



Key Points of Executive Board Report

“ Our course of heading for climate neutrality is paying off

We can look back on a very successful 2021 financial year – despite the ongoing coronavirus pandemic and challenging conditions in the energy industry and on the markets. A year in which we showed that financial success and business stability can go hand in hand with climate neutrality. This way, we achieved the best earnings in our company's history, with adjusted EBIT of Euro 278 million.

“ Further earnings growth expected in 2022

The pandemic and volatile conditions on the energy markets mean that the environment in which we operate will remain just as challenging in the 2022 financial year. With good operating earnings (adjusted EBIT) of Euro 92 million in the first three months of the 2022 financial year, we nevertheless approached the high level of earnings achieved in the previous year (Euro 98 million). From an operating perspective, we therefore continue to expect our adjusted EBIT in the current 2022 financial year to show further moderate growth compared with the already strong level reported for the previous year (Euro 278 million).

“ We offer a reliable dividend policy

We would like our shareholders to participate to an appropriate extent in MVV's earnings performance. Based on the significant earnings growth in the 2021 financial year, the Executive and Supervisory Boards are therefore proposing a further rise in the dividend to Euro 1.05 per share. This corresponds to an increase of Euro 0.10 per share, or just over 10 percent.

“ Protecting health remains the top priority during the pandemic

We continue to take our responsibility as an infrastructure provider very seriously during the pandemic and are maintaining our cautious approach. Protecting the health of our employees, our customers and our partners has the highest priority at all times.

“ Reduction in CO₂ emissions by one million tonnes a year achieved earlier than planned

MVV again invested more than Euro 300 million in the energy turnaround in the 2021 financial year. Thanks to our investment and efficiency initiatives, we reached one of the sustainability targets we set ourselves back in 2016 ahead of schedule. We were able to reduce CO₂ emissions in the energy system by a net total of one million tonnes a year in 2021 already – five years ahead of the original deadline. That clearly documents the willingness and ability of the entire MVV Group to put its plans into action.



” *International recognition for our climate protection targets*

With its focus on climate protection, our strategy places us consistently on a 1.5-degree trajectory. This was also confirmed in autumn 2021 by the international “Science Based Targets initiative” (SBTi) following an extensive scientific review. We are therefore the first German energy company to bear corresponding certification from SBTi in accordance with the 1.5-degree target of the Paris Climate agreement. This offers recognition for our longstanding efforts to promote sustainability and motivates us to continue working at great pace to build a climate positive future.

” *Climate positive with the Mannheim Model*

We are stepping up the pace when it comes to climate protection: By 2030, we will already cut our CO₂ emissions by at least 80 percent rather than the legal requirement of 60 percent. We as a Group, including our supply chains and products, will be climate neutral in terms of our operations by 2040. In the years after that, we will be one of the first energy companies in Germany to become climate positive, i.e. permanently remove CO₂ from the atmosphere. To achieve this, our Mannheim Model builds on three components: the heat turnaround, the electricity turnaround and green products and solutions for our customers.

” *Heat turnaround as key to the energy turnaround*

With our district heating, we have an important lever to promote decarbonisation. As Germany’s third-largest district heating supplier, we aim to gradually make our district heating green at all of our locations. By 2030, we will gradually convert the whole of the district heating supply in Mannheim and the Rhine-Neckar metropolitan region to climate-friendly energy sources and thus move from 100 percent fossil-based to 100 percent green heat. To achieve this, we are drawing on a broad portfolio of green options and forward-looking technologies.

” *High pace of expansion for electricity turnaround*

Green electricity is the only way we will be able to do without fossil-based generation in future. That is why we are massively expanding our portfolio of renewable capacities. We already doubled our proprietary renewables-based generation volumes between 2010 and 2016 and intend to double this again by 2026. To this end, we are building above all on onshore wind power and photovoltaics, also in combination with battery storage facilities, as well as on long-term marketing contracts, known as PPAs.

” *Climate neutrality for and at our customers*

We are also supporting our customers as they themselves head for climate neutrality – whether they are private households, businesses, industrial players or real estate and retail customers. By 2035, we will make our customer solutions climate neutral. With the green products we already offer today, we are providing our customers with the instruments they need to decarbonise their energy consumption and implement their own energy turnaround.

” *Federal Government has to set framework for necessary investments*

In its Coalition Agreement, Germany’s new Federal Government has offered the right answers to many of the questions relating to the energy turnaround, even if there are still a few gaps, such as the heat turnaround. Here, the government will have to act quickly to create the right conditions enabling the decarbonisation of the heat supply to advance on schedule. That is equally true for the energy turnaround as whole: In the course of 2022, we need reliable coordinates for our investments. We hope to obtain precisely this legal security in the two legislative packages announced for Easter and the summer. Not only that: Reliability and long-term planning security are also very important for our customers in their own climate protection activities, as is apparent from the halt recently imposed on the Federal Funding for Efficient Buildings (BEG) programme.