

Corporate Governance

In the declaration of compliance issued at the end of the year, the Supervisory Board and the Management Board declared that E.ON was in full compliance with the recommendations of the "Government Commission German Corporate Governance Code," dated December 16, 2019, published by the Federal Ministry of Justice and Consumer Protection in the official section of the Federal Gazette (Bundesanzeiger) on March 20, 2020, since the last declaration in December 2021.

The Supervisory Board and the Management Board also declared that E.ON has been in full compliance with the recommendations of the "Government Commission German Corporate Governance Code," dated April 28, 2022, published by the Federal Ministry of Justice and Consumer Protection in the official section of the Federal Gazette (Bundesanzeiger) on June 27, 2022. The current version of the declaration of compliance as well as earlier versions are published on the Internet at www.eon.com.

In early 2023 the Supervisory Board Chairman held discussions with investors on topics specific to the Supervisory Board at a corporate governance roadshow.

The Supervisory Board is aware of no indications of conflicts of interest involving members of the Supervisory Board in the 2022 financial year.

Education and training sessions on selected issues of E.ON's business were conducted for Supervisory Board members in the 2022 financial year. The Supervisory Board was given a practical explanation of the effects of, and defense against, a cyberattack during a visit to the Cyber Range. In addition, the Supervisory Board was informed about current trends in corporate governance and their implications for E.ON. At another event, the main developments and progress in the major digitalization projects at the network business were presented. The Dutch customer solutions business was described in detail at a meeting held in the Netherlands. Finally, the challenges arising from demographic developments on the labor market were the subject of another event.

The targets for the Supervisory Board's composition, including a competency profile and a diversity concept, with regard to Recommendation C.1 of the German Corporate Governance Code and Section 289f, Paragraph 2, Item 6 of the German Commercial Code and the status of the implementation of the competency profile in the form of a qualifications matrix are available in the [Corporate Governance Declaration](#).

Committee Work

To fulfill its duties carefully and efficiently, the Supervisory Board has created committees.

The Executive Committee held four regular and two extraordinary meetings in the 2022 financial year. All members took part in all of the committee's meetings. In addition, the Chairman of the Audit and Risk Committee attended both extraordinary meetings. At its meetings, the committee, in particular, addressed current developments in conjunction with the energy crisis as well as policy and regulatory changes. Additionally, the Executive Committee dealt with the Management Board's compensation, including the achievement of Management Board targets for 2022 and the setting of the targets for 2023. Furthermore, the Executive Committee thoroughly discussed the strategy review. Finally, the Executive Committee approved an investment project in Turkey.

The Innovation and Sustainability Committee met three times. One member was unable to attend one meeting. Apart from that, all members attended all of the committee's meetings. The matters addressed by the committee included the progress and specific initiatives in the area of innovation as well as E.ON's position in sustainability rankings and the external perception of E.ON with regard to sustainability. The further development of the eMobility business was the topic of extensive discussions as well.

The Audit and Risk Committee met four times in 2022. All members attended all meetings. The committee conducted a thorough review, in particular of the 2021 Financial Statements of E.ON SE (prepared in accordance with the German Commercial Code), the E.ON Group's 2021 Consolidated Financial Statements (prepared in accordance with International Financial Reporting Standards, or "IFRS"), and the 2022 intermediate financial reports of E.ON SE. The committee discussed the recommendation for selecting an independent auditor for the 2022 financial year as well as the intermediate financial reports and assigned the tasks for the independent auditor's auditing services, established the audit priorities, determined the independent auditor's compensation and reviewed the independent auditor's qualifications as well as the quality of the independent audit, and verified the auditor's qualifications and independence in accordance with the requirements of the law and the German Corporate Governance Code. The committee also assured itself that the independent auditor has no conflicts of interest. In addition, the committee addressed other matters assigned to it by law, the Company's Articles of Association, or the Supervisory Board's rules and procedures, in particular Internal Audit's activities and reports, accounting issues, risk management, transactions with related parties, and developments in the area of compliance. Furthermore, the committee thoroughly discussed the Combined Group Management Report and the proposal for profit appropriation and

prepared the relevant recommendations for the Supervisory Board and reported them to the Supervisory Board. On the basis of the quarterly risk reports, the committee noted that no risks were identified that might jeopardize the existence of the Group or individual segments. Furthermore, the committee addressed in detail the implications and the management of the energy crisis, occupational safety, and the Company's cyber, legal, and data-protection risks. In addition, there was a regular exchange of information between the Chairman of the Audit and Risk Committee and the independent auditor throughout the financial year.

The Nomination Committee conducted a formal written resolution procedure in July 2022 regarding the court appointment of Anke Groth to the Supervisory Board. In addition, the Chairman of the Nomination Committee made detailed preparations for the reorganization of the Supervisory Board in 2023. For this purpose, he and the committee members held discussions with potential candidates. He also discussed issues relating to the Supervisory Board's future size and composition in the Executive Committee and with shareholder representatives. The members of the Nomination Committee also consulted in various groups on the sidelines of Supervisory Board meetings. The Chairman of the Nomination Committee informed the Supervisory Board on an ongoing basis regarding the status of deliberations on the upcoming new election. At a meeting in February 2023, the Nomination Committee adopted the final election proposals for the Annual Shareholders Meeting.

Committee chairpersons reported the agenda and results of their respective committee's meetings to the full Supervisory Board on a regular basis. Information about the committees' composition and responsibilities is in the [Corporate Governance Declaration](#).

Examination and Approval of the Financial Statements, Approval of the Consolidated Financial Statements, Proposal for Profit Appropriation for the Year Ended December 31, 2022

KPMG AG, Wirtschaftsprüfungsgesellschaft, Düsseldorf ("KPMG"), audited and submitted an unqualified auditor's and/or audit opinion on the Consolidated Financial Statements of E.ON SE prepared in accordance with IFRS, the Combined Group Management Report, and the Compensation Report pursuant to Section 162 of the German Stock Corporation Act ("AktG") for the year ended December 31, 2022. The IFRS Consolidated Financial

Statements exempt E.ON SE from the requirement to publish Consolidated Financial Statements in accordance with German law.

The Supervisory Board reviewed and, at its annual-results meeting on March 14, 2023, thoroughly discussed—in the presence of the independent auditor and with knowledge of, and reference to, the Independent Auditor's Report and the results of the preliminary review by the Audit and Risk Committee—E.ON SE's Financial Statements prepared in accordance with the German Commercial Code, Consolidated Financial Statements, and Combined Group Management Report as well as the Management Board's proposal for profit appropriation. The independent auditor was available for supplementary questions and answers. After concluding its own examination, the Supervisory Board determined that there are no objections to the findings. It therefore acknowledged and approved the Independent Auditor's Report.

The Supervisory Board also examined the sustainability reporting consisting of the combined Non-Financial Statement and additional sustainability information which is integrated into the Combined Group Management Report. KPMG also audited the Non-Financial Statement and selected additional sustainability information and issued an unqualified opinion. The disclosures were subjected to a limited assurance engagement by KPMG; selected disclosures were audited with reasonable assurance. Following the final result of its examination, the Supervisory Board raised no objections to the integrated sustainability reporting, including the Non-Financial Statement.

On March 14, 2023, the Supervisory Board approved the Financial Statements of E.ON SE prepared by the Management Board and the Consolidated Financial Statements. The Financial Statements are thus adopted. The Supervisory Board agrees with the Combined Group Management Report and, in particular, with its statements concerning the Company's future development.

The Supervisory Board examined the Management Board's proposal for profit appropriation, which includes a cash dividend of €0.51 per ordinary share, also taking into consideration the Company's liquidity and its finance and investment plans. After examining and weighing all arguments, the Supervisory Board agrees with the Management Board's proposal for profit appropriation.

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About this Report

GRI 2-1, GRI 2-2, GRI 2-3, GRI 2-4, GRI 2-5, GRI 2-6

The E.ON Integrated Annual Report 2022 for the first time combines the Company's financial and non-financial reporting. Sustainability is the centerpiece of E.ON's strategy and—in every dimension—the standard for our actions. An integrated report provides our stakeholders with a holistic and transparent view of our financial, environmental, and social performance.

Standards

This integrated report applies to the E.ON Group as well as E.ON SE. E.ON is therefore fulfilling all requirements of International Financial Reporting Standards ("IFRS"), the German Commercial Code (German abbreviation: "HGB"), and German Accounting Standards (German abbreviation "DRS"). The combined Non-Financial Statement ("NFS") pursuant to Section §§ 315b and 315c in conjunction with Sections §§ 289b to 289e of the HGB is fully integrated into the Combined Group Management Report. The Group Management Report thus contains information on five aspects: the environment, employees, social matters, human rights, as well as anti-corruption and anti-bribery. The NFS also complies with the disclosure requirements of the EU Taxonomy Regulation. The Non-Financial Statement ("NFS") Index indicates where these disclosures can be found in the integrated report. Other parts of the Combined Group Management Report include Disclosures Regarding Takeovers and the Corporate Governance Declaration. In addition, the Compensation Report is integrated into the Annual Report.

