to be avoided. They were in favor of the introduction of the MSR, but always linked to a strong protection against carbon leakage, a 2030 target depending on the outcome of the international negotiations.

How have you influenced, or are you attempting to influence their position?

EnBW actively participates in relevant committees, focusing on the positioning on ETS-Reform and 2030 Framework/ higher ambitions.

Trade association

WindEurope (European Wind Energy Association)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

A strong Climate agenda (strong 2030 target – especially on GHG and renewables-, strong ETS) helps to make wind a competitive energy source (i.a. very active in view to the EU Renewables Offshore Strategy).

How have you influenced, or are you attempting to influence their position?

EnBW actively participates in the working groups of the association. It contributes with information and participates in the exchange on the positioning and lobbying strategies.

Trade association

BNE - Energy efficiency and metering

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

Bundesverband Neue Energiewirtschaft e.V. (bne / Association of Energy Market Innovators) represents the interests of grid-independent energy suppliers and energy service companies in Germany. The main focus of the association lies on fair conditions for all electricity and gas suppliers, new and innovative business models and demands a competitive and modern metering and energy efficiency market in the context of the German „Energiewende“. Therefore, different measures are taken and promoted in a political context.

How have you influenced, or are you attempting to influence their position?

EnBW is engaged in the BNE.

C12.3d

(C12.3d) Do you publicly disclose a list of all research organizations that you fund?

No

C12.3e

(C12.3e) Provide details of the other engagement activities that you undertake.

In general, EnBW is engaged in a continuous dialogue also with stakeholders and clients regarding all aspects of energy and climate policy - at the local, regional, national and European level. The engagement also encompasses advice for the development of national and regional climate mitigation and adaptation strategies. EnBW also looks actively in options and challenges for the greening of the gas sector and follows actively the preparation of the gas package at EU Level. On the European level, EnBW continued to take actively part in Associations, especially WindEurope and EURELECTRIC (via BDEW) and in cross-sectoral stakeholder networks (e.g. Friends of ETS, 2030 Network),) to organize an united voice from industry and NGOs towards politicians. This also allows for the exchange of positions between stakeholders in favour of an ambitious regulatory framework, specifically in the context of legislative process on the ETS reforms as well as the 2030 implementation legislation including the governance framework. On the national level, EnBW has also initialized a “Network Energy Efficiency”, to foster exchange of ideas and innovative solutions in the field of energy efficiency, accompanied by the yearly attribution of innovation award. By organizing energy policy related events (such as EnBW Event formats in Berlin: Energie- und Wirtschaftsclub, Mitarbeiterfrühstück/ Employee Breakfasts) EnBW discusses with parliamentary

representatives and assistants, representatives of various associations, civil society and other corporations, about current legislative proposals and present EnBW's positions and views. In 2018 we started supporting the "Foundation 2° - German Companies for Climate Protection ("Stiftung 2° - Deutsche Unternehmen für Klimaschutz". The organization is named after its major aim: To keep the average global temperature increase well below 2 degrees celsius. It supports long term entrepreneurial engagement for climate protection as well as the sustainable use of natural resources and the ecosystem. Looking for tangible and ambitious solutions, the foundation works together with scientific, societal and political stakeholders. Companies ought to work actively together to find solutions for cross-sector climate protection. One of its features is the so-called CEO-Initiative, i. e. the personal commitment of CEO's to climate protection. In addition, EnBW supports the Foundation Energy & Climate Protection (Stiftung Energie & Klimaschutz). The Foundation, established by EnBW in 2007, is recognized as a non-profit entity and aims to promote environmental and climate protection. By stimulating an open and broad discussion with all stakeholders, it wants to contribute to a better understanding of the interaction between the energy industry and climate protection, as well as the promotion of young scientists. Therefore, the Foundation organizes conferences and debate evenings, mainly in Baden-Württemberg, to current topics such as the effects of agriculture on climate change, climate protection policies after the Corona virus or on new perspectives on renewables. The discussions lack ideological restraints and take place between speakers who stand for different viewpoints, coming from various stakeholder organizations, starting with journalists, scientists, members of ministries or parliaments on regional or federal level, journalists, representatives from local or federal agencies, NGOs, Think Tanks etc.. At the organization of the debates, the Foundation aims to avoid CO2 emissions. The non-avoidable CO2 emissions are compensated by recognized Gold Standard certificates for the benefit of an Ethiopian reforestation project, issued by CO2OL Forest Finance. The Foundation has initiated a series of Bar Camp-like panel workshops aimed towards students, startup founders and young professionals. Every year, the Foundation organizes a contest for Ph.D. students to stimulate innovations on the field of renewable energies. The Foundation gives students the possibility to become an "Energy Reporters" during their exchange semester abroad to report on topics of energy and climate protection in their host country – all contributions are published on the website of the Foundation and its Social Media Channels. Moreover, the Foundation hosts a wide alumni network, through which various supporters of the Foundation can engage.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

One EnBW internal working group on climate issues ("working-group climate management"), encompassing representatives from all relevant sections of the company, meeting on quarterly basis to discuss current topics and prepare positions. Their activities include the preparation of concrete positioning with regard to relevant climate change issues in smaller drafting working groups as well as the Coordinating of engagement activities regularly in weekly meetings of the policy and sustainability team, thus ensuring consistency in all activities that influence policy.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In mainstream reports, incorporating the TCFD recommendations

Status

Complete

Attach the document

 EnBW_integrated-annual-report-2020.pdf

Page/Section reference

For example: Environment goal Dimension (EnBW Integrated Report 2020, page 79-86).

