



# Stadtwerke München

## Sustainability Report 2025

The pulse of Munich 



muenchen.de

SWM Infrastruktur

## Our climate goals



We pursue a holistic approach in driving sustainability forward and will reduce our greenhouse gas emissions to achieve **climate neutrality**<sup>1</sup> by 2040.



Since 2025, we have been able to generate sufficient **green electricity in our own plants** to cover all of Munich's consumption. As architects of the regional and supraregional energy transition, we will continuously advance the expansion of renewable energies.



As architects of the heating transition, we will supply **CO<sub>2</sub>-neutral district heating** to Munich and our partners by 2040. We will address the residual heating needs by offering **further heating solutions** such as local heating infrastructures and heat pumps.



We will continuously expand the supply of **district cooling**.

Read more on our engagement on the pages that follow and on [our website](#).

<sup>1</sup> Our yardstick in the definition of climate neutrality is the net zero approach of the Science Based Targets Initiative. Accordingly, we plan to cut greenhouse gas emissions measured in CO<sub>2</sub>e by at least 90 % by actively avoiding and reducing them. In 2040, any remaining emissions that cannot yet be avoided are to be compensated through certificates that fulfil high quality standards and through technically feasible options such as CO<sub>2</sub> capture.



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Munich, June 2026

## Dear readers,

In 2025, Stadtwerke München continued to face the task of striking a balance between sustainability, supply reliability, and profitability amid demanding framework conditions. As a wholly owned subsidiary of the City of Munich, we act in a way that fosters the public wellbeing in the long term. With these efforts, we secure the quality of life, strengthen the region, and resolutely drive the energy transition forward.

We have reached a major milestone in this journey: nominally, we are now able to generate sufficient green electricity in our own plants to cover all of Munich's consumption. We have succeeded in realising the vision the Munch City Council articulated in 2009 by consistently expanding green electricity generation for more than a decade and a half. Since 2009, we have increased our generation capacity from some 0.5 terawatt-hours to approximately 6.7 terawatt-hours. As Munich's electricity demand is set to grow going forward, we will continue to expand renewable energies even further.

For a future-proof heating supply in the Munich metropolitan region, we will continue our transformation path in district heating generation. A key component of this strategy is deep geothermal energy – a sustainable, local, and reliable energy source. We are also expanding energy-efficient district cooling: one case in point is the district cooling centre we are constructing at the "Energiestandort Süd" energy location, where we installed six cooling towers in 2025.

Our Mobility division recorded a record number of passengers in the year under review: 621 million people used MVG's underground, tram, and bus services. This bears testimony to the attractiveness of local public transport in Munich, which we intend to secure for the future. To achieve this goal, we continuously invest in a barrier-free and future-ready infrastructure, state-of-the-art vehicles, and – wherever possible – an expansion of our services.

Together with our M-net telecommunications subsidiary, we moreover continue to expand the fibre-optic network, strengthening Munich as a business location. Since the autumn of 2025, a cooperation with Telekom Deutschland has ensured mutual access to the partners' respective fibre-optic infrastructures. This has laid an important foundation for an efficient roll-out throughout the entire city and a broader range of services for the citizens of Munich.

Our operating progress is also flanked by a concurrent refining of our sustainability reporting. Starting with this report, we will use a structure that is aligned with the ESG methodology and places a greater focus on future regulatory requirements. With our decarbonisation path, which uses the Net Zero Standard of the Science Based Targets Initiative (SBTi) as its yardstick, and the current goal of achieving climate neutrality by 2040, we moreover ensure transparency and a reliable commitment in our dealings with our customers, the City of Munich, and society at large.



From left to right:  
Helge-Uve Braun, Dr Karin Thelen, Dr Florian Bieberbach, Dr Gabriele Jahn, Ingo Wortmann

The path to Munich's conversion into a climate-neutral city has been and continues to be an ambitious endeavour. With their dedication and expertise, our employees are major contributors to the success of SWM and the quality of life in Munich. This is why we make clearly targeted investments in their development and advancement.

We thank all employees of SWM as well as our customers, partners, the City of Munich, and all stakeholders for the trust they have placed in us, their dialogue with us, and their constructive support.

Sincerely yours,

**Dr Florian Bieberbach**  
Chief Executive Officer

**Ingo Wortmann**  
Director,  
Mobility

**Helge-Uve Braun**  
Director,  
Technology

**Dr Karin Thelen**  
Director,  
Regional Energy Transition

**Dr Gabriele Jahn**  
Director, Human Resources,  
Real Estate, Public Pools



# Stadtwerke München – a portrait

As one of Germany's largest municipal companies (2025 revenues: approximately EUR 6.3 billion), we are a major contributor to the quality of life of the people in Munich and the metropolitan region. From reliable energy and water supply to state-of-the-art urban mobility and fast Internet to Munich's public swimming pools, we offer excellent services at fair prices.

We are committed to satisfying our customers with high-quality offers and partnership-based communications. We embrace economic success while simultaneously protecting natural resources and the environment. We make ambitious investments in supply and

infrastructure facilities while ensuring sustainability. We are fair-minded and act to achieve mutual benefits in our relationships with customers as well as all other supplier and business relationships. We keep an eye on our independence and exercise due diligence in all of our ventures.

## Our business segments

We manage our business across the following segments of the value chain: Energy (Generation, Networks, Sales, and Trade), Drinking Water, Mobility, Telecommunications, and Public Pools.

Energy



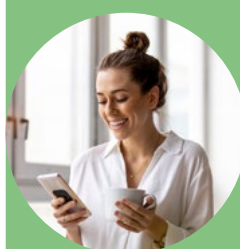
Drinking Water



Mobility



Telecommunications



Public Pools



## Energy

### Generation

We generate energy in Munich and the metropolitan region in numerous plants, including wind, hydroelectric, and solar energy plants, combined heat and power (CHP) plants, geothermal plants, and district cooling plants. For the latter, we use the natural cold temperature of ground water and Munich's underground streams.

In addition, we operate wind parks and solar farms throughout Germany and Europe at sites with lots of wind and sunshine. Via our shareholding in Spirit Energy Limited (Spirit Energy), we are also active in gas extraction in Northwestern Europe. Since 2022, efforts have been made to align this company with the requirements of the energy transition: fossil fuel production is to gradually dwindle away, and the existing infrastructure is to be used sustainably, e.g. for CO<sub>2</sub> storage.

### Networks

Our essential public services for the Munich metropolitan region include the operation of distribution networks for electricity, gas, district heating, and district cooling. We operate energy grids with a total length of more than 20,000 kilometres. Our goal is to ensure above-average supply quality and reliability despite increasing cost pressure.

### Sales

We are the clear market leader in the Munich energy market, which is characterised by keen competition. To maintain our position, we bank on customer relationships that are based on a spirit of partnership, a positive reputation, and a high level of customer orientation as well as sustainability and reliability. In these efforts, our tried-and-proven high service quality is a prerequisite for our customers' loyalty.

### Trade

Trade is a key driver of our management and business model for the energy sector. It helps us optimise our energy business and hedge against risks. In Trade, we are engaged in market-driven energy procurement and marketing as well as managing our aggregated market price risks, especially for electricity, natural gas, and energy-specific certificates. Trade also plans the deployment of our generation plants and the expansion and operation of our virtual power station, which connects many decentralised generation units, most of which are based on renewable energies, and electricity consumers. Furthermore, Trade gives Energy Generation, Sales, and individual SWM majority shareholdings access to the energy markets.

### Individual Energy Solutions

Against the background of a changing energy market and as part of our measures driving the energy transition, we also offer individual energy solutions to our customers. Our offerings include photovoltaic plants with battery storage systems, heat pumps, and charging solutions and span the gamut from counselling and planning to installation and maintenance of the plants.

### Drinking Water

Drinking water analyses and comparisons with other European large cities have shown for a long time that our M-Wasser ranks among the best drinking waters in Europe and boasts excellent analytical results – significantly better than the statutory limits. Approximately 1.6 million people in Munich rely on M-Wasser to satisfy their water demand. We extract our M-Wasser in the foothills of the Bavarian Alps and deliver this additive-free drinking water to the people in Munich via a pipework system that has a length of several thousand kilometres.

### Mobility

Our Münchner Verkehrsgesellschaft (MVG) subsidiary aspires to offer Munich's best mobility. For this purpose, it interlinks traditional local public transport services (underground trains, trams, and buses) with individual solutions such as its partners' bicycle, e-scooter, and carsharing services. The latter are integrated into the MVGO app and supplement connection information and digital ticket purchasing. In 2025, MVG transported a total of 621 million passengers.

### Telecommunications

Together with M-net Telekommunikations GmbH (M-net), our telecommunications subsidiary, we expand the fibre-optic network in Munich. In addition, M-net offers Internet, voice, and transmission services for residential and business customers in large sections of Bavaria, the greater Ulm area, and the Main-Kinzig district in Hesse. Our product portfolio is continuously developed further, ensuring our competitiveness. The services are provided jointly by M-net, SWM Services GmbH (SWM Services), and Stadtwerke München GmbH (SWM).

### Public Pools

With 17 indoor and outdoor pools and eight sauna facilities, we offer one of the most modern pool landscapes in Germany. We also operate two fitness centres and one ice-skating rink. Approximately 3.7 million guests visit our M-Bäder public pools every year.

[An overview of SWM's affiliated companies and major equity participations can be found in our 2025 Annual Report from page 78 onwards.](#)

## Committed to citizens' well-being

As a company wholly owned by the City of Munich, we are ultimately owned by Munich's citizens. We feel committed to their long-term and sustainable wellbeing, and we strive to achieve economic success in the process. Our goal is to distribute a profit of EUR 100 million to our shareholder, the City of Munich, every year. From 2026 onwards, this profit transfer is to increase to EUR 130 million.

Stadtwerke München is not merely seeking profit maximisation, but is also committed to creating an optimum outcome for the people in the Munich metropolitan region. We want to preserve and improve their quality of life, maintain the city's attractiveness as a business location, and provide support to the metropolitan region. In these efforts, we assume responsibility for both the environment and society, and cooperative and partnership-oriented action is a key element of our approach. In addition, we see ourselves as a socially responsible company. This is also reflected in many areas that go beyond the responsible operation of our core business: we are one of the largest workplace training organisations in the region, sponsor education, sports, cultural events, and social projects, build company flats, develop digital service offerings, and champion a lively and diverse urban community.

We create added value not only for our customers and our shareholder, but also for society: we offer attractive jobs to more than 12,000 employees in the SWM Group, most of whom live in the Munich region. In addition, the local economy also benefits from SWM, as we place orders worth many millions of euros with companies located in the Munich metropolitan region and the city of Munich every year.

For the **2026–2030** period, we are currently planning to make investments of more than **EUR**

# 7 billion

– mostly in the Munich metropolitan region.

This amount will be allocated as follows:

- ▶ **approximately EUR 2.21 billion** to local public transport
- ▶ **approximately EUR 1.68 billion** to the expansion and modernisation of the network and grid infrastructure
- ▶ **approximately EUR 1.35 billion** to the expansion of renewable energies (mainly electricity and district cooling)
- ▶ **approximately EUR 890 million** to geothermal energy for the achievement of our district heating goals
- ▶ **approximately EUR 500 million** to our company-flat expansion campaign
- ▶ **approximately EUR 390 million** to the modernisation and maintenance of conventional generation plants
- ▶ **approximately EUR 210 million** to the expansion of fibre optics
- ▶ **approximately EUR 60 million** to the maintenance and modernisation of public pools.

In cooperation with the City of Munich, we operate [muenchen.de](https://muenchen.de), the official online portal for Bavaria's capital. This portal is serviced by our subsidiary Portal München Betriebs GmbH & Co. KG. With its broad coverage and many contacts, [muenchen.de](https://muenchen.de) is one of the most frequently visited service websites in Munich. The [muenchen.de](https://muenchen.de) central address is the gateway to information and services revolving around Munich's urban life.

Approximately **EUR 400 million** per year goes to companies located in the city of Munich itself.

More than **EUR 700 million** is the average annual order volume we place with companies in the Munich metropolitan region.



# Sustainability management

As a company owned by the City of Munich, our activities are guided by the interests of the city and its inhabitants. Our organisation reflects the diversity of this city – and our sustainability management reflects the standards of our stakeholders, products, and services. Our sustainability strategy is the strategic framework for this, and this report provides information on the measures taken and the progress made within the context of this strategy. Throughout our entire organisation, our actions are geared towards sustainability, supply reliability, and future-readiness. This is our contribution to a resilient and liveable city.

## Preparation of the Sustainability Report

This is the seventh voluntary Sustainability Report published by Stadtwerke München. The preparation of its content is built on the internationally accepted reporting framework defined by the Global Reporting Initiative (GRI). The report has been prepared with reference to the current GRI Standards of 2016, 2018, and 2021, respectively ([see "GRI content index", page 56](#)).

The reporting period matches the financial year, which ran from 1 January 2025 to 31 December 2025. We also report on important major developments that occur between the end of this period and the editorial deadline. For this report, the editorial deadline was 30 June 2026.

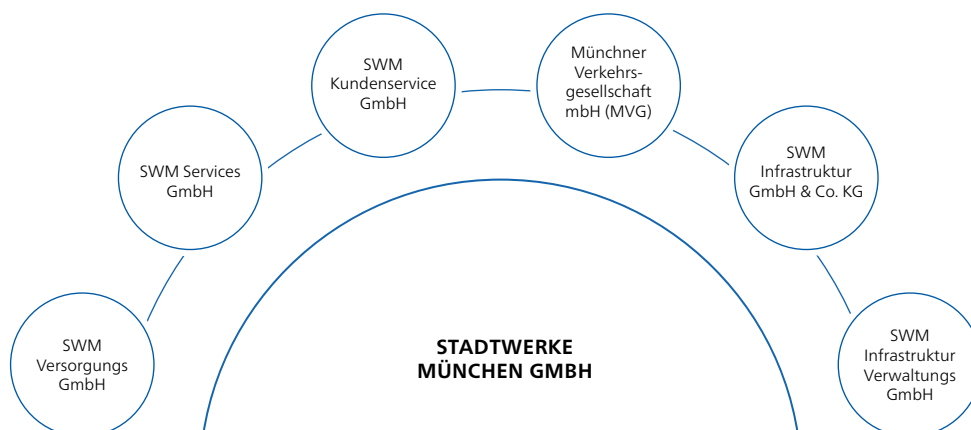
Based on the information currently available, 2028 will be the first financial year in which SWM will be subject to mandatory compliance with the Corporate Sustainability

Reporting Directive (CSRD) within the framework of its Annual Report. At that time, we will submit a comprehensive report on our sustainability activities in the 2027 financial year based on the European Sustainability Reporting Standards (ESRS). We take the Omnibus initiative as our yardstick for anticipating the regulatory developments and are preparing the conversion of our reporting in the interim. To ensure a smooth transition in our reporting, the 2025 Sustainability Report has been aligned with the ESG structure defined by the ESRS, with the major topics being transitioned to this structure.