E.ON's sustainability reporting, which consists of the NFS and other sustainability disclosures, is guided by the findings of its materiality analysis and topics relevant for stakeholders. It has been prepared with reference to the GRI Standards 2021 by the Global Reporting Initiative. The GRI standards covered by the content of a chapter are displayed on the first page of the chapter. The GRI Index provides an overview. The Other Information chapter contains E.ON's disclosures regarding the Electric Utilities and Power Generators Standards issued by the Sustainability Accounting Standards Board ("SASB"). E.ON is committed to the ten principles of the United Nations Global Compact ("UNGC") and supports the United Nations Sustainable Development Goals ("SDGs"). We describe our contributions to the SDGs in the Strategy chapter. Our climate-related reporting, which is based on the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD") as well, can be found in the chapter Other Information.

Scope

This report encompasses all subsidiaries that are fully consolidated in E.ON's Consolidated Financial Statements 2022. Any deviations are marked accordingly. KPI-based thresholds are used to distinguish companies that do not contribute significantly to the report. The next chapter, Business Model, contains more information about the E.ON Group's structure and business segments.

The reporting period is the 2022 calendar year. For most KPIs the corresponding prior-year figure is provided to

improve comparability. Adjustments to prior-year figures of a KPI are explained in footnotes.

Statements on the future development of E.ON and its subsidiaries are estimates based on information available at the time of reporting. Actual results may deviate from these statements.

The report was published on March 15, 2023, and is available in German and English in pdf format. You can download the pdf version of this report at eon.com. The previous Annual Report and previous Sustainability Report were published in March 2022. You can find them and additional reports in the investor relations [archive](#).

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The development of innovations has for years been an integral part of E.ON's business and is firmly anchored in the organization. In addition to the numerous innovation activities in decentralized organizational units throughout the Group, E.ON has a central Innovation team that further developed its 360-degree innovation approach in 2022. This approach involves developing innovations in-house as well as working with partners worldwide: from a wide range of collaborations with universities, institutions, and companies to global startups and thought leaders. It enables E.ON to pursue its three innovation objectives of continually generating innovation projects, developing new business models for its customers in all operating businesses, and propelling the development of disruptive innovations in which E.ON sees the potential to set new market standards.

The Continuous Initiation of Projects Ensures that the Innovation Pipeline Is Always Full

Continuous idea generation, swift validation of new innovation concepts, and the implementation of innovation projects are the basis for lastingly successful innovation work.

E.ON views applied energy research with leading scientific institutions as a key to climate neutrality. Its long-standing partnership with the E.ON Energy Research Center ("ERC") at RWTH Aachen University is particularly noteworthy in this regard. In 2022 E.ON placed its focus on the development of new research programs on the topics of Sustainable Decentralized Energy Systems and The Future of Heating and Cooling Supply. E.ON's network in the academic world extends far beyond its collaboration with Aachen University and encompasses international scientific institutions as well.

In 2022 E.ON further expanded its long-standing North American network. It uses collaborations such as those with Stanford University, the Global Sustainable Electricity Partnership ("GSEP"), and Free Electrons, a leading accelerator, to work with global partners from these networks to identify electrification trends and

leverage synergies and thus to accelerate decarbonization and electrification.

Progress was made with Stanford University students on satellite-based classification of building energy efficiency, while the collaboration with Power to Hydrogen and Simerse AI linked two more U.S.-based startups directly to E.ON's core business. To enable industrial customers reduce their natural gas consumption by using hydrogen, E.ON is developing pioneering reversible electrolyzers across a number of E.ON businesses in the Power to Hydrogen project with four international partners. This new technology is expected to reduce the cost of producing hydrogen and of using it flexibly. Simerse AI is helping E.ON extend its leading position in the development of innovative solutions for the network business. An innovative approach to training artificial intelligence enables it to test image-based maintenance processes that use robots and drones to detect and fix defects in critical utility equipment faster and more effectively.

These are two more solutions implemented as part of Free Electrons, an accelerator program jointly founded by E.ON and leading global energy utilities. Together with these partners, E.ON initiated more than 20 pilot projects with 15 globally leading startups in 2022. The accelerator program focuses not only on collaboration between startups and energy utilities, but also on direct exchange between industry leaders.

E.ON successfully expanded its collaboration with startups in Europe as well. One example is Dabbel, a startup that makes an important contribution toward climate neutrality by optimizing energy consumption in buildings while significantly reducing their operators' energy costs. Dabbel's solution enables average energy savings of 26 percent by optimizing heating, ventilation, and air conditioning technology without installing additional hardware. E.ON City Energy Solutions ("CES") and Avacon in Germany and E.ON Control Solutions in the United Kingdom worked together closely in 2022 to test the solution and initiate partnership models.

In addition, the open innovation format of the E.ON Grid Startup Challenge, in which all 18 E.ON network companies participated, yielded seven new pilot projects with startups. Alongside digitalization, the topics included ecological powerline pathway management and the resilience of network infrastructure. Hamburg-based startup Repath, for example, is conducting a project with Schleswig-Holstein Netz AG to help identify local climate risks and design adaptation measures.

New Business Models Secure Future Business and Pave the Way for Additional Growth

A permanently changing world, opportunities created by the use of new technologies, and our customers' continually evolving wishes require an extended approach to innovation. In addition to successfully managing its existing business, E.ON needs new business models to provide the basis for its future business. Sustainability, digitalization, and growth are also the principles that guide every aspect of E.ON's development of innovations. The central Innovation team's collaboration with E.ON business units focuses on identifying customer needs or the customer problem to be solved and developing a viable and promising business model. This enables innovation experts with years of experience to develop products faster and more efficiently and jointly bring them to market maturity. In 2022, 17 projects with anticipated sales totaling €224 million over the next five years were handed over to E.ON operating units. Examples of these innovations include the Bi-clEver eMobility project, the Elna energy home solution, and a solution that uses smart heating control technology to enable commercial customers to conserve energy.

Bi-clEver: an Electricity Storage System on Four Wheels

Electromobility is considered an important building block for the successful implementation of the energy transition. For this core area of E.ON's business, its innovation teams developed a new process that enables bi-directional charging. In 2022 E.ON joined with BMW to launch a pilot project called Bi-clEver in the Munich

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The Group Standard on HSE Management Expectations was completely revised in 2022. It defines expectations for 15 core elements. It addresses occupational safety and accident prevention as well as the safety of E.ON's facilities and products over their entire life cycle. The chapter entitled Data Protection, Cybersecurity, and Product Safety contains more information about product safety. This standard provides the foundation for all cascading HSE rules and processes at E.ON, thereby supplementing the requirements of the relevant ISO standards. E.ON developed an assessment tool to simplify implementation and assess the status of management systems.

In addition, the HSE department worked more closely with the Supply Chain team to define procurement policies and standards that require E.ON's suppliers to commit to meet minimum standards for HSE. They also firmly embedded HSE issues in all procurement processes. Harmonized minimum HSE requirements for contractors now apply at all E.ON companies in Germany. In addition, E.ON implemented a Group-wide standard for contractor management at year-end 2022. It defines minimum requirements and roles and responsibilities to ensure the consistent evaluation and management of HSE issues and risks in the collaboration with contractors. E.ON companies must integrate the requirements into their processes within 18 months (by May 2024). They are supported by a catalogue of contractor management measures, which also serves as an assessment tool for the implementation of the standard.

Organization and Responsibilities

E.ON is committed to protecting people and the environment. Because the approaches and systems for both are similar, E.ON combines environmental management and occupational H&S management in a single HSE organization. The E.ON Management Board and the management of our units are responsible for E.ON's HSE performance, which includes compliance as well as improvement. They set targets and update policies to foster continuous improvement. They are supported and advised by the HSE department at Corporate Functions and the E.ON HSE

Council. The council is composed of senior executives and employee representatives from different business areas and countries in which E.ON is active. It meets at least three times a year and is chaired by the member of the E.ON Management Board responsible for HSE. E.ON units have their own HSE councils and expert teams as well. They define the HSE requirements for their unit and plans to implement them. Every unit must ensure that it meets E.ON's corporate and HSE standards, design and implement HSE plans according local needs, and follow E.ON's HSE Strategy Roadmap for 2021-23.

E.ON reactivated the International Health Experts team to foster health-related improvements and innovations and thus its health strategy. Since 2022 the team has again been sharing knowledge and experience between countries to identify opportunities for collaboration.