Content elements

Governance
Strategy
Risks & opportunities
Emissions figures
Emission targets

Comment

Integrated reporting (EnBW Integrated Report 2020):

We have been publishing an Integrated Annual Report based on the recommendations of the International Integrated Reporting Council (IIRC) since 2014, which combines the traditional contents

of a financial report with a sustainability report. We do this in order to provide our most important target Groups (shareholders and the capital market, employees, society and business partners) with a holistic representation of the Performance of the company.

This also ensures that the dimensions of ecology, economy and social aspects are firmly embedded in the EnBW 2025 strategy, reflecting the highly integrated nature of our management system. An important element is measuring the achievement of our goals using key performance indicators.

More about integrated reporting at EnBW can be found at www.enbw.com/integrated-reporting.

Important aspects of reporting (EnBW Integrated Report 2020):

Against the background of the EU Green Deal (Glossary, from p.138) and the tightening of the emissions reduction targets, we are acutely aware of our corporate responsibility.

Therefore, we have already decided this year to expand our integrated reporting to disclose some of the information that will be obligatory in future according to the EU Taxonomy Regulation. Accordingly, we are publishing details that will be required in future on revenue, capital expenditure (capex) and operating expenses (opex) from environmentally sustainable activities based on the Taxonomy Regulation in the version from 22 June 2020 and the technical screening criteria in the draft delegated act for the Taxonomy Regulation for the environmental objective of climate protection of 20 November 2020, as well as additional information on adjusted EBITDA. We have already been active in the past in supporting further developments in reporting, for example, within the framework of the IIRC and in the Task Force on Climate-related Financial Disclosures (TCFD). An overview of where contents relevant to the TCFD recommendations are presented in the report can be found on p. 122.

Publication

Other, please specify
EU sustainable finance taxonomy case study - Application, experience and recommendations.

Status

Complete

Attach the document

 EnBW_EU sustainable finance taxonomy case study_2020.pdf

Page/Section reference

For example "Practical implementation of the EU taxonomy at EnBW": Page 20-30.

Content elements

Governance
Strategy
Emissions figures
Emission targets
Other metrics

Comment

Introduction of the taxonomy and the associated extended reporting requirements is intended to significantly enhance corporate reporting by linking financial and non-financial disclosures.

In summer 2020, we launched a joint implementation project with Deloitte on application of the EU taxonomy. The aim was to identify, for the environmental objective of climate change mitigation, the required disclosures on revenue, capital expenditure (capex) and

operating expenditure (opex) from EnBW's environmentally sustainable activities on the basis of Taxonomy Regulation of 18 June 2020 and the technical screening criteria in the supplementary draft delegated regulation of 20 November 2020. In addition, we identified and report supplementary disclosures on adjusted EBITDA.

Publication

Other, please specify
EnBW Green Bond Impact Report 2020.

Status

Complete

Attach the document

 enbw-green-bond-impact-report-2020.pdf

Page/Section reference

Example: "The EnBW green bonds: Investing in the future of Energy" (page 3-5).

Content elements

Governance
Strategy
Emissions figures
Emission targets

Comment

Increasing numbers of institutional investors now prefer sustainable investments. This further enhances the strategic importance of Business activities that benefit the climate. In line with our strategy of developing EnBW into a sustainable and innovative infrastructure partner, we are investing more and more in climate-friendly growth projects.

C15. Signoff

C-FI

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Member of the Board of Management of EnBW Energie Baden-Württemberg AG / Chief Financial Officer.	Chief Financial Officer (CFO)

SC. Supply chain module

SC0.0

(SC0.0) If you would like to do so, please provide a separate introduction to this module.

SC0.1

(SC0.1) What is your company's annual revenue for the stated reporting period?

	Annual Revenue
Row 1	

SC0.2

(SC0.2) Do you have an ISIN for your company that you would be willing to share with CDP?

SC1.1

(SC1.1) Allocate your emissions to your customers listed below according to the goods or services you have sold them in this reporting period.

SC1.2

(SC1.2) Where published information has been used in completing SC1.1, please provide a reference(s).

SC1.3

(SC1.3) What are the challenges in allocating emissions to different customers, and what would help you to overcome these challenges?

Allocation challenges	Please explain what would help you overcome these challenges

SC1.4

(SC1.4) Do you plan to develop your capabilities to allocate emissions to your customers in the future?

SC2.1

(SC2.1) Please propose any mutually beneficial climate-related projects you could collaborate on with specific CDP Supply Chain members.

SC2.2

(SC2.2) Have requests or initiatives by CDP Supply Chain members prompted your organization to take organizational-level emissions reduction initiatives?

SC4.1

(SC4.1) Are you providing product level data for your organization's goods or services?

Submit your response

In which language are you submitting your response?

English

Please confirm how your response should be handled by CDP

	I am submitting to	Public or Non-Public Submission
I am submitting my response		Public

Please confirm below

I have read and accept the applicable Terms