## Data collection and compilation

Unless otherwise indicated, the following principles apply to all key performance indicators and data points throughout the entire report. This Sustainability Report covers all companies that were part of the SWM core Group in the year under review: Stadtwerke München GmbH, SWM Versorgungs GmbH, SWM Services GmbH, SWM Kundenservice GmbH, Münchner Verkehrsgesellschaft mbH (MVG), SWM Infrastruktur GmbH & Co. KG, and SWM Infrastruktur Verwaltungs GmbH. In addition, reference is made to shareholdings in sections as applicable.

As a basic principle, the information in this report refers to SWM in its entirety with all its business segments. Individual chapters deviate from the above-mentioned reporting perimeter in the sections indicated. Any information and presentations of strategies and approaches in the individual chapters that refer to different units are moreover indicated accordingly.



## Materiality analysis

Our reporting is based on a materiality analysis which we carried out during the preparation of our first report in 2019. First, we developed a list of topics based on an analysis of pertinent expert information. This list is based on frameworks such as the GRI Standards, the National Action Plan for Business and Human Rights (NAP), the United Nations' Sustainable Development Goals (SDGs), the German Sustainability Code (DNK), and ISO 26000. In a second step, the list of topics was collated with existing major topics of SWM and a peer group analysis.

This resulted in slightly under 200 topics that we pooled into 28 clusters. Our specialist departments then used an online tool to assess these clusters on the basis of two dimensions: impact on the environment and society, and significance for stakeholder decisions. Lastly, the SWM Management Board assessed the topics in terms of their business relevance.

Based on this materiality analysis, we derived 16 material topics that are the focus areas of our sustainability reporting. We have grouped these topics into five action areas: society, products and services, environment, employees, and corporate governance.

### A SOCIETY

A.1 Social responsibility

### B PRODUCTS AND SERVICES

B.1 Provision of essential services

B.2 Product responsibility

### C ENVIRONMENT

C.1 Energy

C.2 Emissions

C.3 Raw materials and supplies

C.4 Water

### D EMPLOYEES

D.1 Working conditions

D.2 Training and education

D.3 Occupational health and safety

D.4 Diversity and equal opportunities

### E CORPORATE GOVERNANCE

E.1 Value creation

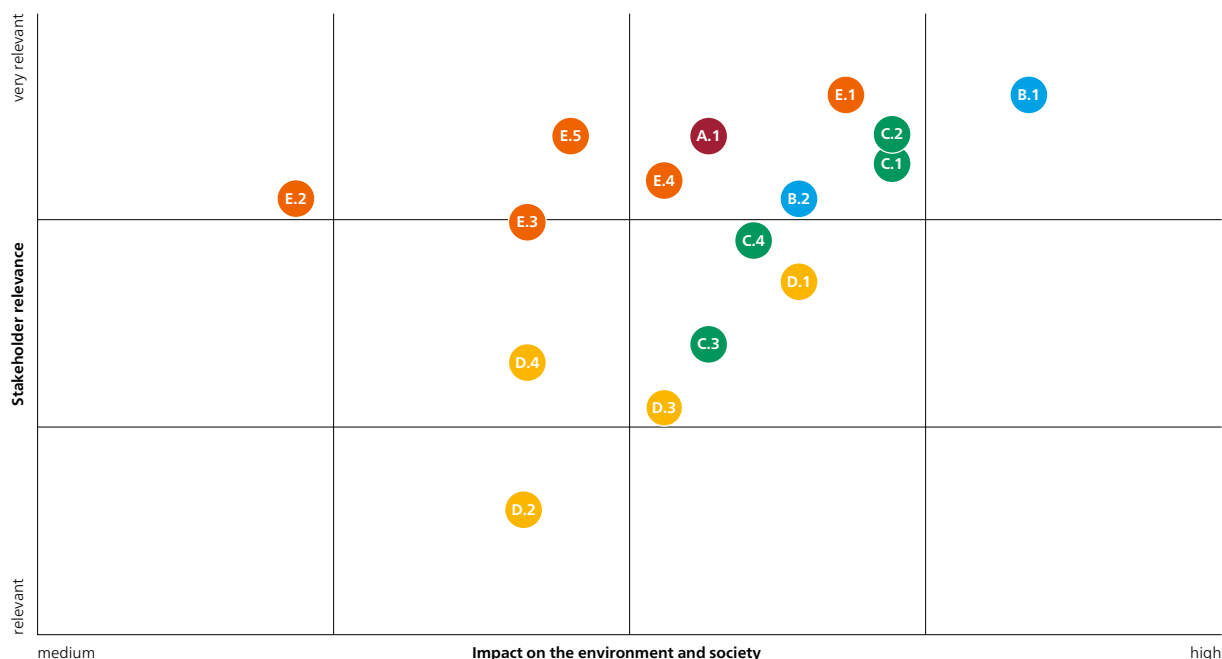
E.2 Compliance

E.3 Data protection

E.4 Competition

E.5 Political engagement

## Materiality matrix



## Sustainability organisation

The overall responsibility for the topic of sustainability lies with the top executives of our Group, the Management Board of Stadtwerke München GmbH. The Management Board is responsible for adopting relevant decisions on sustainability; concrete examples include the sustainability strategy or SWM's decarbonisation path ([for details, see the chapter "Environment", page 14 et seq.](#)).

Sustainability Management has been assigned to the Regional Energy Transition division and acts as an overarching functional link for all sustainability topics in the group. Its responsibilities focus on designing and evolving the sustainability strategy, managing (group-wide) overarching sustainability topics, and ensuring their implementation. In addition, we have decentralised sustainability management in our subsidiaries. The Management Board delegates this task to specialists where this makes sense, e.g. in energy or environmental management ([see the chapter "Environment", page 12 et seq.](#)) or in corporate health management.

Sustainability in accordance with SWM's sustainability strategy is also driven forward in working groups. This ensures an efficient flow of information and efficient management across business segments. Sustainability Management establishes regular communication formats and reports to the Director of the Regional Energy Transition division and, in a situation-related and topic-adequate manner, additionally to the entire Management Board.

## Sustainability strategy

Since 2023, Stadtwerke München has had a comprehensive sustainability strategy. This strategy combines our initiatives in the action areas of "Climate and environment", "Future-ready corporate culture", and "Sustainable supply chain and products" and follows the accepted ESG logic (E = environmental, S = social, G = good governance). The sustainability strategy is also aligned with our group strategy.



Within the framework of the sustainability strategy, six key goals in three action areas were defined that make decisive contributions to achieving our group goals:

### Climate and environment

1. Reduction of greenhouse gas emissions with a view to achieving climate neutrality by 2040<sup>1)</sup>  
[for details, see the chapter "Environment", page 12 et seqq.](#)
2. Preparation for the impacts of climate change on our assets and services and responsible use of water resources  
[for details, see the chapter "Environment", page 12 et seqq.](#)

### Future-ready corporate culture

3. Diversity and an inclusive corporate culture  
[for details, see the chapter "Employees", page 27 et seqq.](#)
4. Employee orientation to strengthen SWM's economic efficiency and innovative strength  
[for details, see the chapter "Employees", page 27 et seqq.](#)

### Sustainable supply chain and products

5. Assumption of social and environmental responsibility in our supply chain including reduction in greenhouse gas emissions and work with sustainability-promoting and innovative products, services, and technologies  
[for details, see the chapter "Corporate governance", page 46 et seqq.](#)
6. Responsible use of resources throughout the entire product lifecycle; ensuring a functioning circular economy  
[for details, see the chapters "Essential services and product responsibility", page 37 et seqq., and "Environment", page 12 et seqq.](#)

Sustainability Management designs and implements the goals, concepts, and measures of the sustainability strategy in cooperation with the business segments.



## Stakeholder management

Numerous stakeholder groups shape our actions. Our operations impact many people, and this is why we seek target-group-aligned, transparent, and regular exchanges with our stakeholders.

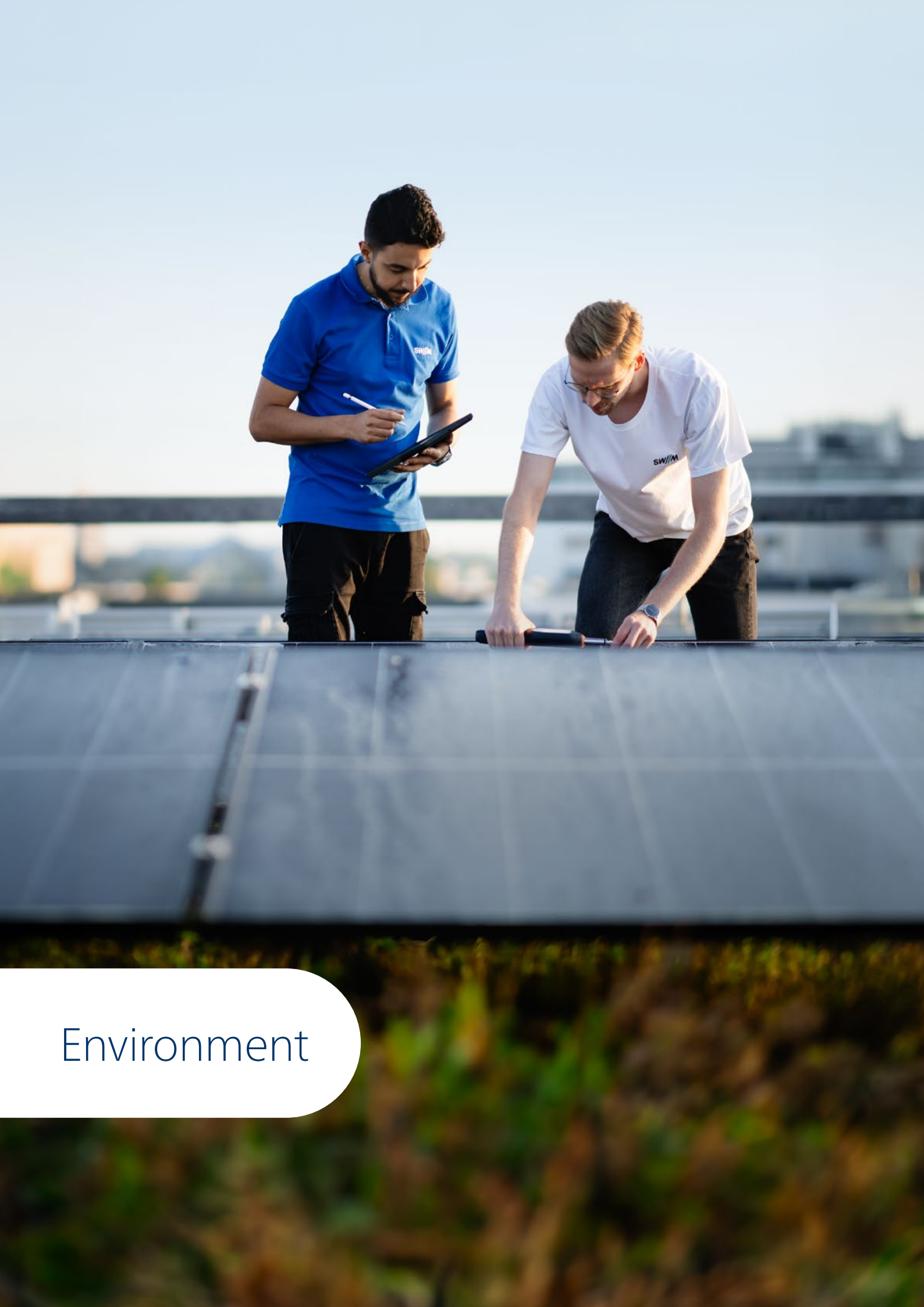
Our customers are crucial stakeholders. In the [chapter "Essential services and product responsibility", page 37 et seqq.](#), we describe how we address the expectations they place on us. The City of Munich, in its capacity of shareholder, and the citizens of Munich are equally important stakeholders. We make a broad range of contributions to urban life – both as an employer and also in the form of sponsorships and cooperations ([see the chapter "Our community engagement", page 45](#)).

Our employees also play a key role for SWM's success. They provide our services, frequently are themselves users of our offerings and mostly live in the Munich region. Highly qualified and motivated employees are the basis of our corporate development.

As a utility offering essential public services, we moreover operate in a highly regulated environment. Changes in legislation may have a significant impact on our business activities. We therefore also proactively engage in political debates via a variety of formats ([see the chapter "Corporate governance", page 53](#)).

<sup>1)</sup> We will remain a reliable partner of our customers beyond the year 2040 and will continue to offer them gas products to the extent to which this is legally permissible. For the definition basis of the term "climate neutrality", see the Appendix, page 56.

| Stakeholders                  | Topics                                                                                                                                                                                                                                                                                                                                                                          | Dialogue and information platforms                                                                                                                                                                                                                                                                                                             |
|-------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Lenders and development banks | <ul style="list-style-type: none"> <li>– Promotional loans and sustainable finance</li> <li>– Risk management</li> <li>– Compliance</li> <li>– Targets and target achievement</li> <li>– Product innovations</li> </ul>                                                                                                                                                         | <ul style="list-style-type: none"> <li>– Personal conversations</li> <li>– Conferences</li> </ul>                                                                                                                                                                                                                                              |
| Customers                     | <ul style="list-style-type: none"> <li>– Services (energy, mobility, telecommunications, drinking water, public pools)</li> <li>– Product quality and safety</li> <li>– Environmental protection</li> <li>– Innovation and technologies</li> </ul>                                                                                                                              | <ul style="list-style-type: none"> <li>– Personal conversations (Customer Centres, visits at customer locations)</li> <li>– Direct dialogue by phone, by e-mail, by letter, and through social media</li> <li>– Customer magazine and newsletter</li> <li>– Fairs and events</li> <li>– Customer surveys</li> <li>– Market research</li> </ul> |
| Suppliers                     | <ul style="list-style-type: none"> <li>– Product quality and safety</li> <li>– Environmental protection</li> <li>– Compliance</li> </ul>                                                                                                                                                                                                                                        | <ul style="list-style-type: none"> <li>– Supplier portal</li> <li>– Personal conversations (by phone and on site)</li> <li>– Questionnaires</li> <li>– Market surveys</li> <li>– Audits</li> </ul>                                                                                                                                             |
| Local stakeholders            | <ul style="list-style-type: none"> <li>– Infrastructure quality</li> <li>– Economic strength</li> <li>– Environmental protection</li> <li>– Location development</li> <li>– SWM, the employer</li> <li>– Social engagement</li> <li>– Innovation and technologies</li> </ul>                                                                                                    | <ul style="list-style-type: none"> <li>– Personal conversations</li> <li>– Information events</li> <li>– On-site visits and facility tours</li> <li>– Construction site communications (information sheets, construction site map, press)</li> </ul>                                                                                           |
| Media                         | <ul style="list-style-type: none"> <li>– Innovation and technologies</li> <li>– Location development</li> <li>– Finances</li> <li>– SWM, the employer</li> <li>– Social engagement</li> <li>– Services (energy, mobility, telecommunications, drinking water, public pools)</li> </ul>                                                                                          | <ul style="list-style-type: none"> <li>– Press releases</li> <li>– Press inquiries</li> <li>– Facility tours</li> <li>– Information events</li> <li>– Interviews</li> </ul>                                                                                                                                                                    |
| Employees                     | <ul style="list-style-type: none"> <li>– Health and safety</li> <li>– Career and professional development</li> <li>– Diversity and equal opportunities</li> <li>– Co-determination</li> <li>– Work/life balance</li> <li>– Corporate development and corporate strategy</li> <li>– Company and task-relevant information</li> <li>– Improvement and change processes</li> </ul> | <ul style="list-style-type: none"> <li>– Internal media (intranet, notice boards, etc.)</li> <li>– Employee surveys</li> <li>– Idea management</li> <li>– Internal events</li> <li>– On-site visits</li> <li>– Staff townhalls</li> </ul>                                                                                                      |
| Networks and associations     | <ul style="list-style-type: none"> <li>– Energy and transport policy targets</li> <li>– Environmental protection</li> <li>– Political framework conditions and regulations</li> <li>– Technology development and promotion</li> </ul>                                                                                                                                           | <ul style="list-style-type: none"> <li>– Attendance of conferences and meetings</li> <li>– Contact maintenance</li> </ul>                                                                                                                                                                                                                      |
| Policymakers and authorities  | <ul style="list-style-type: none"> <li>– Energy and transport policy targets</li> <li>– Environmental protection</li> <li>– Political framework conditions and regulations</li> <li>– Location development</li> <li>– Technology development and promotion</li> </ul>                                                                                                           | <ul style="list-style-type: none"> <li>– Personal conversations</li> <li>– On-site visits and facility tours</li> <li>– Information events</li> <li>– City council newsletter</li> </ul>                                                                                                                                                       |



Environment

We are convinced that we must protect soil, water, and air as natural resources and conserve energy and water. This is why we align internal processes and value chains with ecological standards and continuously improve them in this respect. In addition, we have implemented systematic environmental management and report regularly on its measures, strategies, and progress. Climate protection and decarbonisation are strategic guideposts of our business operations – especially through the expansion of renewable energies and our heating campaign.