Specific Actions

The HSE department oversees strategic H&S training sessions. This includes the training provided to the E.ON Group's top 100 executives, programs for senior managers in the operating business, and training for staff who conduct incident investigations (such as root-cause analysis). With regard to the Group HSE Strategy Roadmap, E.ON's units conduct their own operational H&S training, programs to enhance HSE culture, and training required by law.

A train-the-trainer module further advanced and supplemented the program to establish E.ON's caring culture. The aim is to reach lower management levels as well and to enable trainers in the units to communicate HSE to their teams.

E.ON managers in Germany can enroll in Healthy Leadership, a training module on how to address health issues and thereby promote health in their team. This training continued to be conducted digitally in 2022 and covered aspects such as stress reduction, mental health, and tips for an ergonomic workplace.

E.ON employees in Germany had free access to online ergonomics advisors, including for their home office.

In addition, workshops for a common understanding of E.ON's caring culture were held for the top 100 executives and senior managers from operations and administration.

E.ON considers itself a learning company whose ambition is continuous improvement. This includes a constructive culture of failure as well. We thoroughly investigate incidents by conducting root-cause analyses ("RCA"). For this purpose, E.ON has introduced a specific Group standard and, in 2022, further expanded the related training and continuing skills development offerings. The training courses, which were offered in person again for the first time since the pandemic, cover topics such as investigation methods and communication. Lessons learned from incident investigations are shared throughout the Group and are incorporated into the units' activities and into working groups. E.ON also uses the lessons learned to institute preventive measures.

PRISMA, an integrated IT solution, is the main component of E.ON's online incident management system and is used by all E.ON units. It enables us to reach many users, report and manage data, and ensure a high degree of transparency. Incident investigations are entered and stored directly in PRISMA, ensuring that all companies and Corporate Functions always work with the same database. Incident reporting is prompt, and the situation should be clear for everyone involved. All this is intended to help prevent incidents. E.ON has five categories of incidents. They range from 0 (low) to 4 (major). E.ON's HSE Standard on Incident Management requires the units to use PRISMA to report category 4 incidents to the HSE department at Corporate Functions within 24 hours; in addition, the units immediately forward the information to the Management Board. Employees must report all incidents, regardless of their severity, using PRISMA. No employee needs to fear any retribution. In addition, their personal data are always protected and can only be accessed by limited user groups. E.ON

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Compliance and Anti-corruption

GRI 2-23, GRI 2-26, GRI 3-3, GRI 205

An important objective for E.ON is to prevent, detect, and respond appropriately to any form of corporate misconduct. Customers, business partners, or other stakeholders should not be deceived, lied to, or otherwise deliberately harmed. We are committed to ensuring that laws are strictly obeyed and that integrity and compliance are systematically promoted as core components of our corporate culture. This is the only way for us to retain and deepen our stakeholders' trust for the long term.

Negligence or deliberate violations could lead to fines and criminal prosecution for the employees in question and could harm E.ON's reputation. Corruption is unacceptable for another reason as well: it leads to decisions being made for the wrong reasons. It can thus impede progress and innovation, distort competition and do lasting damage to E.ON and its stakeholders.

We therefore take potential compliance violations very seriously. If they are substantiated, we systematically pursue and punish them. E.ON's approach to compliance and anti-corruption is applicable for all business units and Corporate Functions and extends to suppliers as well. Information on compliance notices can be found in the "Progress and Measures" section below.

E.ON's Approach

E.ON is committed to combating corruption in all its manifestations and supports national and international efforts directed against it. The Company's participation in the United Nations Global Compact underscores its rejection of any form of corruption. The E.ON Management Board has the ultimate responsibility for ensuring that E.ON conducts its business legally and at all times refrains from criminal practices in achieving its business objectives. To ensure this for all business units, we have established a central compliance function. Its task is to support

the E.ON Management Board in its responsibility to prevent, detect, and eliminate corporate crime.

E.ON has in place a compliance management system ("CMS") to mitigate the risk of compliance violations. The CMS is based on a number of widely recognized practices, including measures to foster a compliance culture and a commitment to compliance targets (see "Goals and Performance Review"). It also enables us to identify and analyze compliance risks, design a risk-adequate compliance program, and expand our compliance organization.

Guidelines and Policies

Both our Code of Conduct and our Supplier Code of Conduct (both of which are available in the languages of all countries in which we operate) focus on our guiding principle, "Doing the right thing." They provide easy-to-understand guidance for all areas that are relevant to E.ON. These include human rights, anti-corruption, fair competition, and compliant relationships with business partners. The E.ON Code of Conduct also contains an integrity test that employees can use to check whether they are doing the right thing. All employees are obligated under their employment contract to act in accordance with the Code of Conduct's rules. In addition, ten People Guidelines, which apply to all business units, explain in detail how employees can be sure that they are doing things right. Our Code of Conduct is widely recognized by experts. In 2021, for example, it was awarded the highest mark among all DAX companies by the quarterly magazine of BCM, a professional association for compliance managers in Germany.

An important People Guideline that supports the Code of Conduct addresses anti-corruption. It contains a decision-making scheme that uses the familiar green, amber, and red of traffic lights to indicate when accepting or granting offers or gifts is permissible, potentially problematic, or forbidden. Gratuities (such as donations and sponsorships) above a certain threshold, which varies by national law, must be approved by the local Compliance Officer. Particularly strict requirements apply to invitations and gifts from public, elected, or government officials and their representatives. The Code of Conduct clearly states E.ON's prohibition against company donations to political

parties, political candidates, political officeholders, or representatives of public agencies.

E.ON's Compliance Function Policy defines basic compliance structures, roles, and responsibilities.

Organization and Responsibilities

E.ON refines and optimizes its CMS on an ongoing basis. Pursuant to the Compliance Function Policy, we have established a Group-wide organizational setup for this purpose. It consists of the Chief Compliance Officer ("CCO"), the Global Head of Compliance & Data Protection along with his Group Compliance team, and the business units' compliance officers. The CCO reports on a quarterly basis to the E.ON Management Board and to the Supervisory Board's Audit and Risk Committee on the CMS's effectiveness and current developments and incidents. In the event of serious incidents, the Management Board and the Audit and Risk Committee are informed without delay. Suspected fraudulent activities directed against the Company are investigated by the internal audit department (Group Audit). The central Group Compliance function is responsible for investigating fraud within the Company.

Specific Actions

In 2022 we continued to make eLearning courses available to all employees and managers Group-wide. They are offered by a variety of departments. The curriculum's topics include compliance and anti-corruption as well as other legal areas such as data protection, cybersecurity, and human rights. Since 2010 all employees have had to complete a Code of Conduct eLearning module on a regular basis. Employees in units without internet access receive this training in written form and also at a face-to-face event.

Since 2021, new employees must complete a new joiner eLearning module along with the module on the E.ON Code of Conduct. It familiarizes them with company rules and whom to contact if they have questions or feel uncertain about a decision. In addition, new

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managers receive integrity training that helps them fulfil their function as role models in E.ON's compliance culture.

E.ON also uses a variety of tools to identify the areas of activity where the risk for certain compliance breaches is particularly high. Such compliance risk assessments ("CRAs") are conducted on an ongoing basis. CRAs employ various methods, ranging from spreadsheet-style questionnaires to personal (and confidential, if applicable) discussions with executives and employees. Based on the findings, Group Compliance determines whether specific measures need to be taken to amend and refine the CRAs in order to appropriately address any (new) potential risks identified.

In addition, Group Compliance continually engages in dialogue with the compliance officers appointed by local units' management and monitors their work. If employees suspect misconduct or a violation of laws or company policies, they are instructed to report it. For this purpose, they may use—if they prefer, anonymously—internal reporting channels or an IT-based whistle-blower hotline. The system is available Group-wide and can be accessed via the E.ON homepage or by telephone. Not only E.ON employees, but also business partners, their employees, and other third parties can contact the hotline confidentially. Group Compliance forwards the information to the relevant department or unit.

E.ON wants to ensure that its compliance standards are adhered to in its supply chain as well. We therefore subject potential suppliers to a compliance check to assess whether they act in accordance with our values and principles. To ensure that they meet our compliance standards, we also conduct a prequalification process to verify potential suppliers' identity and integrity. This includes, for example, determining whether a supplier appears in the media in connection with compliance issues such as corruption or on an official sanction and terrorism lists. In some cases, potential suppliers must also complete a questionnaire, which E.ON evaluates carefully. Prequalification is mandatory for all new suppliers. The [Human Rights and Supply](#)

[Chain Management](#) chapter provides more information on the supplier onboarding process.

