



# Key Points of Executive Board Report

## ” *Strong 2023 financial year*

2023 was a strong financial year for MVV: Despite difficult underlying conditions, we again successfully seized the opportunities offered by our #climate-positive course and our broad-based business portfolio. With adjusted EBIT of Euro 880 million (previous year: Euro 353 million), we set a striking new record for MVV. Earnings benefited above all from one-off special items, such as disposal gains from the sale of our Czech activities and our stake in Stadtwerke Ingolstadt, as well as from the exceptional performance of our trading activities.

## ” *Outlook for 2024: Higher earnings base*

With adjusted EBIT of Euro 142 million in the first quarter, we posted a good start to the current 2024 financial year. From an operating perspective, we expect our adjusted EBIT excluding disposal gains for the 2024 financial year to be within +/- 10 % of Euro 400 million. In the 2024 financial year, MVV will thus achieve the higher level of earnings it has planned compared with long-term figures.

## ” *Distribution of a one-off dividend*

For our dividend, we are once more adhering to our principle of basing our dividend policy on continuity and our operating earnings performance. In view of this, the Executive and Supervisory Boards are proposing to the Annual General Meeting that the regular dividend should be increased by Euro 0.10 per share to Euro 1.15 per share. To mark MVV's 150th anniversary in 2023 and given the exceptional earnings performance in the 2023 financial year, the management is also proposing to distribute a one-off special dividend of Euro 0.30 per share.

## ” *Investments in green growth*

We will expend around Euro 7 billion on green growth in the decade until 2033. In the 2023 financial year, MVV already channelled Euro 344 million into this transformation, its highest amount of investment in the past eight years. Here, we focused above all on promoting the expansion in green heat and electricity generation, as well as in strengthening our grids and thus making our infrastructure fit for the energy transition.



” *#climatepositive by 2035*

We see our strong performance in the 2023 financial year and the progress we have made to date in transforming the energy system as a motivation to update our strategy and further raise our climate protection ambitions. We will become #climatepositive by 2035, five years earlier than originally planned. This way, we are further extending our lead in the energy transition and boosting the ongoing resilience of the MVV Group. In short: Turning climate protection into business success will remain the hallmark of MVV in the years ahead.

” *Further enhanced Mannheim Model*

We are consistently pressing ahead with our climate protection targets across all components of the Mannheim Model: To turn the heat transition into reality, we will make the district heat supply in Mannheim, the surrounding region and Offenbach 100 % green by 2030, with Kiel, and thus the whole of the Group, set to follow by 2035. In addition, we are increasing the density of our district heat grid, further expanding our range of decentralised heat solutions and supporting municipal heat planning. For the electricity transition, we have set ourselves the target of reaching around 2,000 megawatts of green generation by 2030. To this end, will increasingly take over windfarms and solar parks from our project development business into our own portfolio. Over and above that, we will convert any fossil-based generation still remaining to green energies by 2035 at the latest. And in our customer solutions, by 2035 we will exclusively offer climate-neutral products and services and gradually convert our existing customer contracts to green solutions.

” *From climate neutral to #climatepositive*

As we head for a #climatepositive future, we will reduce our total CO<sub>2</sub> footprint to net zero by 2035. Not only that: we will actively remove CO<sub>2</sub> from the atmosphere and then bind, use or store this on a permanent basis. Here, we have already reached the first major milestones with our #climatepositive plants in Mannheim and Dresden. This way, we will not only offset our own unavoidable residual emissions but, thanks to the volumes additionally removed, reach negative total emissions and thus become #climatepositive by 2035.

” *Further extend the legal framework underpinning the energy transition*

Having introduced extensive improvements for electricity generation from wind and solar power, in 2023 lawmakers restructured the framework for heat planning and generation. With the German Heat Planning Act (WPG) and the revised German Building Energy Act (GEG), local authorities and district heat suppliers now have a basis for further decarbonising the heat supply. Much nevertheless remains to be done: The Federal Government has to create a clear framework for the future of gas grids, which will then either be used for hydrogen or decommissioned. Furthermore, to safeguard supply reliability the Federal Government's power plant strategy will have to take shape swiftly. After all, the time available to add the necessary power plant capacities is shrinking ever further. Similarly urgent is the creation of a robust framework for capturing, using and storing CO<sub>2</sub> from unavoidable emissions.