## Environmental management

Environmental protection is a key element of our corporate philosophy, with the goal of securing a sustainable future for Munich. Through continuous improvement of our processes and fulfilment of strict environmental standards, we design our business activities in a manner minimising the burdens on the environment and conserving resources in operations.

### Organisation

The Management Board is responsible for environmental protection and management. Its members appoint the designated corporate representatives responsible for waste, water protection, emission control, and hazardous substances required by law. Organisationally, these representatives and officers are assigned to the Environmental Protection staff unit.

We operate quality management systems in accordance with DIN EN ISO 9001 as well as environmental management systems in accordance with DIN EN ISO 14001 and EMAS (Eco Management and Audit Scheme). Individual risky technical units are certified in accordance with ISO 45001 (occupational health and safety).

The Environmental Protection staff unit addresses issues pertaining to operational environmental protection in the core group and is the central contact for all specialists and managers from all SWM business segments. The Management Representative for Preventive Environmental Protection has also been assigned to this unit. The Environmental Management Officer required under EMAS cooperates with the environmental protection unit and the management representatives that have been appointed in the individual business segments

to collect evidence of continuous improvements in our environmental performance and implement high-level environmental processes and procedures.

The precautionary principle is a key concept in environmental protection; it aims at preventing environmental problems early on rather than repairing damage later. Waste, water protection, and emission control specialists have been appointed in all organisational units where such appointments are deemed necessary. They support the Environmental Protection Officer of the core group and the executives of the respective units in the implementation of the requirements under environmental law. In addition, the Management Board has appointed a high-level Energy Management Representative who cooperates with the specialist units to ensure the improvement of our energy efficiency in accordance with DIN EN ISO 50001.

### Measures and responsibilities

Our technical segments report on their impact on the environment in an annual [EMAS environmental statement](#). We identify this impact through systematic checks of our technical plants and processes. Subsequently, they are analysed and assessed for potential risks. This assessment is based on a quantitatively graduated evaluation system that considers all potential environmental impacts. The environmental impacts of SWM derived therefrom refer to:

- ▶ Emissions of greenhouse gases and air pollutants
- ▶ Waste from power plant and grid operation
- ▶ Noise or vibrations from plants and construction sites
- ▶ Storage and use of hazardous substances
- ▶ Water use
- ▶ Interference with nature reserves and biotopes through construction measures

We regularly transmit the data captured to the competent authorities, with whom we are also in a continuous exchange, e.g. during official walkthroughs at technical plants.

Through our environmental management system, we improve our environmental performance and minimise our environmental risks beyond the pertinent legal requirements. We perform internal audits to review our optimised environmental performance and strict

compliance with all regulations under environmental law and also have this confirmed by EMAS experts every year. We document the greenhouse gas generated by SWM annually in our greenhouse gas inventory ([see page 15 et seqq.](#)).

The measures to achieve our self-imposed goals are tracked by both the competent specialist units and centrally by the Environmental Management Officer. As the implementation of a clear and systematic approach to improving our environmental performance brings major advantages not just in external relations but also within our organisation, we plan to roll out EMAS throughout the entire core group by the end of 2027.

In addition to dedicated training workshops for specialists, we offer our employees, especially those working within the areas of application of the management systems, various basic training courses. The goal is to maintain awareness of these topics also among colleagues not dealing with them directly in their daily work.



## Climate protection

Our business activities result in greenhouse gas emissions in the amount of several million tonnes of CO<sub>2</sub>e. Given the current state of the art and existing economic restrictions, climate-neutral provision will not yet be possible for many of our offerings in the near future. Nevertheless, we will continue to steadily improve the carbon footprint of our services.

To meet our ambitions, we adopted a sustainability strategy with six high-level goals in 2023 ([see the chapter "Sustainability management", page 9 et seq.](#)). This strategy follows the generally accepted ESG logic, covering environmental, social, and governance aspects. The two high-level goals in the area of climate and the environment are:

1. We avoid and reduce greenhouse gas emission to achieve climate neutrality<sup>1)</sup> by 2040.
2. We proactively prepare for the impacts of climate change and ensure responsible use of water resources.

The sustainability strategy is being refined through specific measures and key performance indicators (KPIs). Among other things, we published an update of our [decarbonisation path](#) in December 2025, which shows how we intend to reduce our greenhouse gas emissions and achieve climate neutrality by 2040. This goal involves a reduction in CO<sub>2</sub>e emissions by slightly more than 90 % compared to 2023, with any remaining residual emissions being compensated by high-quality certificates and technologies such as CO<sub>2</sub> capture.

The decarbonisation path takes account of emissions from all categories that are important for SWM in accordance with the internationally recognised standard of the Greenhouse Gas Protocol (GHG):

- ▶ Scope 1: direct, self-generated emissions
- ▶ Scope 2: indirect emissions from purchased energy
- ▶ Scope 3: indirect emissions from the upstream and downstream value chain
- ▶ Biogenic emissions

<sup>1)</sup> See the Appendix, [page 56](#), for a definition of the term "climate neutrality".

Our decarbonisation path is based on the operational control approach of the GHG.

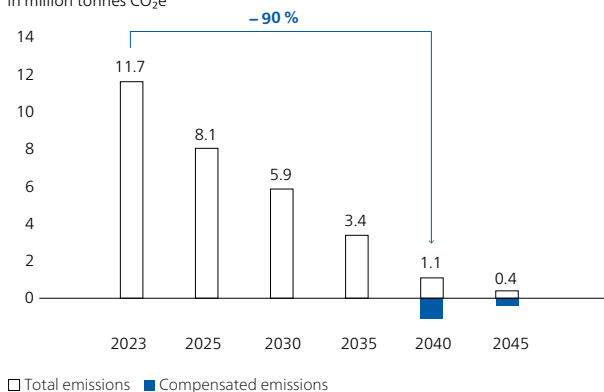
Major emission reduction measures include:

1. Heating transition: Exit from coal combustion (last use in 2024), expansion of deep geothermal energy through construction of several plants and conversion of heat and power plants and heat plants to green hydrogen by 2040
2. Reduction in natural gas sales: Substitution of natural gas by district heating and heat pumps, based on the municipal heating plan drawn up together with the City of Munich
3. Measures on the part of our shareholdings: SWM's shareholdings will also consistently decarbonise their business models in the next few years. One case in point is Spirit Energy Limited, which will exit from the production of natural gas and other fossil goods in the 2030s.

The decarbonisation path is based on the calculation methods specified in the GHG as well as internal forecasts and assumptions made by industry and trade associations. An assessment of the deviation of the figures forecast for 2025 from the actually calculated figure can be found at the end of the next chapter.

#### SWM's decarbonisation path

in million tonnes CO<sub>2</sub>e



Sources: own analyses, Greenhouse Gas Protocol  
As of 11/2025

#### SWM greenhouse gas inventory

The compilation of our greenhouse gas inventory (GHG inventory) follows the market-based approach of the GHG. We calculate both direct emissions (Scope 1) and indirect emissions (Scope 2 und Scope 3) for all relevant emission categories of SWM. The selection of emission categories was identical in the years 2023 through 2025. Since the 2022 reporting year, our GHG inventory has included not only the SWM core group ([see the chapter "Sustainability management", page 7](#)) but also all major shareholdings<sup>2)</sup> ([see the SWM Annual report 2025, page 78 et seqq.](#)). The main shareholdings that are relevant from an emissions perspective are Bayerngas GmbH, Energie Südbayern GmbH, and Spirit Energy Limited.

From this report onwards, we will report emission levels exclusively in accordance with the operational control approach. This approach allows us to prepare for the envisaged requirements of the CSRD, which will become mandatory for us from the 2027 financial year onwards.

Since we are an energy utility, our direct emissions mainly result from electricity and heat generation (Scope 1). Regarding the indirect emissions from the upstream and downstream value chain, the focus is on emissions from use of sold products (Scope 3.11), especially sold natural gas. Financed emissions (Scope 3.15) are of similar relevance.

In addition to the categories already mentioned, we have also included emissions from purchased goods and services (Scope 3.1), from capital goods (Scope 3.2), fuel and energy-related activities (Scope 3.3), waste generated in operations (Scope 3.5), business travel (Scope 3.6), employee commuting (Scope 3.7), and downstream leased assets (Scope 3.13) in our GHG inventory. In addition to the Scope 1 and Scope 2 emissions of the relevant shareholdings, the accounting based on the operational control approach also includes production and sales volumes of shareholdings active in the business with fossil goods (such as oil and gas) in the "investments" category (Scope 3.15).

Scope 1 emissions decreased, mainly reflecting our exit from coal in 2024. Although this resulted in an increase in the use of gas, the 2025 total emissions of the materials used – waste, gas, and coal – reached their lowest

<sup>2)</sup> Shareholdings are considered to be "major" when they are of material importance for SWM Group from a financial perspective or due to their impact on the environment. Therefore, all fully consolidated shareholdings as well as all shareholdings in the areas of energy supply and mobility have been included in the greenhouse gas inventory.

level since the start of GHG inventory preparation in 2019, i.e. a good 1.7 million tonnes CO<sub>2</sub>e. Compared to the previous year, the reduction in emissions came to 7%.

Scope 3 emissions decreased by slightly over 0.6 million tonnes CO<sub>2</sub>e or 8% year-on-year. The main driver is the plunge in emissions from use of sold products due to the conversion of the business model of Bayerngas GmbH, which will discontinue its fossil business segment in the area of natural gas (trade and sales). What is important to note is that the reported emissions refer to the volume of natural gas sold. The perimeter of our greenhouse gas inventory does not include natural gas volumes that are merely transported. We calculate emissions from the electricity sold to final customers in accordance with the market-based approach.

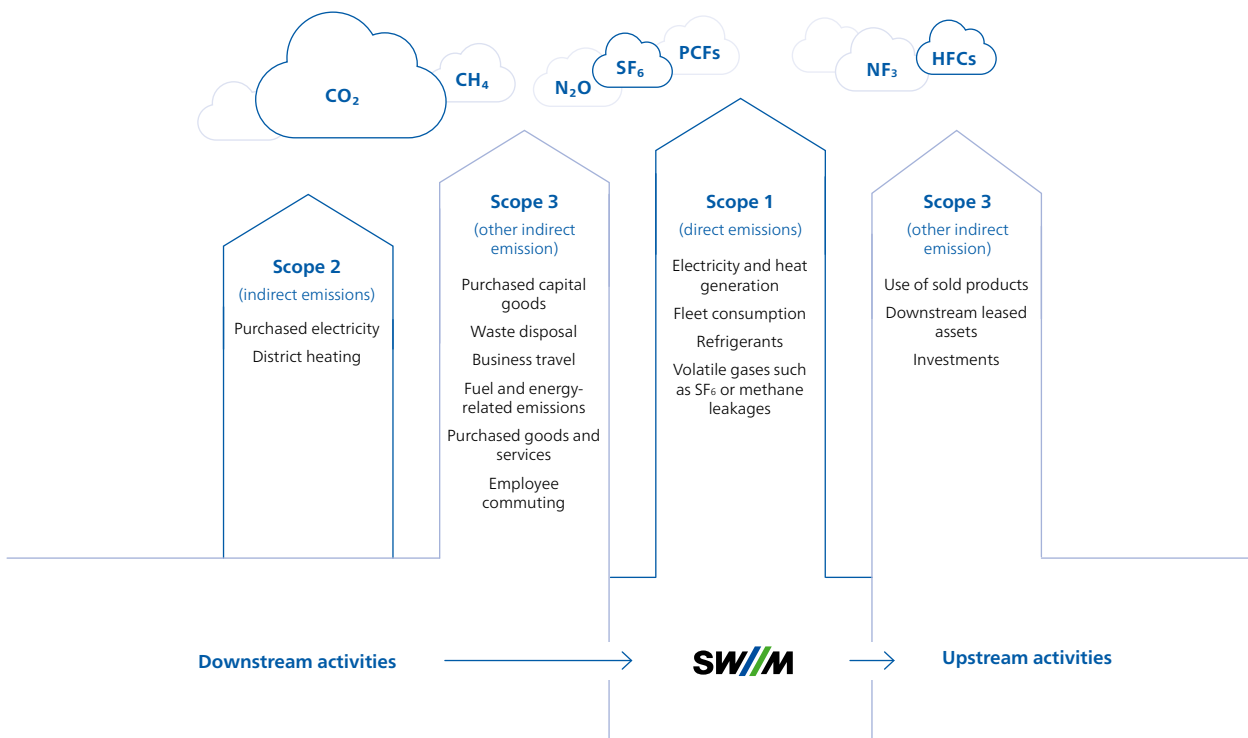
As in the previous years, biogenic emissions and Scope 2 emissions hardly played any role. They were again subject to typical seasonal fluctuations in 2025.

The ultimate result is a pleasing reduction in emissions across all three scopes from 11.7 million tonnes CO<sub>2</sub>e in 2023 to 9.8 million tonnes CO<sub>2</sub>e in 2024 and 9.0 million tonnes CO<sub>2</sub>e in 2025. This corresponds to a 23 %

reduction in emissions from 2023 to 2025. Despite this major leap forward, total emissions in 2025, at 9.0 million tonnes CO<sub>2</sub>e, exceeded the 8.1 million tonnes CO<sub>2</sub>e forecast in the decarbonisation path. There are two main reasons for this deviation.