Our Know Your Counterparty ("KYC") principle also defines minimum requirements for certain business partners and scenarios, other than suppliers. The KYC check is an IT-supported workflow that helps us verify counterparties' integrity and avoid legal, regulatory, and reputational risks related to compliance issues such as corruption, money-laundering, tax evasion, violation of economic sanctions, and terrorism financing. It is covered in our Know Your Counterparty People Guideline.

E.ON is a member of a variety of compliance organizations. One example is the German Institute for Compliance (whose German acronym is DICO), where E.ON also serves as Vice Chairman of DICO's Criminal Law Working Group. DICO's mission is to promote the role of compliance and the establishment of recognized compliance standards in corporate governance in Germany. The institute also serves as a networking platform for compliance experts in and outside Germany. In keeping with strong belief that an effective CMS requires an interdisciplinary approach and an understanding of decision making within organizations, in 2021 E.ON started a new DICO working group devoted to behavioral compliance and ethics.

We conducted surveys and intervention studies in the Group in 2022. They were part of an interdisciplinary project with the Max Weber Institute for Sociology at Heidelberg University, the Max Planck Institute for Human Development in Berlin, and its spinoff, Simply Rational GmbH. One of the topics investigated is how altered situation assessments (interventions) can influence the acceptance and efficiency of preventive compliance measures. The findings will be presented and implemented in 2023.

Goals and Performance Review

We continuously evaluate the CMS's effectiveness to ensure that E.ON is able to prevent, detect, and take appropriate remedial action against illegal or criminal conduct or other rules violations. The CMS's effectiveness is monitored by the E.ON Management Board, the

Supervisory Board's Audit and Risk Committee, and also Group Audit. The latter, an independent entity, is the third line of defense of E.ON's CMS.

The CMS's effectiveness depends on how serious and credible our compliance efforts within the Company are. This is reflected by, for example, the resources we devote to compliance as well as the quality, control, and monitoring of our measures. Evaluating E.ON's compliance culture and the perception of its compliance is also relevant for the CMS's effectiveness. Special consideration is given to violations that lead to an internal audit. The audit determines whether a violation resulted from negligence or misconduct by an individual or individuals or from shortcomings in the CMS. We use the findings to implement measures to avoid similar incidents in future. The Management Board and the Audit and Risk Committee are convinced that the CMS was again effective in 2022. Their assessment was based in part on audits as well as surveys of employees and stakeholders.

The CMS at E.ON is structured and follows a uniform roadmap with defined steps for refining our business units' compliance measures. All Compliance Officers must present the status of their unit's compliance roadmap regularly to their board and to Group Compliance. The implementation of the compliance roadmap in 2022 proceeded as planned.

In 2022 our annual employee survey asked employees who had contacted Group Compliance regarding Code of Conduct violations for feedback about their experiences. We used it to assess Group Compliance's readiness to address such violations or behaviors and to determine whether the information in our Group-wide People Guidelines is appropriate. The findings indicated that most respondents trust E.ON's compliance professionals and feel protected when reporting unethical behavior.

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Progress and Measures

Number of Compliance Notices ¹	
	2020
Fraud	58
Conflicts of interest	6
Other breaches of internal guidelines	71
Total	135

	2022	2021
Business integrity concerns, such as potential illegal activity, violation of law and policy, corruption, antitrust, business partner compliance and/or insider trading in E.ON shares	22	30
Fraud against the company concerns, such as theft, embezzlement, and occupational fraud	17	16
HR-related concerns, such as conflict of interest, mobbing, sexual harassment, discrimination, unfair employment practices, and so forth	57	48
Any other Code of Conduct related topics	41	66
Total	137	160

¹Categories were adjusted in 2021 which limits comparability to 2020.

In 2022 the number of compliance notices fell from 160 to 137. E.ON adjusted the categories in 2021, which limits the data's comparability with 2020. Since then, E.ON divides compliance notices into four categories: business integrity concerns, fraud against the Company concerns, HR-related concerns, and other concerns related to the Code of Conduct. The resulting investigations found that none of the incidents reported was serious.

Fines for non-compliance

E.ON paid a total of about €365,000 in fines for non-compliance with laws in Romania and for PreussenElektra in 2022. Of this figure, 97 percent was for anti-competitive practices in Romania's gas market (prior year: 98 percent).

Energy Affordability

GRI 3-3

Since the Russia-Ukraine war began, energy has increasingly played a role in power politics. This presents E.ON with more challenges alongside those posed by the energy transition. One thing is certain: the energy supply must remain reliable, secure, and affordable for industry and consumers. E.ON's long-standing approach is for its business to meet societal expectations regarding energy by pursuing three objectives simultaneously: climate protection, security of supply, and affordability. The public's interest, however, is shifting noticeably toward affordability. E.ON therefore advocates swift and decisive action by policymakers and the energy industry to ensure that energy remains available and affordable for all.

E.ON's Approach

To ensure fair prices for our customers and avoid short-term price spikes, we generally procure energy in advance. However, we cannot permanently insulate ourselves from market developments and must factor all cost components into our pricing—both when these components fall and rise. Procurement prices for the Company increased significantly in 2022. This is now affecting our customers as well, who need to expect additional expenditures.

The war in Ukraine and the related supply cuts and uncertainties have temporarily disrupted electricity and gas prices in Europe to an extent that far exceeds typical market reactions. The markets have become part of the political conflict. E.ON therefore believes that it would be sensible to find a (social) policy solution or at least to initiate measures to support the businesses and consumers that have been impacted. During the legislative process, E.ON called for the mechanisms to

compensate gas and power suppliers to be as consistent, pragmatic, and legally secure as possible. In particular, liquidity risks and a high administrative workload should be avoided.

The dramatic developments necessitated rapid action by policymakers, above all to ensure secure and affordable supplies for industry and consumers. Taxes, levies, and surcharges still account for a large portion of energy costs. A reduction in energy taxes and levies was therefore the obvious choice. That is why we welcomed the elimination of Germany's renewables surcharge effective July 2022 and the reduction of the VAT on natural gas to 7 percent effective October 2022. We also believe that the amendment of the Fuel Emissions Trading Act was necessary. The amendment enabled lawmakers to postpone for one year the next level of increase in Germany's carbon price for heating oil, natural gas, and fossil fuels, which had been scheduled for the beginning of 2023. Consumers in Germany could receive further relief if legislators reduce the electricity tax to the EU minimum rate and the VAT on electricity to 7 percent. E.ON has long advocated both.

Ideally, these options should be exhausted before market interventions to regulate prices are considered. It is important, however, to address the causes of market uncertainties. In the case of natural gas, a reduction in supply is primarily responsible. Policymakers in Germany are responding to this situation by creating additional gas supply capacity, in particular by importing liquefied natural gas ("LNG"), and by offering commercial and residential consumers (and gas-fired power plants) incentives to conserve energy. On the electricity side, supply is constrained by limited output from nuclear power plants in France and efforts to use as little gas as possible to generate electricity. In the medium term, this can be remedied by more rapid renewables growth; in the short term, energy conservation is imperative.

In view of price developments, especially for natural gas, E.ON believes it is indispensable to swiftly provide support to particularly vulnerable customer groups. We consider direct government payments, such as the heating cost subsidy already adopted in

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Progress and Measures

GRI 405-1

Proportion of Female Employees by Segment¹

Percentages	2022	2021	2020
Energy Networks	23	23	22
Customer Solutions	44	44	44
Corporate Functions/Other	47	49	49
Core Business	32	32	33
Non-Core Business	14	14	14
E.ON Group	31	32	32

¹Total workforce includes board members, managing directors, apprentices, interns, and working students.

The proportion of female employees declined very slightly year on year. At year-end 2022, women accounted for 31 percent of our workforce.

Proportion of Severely Disabled Employees in Germany¹

Percentages	2022	2021	2020
Energy Networks	4.9	5.3	5.4
Customer Solutions	4.3	4.6	4.0
Corporate Functions/Other	4.2	4.9	5.6
Core Business	4.8	5.1	5.2
Non-Core Business	9.2	8.8	8.6
E.ON Group	5.0	5.3	5.4

¹Total workforce includes board members, managing directors, apprentices, interns, and working students.

► At the end of 2022, 1,782 people with severe disabilities or equivalent were employed at E.ON companies in Germany (prior year: 1,948). ◀

The Human Rights Policy Statement commits E.ON to freedom, equality, and respect for all people without distinction. The aim is to provide a fair and mutually trustful working environment to all



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The number of nationalities represented in our workforce in 2022 (2021: 119).

employees. E.ON therefore does not ask for or collect information about employees' ethnicity, marital status, and so forth. In fact, the laws of some countries prohibit doing so. Germany, however, obliges companies to collect and publish data about the number of employees with severe disabilities at their operations.

Composition of the Supervisory Board

Percent	2022	2021
Share of women on the Supervisory Board ¹	30	30
Share of independent Supervisory Board members	100	100

¹Refers to shareholder representatives.