Our calculations are mostly based on figures provided by the German Federal Environmental Protection Agency. This agency raised the figure for upstream gas emissions from 25.4g CO<sub>2</sub>e/kWh to 39.4g CO<sub>2</sub>e/kWh – an increase of more than 50 %. The reason is a better understanding of methane leakages on the basis of new satellite, drone, and aircraft data. As the emission factor of natural gas is a key influencing factor for the GHG inventory, this change resulted in a deviation of several hundred thousand tonnes of CO<sub>2</sub>e.

In addition to this methodological adjustment that is outside our control, there was also a change in content. For our decarbonisation path, we use forecasts of expected sales volumes. The fact that the actual sales volumes exceeding the forecasts in 2025, especially for natural gas, resulted in additional emissions that also ran into the range of several hundred thousand tonnes of CO<sub>2</sub>e. Deviations were also recorded in other emissions categories, but they largely offset each other.



Scope 1, Scope 2, and Scope 3 emissions based on the CSRD or operational control approach<sup>1)</sup>

| in tonnes                                                                       | 2023       |              | 2024       |              | 2025       |              |
|---------------------------------------------------------------------------------|------------|--------------|------------|--------------|------------|--------------|
|                                                                                 | Core Group | Entire Group | Core Group | Entire Group | Core Group | Entire Group |
| <b>Scope 1</b>                                                                  |            |              |            |              |            |              |
| CO <sub>2</sub> equivalents<br>(global warming potential)                       | 2,348,294  | 2,364,993    | 1,893,118  | 1,919,395    | 1,759,423  | 1,772,671    |
| Thereof                                                                         |            |              |            |              |            |              |
| Gas                                                                             | 630,094    | 638,800      | 1,090,015  | 1,102,451    | 1,520,123  | 1,526,498    |
| Coal                                                                            | 1,455,449  | 1,455,449    | 542,792    | 542,792      | 0          | 0            |
| Waste                                                                           | 204,159    | 204,159      | 212,148    | 212,148      | 197,345    | 197,345      |
| <b>Scope 2<sup>2)</sup></b>                                                     |            |              |            |              |            |              |
| CO <sub>2</sub> equivalents<br>(global warming potential)                       | 8,417      | 71,978       | 1,577      | 21,159       | 1,533      | 23,974       |
| Consisting of third-party<br>consumption of electricity<br>and district heating |            |              |            |              |            |              |
| <b>Scope 3</b>                                                                  |            |              |            |              |            |              |
| CO <sub>2</sub> equivalents<br>(global warming potential)                       | 1,998,043  | 9,115,316    | 1,876,533  | 7,769,531    | 2,677,582  | 7,185,596    |
| Thereof                                                                         |            |              |            |              |            |              |
| Fuel and energy-related<br>emissions of electricity                             | 113,203    | 141,131      | 116,499    | 117,991      | 363,862    | 365,305      |
| Use of sold products<br>(natural gas)                                           | 1,222,093  | 4,303,061    | 1,139,601  | 3,662,350    | 1,199,974  | 2,015,257    |
| Fuel and energy-related<br>emissions of natural gas                             | 234,437    | 729,460      | 282,210    | 603,097      | 527,775    | 687,372      |
| Investments                                                                     |            | 2,871,673    |            | 2,978,499    |            | 3,398,270    |
| <b>Biogenic emissions</b>                                                       |            |              |            |              |            |              |
| CO <sub>2</sub>                                                                 | 96         | 331          | 0.3        | 62           | 0.2        | 79           |

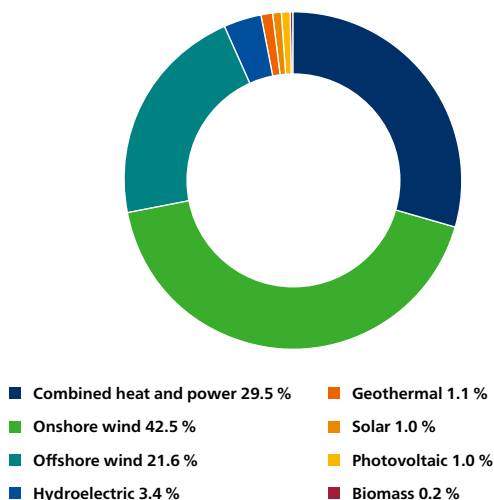
<sup>1)</sup> Various figures from 2023 und 2024 were adjusted retroactively in this report, the reasons being M&A activities at our shareholdings and methodological changes.

<sup>2)</sup> Scope 2 emissions are calculated in accordance with the market-based approach.





2025 electricity generation – breakdown by generation method



## Energy for the future

In Munich and the metropolitan region, we generate energy – electricity, heating, and cooling – in combined heat and power (CHP) plants, wind, hydroelectric, solar, biomass, cooling, and geothermal plants. In addition, we operate wind parks and solar farms throughout Germany and Europe at sites where the wind blows strongly and the sun shines often.

### Energy generation<sup>1)</sup> and renewable energies ratio

| in GWh or %                           | 2023   | 2024   | 2025   |
|---------------------------------------|--------|--------|--------|
| Electricity <sup>2)</sup>             | 7,489  | 7,766  | 7,695  |
| RE ratio                              | 71 %   | 72 %   | 70 %   |
| District heating                      | 4,593  | 4,569  | 4,885  |
| RE ratio <sup>3)</sup>                | 34 %   | 35 %   | 33 %   |
| District cooling                      | 64     | 63     | 62     |
| RE ratio <sup>4)</sup>                | 83 %   | 79 %   | 73 %   |
| Total energy generation <sup>5)</sup> | 12,146 | 12,398 | 12,642 |

<sup>1)</sup> Energy generation of the SWM core group and its shareholdings calculated in accordance with the equity share approach.

<sup>2)</sup> Minor adjustments of the 2023 and 2024 generation volumes versus the previous year's report result from a harmonised data base.

<sup>3)</sup> Starting with this report, the German Heat Planning Act (Wärmeplanungsgesetz; WPG) is used as a basis for the calculation of the RE ratio for district heating, also retroactively for 2023 and 2024. Methodologically, unavoidable exhaust heat is part of the RE ratio.

<sup>4)</sup> Starting with this report, the technical rule AGFW FW 309 part 5 is applied in the calculation of the RE ratio for district cooling, also retroactively for 2023 and 2024. The figures are thus not comparable to those shown in previous years' reports.

<sup>5)</sup> Sums may differ due to rounding differences.

Via our shareholding in Spirit Energy, we also engage in the extraction of natural gas and – in smaller quantities – oil in the North Sea. This shareholding allows us to directly influence the origin and type of natural gas production: in the UK and the Netherlands, the production of natural gas is subject to particularly stringent environmental and safety standards and CO<sub>2</sub> emissions are low compared to other countries<sup>3)</sup> In accordance with our decarbonisation strategy, we have already reduced our share in natural gas production. The stake in a further gas field was sold in 2025. The production of the remaining gas reserves is to gradually dwindle away within the next five to ten years. In addition, we intend to use the existing infrastructure for sustainable activities such as hydrogen production with subsequent CO<sub>2</sub> capture (blue hydrogen). Spirit Energy has now received its first licence to store CO<sub>2</sub> in a depleted natural gas field. After the discontinuation of gas extraction, CO<sub>2</sub> injection can be expected to commence by approximately 2030 at the earliest.

### Share in Spirit Energy's gas and oil production

| in GWh | 2023  | 2024  | 2025  |
|--------|-------|-------|-------|
| Gas    | 7,800 | 6,980 | 3,850 |
| Oil    | 300   | 314   | 273   |

<sup>3)</sup> Source: North Sea gas is almost four times cleaner than LNG imports, North Sea Transition Authority, as of 07/2023 // Decarbonizing the Barrel: Global Trends in Oil's Carbon Intensity, Mohamed Azaabi, as of 05/2025

### Two key initiatives drive our actions in the Energy segment:

- **Our renewable energies expansion campaign:** Since 2025, we have nominally been able to generate sufficient green electricity in our own plants to cover all of Munich's consumption, thanks to consistent investments. In practice, the electricity volumes generated fluctuate, depending on the wind and sunshine available and potential curtailments on the part of network operators. Given the rising number of inhabitants and the increased use of electromobility and heat pumps, Munich's demand for electricity will grow going forward. We will therefore continue our expansion at both the supraregional and the local levels.
- **Our district heating campaign:** By 2040 at the latest, we intend to achieve CO<sub>2</sub>-neutral coverage of Munich's district heating demand, mainly relying on deep geothermal energy in combination with large-scale heat pumps. Outside the area served by our district heating grid, we satisfy heating demand with decentralised heating solutions such as local heating systems fed by ground water heating and air source heat pumps.

We are also continuously expanding our district cooling supply due to its growing significance for sustainable urban development.

Energy storage is another fundamental prerequisite of the energy transition. This decoupling of generation and consumption will make gradual replacement of conventional energy sources possible. At the same time, every additional kilowatt-hour of storage capacity will also

increase the general supply reliability. This is why we are taking a correspondingly close look at this issue and plan to construct further large-scale battery storage systems. We already operate such systems at our Freimann combined heat and power plant, at the Freiham energy centre, and at the Uppenborn 1 hydroelectric power plant. At the "Energiestandort Süd" energy location in Munich, we moreover built a heat storage reservoir in 2025.

### HYDROGEN RAMP-UP

As Germany's largest municipal utility, we see ourselves as an important player in the emerging hydrogen market, which we expect to gradually develop in the period until 2050. At the current juncture, however, hydrogen availability is still difficult to predict. It is very likely that major industrial companies will be the first purchasers of hydrogen. Furthermore, green hydrogen could be used as fuel for district heating in our heating plants and combined heat and power plants. We are analysing the necessary measures and expect conversions to take place in the 2040s.

Ca.

6.7

terawatt-hours of green electricity can be generated in our own plants in a normal year. In 2009, the figure was still only approximately 0.5 terawatt-hours.



## SWM's renewable energies plants

### Munich and region

-  13 hydroelectric power plants
-  2 wind energy turbines
-  7 geothermal plants<sup>1)</sup>
-  > 400 photovoltaic plants
-  7 solar farms<sup>1)</sup>
-  12 cooling/ground-water cooling plants<sup>1)</sup>
-  1 biomass power plant

### Germany

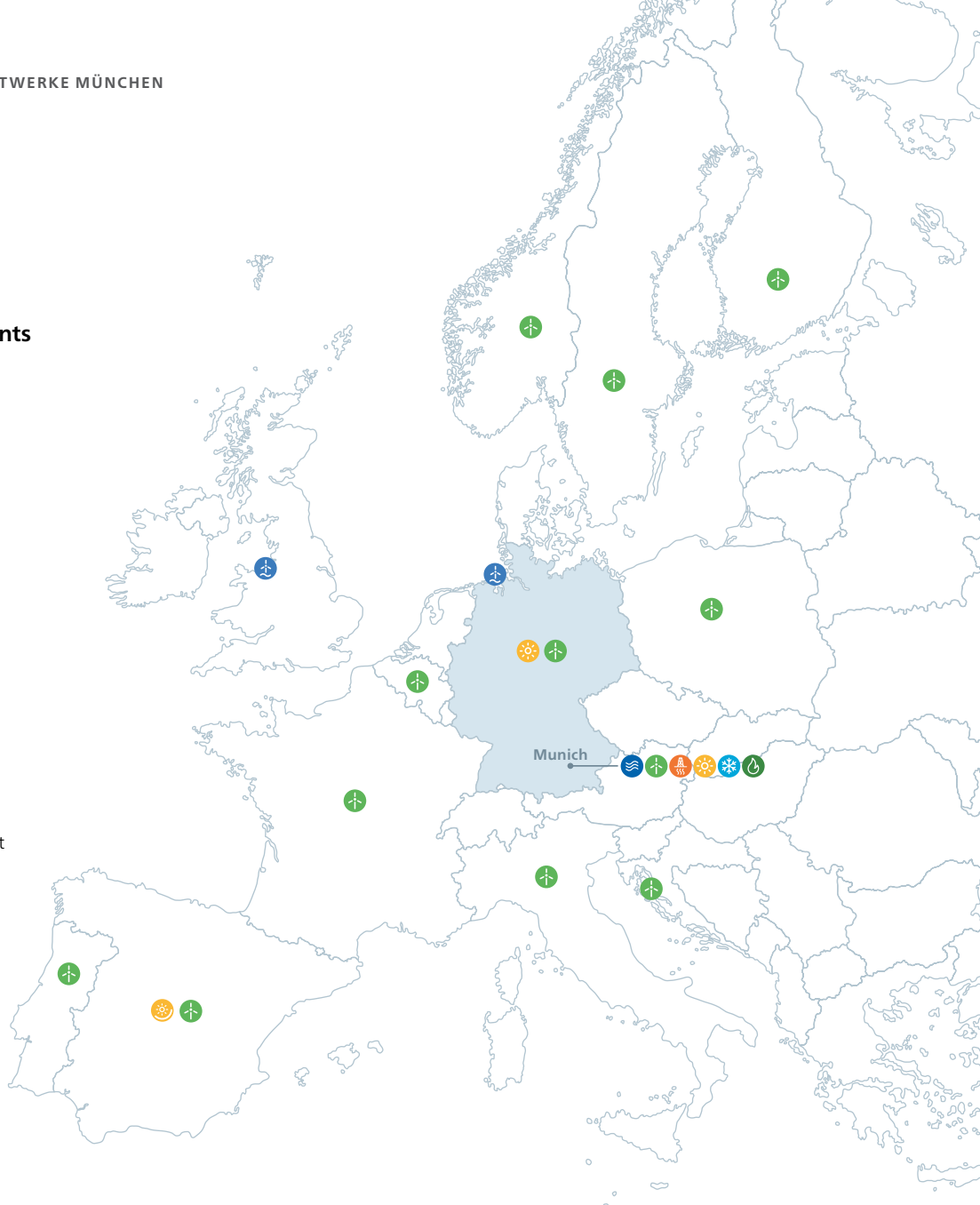
-  3 offshore wind parks (North Sea)
-  onshore wind parks
-  2 solar farms

### Europe

-  1 offshore wind park
-  onshore wind parks
-  1 parabolic trough power plant

Including shareholdings, as of 03/2026

<sup>1)</sup> One under construction



## Expansion of green electricity generation

In the expansion of renewable energies, it was clear from the outset that we would not be able to generate as much green electricity as needed locally. We therefore also make use of shareholdings to engage in wind parks and solar projects in Germany and Europe.

Wind energy is still the most productive and most profitable technology for the generation of green electricity from renewable sources. A number of new wind energy projects are already in the planning stage, e.g. via our shareholding in unlimited energy GmbH, a project developer for wind parks. Together with our Hanse Windkraft subsidiary, we moreover acquire legacy wind parks and take care of their upgrading for the future, their continued operation (also after expiry of subsidisation under the German Renewable Energy Act [EEG]) or repowering. Repowering means that less

powerful turbines are replaced by modern ones. We invest some of the revenues generated by existing wind parks in the development of new wind parks. In 2025, Hanse Windkraft's portfolio generated approximately 193 million kilowatt-hours of green electricity.

In our regional projects, photovoltaics is the most important pillar in the further expansion of green electricity generation. The City of Munich has set itself the goal of covering shares of approximately 10 % and 20 % to 25 % of municipal electricity consumption by 2035 and 2050, respectively, with the help of green electricity generated within the Munich city limits. To achieve this goal, a PV expansion plan has been drawn up, which will lead to electricity generation capacities of ca. 800 million kilowatt-hours by 2035 and ca. 2 billion kilowatt-hours by 2050.

We are supporting the City of Munich and are driving the expansion of roof-top PV plants forward: wherever possible, we install PV plants on the roofs of SWM's own properties. In addition, we lease roof space for the installation of solar plants. With this approach, several projects have already been realised in cooperation with partners such as the municipal housing company Münchner Wohnen, including our hitherto largest tenant-geared electricity project 2025. With more than 400 roof-top PV plants, we are the largest operator of solar plants in Munich.

We are also expanding the use of photovoltaics in the region surrounding Munich, both on our own grounds and on leased land. In the first half of 2026, we commissioned three new solar farms with a total output capacity of approximately 67 megawatts peak. Another solar farm with an output capacity of 25 megawatts peak is being constructed in Auhofen, and further facilities are in the planning stage. In addition to generating climate-friendly energy, solar farms can contribute to ecological diversity by creating near-natural structures and habitats.

Advances in legal and planning frameworks at the state and federal levels are making it increasingly easier to realise wind energy projects also in Bavaria. We are therefore also drawing up plans for the expansion of regional wind energy, not least together with municipal partners. In 2026, we will be setting up a wind turbine near Rammertshofen. In addition, we are planning two wind parks near Altomünster and in Schernfeld in cooperation with municipal partners from the area.

### **SWM heating campaign**

The plans of the German federal government provide for conversion of Germany's heating supply to renewable energies and unavoidable exhaust heat by 2045. We intend to achieve CO<sub>2</sub>-neutral coverage of Munich's district heating requirements even earlier, by 2040, and developed our district heating vision in 2012 for this purpose. Our transformation plan mainly relies on the expansion of deep geothermal energy. Further projects are a biomass heating plant, successor plants for thermal waste treatment (if possible, with CO<sub>2</sub> capture) at our "Nord" combined heat and power plant, and the conversion of gas-fired power plants to green hydrogen.

We have already used deep geothermal energy for generating district heating for more than 20 years. At present, we are operating six geothermal plants in Munich and nearby municipalities, and our seventh geothermal plant is being built on the periphery of the grounds housing Munich's Michaelibad public pool. From 2034 onwards, this plant is to supply heating to more than 75,000 Munich citizens. Together with the City of Munich, we are scouting out locations for further downtown plants.

In addition, we intend to enhance the output of our existing geothermal sites by drilling additional wells and tap geothermal potentials in the Munich metropolitan region, also through cooperations with other municipalities. For example, we are engaged in the "Zukunfts-wärme M West" geothermal venture together with the towns of Germering and Puchheim.

With over **400** roof-top PV plants, we are Munich's largest solar energy operator.



### THE "GIGA-M" RESEARCH PROJECT

At present, deep geothermal energy is supplying some 400 megawatts of thermal energy in the greater Munich area. Its potential is estimated to come to more than one gigawatt. To ensure sustainable, safe, and efficient development of the hot-water reservoir, we work together with regional partners in the GIGA-M research project. We use cutting-edge seismic technology to create a 3D subsurface depth model for the greater Munich area. The four-year project moreover develops instruments for effective cooperation among municipalities to facilitate sustainable management of the reservoir.

The increasing use of deep geothermal energy also has an impact on our district heating grid that is approximately 1,000 kilometres long: to be able to feed in the heating generated by geothermal energy, the grid section that is still steam-operated will gradually have to be converted to hot-water operation. In addition, we plan to solidify and expand the district heating grid, growing it by a good 600 kilometres by 2040.

For areas not covered by our district heating grid, we offer M-Nahwärme local heating infrastructure and M-Wärmepumpen heat pumps. Our first local heating system is being realised on the "Kirschgelände" compound in Munich's Untermenzing neighbourhood, where the ECKPFEILER real estate group is building 1,500 flats. Our heating and cooling solution combines a ground-water-based, close-to-the-surface geothermal system with sector coupling of electricity and heating. It played a key role in helping the project achieve its sustainability goals, obtain the Platinum certification from the German Sustainable Building Council (Deutsche Gesellschaft für Nachhaltiges Bauen; DGNB), and win the title of "Germany's Most Sustainable Urban Quarter" in 2024.

It goes without saying that we will continue to reliably supply natural gas to our customers during the transformation to climate-neutral heating systems.

### Expansion of resource-saving district cooling

A further component of our commitment to climate protection is the expansion of district cooling as a more efficient alternative to conventional air conditioning systems. Compared to individual cooling, the district cooling process reduces electricity consumption by 50 % to 70 %. In this process, we use the subterranean urban stream in downtown Munich, for example, for chilling central cooling facilities. Cold water is then transported from these stations to buildings to cool them. Since district cooling is a closed system, there is no far-reaching intervention in the natural water resources. In eight areas in Munich, we moreover use ground water to cool buildings efficiently, either directly or in combination with refrigeration machines. Where possible, these systems are also used in winter for heating with heat pumps and in some cases also in combination with exhaust heat utilisation.

Demand for our M-Fernkälte district cooling service is growing. At our "Energiestandort Süd" energy location, we are therefore constructing a large district cooling centre. For the operation of this cooling facility, we will use the cold water from the Isarwerkkanal conduit and, in combination with absorption cooling machines, also the energy from the geothermal and combined heat and power (CHP) plants located at this site. The cooling facility is connected to downtown Munich and is to supply approximately 100 office buildings with a cooling capacity of approximately 72 megawatts after its completion. A major milestone was reached in 2025 with the installation of six hybrid cooling towers.

We plan to add ca.

600 km

to our district heating grid by 2040.



## Emission-free mobility

For years, the MVG underground trains, trams, and electric buses in Munich have already been powered exclusively by green electricity. To the extent to which it is operationally and financially feasible, our bus and passenger car fleets as well as the bus depots are to be electrified further. However, new regulations at the German federal level and lower subsidisation at the state level are hampering the full conversion of our fleets to electric drives.

With a further 30 electric articulated buses commencing operation, the MVG electric bus fleet grew to 101 vehicles in 2025. This means that about 25 % of the bus fleet has been electrified. For 2026, we have ordered a further 28 electric articulated buses. Our 92 hybrid buses also help reduce fuel consumption and emissions. They store energy while braking, which can then be used again for acceleration.

We are also committed to electromobility beyond local public transport. In 2025, more than 81 % of the passenger cars in our fleet already had electric drives. In addition, we operate approximately 1,400 publicly accessible charging stations. The City of Munich is holding a tender for the further expansion of the public charging infrastructure on land owned by it. In addition, we also bank on public charging infrastructure on private land, e.g. at leisure facilities. We also operate a steadily growing number of charging stations in the private and commercial segments – currently more than 4,900.

### CHARGING AT THE OLYMPIC PARK MUNICH

Our charging partnership with the Olympic Park Munich makes a contribution to the strategic expansion of the charging infrastructure in the northern part of the city. In 2025, we opened a number of charging stations for operation, e.g. near the ice rink and on the parking deck. A further 154 charging stations in the parking harp followed in spring 2026. Furthermore, a fast-charging hub is being constructed on the grounds of the former Olympic Park bus station. A photovoltaic plant with an output capacity of 134 kilowatts peak will power charging stations with solar energy.



## Realisation of further energy saving and emission reduction potentials

We also deliberately reduce and limit the emission of greenhouse gases in our other business activities. Our greenhouse gas reduction plan for the public pools relies on step-by-step modernisation of the structures and changes in the energy supply. The power supply is based on green electricity and local power generation in photovoltaic plants – one case in point is the PV plant that was installed on the roof of the Westbad public pool in 2025. For heat generation, most of the public pools are already connected to the district heating grid. Where this is not yet the case, the pools will be converted to district heating or heat pump operation within the next ten years. In addition, we use electric vehicles for groundskeeping.

We have also ushered in the energy transition with the expansion of our fibre-optic network: as fibre-optics transmits data via light pulses and there is no conversion into electric pulses, electricity-intensive components such as amplifiers and converters are not necessary. End-to-end fibre-optic networks therefore need up to 15 times less energy than copper-based transmission technologies. Our expansion strategy provides for routing fibre-optic lines directly into users' flats in the future, closing the fibre-optic gap from the basement to the flat.



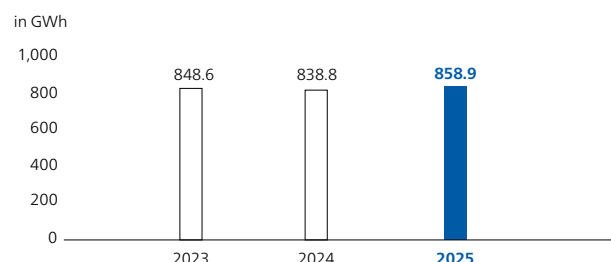
15x

less energy consumption of end-to-end fibre-optics compared to copper-based transmission technologies.

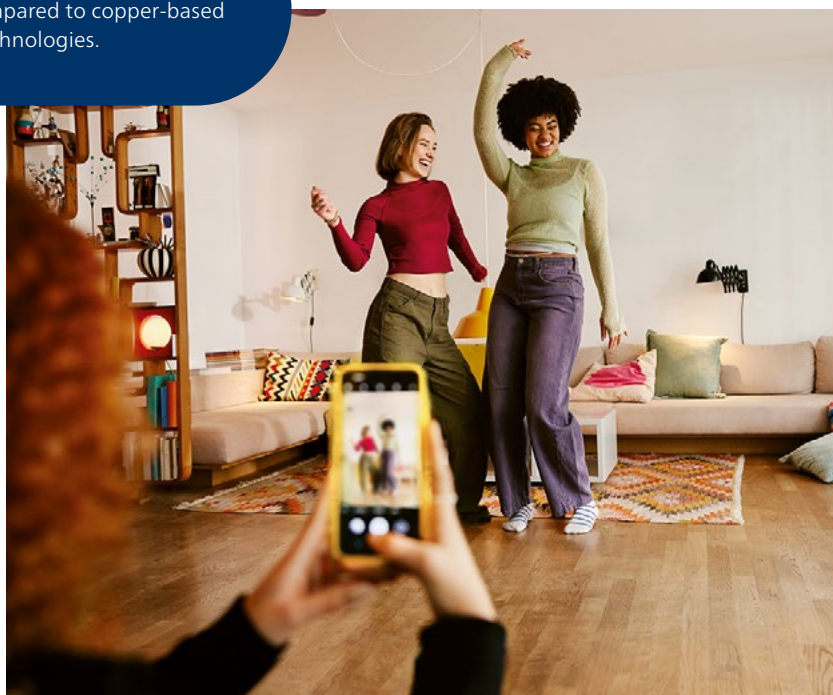
A further positive effect: when the entire city is equipped with fibre optics, conventional mobile communications roof-top antennas can be supplemented with or replaced by much smaller 5G antennas with an output of less than 10 watts, which significantly reduces radiation exposure. We are gathering initial practical experiences with such microcells and innovative Open RAN technology in a pilot project with O2/Telefónica. At particularly highly frequented sites in downtown Munich, our partner is installing 4G or 5G radio cells that are linked to the M-net fibre-optic network.

We also involve our employees in the efforts to enhance energy efficiency and reduce emissions, e.g. through intranet posts or training workshops. All employees of Stadtwerke München GmbH, SWM Versorgungs GmbH, and SWM Infrastruktur GmbH & Co. KG are required to complete a mandatory training session on the energy management system in accordance with DIN EN ISO 50001. This training session must be repeated every three years and is also open to other group companies. In addition, we offer financial incentives for energy saving ideas. All employees and external service providers of SWM can submit ideas through the established company suggestion scheme.

#### Energy consumption within the organisation<sup>1)</sup>



<sup>1)</sup> Energy consumption – electricity, heating, and cooling – (Scope 2 under the equity share approach) of the SWM core group and its major shareholdings.



#### Protection of water as a valuable resource

Munich's drinking water, which we extract in the Mangfall valley, in the Loisach valley, and in an area of moraine deposits east of Munich known as the "Schotterebene", is left in its natural state and has such a high quality that no treatment is necessary. Our "ecoFarmer" initiative, which we started in 1992, has played a key role here: in the Mangfall valley and Schotterebene catchment areas, we provide funding to farms for the conversion from conventional to organic agriculture, which conserves soil and water. This has allowed us to reliably reach our self-imposed quality target of an average of less than 10 milligrams of nitrate per litre, which is significantly stricter than the statutory limits laid down in the German Drinking Water Ordinance (TrinkwV).

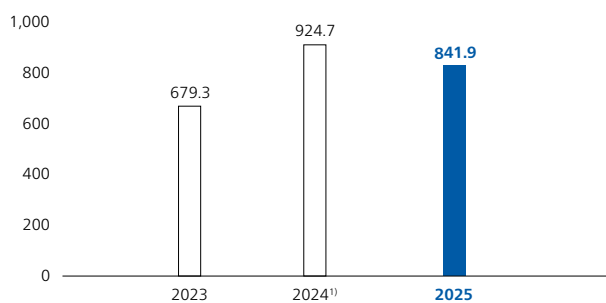
Another element ensuring high drinking water quality is our water protection forest covering more than 1,800 hectares in the Mangfall valley and the Schotterebene. This structurally rich mixed forest helps regulate the water balance and is managed by the Bavarian State Forestry Administration in accordance with the ecological guidelines of the Naturland association. Further information on our drinking water protection measures can be found on [our website](#).

Although the foothills of the Bavarian Alps have above-average annual precipitation compared to other regions in Bavaria, which is basically good news for groundwater recharge and drinking water extraction, observations in recent years indicate that there have been significant shifts in the distribution of precipitation amounts over the course of the year. Longer dry periods with little rainfall have occurred more frequently, affecting drinking water extraction. SWM is keeping an eye on these developments, relying on an extensive groundwater monitoring network in its drinking water catchment areas, the goal being sustainable management of drinking water extraction.

We moreover devote great attention to minimising pipe-induced water losses. For this purpose, we use intelligent solutions that enable us to quickly identify and repair leaks in the pipework system.

#### SWM's drinking water consumption<sup>1)</sup>

in thousands of cubic metres



<sup>1)</sup> The increased consumption from 2024 onwards is, among other things, due to refurbishing work at the public pools and changes in the master plan for the pools.



### Use of environmentally benign supplies

We also protect the environment in the use of operating supplies and building materials. One important step is the substitution of sulphur hexafluoride (SF<sub>6</sub>), an insulating gas that is harmful to the climate, with climate-neutral gases in electricity distribution systems. At the high-voltage level, we will gradually switch to climate-neutral gases in all our plants. In new plants at the medium-voltage level, we will put only SF<sub>6</sub>-free equipment into operation in the future. Existing plants will be replaced by SF<sub>6</sub>-free switchgears at the end of their service life, which usually is 40 to 50 years.

In our public pools, we have already noticeably reduced the consumption of resources and the use of environmentally problematic substances through modernisation efforts. For cleaning, we use environmentally benign procedures and cleaning agents as much as possible. In drinking water extraction, plants using ultraviolet light for disinfection help us avoid the use of chlorine gas.