The proportion of women among the shareholder representatives on the Supervisory Board is 30 percent, as in the previous year. All members of the Supervisory Board were independent at the end of 2022.

Human Rights and Supply Chain Management

GRI 2-6, GRI 2-23, GRI 2-26, GRI 3-3, GRI 205, GRI 412

Sustainability is integral to E.ON's corporate strategy and guides its actions today and will do so in the future as well. This obliges us to ensure respect for human rights in all aspects of our business, including our supply chain. E.ON therefore expects its suppliers

worldwide to meet minimum standards in their environmental, social, and governance ("ESG") performance, including in relation to human rights. E.ON procures goods and services almost entirely from countries in the Organization for Economic Cooperation and Development ("OECD"). OECD members have shared guiding principles for human rights, fair work practices, environmental protection, and anti-corruption. The lack of such shared principles at companies outside the OECD may increase the risk of practices or incidents that harm people and the environment. Business with such companies accounts for less than 6.5 percent of E.ON's purchase volume. E.ON assesses its suppliers' ESG performance prior to doing business with them and subject suppliers in higher-risk countries or categories to greater scrutiny. In addition, E.ON strives to comply with the legal requirements for transparency along its supply chain, which in many countries are becoming increasingly more demanding.

E.ON's Approach

E.ON takes its responsibilities seriously and is therefore committed to doing business in a compliant way, respecting human rights, protecting the environment, and ensuring proper work conditions. E.ON expects that its suppliers are likewise to high ESG standards and have processes in place to ensure that they do. Engaging in dialogue with stakeholders and participating in industry initiatives help E.ON to pay particular attention to human rights issues. For example, E.ON is a member of econsense, a network of Germany-based multinational companies dedicated to promoting sustainable business development and respect for human rights. E.ON also participates in a working group at the German Compliance Institute DICO focusing on the same objectives.

E.ON launched a Group-wide human rights due diligence project in the summer of 2022 to prepare the Company for the requirements of Germany's Supply Chain Due Diligence Act. The project was led by the Group's Sustainability department. All other affected departments—such as Supply Chain, Human Resources ("HR"), Compliance, and Health, Safety, and Environment ("HSE")—are closely involved. As part of the project, E.ON developed a Group-

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wide approach to human rights management, which took effect on January 1, 2023. More information can be found below under "Organization and Responsibilities."

Guidelines and Policies

To prevent human rights violations, E.ON aims to always adhere to external standards and for this purpose has its own policies and guidelines. E.ON's Code of Conduct (more information can be found in the [Compliance and Anti-corruption](#) chapter) obliges all employees to contribute to a non-discriminatory and safe work environment and to respect human rights. E.ON's Human Rights Policy Statement was signed by all Management Board members and published on the E.ON website. The statement acknowledges the International Bill of Human Rights and the Declaration on Fundamental Principles and Rights at Work of the International Labour Organisation ("ILO") of the United Nations ("UN") and its fundamental conventions. It also refers to E.ON's own guidelines, such as the Supplier Code of Conduct. In addition, a People Guideline provides guidance to employees so that they procure goods and services in line with E.ON's ESG standards. The rules and regulations E.ON follows also include the European Convention for the Protection of Human Rights and the principles of the United Nations Global Compact ("UNGC"). E.ON has been a participant in the UNGC since 2005.

The E.ON Supply Chain Function Policy describes the mandate and organizational setup of the Supply Chain function. The function encompasses the management of procurement processes, activities, policies, tools, and supplier relationships for all units to which the policy applies. In addition, the Function Policy (in conjunction with the Supply Chain Handbook) defines Group-wide principles, processes, and responsibilities for non-fuel procurement by the above-mentioned units. Excluded from this are the special cases on a specific list (for example energy and fuel procurement, financial and real estate transactions, insurance, and taxes).

The standards for human rights, working conditions, environmental protection, and compliant business practices that E.ON require its suppliers to meet are defined in the Supplier Code of Conduct, which was updated in 2020. It applies to all suppliers. The updated version contains a more detailed description of requirements for corporate social responsibility ("CSR"), including information about how to contact E.ON's whistle-blower hotline. E.ON's supplier on-boarding process includes self-registration, a formal agreement to adhere to the Supplier Code of Conduct, and a compliance check. Non-fuel suppliers that are not subject to supplier onboarding must agree to E.ON's General Terms and Conditions for Purchase Contracts, which are legally binding. These oblige non-fuel suppliers, among other things, to comply with the minimum standards of our Supplier Code of Conduct.

› In addition, E.ON has issued a Slavery and Human Trafficking Statement annually since 2017. It describes the steps E.ON takes to prevent and combat human rights violations along its supply chain. E.ON publishes it annually on the Sustainability Channel of E.ON's corporate website and on its UK website. ‹

E.ON is committed to procuring the fuel for its biomass-fired assets responsibly and sustainably. Suppliers of solid biomass must, like non-fuel suppliers, contractually agree to comply with our Supplier Code of Conduct. Until March 2023, the E.ON Biomass Purchasing Amendment from 2010 defined our policies and procedures, which include risk assessments, supplier audits, and provisions for joint ventures. Effective March 2023, we redefined the terms for the purchase of solid biomass for our Energy Infrastructure Solutions ("EIS") business and thus replaced the former Biomass Purchasing Amendment. The purpose of the new rules is to ensure that all units act in accordance with applicable EU regulations and meet E.ON's sustainability standards when procuring and using solid biomass for their business activities. All biomass suppliers must pledge to respect human rights, safeguard the general living conditions of persons affected by biomass production, and protect biodiversity and the environment.

Organization and Responsibilities

The role of Chief Human Rights Officer was previously held by the Chairman of the E.ON Management Board, Leonhard Birnbaum, who continues to serve as Chief Sustainability Officer and Chairman of the Sustainability Council. As part of the Group-wide human rights due diligence project, the task areas of the future Chief Human Rights Officer were expanded in line with the German Supply Chain Due Diligence Act, with greater focus being placed on legal aspects. In order to meet the associated new requirements, in January 2023 E.ON transferred the role to the General Counsel and Chief Compliance Officer. The new Chief Human Rights Officer is also a permanent member of the Sustainability Council. The Group-wide human rights due diligence project, which is led by the Group Sustainability department, will continue. Staff in the Sustainability and Legal Affairs & Compliance divisions deal with human rights issues, such as changes in legislation.

All employees of Group units are responsible for ensuring that requirements are met at our own company. The Supply Chain division, on the other hand, deals with the full range of ESG aspects along the supply chain. It carries out the related tasks in observance of legal requirements as well as company policies, including HSE and sustainability standards.

Specific Actions

E.ON's Covid-19 Supply Chain Task Force, which was established in 2020, has developed a variety of processes for addressing supply risks. Due to the Russia-Ukraine war, additional measures, such as a sanctions list check by external service providers, were introduced to ensure a reliable supply chain.

E.ON has used a digital solution since year-end 2018 to check whether new suppliers meet its minimum requirements. This helps mitigate potential HSE and CSR risks. Every non-fuel supplier whose individual transaction volume exceeds €25,000 or whose HSE risk is medium or high must complete an online onboarding process. As of year-end 2022, the suppliers involved in 98.3

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percent of non-fuel purchase orders and call-off contracts had completed the onboarding process. New suppliers are asked by the manager responsible for their product or service category to register using the supplier onboarding solution. Depending on the transaction volume and HSE risk, suppliers must complete one or more questionnaires. In certain cases, E.ON may take additional steps. These include a supplier audit to check whether the supplier complies with E.ON's standards for human rights, working conditions, and environmental protection. E.ON may also require a supplier to have in place an environmental management system certified to ISO 14001 or Eco-Management and Audit Scheme ("EMAS") III or ISO 45001. Suppliers that participate in tenders as part of a public procurement act do not use the above-described process but instead follow the qualification procedures required under their country's laws.

Building on the assessment procedures introduced in 2018, in the year under review E.ON continued to evaluate its suppliers' performance and, based on the findings, make decisions about its relationship with them. In addition, E.ON determines annually which of its non-fuel suppliers it deems important; for this purpose, E.ON evaluates them on the basis of five KPIs: quality, commercial aspects, delivery, innovation, and corporate sustainability, including human rights. E.ON discusses the results with its suppliers in feedback meetings. During this meeting, E.ON also decides whether E.ON will require a supplier to take specific improvement measures if the business relationship is to be maintained. Due to the crisis situation, E.ON held many additional discussions with suppliers that were not considered discussions of their performance.

The human rights due diligence check⁴ introduced in 2021 is based on a human rights risk matrix that E.ON developed together with outside experts. The risks of the different categories of goods and services E.ON procures are plotted on one axis; the risks of the countries in which suppliers operate are plotted on the

other. The risks of individual countries are based on the results of several human rights studies, such as the Global Rights Index of the International Trade Union Confederation ("ITUC") and the Human Development Report of the United Nations Development Programme ("UNDP"). Potentially risky suppliers first had to pass additional checks, such as a more detailed questionnaire or audit, and agree to make improvements and provide evidence of their implementation. In 2022 more than 2,500 new and existing suppliers answered the questionnaire. Many high-risk suppliers successfully completed the human rights due diligence check. Nevertheless, E.ON is aware that the complexity of international supply chains poses a challenge to transparency. E.ON is therefore also active in industry initiatives to develop industry-specific standards for improved transparency in supply chains. Examples can be found in the chapter entitled [ESG Materiality and Stakeholder Engagement](#).

A sustainability roadmap developed by the Supply Chain department in 2021 with short-, medium- and long-term goals is aligned with E.ON's ESG targets. It consists of four elements: environment, diversity, occupational health and safety, and governance. In 2022 E.ON also developed two key content items whose implementation has already been initiated; they are described below.

In the second quarter of 2022 E.ON began introducing a digital solution for ongoing risk assessment of suppliers with medium and high human rights risk. They are assessed in a variety of categories, including sustainability, finance, cybersecurity, supply chain disruption, and compliance. The program specifically gathers and evaluates information on risks relevant to Germany's Supply Chain Due Diligence Act. It looks at several elements called points of interest ("Pols"): the holding company of suppliers, branches, plant locations, and logistics routes. Since the program's introduction, over 2,500 Pols have been monitored on an ongoing basis, thereby covering 60 percent of E.ON's annual spend.

A first step toward decarbonizing supply chains is to make the current CO₂ emissions of purchased goods and services more transparent. E.ON therefore conducted a heatmap analysis of the greenhouse gas emissions in its supply chains. E.ON used third-party emissions factors and cost-based data to create a CO₂ heatmap that gives it a more accurate overview of the climate footprint of its product and service categories. The Company intends to build on this in 2023 and derive additional measures for more transparency. More information on our reduction efforts can be found in the [Climate Protection](#) chapter.

Various regulatory requirements currently oblige companies to integrate their human rights due diligence into their business and supply chain. Examples include Germany's Supply Chain Due Diligence Act, which came into force on January 1, 2023, as well as the EU taxonomy and the European Corporate Sustainability Reporting Directive ("CSRD"). The latter will apply for the first time to reporting for the 2024 financial year. E.ON prepared for these requirements by launching a Group-wide human rights due diligence project in the summer of 2022. The Sustainability Department is responsible for the project; it works closely with Legal, Supply Chain, Group Accounting, HSE, and HR, and is supported by outside experts. In addition, the Sustainability Council serves as a steering committee. Since the summer of 2022, E.ON has examined the status quo of existing processes and measures, identified gaps, and developed optimization measures. A concept for conducting a risk analysis was adopted and will be implemented at E.ON's operations in 2023. E.ON identified the potential for minor improvements in matters relating to its supply chain, such as in the Supplier Code of Conduct and its approach to supplier risk management, which will likewise be updated in 2023.

E.ON continually improves its eLearning tools for employees, such as the annual web training module on human rights, compliance, and cyber and data security, which was updated in September

⁴Focus on Tier 1 and, on particular occasions, also suppliers beyond Tier 1.

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2022. Around 81 percent of employees had completed the module by the end of 2022.

In addition, E.ON trained about 560 Supply Chain employees on respecting human rights along the supply chain and on E.ON's risk matrix for human rights. After this training, E.ON answered questions about the use of the matrix in meetings held at regular intervals.

E.ON also made intranet-based training videos available to employees. The videos highlight the tangible positive impacts of a more sustainable supply chain and corresponding individual purchasing decisions. In addition, E.ON held three information events called Lunch & Learn, which focused on the environment, diversity, and occupational health and safety. Furthermore, six HSE events were held with suppliers in 2022, in part online due to the pandemic.

A large proportion of our biomass capacity is installed in Sweden. E.ON Energiinfrastruktur AB operates district heating businesses in Örebro, Norrköping, and parts of Stockholm and Malmö. Since 2014, E.ON has assessed the CSR performance of its suppliers there using a method developed by E.ON Energiinfrastruktur AB. In addition, key requirements for biomass suppliers—such as the Supplier Code of Conduct and compliance with the EU Renewable Energy Directive II ("RED II")—have been integral to contracts with suppliers since 2021. In 2022 E.ON introduced an expanded in-house assessment of sustainability-related risks.

Goals and Performance Review

E.ON's objective is to avoid violations of human rights, environmental standards, and its corporate principles. For this purpose, E.ON endeavors to identify the relevant risks along its value chain. Periodic risk assessments can help E.ON detect actual or suspected violations. If violations occur, the Supply Chain Compliance Officer and the respective Supply Chain Director are notified immediately and corrective measures are demanded from the supplier. Implementation is precisely

monitored by E.ON. If the situation does not improve, E.ON terminates its business dealings with the supplier. No business dealings were terminated in 2022.

Employees can report possible violations of human rights through internal reporting channels and a Group-wide, IT-supported external whistle-blower hotline. The hotline service, which is published on the internet, can take calls in the official languages of all countries in which E.ON operates. Not only E.ON employees, but also business partners, their employees, and other third parties can contact the hotline, anonymously if they wish. The information is forwarded to the responsible department at Corporate Functions. Depending on the type and severity of the potential violation, Compliance immediately reports it to the E.ON Management Board, files criminal charges, initiates its own investigation, or takes other measures. In 2022 the whistle-blower hotline was used to report four potential human rights violations. The investigation found that the allegations were not a violation of human rights or E.ON's Code of Conduct.

Non-Core Business: Uranium Procurement

E.ON subsidiary PreussenElektra will continue to operate Isar 2 nuclear power plant until April 15, 2023, owing to political decisions made in the year under review, after which the plant will stop producing electricity. No additional fuel had to be procured for this. PreussenElektra stopped procuring uranium in 2020.

Tax

GRI 3-3

E.ON considers good corporate governance to consist primarily of responsible and value-oriented management. This also includes having a transparent tax strategy. E.ON's tax strategy and corporate strategy are closely aligned. The aim is to manage the Company's taxes sustainably in order to help ensure that it continue to invest, to operate flexibly and efficiently, and to provide attractive dividends to shareholders. E.ON's tax strategy is therefore designed to be fully compliant with tax law. It ensures that management of E.ON's taxation is efficient, responsible, transparent, and accurate, both for the Group as a whole and in individual tax jurisdictions.

E.ON's Approach

E.ON is aware that taxes, which fund public services, are important for governments and authorities. E.ON thus optimizes its overall tax position prudently. It aims for full tax compliance and supports all national and international tax legislation and standards. E.ON also has in place policies and procedures to prevent tax evasion. This includes the obligation of all employees to report any suspicions or concerns to their supervisor, Group Tax, their unit's Tax function, Group Compliance, or the whistle-blower hotline; if they wish, they may do so anonymously (for more information about the hotline, see the [Compliance and Anti-corruption](#) chapter).

Guidelines and Policies

E.ON's tax function encompasses Group Tax as well as the units' Tax departments. It actively and continually identifies, assesses, monitors, and manages tax risks to make sure that the Company's tax practices are in line with its strategic objectives. To achieve this and to ensure appropriate responses to risks, E.ON has in place a governance framework, which includes a Tax Function Policy. The framework and policy were approved by the E.ON Management Board and are mandatory for all Group companies. They are

embedded into E.ON's overall compliance management system and supplemented by substantial risk control management procedures, continual self-assessment as well as regular internal and external audits. The tax function has also published the aforementioned tax strategy.

E.ON has issued a binding Group-wide Transfer Pricing Policy to ensure that intra-Group transactions are conducted in accordance with the arm's-length principle. This principle of international tax law states that the transfer prices of cross-border transactions between Group units, including all ownership interests above 25 percent, must be set as they would be in a comparable transaction between independent third parties in an external market. Group Tax is responsible for monitoring adherence to the arm's-length principle and is involved in all major intra-Group transactions. It does this through various means, including regular meetings with relevant E.ON business units and functions as well as fixed Group-wide transfer pricing processes. In addition, participants from relevant business units and functions (in Germany and elsewhere) meet at least once a year to align cross-border intra-Group transactions to meet operational as well as tax requirements. Transfer pricing processes are monitored on an ongoing basis.