### Sustainable real estate development

For our company flats, offices, and workshops, we have introduced a dedicated KPI-controlled sustainability strategy for the period until 2040, which considers new construction, the existing building stock, and neighbourhood development. All construction projects will be realised with a life-cycle-oriented and recycling-friendly approach. Renewable energy supply and PV plants are standard features, and we increasingly rely on wood construction and secondary building materials and apply the sponge city principle to achieve climate resilience. The use of CO<sub>2</sub>-reduced concrete alone allowed us to bring down the CO<sub>2</sub>e of two company-flat projects we started to build in 2025 by approximately 3,000 tonnes. Where possible, we moreover conserve the existing building stock and seek to consistently reach at least energy efficiency class D by 2040 through long-term refurbishing planning. Residential space is to be limited to 20 % below the German national average, and office space is to be limited to a maximum of ten square metres per person. All properties are designed with a high green space factor in mind and optimised for environmentally benign mobility.



Social

# Employees

For our employees, we are a reliable and socially oriented employer with a forward-looking strategy, diverse and ambitious tasks, and a value-based corporate culture. In a nutshell: an employer worth working for.

## Stadtwerke München as an attractive employer

Most of our employees<sup>1)</sup> work in Munich. Here, we compete with DAX-listed corporations, innovative medium-sized enterprises and, start-ups. Our employer branding plays a key role in the recruitment of new talent and employee retention. We invest in the expansion of our networks, e.g. with universities and the Chamber of Industry and Commerce, and strengthen our reputation through human resources marketing. Satisfaction and identification with our branding are measured regularly by renowned employer rating platforms such as Trendence and Kununu.

According to the 2025 Trendence study, we now rank among the top 5 employers in Munich and the metropolitan region. Aspects that were seen as particularly positive were meaningful tasks and social and environmental responsibility. Kununu likewise awarded us its "Top Company" label in 2025 (for the fifth time in succession). The score assigned by this employer rating platform is derived from independent ratings submitted by employees and applicants. We received special praise for the topics of "salary & benefits", "work environment", and "equal opportunity initiatives".

In addition to meaningful tasks, we offer comprehensive benefits to our employees. They include:

- ▶ Attractive remuneration and employee benefits
- ▶ Work/life balance
- ▶ Flexible work options
- ▶ A strong commitment to company-flat construction

## Human resources strategy

As a company, we are shaping the energy and heating transition and the mobility of tomorrow and are simultaneously facing challenges such as digitalisation and sociodemographic change. To successfully implement these major transformation tasks, we regularly review our strategic orientation and have also updated our human resources strategy. The strategic goals and measures contained therein are the result of a comprehensive internal and external analysis that considers economic developments, demographic trends, training needs, the group strategy, and more.



SWM is one of Munich's

# TOP 5

employers.

<sup>1)</sup> The persons covered by the term "employees" in this report do not include trainees, interns, seasonal workers, and staff members whose contracts are dormant. Information on the workforce is provided on a per-capita basis.

Five key action areas are the basis of the design and implementation of our strategic goals. Our sustainability reporting focuses on three of these action areas.

|              |                 | Focus of sustainability reporting                                                             |                                                                                                                                     |                                                                                                                                                                                                                                                                      |                                                                                         |                                                                                                                                                                                                                 |
|--------------|-----------------|-----------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Action areas | Strategic goals | Economic efficiency of the company                                                            | High-performing employees                                                                                                           | Attractive employer                                                                                                                                                                                                                                                  | Ability to change and innovate                                                          | Digital and personal HR                                                                                                                                                                                         |
|              |                 | <b>01</b><br>Flexibility in the workforce<br><b>02</b><br>HR governance for more productivity | <b>01</b><br>Internal job market<br><b>02</b><br>Promoting health & resilience<br><b>03</b><br>Strengthening employees' flexibility | <b>01</b><br>Improving the work environment of commercial/ technical employees<br><b>02</b><br>Embracing diversity<br><b>03</b><br>Internationalisation of the workforce<br><b>04</b><br>Attractive compensation & benefits<br><b>05</b><br>Strong employer branding | <b>01</b><br>Fostering a learning and feedback culture<br><b>02</b><br>AI design at SWM | <b>01</b><br>Establishment of HR excellence<br><b>02</b><br>Continuous process optimisation & digitalisation<br><b>03</b><br>Effective product portfolio<br><b>04</b><br>Drive towards bureaucracy minimisation |

With our human resources strategy, we want to make a contribution to the company's profitability and the qualification and flexibilisation of our staff. The goal is to deploy the right employees at the right place and time. In these efforts, we increasingly rely on our own staff (see the section "Training and professional development", page 30). If vacancies cannot be filled from our own rank and file, we use target-group-focused formats such as job application fairs and buses for the recruitment of drivers. We are also active internationally to recruit skilled specialists, mainly as drivers and for commercial/ technical jobs.

Since the baby boomers will go into retirement over a medium-term horizon and the shortage of skilled specialists is estimated at approximately 3.8 million throughout Germany, we will continue to position ourselves in the external labour market. For the recruitment of young talent, we regularly present our

company at vocational and university job fairs and establish contacts with students. Training programmes, dual study courses, student trainee positions, and internships open the door to a wide variety of job entry opportunities.

Inside our organisation, regular dialogue and exchange formats help us align employees' needs and their work environment. Most recently, our efforts to increase employer attractiveness have focused to a greater degree on the working conditions for commercial/ technical employees, who account for the majority of our workforce.

With our HR strategy, we moreover strengthen our sustainability strategy, especially the "Social" pillar, which includes the topics of diversity, inclusion, employee retention, and staff development. The strategy is reviewed at regular intervals.

### Total number of employees, subdivided by age and gender

|                                  | 2023         |              | 2024         |              | 2025         |              |
|----------------------------------|--------------|--------------|--------------|--------------|--------------|--------------|
|                                  | Female       | Male         | Female       | Male         | Female       | Male         |
| <b>Total number of employees</b> | <b>2,338</b> | <b>7,911</b> | <b>2,628</b> | <b>8,457</b> | <b>2,722</b> | <b>8,732</b> |
| Thereof under 30 in %            | 20.3         | 14.1         | 20.5         | 14.8         | 19.1         | 14.3         |
| Thereof 30 to 50 in %            | 51.1         | 47.9         | 52.6         | 48.8         | 54.0         | 49.7         |
| Thereof over 50 in %             | 28.6         | 37.9         | 26.8         | 36.4         | 26.9         | 35.9         |

### Employees by type of contract

|                         | 2023                              |                  |                | 2024                              |                  |                | 2025                              |                  |                |
|-------------------------|-----------------------------------|------------------|----------------|-----------------------------------|------------------|----------------|-----------------------------------|------------------|----------------|
|                         | Total<br>(number of<br>employees) | Female<br>(in %) | Male<br>(in %) | Total<br>(number of<br>employees) | Female<br>(in %) | Male<br>(in %) | Total<br>(number of<br>employees) | Female<br>(in %) | Male<br>(in %) |
| Full-time <sup>1)</sup> | 9,035                             | 18.5             | 81.5           | 9,759                             | 19.4             | 80.6           | 10,078                            | 19.6             | 80.4           |
| Part-time               | 1,214                             | 54.8             | 45.2           | 1,326                             | 55.1             | 44.9           | 1,376                             | 54.1             | 45.9           |
| Permanent               | 9,837                             | 22.2             | 77.8           | 10,580                            | 23.2             | 76.8           | 10,935                            | 23.2             | 76.8           |
| Temporary               | 412                               | 37.6             | 62.4           | 505                               | 34.7             | 65.3           | 519                               | 36.4             | 63.6           |

<sup>1)</sup> Full-time employment contracts are defined as all those providing for a number of working hours that corresponds to at least 80 % of the total number of hours per week laid down in the collective agreement.

### Diversity and equal opportunities

With employees from approximately 90 nations, our staff reflects the diversity of the city of Munich. Diversity is therefore embedded in our group strategy, our sustainability strategy, our human resources strategy, and our employer branding. For example, we signed the Diversity Charter as far back as in 2007. Our goal is to create a work environment that fosters performance and makes everybody feel appreciated and included. For this, our Diversity Management designs structures and processes that enable all employees to contribute their potential to the organisation. This is supplemented by equal opportunity officers who act as liaison for questions revolving around equal opportunities and protection against discrimination.

Our strategic approach refers to the following key diversity dimensions:

- ▶ Age and generational diversity
- ▶ Ethnic background and nationality
- ▶ Equal opportunities for all genders
- ▶ Physical and mental abilities
- ▶ Religion and worldview
- ▶ Sexual orientation and gender identity
- ▶ Social background

With targeted measures, we want to make all employees aware of these dimensions – during the onboarding process, we already present the topic of diversity and our three employee-initiated diversity communities at SWM (the women's network "Die Expertisen", the queer network "Proud@SWM", and the network for employees with health-related impairments or disabilities "Die Barrierefreien"). These communities are in close contact with our Diversity Management.





As a technologically oriented company, we are affected to a particularly strong degree by the unequal distribution of women and men in the professional context. Women's advancement is therefore a focus of our diversity activities. Our measures range from making female role models visible and participation in the Girls' Day to flexible work models that improve the balancing of private and working life. In the year under review, the percentage of female leaders increased to 20.2 % (previous year: 20.1 %). In the workforce as a whole, the share of women climbed to 23.8 % (previous year: 23.7 %).

#### Number of employees by hierarchical level

|                  | 2024   |       | 2025   |       |
|------------------|--------|-------|--------|-------|
|                  | Female | Male  | Female | Male  |
| Management Board | 2      | 3     | 2      | 3     |
| Managerial staff | 120    | 481   | 128    | 510   |
| Employees        | 2,506  | 7,973 | 2,592  | 8,219 |

In the year under review, 615 employees with physical disabilities worked at SWM (previous year: 611). To make their work environment as barrier-free as possible, we closely cooperate with the Disabilities Officer of the Works Council. In 2025, we made progress in the topic of barrier-free digital access by implementing internal guidelines. In particular, we take special care that newly developed apps are easily accessible. In addition, our employee community "Die Barrierefreien" organised initiatives and action campaigns. Among other things, they promoted closer networking among hearing-impaired employees.

In our view, diversity is also relevant to our customers, business partners, and the general public. This is why we are also committed to promoting equal opportunities and raising awareness of any form of exclusion and

intolerance outside our organisation. In 2025, we again participated in the pride parade and the pride street festival as partner of the Munich CSD (Christopher Street Day). Ahead of these events, we already put rainbow flags on our buses and trams and some of our public pools. During Pride Week itself, we hosted a Pride Pool Party and a Trans\*Inter\*Bathing Day.

#### Training and professional development

On average, at any given time some 400 young people in our organisation go through commercial or vocational/technical traineeships or dual study programmes combining academic studies with vocational training in a company setting. We are thus one of the largest workplace training organisations in Munich. Our new Training Centre, which opened in 2024, offers them a modern learning environment with state-of-the-art IT equipment, robotics workstations, VR and AR technology, and much more. We now offer 17 different vocational professions and various technical study programmes.

In 2025, 147 (previous year: 146) young people started their professional career in our organisation, of which 25 were women. A large share of our trainees was offered permanent employment after completion of their training programme. At the end of 2025, 42 dual study programme participants (28 male and 14 female) worked for us, of which 8 students (6 male and 2 female) commenced their dual studies in autumn 2025. The share of women in our dual study programme is currently 33 %.

Every year, our "Stadtwerkeprojekt", which was launched more than 30 years ago, offers professional training that comes with assistance by social education workers to at least four young adults who find it difficult to get their careers off the ground. In 2025, a total of 26 young people were supported by social education workers, and 20 of them had started traineeships organised in cooperation with SWM.

Faced with a challenging macroeconomic environment and a structural shortage of skilled specialists, we are placing greater emphasis on offering our employees professional development opportunities and primarily staff positions with internal candidates. Our Human Resources unit uses customised tools to support flexibility and performance capabilities in our workforce. The focus is on qualitative staff planning, which was gradually rolled out in the SWM Group in 2025. This approach clarifies the future requirements in the business segments and supports clearly targeted employee development. For this purpose, leaders and employees agree on concrete measures such as training sessions in their annual staff appraisal discussions. Via the newly created internal labour market, development paths can also be implemented across divisions. Since its launch, we have been able to significantly increase our internal staffing ratio. At the same time, these measures have increased employee retention.

Our development programme comprises leadership, technical, and methodological training, development counselling as well as coaching and training workshops to strengthen personal and social competencies. The focus is on theory-to-practice transfer and fostering lifelong learning. At the same time, we strengthen networking through forums, events or learning workshops. In the year under review, our employees attended a total of 13,684 professional development days (previous year: 16,345 days).

The concept of “Excellent Leadership” describes what we expect of our leaders and is the foundation of our development offers. In addition to technical and methodological content, the focus is on reflexion, feedback, and lifelong learning. For employees who have been newly appointed to their first leadership role, we offer our Management Development Programme (MEP). In the 2025 reporting year, our managers completed a total of 2,596 professional development days (previous year: 3,360 days). In addition, we offer two high-potential programmes for our young talent.

#### Number of different seminars by type of training and number of participants

|                             | 2024                                     |                         | 2025                                     |                         |
|-----------------------------|------------------------------------------|-------------------------|------------------------------------------|-------------------------|
|                             | Number of seminars<br>(type of training) | Participants<br>(heads) | Number of seminars<br>(type of training) | Participants<br>(heads) |
| In-person training sessions | 206                                      | 7,070                   | 256                                      | 6,499                   |
| Virtual training sessions   | 107                                      | 2,476                   | 80                                       | 2,214                   |
| e-learning modules          | 122                                      | 56,765                  | 243                                      | 72,071                  |
| <b>Total</b>                | <b>435</b>                               | <b>66,311</b>           | <b>579</b>                               | <b>80,784</b>           |



We host our training workshops at the newly created SWM Academy, which is interconnected with the new SWM Training Centre. The training programme was refined in 2025, especially in the area of skills for the future as the demand for topics such as AI use, learning strategies in complex times, resilience training and transformational leadership has increased particularly strongly. Demand for training workshops from our open educational programme went up by 6 % in 2025 and has now reached 11,100 participant days.

In addition, we support business units in their efforts to create their own e-learning modules by offering a user-generated content process. Business units can make these e-learning modules available to a specific group of participants.



### Employee involvement and participation

Our intranet is a central platform for providing relevant information to employees across sites and divisions. Its use has reached a high level: 87 % of all employees access it once a month, 74 % use it weekly and 37 % daily. Intranet use among drivers – a target group that is generally harder to reach as they do not have access to desktop computers – has seen a particularly positive development. 85 % of our drivers have now downloaded the intranet app onto their private smartphones. This corresponds to a year-on-year increase of 22 %.

We encourage all our employees to play an active role in the improvement of their own work environment. Our idea management programme allows them to suggest improvements for processes and procedures. Following an internal evaluation process, some of these ideas are selected for financial rewards. In 2025, 93 out of a total of 367 ideas submitted were realised. They resulted in an economic benefit of EUR 2.4 million (previous year: EUR 1.6 million).

Beyond traditional idea management, we also motivate our employees to help shape innovation and change processes. An employee community focusing on innovation and sustainability was established under the name of “PulsMacher” (pulse makers). Its aim is to support employees in the development of process improvements via a network for colleagues and enhance their methodological skills.