Organization and Responsibilities

The E.ON Management Board has overall responsibility for the Group's corporate strategy, which includes managing and monitoring the tax function. It has delegated the responsibility for this function to the Senior Vice President ("SVP") Group Tax, who reports directly to the Chief Financial Officer. The heads of the Tax departments in Germany and other countries report directly to Group Tax as well as to their unit's management board. Furthermore, E.ON SE has appointed a Tax Compliance Officer ("TCO"), whose role is to ensure that the existing tax compliance management system is effective and efficient. The TCO reports directly to the SVP Group Tax. Additionally, local tax compliance management systems were put in place at the subsidiary level.

The SVP Group Tax defines E.ON's tax principles and is responsible for ensuring that these principles and concomitant procedures are in place, maintained, and complied with Group-wide. He reports to the E.ON Supervisory Board's Audit and Risk Committee on tax-related issues and risks. In addition, financial tax risks are reported to Group Controlling and Risk, which examines these risks from a Group perspective and prepares reports for the consolidated risk assessment of the E.ON Group. The tax function disseminates guidelines and policies to ensure tax compliance, including related tasks, processes, and responsibilities. E.ON has in place tax compliance management systems according to IDW audit standard PS 980 at its major operations in Germany. The systems' purpose is to identify and classify all material tax risks and to map the findings in a detailed risk control matrix ("RCM"). The RCMs are continually updated and maintained.

Specific Actions

E.ON's tax function takes a variety of steps to stay on top of new developments. Teams and managers hold meetings at various intervals (weekly, biweekly, or monthly) to discuss emerging tax issues. E.ON's tax experts also meet at slightly longer intervals (monthly, quarterly, or annually) to discuss country-specific and international tax issues. These meetings, which take place both physically and virtually, promote continuous collaboration and coordination between Group Tax and the units' Tax departments. In addition, Tax teams and managers also receive in-house training. E.ON strives to continually improve processes, particularly by deploying and using digital solutions that ensure tax compliance while enhancing efficiency. Our digital solutions include an integrated toolset that calculates income tax for quarterly and annual financial statements and tax returns. Tax tools are updated on a regular basis to reflect changes in tax laws. This enables us to ensure that our calculations always comply with the law and that we can make them more simply, efficiently, and reliably. Where reasonable, we implement software interfaces to ensure data integrity and to minimize the risk of manual errors.

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In the case of planned disposals, E.ON faces the risk of disposals not taking place or being delayed and the risk that E.ON receives lower-than-anticipated disposal proceeds. In addition, after transactions close E.ON could face major liability risks resulting from contractual obligations (tail/major).

Finance and Treasury Risks

E.ON is exposed to credit risk in its operating activities and through the use of financial instruments. Credit risk results from non-delivery or partial delivery by a counterparty or customer of the agreed consideration for services rendered, from total or partial failure to make payments owed on existing accounts receivable, and from replacement risks in open transactions. In addition, in unlikely cases joint and several liability for jointly operated power plants could lead to a major risk.

E.ON's international business operations expose it to risks from currency fluctuation. One form of this risk is transaction risk, which arises when payments are made in a currency other than E.ON's functional currency. Another form of risk is translation risk, which arises when currency fluctuations lead to accounting effects when assets/liabilities and income/expenses of E.ON companies outside the eurozone are translated into euros and entered into E.ON's Consolidated Financial Statements. Positive developments in foreign-currency rates can also create chances for E.ON's operating business.

E.ON faces earnings risks relating to net income from financial liabilities, planned funding, and interest-rate derivatives that are based on variable interest rates and from non-current asset-retirement obligations.

Derivative transactions may result in short-term cash inflows or outflows. This relates in particular to margin payments for electricity and gas procurement transactions on energy exchanges. The additional liquidity requirements potentially resulting from this are factored into E.ON's financing strategy.

In addition, the price changes and other uncertainty relating to the current and non-current investments E.ON makes to cover its non-current obligations (particularly pension and asset-retirement obligations) could, in individual cases, be major.

In principle, E.ON could also encounter tax risks and chances.

This category has a major risk and a medium chance position.

Furthermore, declining or rising discount rates could lead to increased or reduced provisions for pensions and asset-retirement obligations, including non-current liabilities (tail, major). This can create a high balance-sheet risk for E.ON.

Refinancing terms on debt capital markets depend in part on rating agencies' credit ratings. Rating agencies Moody's, S&P, and Fitch have given E.ON a strong investment-grade rating. E.ON has contracts that would trigger additional collateral requirements if certain rating levels were not met. Consequently, significant rating downgrades could lead to additional liquidity requirements (tail/high). On the other hand, positive business performance or further debt reduction could have a positive impact on E.ON's rating.

ESG Risks and Chances

► E.ON strives to operate responsibly at all times and therefore monitors all the material impacts of its business activities. Alongside financial aspects, E.ON also considers environmental, social, and governance ("ESG") aspects along its value chain. This encompasses monitoring and assessing ESG risks and chances as well as their possible impact on the E.ON Group, but also the impact of E.ON's business activities on the climate, the environment, employees, suppliers, and customers. The systematic consideration of non-financial issues enables the Company to identify opportunities and risks for business development at an early stage.

E.ON has integrated the reporting of non-financial risks related to ESG and their impact on the Group into the ERM. All risks and chances related to ESG are made identifiable in the ERM system. E.ON views ESG risks as factors in the known risk categories listed below. Sustainability risks can have a considerable impact on all of these known risk categories and can be a factor in contributing to their materiality.

In addition, E.ON analyzes potential reportable risks within the meaning of Section 289c, Paragraph 3, Sentence 1, Items 3 and 4 of the German Commercial Code (German abbreviation: "HGB"), while taking into account its ESG materiality analysis, management approaches, and the ERM's findings. This involves considering risks relating to environmental, employee, and social matters as well as human rights, anti-corruption, and anti-bribery. At year-end 2022, E.ON had not identified any major risks related to its own business activities and business relationships as well as products and services pursuant to Section 289c, Paragraph 3, Sentence 1, Items 3 and 4 of the HGB that are very likely to have or will have serious negative impacts on ESG aspects.

E.ON places an emphasis on analyzing its climate risks, in part because of E.ON's support of the recommendations of the Task Force on Climate-Related Financial Disclosures ("TCFD"). Safeguarding its assets against climate-change impacts and the climate resilience of its business model are economically relevant to E.ON. Our analysis therefore includes both physical risks (direct impacts of climate change, such as extreme weather and rising temperatures) and transitory risks resulting from the transition to a low-carbon and more climate-resilient economy (such as changes in consumer preferences, the regulatory environment, and carbon pricing).

Physical climate risks are also the focus of the EU Taxonomy Regulation's do-no-significant-harm ("DNSH") provisions (see the "[EU Taxonomy](#)" chapter). They are assigned to the EU environmental objective 2 "climate change adaptation." E.ON assesses DNSH compliance with climate change adaptation at the

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Corporate Governance Declaration in Accordance with Section 289f and Section 315d of the German Commercial Code

Declaration of the Executive Board and Supervisory Board of E.ON SE pursuant to Section 161 of the German Stock Corporation Act on the German Corporate Governance Code

The Executive Board and Supervisory Board declare that the recommendations of the "Government Commission German Corporate Governance Code" (version of December 16, 2019) published by the Federal Ministry of Justice and Consumer Protection in the official section of the Federal Gazette on March 20, 2020, have been fully complied with since the submission of the last declaration in December 2021.

The Executive Board and Supervisory Board further declare that the recommendations of the "Government Commission on the German Corporate Governance Code" (version dated April 28, 2022) published by the Federal Ministry of Justice and Consumer Protection in the official section of the Federal Gazette on June 27, 2022, will be complied with in full.

Essen, December 14, 2022

For the Supervisory Board of E.ON SE:
 Karl-Ludwig Kley
 (Chairman of the Supervisory Board of E.ON SE)

For the Executive Board of E.ON SE:
 Leonhard Birnbaum
 (Chairman of the Board of Management of E.ON SE)

All compliance declarations of the past five years are continuously available to the public on the Company's Internet page.

Compensation Report and Compensation System

The resolution adopted by the Annual Shareholders Meeting on May 19, 2021, pursuant to Section 113, Paragraph 3 of the German Stock Corporation Act (known by its German abbreviation, "AktG") on the compensation of the members of the Supervisory Board and the applicable compensation system for the Management Board pursuant to Section 87a, Paragraphs 1 and 2, Sentence 1 of the AktG, which was also approved by the Annual Shareholders Meeting on May 19, 2021, are available on the Internet at eon.com.

The Compensation Report and the auditor's report pursuant to Section 162 of the AktG are also made publicly available at eon.com/compensation-report.

Relevant Information about Management Practices

Corporate Governance

E.ON views good corporate governance as a central foundation of responsible and value-oriented management, efficient collaboration between the Management Board and the Supervisory Board, transparent disclosures, and appropriate risk management.