To ensure that our offerings consider our employees’ needs, we conduct employee surveys on various topics every four years. Aspects covered by these surveys include sustainability, health, leadership, and corporate culture. After 2024, the next major employee survey will take place in 2028. For 2026, an interim survey known as “Pulse Check” is being prepared which will provide insights into employees’ sentiment on individual current topics.

In addition to their annual one-on-ones, employees can regularly give their managers anonymous feedback. The results are discussed in a joint workshop and specific agreements are made. As an alternative to such “single-track” feedback in the direction of managers, 360° feedback exercises are also possible. In addition, various colleagues are available as contacts to address specific topics, e.g. the Equal Opportunities Officers for all questions revolving around diversity.

### Hires and exits

|                                    | 2023         |            | 2024         |            | 2025       |            |
|------------------------------------|--------------|------------|--------------|------------|------------|------------|
|                                    | Hires        | Exits      | Hires        | Exits      | Hires      | Exits      |
| <b>Total (number of employees)</b> | <b>1,048</b> | <b>534</b> | <b>1,327</b> | <b>559</b> | <b>935</b> | <b>625</b> |
| Female                             | 298          | 114        | 382          | 111        | 204        | 142        |
| Male                               | 750          | 420        | 944          | 448        | 731        | 483        |
| Below 30                           | 299          | 104        | 391          | 139        | 258        | 126        |
| Between 30 and 50                  | 624          | 207        | 763          | 212        | 525        | 261        |
| Above 50                           | 125          | 223        | 173          | 208        | 152        | 238        |
| Thereof retirement                 | –            | 157        | –            | 126        | –          | 130        |

The average employee tenure is approximately 12 years. At 2.4 % of total staff, the share of employees handing in their own resignations was slightly higher in 2025 than in the previous year (2.3 %). Employee turnover also increased somewhat in the year under review and came to 5.7 % (previous year: 5.4 %). In addition, we welcomed a total of 935 new employees in 2025 (previous year: 1,327).

### Balancing private and working life

Enabling our employees to balance their professional career with their private life is very important to us. We therefore offer a variety of working time models and time accounts, enable personalised work and deployment scheduling, promote mobile and remote working, and support our employees in finding childcare options. In addition to parent/child offices and a crèche with space for 36 children, we hand out 15 grant vouchers each for enrolment in municipal day-care centres for pre-schoolers and after-school care facilities. In cooperation with the "awo lifebalance" organisation, we moreover offer counselling regarding regular day-care options, offers for leisure activities, and the search for au pairs.

We want to support and assist employees with children in the best possible way by offering exchange forums and events on how to balance work and family. An information event on the topic of parental leave and parental benefits is specifically geared to raising all colleagues' awareness of their options. After all, it is still primarily woman who account for the majority of parental leaves. Accordingly, we encourage all our employees to practice more gender equality in this respect.

### Use of parental leave by gender

| in %                      | 2023 | 2024 | 2025 |
|---------------------------|------|------|------|
| Total number of employees | 4.4  | 5.1  | 4.5  |
| Female                    | 7.6  | 7.8  | 7.6  |
| Male                      | 3.5  | 3.6  | 3.5  |

The percentages refer to the share of the respective group taking parental leave in the year cited relative to the total number of employees in this group.

For care-giving relatives, our partner, the Amiravita online care portal, offers counselling by phone and organises an annual online information event on various care topics.

### Remuneration and financial benefits

In 2025, collective work agreements covered 91.5 % of our employees (previous year: 91.3 %). As a Group committed to such agreements, we are subject to the collective agreements that fit the respective framework conditions of our various business segments: TV-V (utilities) and TV-N (local public transport). In addition, we have a bonus system for both employees covered and not covered by collective agreements, which gives them a share in the company's profit. In this system, we use the jointly achieved result as our yardstick. Part-time employees receive the same additional remuneration, fringe benefits, etc., as their full-time colleagues, with the relevant percentage being prorated based on their part-time factor.

In addition, we offer various financial benefits, especially for pension schemes. For example, all permanent employees have access to employer-supported pension schemes such as company pensions or direct insurance policies. Furthermore, employees have the option to take additional vacation days against a pay reduction. We also offer our employees additional benefits such as gym membership cooperations or discounted electricity or gas supply.

Our remuneration packages also include mobility benefits. Through our cooperation with the JobRad bike-leasing company, our employees can lease a bike or pedelec. For our trainees and dual-study students, we fund the full price of the "Bayerische Ermässigungsticket" (a discounted version of the "Deutschlandticket" flat-rate public transport monthly subscription model for university students, trainees, and participants of voluntary work programmes). All other students receive a ticket price allowance corresponding to 50 % of the price of the most favourably priced monthly ticket, and all other employees receive a 25 % allowance for the Deutschlandticket Job, a version of this subscription model that has been designed specifically for companies and their employees.



Ca.

1,400

company flats are  
available at present.



For employees in the lower pay brackets, we open up some additional financial leeway by paying a dedicated Munich allowance. This supplementary payment ranges between EUR 180 and EUR 270 a month, depending on the specific pay bracket. These amounts are offset against the collective-bargaining bonuses.

Another unique feature of SWM is our company flat programme, with which we help create affordable housing in the city: approximately 1,400 company flats are available at present. In 2025, the ground was broken for an additional 249 company flats and the SWM Health Centre for occupational health services. In early 2026, construction of a further 212 flats started. Furthermore, we have raised our previous goal of reaching 3,000 flats by 2030 to 4,000 flats by 2040. They will mostly be company flats for SWM employees, but a small share of this offer is also to benefit employees of other municipal companies and further organisations.

### Occupational health and safety

Our employees' health and safety are of paramount importance for us – and relevant to our success. We invest in strengthening their health through preventive measures. Our top priority is to preserve our employees' physical and mental health and prevent (work) accidents.

The Management Board has the overall responsibility for occupational health and safety. In many areas, it has delegated this responsibility to subordinate executives. In each organisational unit, responsibility for occupational health and safety within the framework of operational activities has been assigned to the top-ranking executive but may also be delegated to lower levels and functions. All our directors are counselled by dedicated occupational safety specialists.

The regulatory framework for occupational health and safety issued by the German government and the corresponding rules and regulations of the German Social Accident Insurance (Deutsche Gesetzliche Unfallversicherung – DGUV) only define the minimum requirements. In some technical organisational units, we have additionally introduced the technical safety management framework of the utilities sector or ISO 45001. Alongside the Occupational Safety Committee (OSC), SWM has also established further contact points for employees who have questions about occupational health and safety: the Occupational Safety and Occupational Health staff units and the safety officers in the respective organisational units. The latter present safety-relevant issues to the Chief Safety Officers or the OSC. The OSC meetings of the respective senior organisational unit usually take place quarterly.

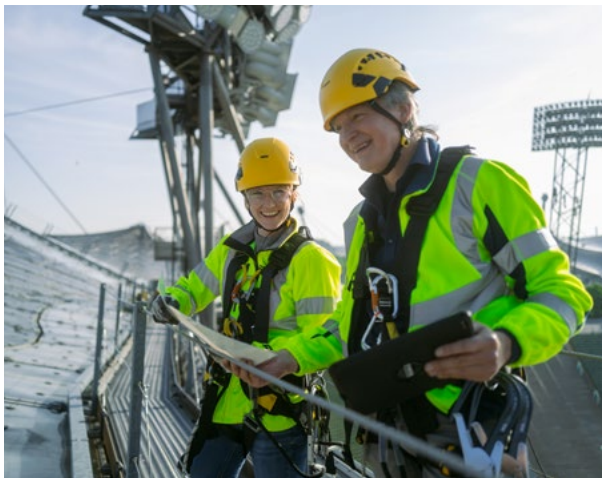
Risk assessment is the basis for identifying and implementing requisite measures. Only when the necessary safety measures have been taken may the manager give the green light for an activity, permit the use of tools or equipment, or release a hazardous substance for use. For special dangers to life and limb or the environment, the organisational units responsible draw up specific emergency preparedness plans and communicate them to the employees.

### Safety instructions and training

The executives heading the individual organisational units have prepared their own instruction schedules for their respective area of responsibility. These schedules show the topics in which employees must be instructed and the intervals required for such instructions. These safety instructions are usually presented in face-to-face training sessions or on site by the competent managers or by the work supervisors immediately before the work in question is carried out. Since the Covid pandemic, we have also used virtual formats. Managers are aided in this task by approximately 100 e-learning modules on the topic of occupational safety. These modules are allocated directly to the respective employees and tracked via the Learning Management System.

In addition, our training programme offers a comprehensive range of safety training courses: a total of 744 participants were trained in 70 courses in 2025 (previous year: 52 courses with 539 participants), ranging from fire protection assistance to occupational safety for managers. Most occupational safety trainings take place on site, where they can specifically be geared to the prevailing circumstances and necessary requirements.

If an accident happens despite all precautionary measures, it is reported and analysed centrally based on a specific flow chart. Subsequently, measures are implemented to prevent comparable accidents: retrofitting of technical protection systems, updating of risk assessments, or additional event-driven staff instructions.



### Accident statistics for the core Group, excluding Mobility and MVG

| Work accidents                        | 2023      | 2024      | 2025      |
|---------------------------------------|-----------|-----------|-----------|
| <b>Total</b>                          | <b>75</b> | <b>64</b> | <b>84</b> |
| Subject to reporting obligations      | 56        | 42        | 65        |
| Fatal                                 | 0         | 0         | 0         |
| Subsequent absence days               | 1,808     | 1,587     | 1,655     |
| Accident frequency in % <sup>1)</sup> | 1.22      | 1.01      | 1.30      |

| Commuting accidents                   | 2023      | 2024      | 2025      |
|---------------------------------------|-----------|-----------|-----------|
| <b>Total</b>                          | <b>30</b> | <b>28</b> | <b>38</b> |
| Subject to reporting obligations      | 20        | 22        | 26        |
| Fatal                                 | 0         | 0         | 0         |
| Subsequent absence days               | 724       | 576       | 872       |
| Accident frequency in % <sup>1)</sup> | 0.49      | 0.44      | 0.59      |

<sup>1)</sup> Both accidents subject and not subject to reporting obligations are included in the accident frequency calculation. In the Sustainability Reports of previous years, only accidents subject to reporting obligations were considered in the accident frequency calculation of the core group (excluding Mobility and MVG). This has been adjusted in this report, also retroactively for 2023 and 2024.

### Accident statistics for Mobility and MVG

| Work accidents                   | 2023       | 2024       | 2025       |
|----------------------------------|------------|------------|------------|
| <b>Total</b>                     | <b>253</b> | <b>368</b> | <b>319</b> |
| Subject to reporting obligations | 179        | 212        | 180        |
| Fatal                            | 0          | 0          | 0          |
| Subsequent absence days          | 8,396      | 10,150     | 10,539     |
| Accident frequency in %          | 5.41       | 7.30       | 6.03       |

| Commuting accidents              | 2023      | 2024      | 2025      |
|----------------------------------|-----------|-----------|-----------|
| <b>Total</b>                     | <b>55</b> | <b>60</b> | <b>53</b> |
| Subject to reporting obligations | 38        | 41        | 32        |
| Fatal                            | 0         | 0         | 1         |
| Subsequent absence days          | 981       | 1,442     | 1,465     |
| Accident frequency in %          | 1.18      | 1.19      | 1.00      |

### Health protection: focus on prevention

Our Occupational Health unit is responsible for the protection and promotion of employees' health and counselling SWM across all segments in such issues. It is not subject to any instructions and headed by the Chief Medical Officer, who reports directly to the Management Board.

Occupational Health is responsible for statutory occupational health services and tasks stipulated by occupational health and safety legislation. They include medical assessment of driving fitness and traffic medical care for

employees – especially drivers – and the assessment of their deployment options. In addition, Occupational Health is involved in the assessment of working conditions and the preparation and updating of risk assessments. A further focus area is the execution and support of occupational integration management (OIM) with structured dialogues, personalised measure planning, and interdisciplinary alignment. This is supplemented by counselling and support in the event of personal injuries and in unusual special situations.

The Corporate Health Management unit offers a broad range of workplace health promotion services, e.g. the "SWM aktiv" corporate sports programme, and operates our in-house gym. In the area of mental health, the focus is on individual and collective psychosocial counselling and an additional support policy for the Mobility business segment, in some instances in cooperation with external trauma therapists. Integration Management and Rehabilitation supports the company in the execution of occupational integration management pursuant to Section 167 of the German Social Code IX (Sozialgesetzbuch – SGB).

To develop and implement preventive measures, there is close cooperation between the senior management and the occupational safety representatives in the individual business segments. This helps identify reasons for new investigations, such as asbestos exposure precautions, and implement such projects as timely as possible.

Employees and managers attend trainings that raise their awareness of physical and mental health risks at the workplace. In addition, they receive targeted support in the realisation and evaluation of the risk assessment of psychological stresses. To ensure the high quality of our health services in the long term, the employees in the Occupational Health unit are continuously given opportunities to attend professional development workshops and qualification courses.





## Essential services and product responsibility

From energy and drinking water supply to eco-friendly city mobility, fast Internet, and recreational offerings such as Munich's public pools: our services are an essential basis for everyday life. As a utility providing essential public services, it is our unique responsibility to offer all citizens affordable services for basic needs and ensure reliable availability of our services. In these efforts, we place great emphasis on transparency and the provision of product quality information.

### Energy and water for a liveable city

The essential public services we provide to the City of Munich include the energy and drinking water supply for the city and some parts of the metropolitan region. This means that we provide what is known as "critical services" necessary for society to function.

The responsibility for the supply reliability of electricity, gas, water, district heating, and district cooling grids is assigned to the management team of the SWM Infrastruktur GmbH & Co. KG grid operator. The technical manager responsible for water extraction reports to SWM's Director, Technology.

Our goal is to consistently safeguard essential services in all divisions, i.e. with as few outage occurrences as possible. This is why we protect our critical infrastructures against any physical and digital attacks, e.g.

through strict access management, video surveillance, redundant design of essential building services, and isolated networks. For institutions requiring particular protection, e.g. nursing homes and hospitals, we have made and agreed suitable arrangements and plans. In addition, we have drawn up high-level policies for the prevention of and response to crisis situations, including a Group policy on general principles, and rules of procedures for the Technology division on additional systematic structures as well as emergency and crisis manuals.

Since we are a "KRITIS" company – an operator of critical infrastructures that provides important, and in some cases even vital, essential services for the citizens of Munich – crisis management including preparation for a worst-case scenario is a key element of our corporate identity. A crisis is defined as a situation in which significant corporate values, such as a reliable supply to our customers, and core processes are at risk and the incident and emergency management procedures established in our day-to-day business do not fully suffice to adequately address these hazards. At SWM, crisis management is decentralised across the divisions and business segments in order to achieve clearly targeted alignment with the different areas of activities and challenges. Some of our business segments that operate critical infrastructures (energy generation, energy distribution, water extraction and distribution) have their own dedicated crisis management, which is audited and certified.