In the past financial year, the Management Board and Supervisory Board paid close attention to E.ON's compliance with the German Corporate Governance Code's recommendations and suggestions. The changes resulting from the amended version of the German Corporate Governance Code of April 28, 2022, published in the official section of the Federal Gazette on June 27, 2022, were also discussed. It was determined that E.ON SE fully complies with all of the Code's recommendations. In addition, E.ON fully complies with all of the Code's suggestions.

Compliance

The goal of compliance at E.ON is to prevent or at least detect and put a stop to corporate misconduct. It is E.ON's responsibility never to deceive, lie to, or otherwise deliberately harm its customers, business partners, or other stakeholders. Strict compliance with laws and company policies is therefore the foundation of good corporate governance.

E.ON has in place a compliance management system ("CMS") to mitigate the risk of compliance violations. The CMS is based on a number of widely recognized practices, including the promotion of a compliance culture. This encompasses an active commitment to compliance targets, the identification and analysis of compliance risks, and the design of a risk-adequate compliance program and a compliance organization.

E.ON's Supplier Code and its Code of Conduct (both of which are available in the languages of all countries in which E.ON operates) focus on the guiding principle, "Doing the right thing." They provide easy-to-understand guidance, in particular human rights, anti-corruption, fair competition, and compliant relationships with E.ON's business partners. The Code of Conduct also contains an integrity test that employees can use to check whether their assessment of a situation is in compliance with E.ON principles and values. Every employee in the E.ON Group is obliged to act in accordance with the Code of Conduct's rules. The Code is therefore part of E.ON employees' duties under their employment contract. Employees and third parties can report violations of the Code of Conduct, anonymously, if they wish, by means of a whistle-blower hotline. The Code of Conduct is published on the Internet. It is supplemented by ten Group-wide People Guidelines which explain in greater detail how employees can be sure that they are doing things right.

Sustainability

Sustainability is one of the key aspects of the strategy E.ON updated in 2021. E.ON's business activities are guided by the

- b) In addition, the Supervisory Board has adopted the following **diversity concept** so as to ensure a balanced structure of the Supervisory Board in terms of age, gender, personality, educational background and professional experience.
- In the search for qualified Supervisory Board members, due consideration shall be given to diversity. When preparing nominations for the election of Supervisory Board members, due consideration shall be given in each case to the question as to whether complementary academic profiles, professional and life experience, a balanced age mix, various personalities and a reasonable gender balance benefit the Supervisory Board's work. In this context, care shall be taken to ensure that a gender quota of 30 percent will be achieved; this shall apply to the Supervisory Board as a whole and to the shareholders' and employees' representatives separately.
- The members of the Supervisory Board shall usually not hold office for longer than the age of 75. They shall not be older than 72 years at the time of their election.
- At least four Supervisory Board members shall have international experience, i.e. they shall have spent, for instance, part of their professional career outside Germany.
 - c) In addition, the following **skills profile** shall apply; especially the Nominations Committee will strive to apply the skills profile when preparing nominations of candidates for the shareholders' representatives to be proposed to the Annual General Meeting.
- The majority of the members should have specific knowledge in the energy sector.
- At least two members should have specific knowledge of sales and customer business.

- At least two members shall have specific knowledge related to regulated industries.
- At least two members should have specific knowledge in the areas of new technologies, digitization and IT.
- At least two members should have specific knowledge related to new business models, innovation and disruption.
- At least two members should have specific knowledge of the functioning of the capital and financial markets.
- At least one independent shareholder representative shall have special knowledge and experience in the application of accounting principles and internal control and risk management systems, and at least one other independent shareholder representative shall have special knowledge and experience in auditing.
- At least two members should have specific knowledge in the field of sustainability, specifically in the dimensions of environmental concerns (especially reduction of CO₂ emissions), employee and social concerns as well as human rights and anti-corruption.
- At least two members should have specific knowledge in the subject areas of human resources and cultural change.
- At least two members should have specific knowledge in the areas of law and compliance.
- At least four members shall have experience, as Executive or Supervisory Board members, in the strategic management or supervision of listed organizations."

In view of continually changing business requirements, the Supervisory Board will continue to identify necessary competencies early to ensure that these are covered.

Current Composition of the Supervisory Board




a) The members of the E.ON SE Supervisory Board fulfill all requirements imposed by applicable law and the German Corporate Governance Code for the acceptance of a Supervisory Board position. In particular, the Supervisory Board believes that all of its members, in particular the Chairmen of the Supervisory Board and the Chairpersons of all its committees, are independent. No former Management Board member or a close family member of a Management Board member sits on the Supervisory Board. Furthermore, no Supervisory Board member currently has or had in the year up to his or her appointment, either directly or as a shareholder or in a responsible role in a company outside the Group, a significant business relationship with the Company or one of its affiliates. No Supervisory Board member exercises any executive or advisory functions for major competitors, has a personal relationship with a major competitor, or has been a Supervisory Board member for more than 15 years.

The Supervisory Board's assessment of independence considered the fact that Karen de Segundo has been a Supervisory Board member since 2008 and is thus the only member to have been a member for more than 12 years. In view of the changes in the composition of the Management Board and Supervisory Board in recent years, Ms. de Segundo continues to maintain the objective detachment from the Company and its Management Board necessary to perform her monitoring role. Furthermore, she does not and has not at any time in the past had a significant business or personal relationship with the Company, one of its affiliates, or the Management Board, either directly or as a shareholder or in a responsible capacity in a company outside the Group. She is therefore independent within the meaning of the German Corporate Governance Code.

The Supervisory Board believes that in the case of no Supervisory Board member there are specific indications of relevant situations or relationships that could give rise to a conflict of interest. The Supervisory Board included only one serving member of the executive board of listed companies during the course of the year,



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accordance with Sections 289c to 289e and 315c in conjunction with 289c to 289e HGB ("Handelsgesetzbuch": German Commercial Code) and the EU Taxonomy Regulation and the Delegated Acts adopted thereunder, as well as for management's own interpretation of the wording and terms contained in the EU Taxonomy Regulation and the delegated acts adopted thereunder as set out in section "EU Taxonomy"

- with limited assurance on the further qualitative and quantitative sustainability information, which are marked accordingly with  and 
- with reasonable assurance on the further qualitative and quantitative sustainability information, which are marked accordingly with 



except for the information marked as unassured and external sources of documentation or expert opinions mentioned therein.

Limited Assurance engagement

We conducted our assurance engagement for the consolidated non-financial statement and for the further qualitative and quantitative sustainability information, which are marked accordingly with  and , in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information" issued by the IAASB as a limited assurance engagement. This standard requires that we plan and perform the assurance engagement to obtain limited assurance about whether any matters have come to our attention that cause us to believe that

- the consolidated non-financial statement of the company, except for the information marked as unassured and the external sources of documentation or expert opinions mentioned therein, have not been

prepared, in all material respects, in accordance with Sections 289c to 289e and 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by management disclosed in section "EU Taxonomy"

- the further qualitative and quantitative sustainability information of the company, which are marked accordingly with  and , have not been prepared, in all material respects, in accordance with the reporting criteria.

In a limited assurance engagement, the procedures performed are less extensive than in a reasonable assurance engagement, and accordingly, a substantially lower level of assurance is obtained. The selection of the assurance procedures is subject to the professional judgment of the assurance practitioner.

In the course of our assurance engagement we have, among other procedures, performed the following assurance procedures and other activities:

- Interviewing employees responsible for the materiality analysis at group level in order to obtain an understanding on the approach for identifying key issues and related reporting boundaries of E.ON SE.
- Carrying out a risk assessment, including media analysis, to identify relevant information on E.ON SE's sustainability performance in the reporting.
- Assessing the design and implementation of systems and processes for identifying, handling and monitoring information on environmental, employee and social matters, respect for human rights and combatting corruption and bribery, including the consolidation of data.

- Inquiries of group level personnel, who are responsible for the disclosures on concepts, due diligence processes, results and risks, the performance of internal control activities and the consolidation of the disclosures.
- Inspecting selected internal and external documents.
- Analytical procedures of the data and trends of the quantitative information reported for consolidation at group level by all sites.
- Evaluation of local data collection, validation and reporting processes as well as the reliability of reported data based on a sample of individual cases.

With regard to the assurance of the non-financial disclosures on the EU taxonomy, we performed the following supplementary assurance procedures in particular:

- Inquiries of responsible employees at group level to obtain an understanding of the approach to identify taxonomy eligible and aligned economic activities in accordance with EU taxonomy.
- Assessing the design and implementation of systems and procedures for identifying, processing and monitoring information of revenue, capital expenditures and operating expenditures for the taxonomy eligible and aligned economic activities on group level as well as in significant local units.
- Inquiries of responsible employees at group level as well as in significant local units, for determining disclosures of taxonomy eligible and aligned economic activities, performing internal control procedures and consolidating disclosures.