## Reliable energy supply

Energy is one of our core business segments. We supply electricity, natural gas, district heating, and district cooling to our customers. We focus on providing a secure, affordable, consumer-friendly, resource-saving, and efficient energy supply. In the Energy segment, we differentiate between residential, commercial, and business customers. Within the business customer segment, the housing sector is of special significance, as it is the key target group of our district heating supply.

### Energy supply to final/end consumers (in GWh)

| in GWh                    | 2023            | 2024          | 2025            |
|---------------------------|-----------------|---------------|-----------------|
| Gas                       | 13,634.5        | 16,529.6      | 18,365.2        |
| Electricity               | 6,536.9         | 6,509.5       | 6,553.2         |
| District heating          | 4,050.3         | 3,937.3       | 4,263.5         |
| District cooling          | 63.6            | 62.6          | 62.3            |
| <b>Total<sup>1)</sup></b> | <b>24,285.3</b> | <b>27,039</b> | <b>29,244.2</b> |

<sup>1)</sup> Sums may differ due to rounding differences.

Our goal is to ensure high customer satisfaction and loyalty. The aftereffects of the frequent price fluctuations in recent years – mainly caused by the repercussions of Russia's war of aggression on energy prices – and of the implementation of the complex energy price caps continued to place slight burdens on customer satisfaction in 2025. Nevertheless, there is a noticeable upward trend in our image and customer satisfaction. We were able to maintain our leading position in the Munich market and continue to have an extraordinarily high market share.

Despite the challenges, independent surveys confirmed our good reputation and our customers' high level of satisfaction in the year under review. For example, FOCUS MONEY magazine again recognised us as fairest electricity supplier and fairest gas supplier. In addition, we received the "2026 German Service Quality Price" from the German Institute for Service Quality and the ntv news network. The "Top Lokalversorger 2026" quality

hallmark assigned to local electricity and gas utility companies by the Energy Consumer Portal for Electricity and Gas bears testimony to our good value for money as well as our regional commitment, our environmental management, and our service quality. Similarly, our own market research results showed a slight improvement in major image and customer retention indicators in late 2025. We are making committed efforts to further improve these trust and competence scores.

**When it comes to the topic of energy, three aspects are of particular importance to us – they are known as the magic triangle of the energy sector:**

### 1. Supply reliability

Munich's energy supply is extremely reliable; we have had one of the lowest outage rates in Germany for years. Our customers benefit from a strong infrastructure, our M-Sicherheitsservice security service, and established processes. The expansion of renewable energies will strengthen resilience in the long term as it reduces our dependence on fossil energies. To generate energy as cost-efficiently and environmentally friendly as possible and diversify our raw material sources, we use a wide variety of technologies for electricity and heat generation in our own plants. At the same time, we secure key resources such as plots of land for biogenic materials, mining rights for geothermal energy, and storage facilities in order to enhance our independence of the international energy markets.

### 2. Environmental suitability

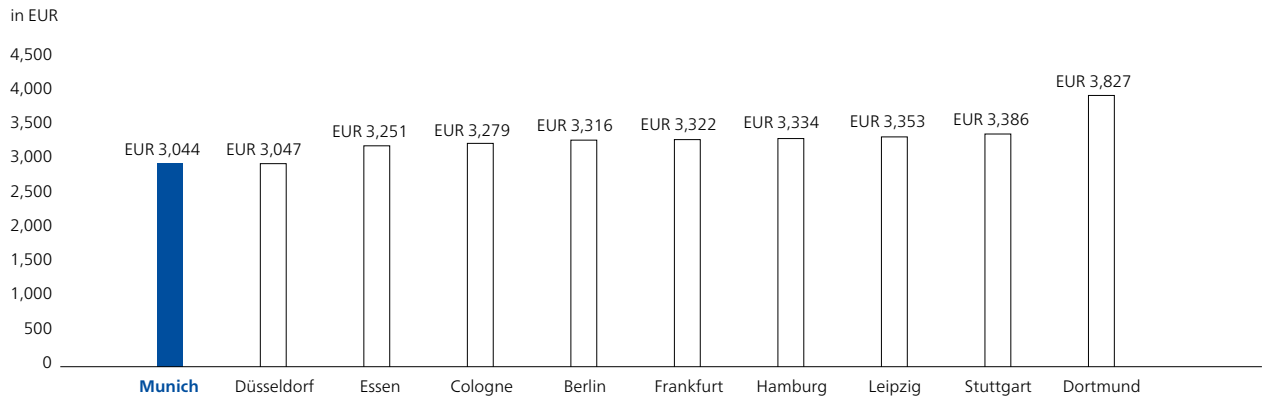
We are increasingly relying on regenerative energies and, as a basic principle, take care to ensure economical, efficient, and environmentally benign use of energy and resources. Our energy offerings are becoming more and more sustainable and are thus making an increasing contribution to the achievement of the EU's ambitious targets for the decarbonisation of the electricity and heating supply. The origin of our green electricity products from renewable energies is guaranteed through certificates of origin; in addition, they have been awarded the TÜV SÜD eco certificate. On a nation-wide level, approximately one fourth of our residential and business customers have already opted in favour of various green electricity products.

### 3. Cost efficiency

We want to offer fair value for money when it comes to the costs for electricity, natural gas, and drinking water. Compared to other large German cities, the total costs of all three essential service categories are affordable.



## Large city price comparison: total costs of electricity, gas, and drinking water



The comparison is based on the essential service tariffs/general prices of the respective provider of essential public services based on an average household's annual consumption of electricity (2,500 kilowatt-hours), gas (15,000 kilowatt-hours), and water (96 cubic metres) (in a 10-family dwelling; meter: Qn6). The total costs of the annual consumption in an average household are compared in all of the above categories (source for electricity and gas prices: data base of ene't GmbH; source for drinking water prices: the tariffs published on the respective websites of the companies). As of 1 February 2026.

Detailed information on the composition of the electricity price, state levies and taxes, price-relevant regulations, as well as the currently applicable prices is available for inspection at all times on our website, where we also explain the structure of our bills and the calculation of the advance instalments.



## Individual energy solutions

Changes in the energy and transport sectors, digitalisation and interconnected networks, and the desire for sustainable and local production processes expressed by many customers open up numerous opportunities for new business models for us. We have therefore expanded our offerings in the last few years: with decentralised energy solutions, we would like to give people access to ways in which they themselves can actively support the energy transition.

With M-Solar Plus, we offer photovoltaic solutions for single-family homes, covering all stages from counselling and planning to assembly to commissioning and service. An electricity storage device and a wall-mounted EV home charging station for charging electric cars can be added to the package. By 2025, we had sold approximately 2,500 PV plants. They generate approximately 25 million kilowatt-hours of solar energy per annum in Munich and the surrounding region (previous year: 20 million kilowatt-hours). This corresponds to the consumption of more than 7,500 households.

In early 2026, we added the M-Energiepilot app to our range of offerings. This home energy management system connects the PV plant, battery storage system, and large consumer units such as heat pumps or electric cars to create an intelligent energy system. This allows app users to increase their own consumption share and lower their electricity costs.

With our tenant-gear M-Mieterstrom product, we also offer people living in apartment buildings an opportunity to benefit from reasonably priced solar power generated on their own roofs. We lease roof space, on which we install solar plants (contracting model). Residents can directly use the electricity generated, and any excess electricity is fed into the grid. When the sun does not shine, we supply green electricity. In addition to the contracting model, we also lease installed solar plants from building owners in selective cases to be able to also offer the M-Mieterstrom tariff to the residents of those buildings.

Our M-Ladelösung is a charging-as-a-service approach for charging electric vehicles with green electricity – for both commercial and residential customers. Our all-in package can be used flexibly, from individual parking spaces in multi-family buildings to comprehensive solutions for companies and the real estate industry. One of the services we provide in this context is dynamic load management, which prevents overloading and safeguards the use of existing house connections without upgrading. What is more, charging stations can now also be offered for sharing. In the further expansion of our charging infrastructure, we are increasingly focusing on fast-charging technology.

For the heating transition, we have expanded our portfolio to include heat pumps for self-sufficient supply. Our offers are geared to owners of single-family homes, duplexes, terraced houses, and small apartment buildings.

### Water: the most important resource for all life

We regard access to drinking water as a fundamental right. At present, we are covering the water needs of approximately 1.6 million people. Three water catchment areas supply the city of Munich: the Mangfall valley (75 %), the Loisach valley (15 %), and, to cover demand peaks, an area of moraine deposits east of Munich known as the "Schotterebene" (10 %).

Every litre comes to our customers fresh from the source; we do not add any treatment substances to Munich's drinking water. Our M-Wasser thus satisfies top quality standards and boasts analytical results that are significantly below the strict limits permissible under the German Drinking Water Ordinance (TrinkwV).

The quality of M-Wasser is regularly tested all along the supply chain. We analyse more than 1,200 samples a month. To protect Munich's drinking water for the future



and sustainably safeguard its high quality, we encourage organic farming in the catchment areas and make sure that soil and water are protected in the cultivation of the areas in the vicinity of our extraction plants. In addition, we invest in our extraction plants, overhead reservoirs, and pipework system.

Extreme weather events such as torrential rainfall or flooding may impact the water quality in the catchment areas. Even in such difficult situations, two plants using ultraviolet light guarantee impeccable drinking water. UV light has a much broader spectrum of effectiveness than chlorine; in addition, the use of this method avoids the formation of organochlorinated by-products. This purely physical process ensures secure and reliable drinking water disinfection.

### Water extraction

| in million cubic metres                       | 2023  | 2024  | 2025          |
|-----------------------------------------------|-------|-------|---------------|
| Pipework system/<br>drinking water inflow     | 112.2 | 115.2 | 115.0         |
| Pipework system/<br>drinking water<br>outflow | 96.5  | 98.3  | <sup>1)</sup> |
| Thereof supply to<br>customers                | 93.9  | 95.5  | <sup>1)</sup> |
| Water loss<br>(3-year average) <sup>2)</sup>  | 0.4   | 0.4   | <sup>1)</sup> |

<sup>1)</sup> At the time of writing, the 2025 figures were not yet available because the volume supplied to customers is recorded on a rolling monthly basis until the end of 2026.

<sup>2)</sup> Loss calculation based on 3-year averages. This indicator has been calculated in cubic metres/(h x km) based on the guidelines issued by the German Technical and Scientific Association for Gas and Water (DVGW). The reported water losses are based on the requirements of the applicable standard, DVGW W 392. This loss score indicates the technical water losses between the inflow into the pipework system and building water meters.

## Mobile in Munich

Via our MVG subsidiary – one of Germany's largest municipal transport companies – we are responsible for most of the public mobility in Munich. We offer our passengers state-of-the-art and low-emission vehicles, highly qualified employees, and extensive information and services. In addition to the traditional local public transport system with underground, tram, and bus service, we also provide the MVGO app that offers our passengers individually usable mobility services such as bicycles, e-scooters, and carsharing as well as digital passenger information and electronic ticketing.

To continuously gear our services to our passengers' needs, we conduct an MVG customer satisfaction survey every year. In 2025, this confirmed the continued high importance of reliability and punctuality, with 83 % of passengers being (very) satisfied. A short walk to stops is also highly important. The density of the route network was rated positively by 94 %. The subjective sense of safety when using public transit is high: 84 % of passengers are (very) satisfied with it at night. For 94 % of passengers, customer-oriented behavior on the part of staff is (very) important. About nine out of ten passengers are (very) satisfied with this. The environmental friendliness of MVG's vehicles also remains a key factor: 78 % rated this as (very) important, and of those, 96 % are (very) satisfied.

For tomorrow's local public transport, we also rely on automation, especially autonomous buses. They can help provide extended services without incurring additional expenses. Together with Berlin's BVG and Hamburger Hochbahn, we want to put up to 2,000 autonomous public transport vehicles into operation by 2035. On our way to this goal, we tested small electric buses in Munich's scheduled operation in 2025. Over time, these buses could be suitable for driverless operation. In addition, the use of an autonomous midibus was tested – initially on SWM company premises. In the MINGA research project, we – together with 16 partners – are moreover testing an autonomous on-demand ride-pooling service, bus platooning, and automated solo buses in scheduled operation.

### Modernisation and expansion

To ensure safe and reliable operation of the local public transport system, we are investing in a future-ready infrastructure and continue to expand our network and service offers in accordance with the prevailing financial framework conditions. Our work focuses on numerous refurbishing and modernisation measures in the underground and tram systems. We bank on synergies and efficiencies to minimise disruptions for our passengers as much as possible.

Within the framework of our fundamental overhaul programme for the Munich underground system, we refurbished a structure at the Karlsplatz (Stachus) station in 2025. Simultaneously, the above-ground tram tracks of the 19, 21, 27, and 28 tram lines were replaced. There were also more than 70 refurbishing and modernisation measures in the southern section of the U3 and U6 underground lines at stops and in tunnel sections. In addition, we repaired the walls behind the tracks at six underground stops and equipped numerous underground stations with a new guiding system for the blind. We also successfully completed a large point replacement project in the area of the Fröttmaning underground station. Furthermore, elevators and escalators are exchanged on an ongoing basis.



621

million passengers  
used MVG in 2025 –  
a record.

Where possible, we are also expanding our tram and underground lines, creating new routes and reducing congestion on existing routes. The U6 extension to Martinsried and the U5 extension to Pasing, which we will operate in the future, are already under construction. The U9 line is in the planning stage. In the tram system, the commencement of operation of the extension of the 12 tram line in early 2025 was the first step towards a continuous cross connection between the northern and western parts of the city. For the Munich North tram route, which will be the link to the new Neufreimann neighbourhood, ground was broken for the first construction phase in 2025. More information on our modernisation and new construction projects can be found on [our website](#).

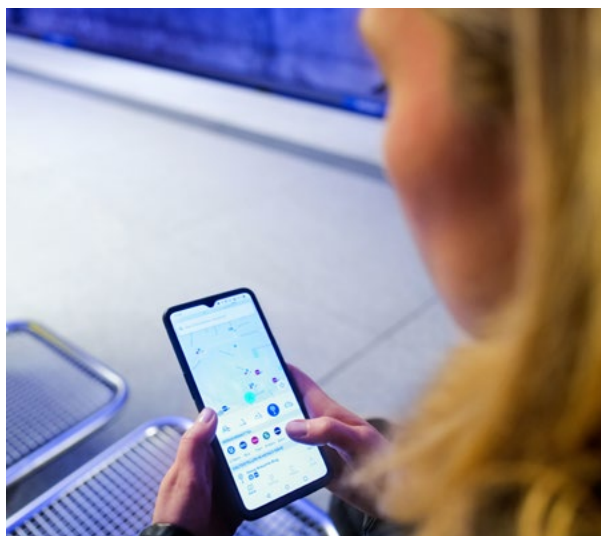
Through deployment of new vehicles with larger capacities, we also want to offer more space and comfort to our passengers. In particular, they include the state-of-the-art C2 articulated underground trains and the new Avenio trams. On highly frequented routes, some of the latter are operated in combinations of two and three tram cars. Since the start of 2025, our night bus and tram service has been supplemented by night underground trains running on public holidays and weekends.

### Digitalisation and service

We also rely on digital solutions to make mobility in Munich easier to access. Our MVGO app records approximately one million active users. It combines local public transport and individual sharing offers such as regular and electric bikes and e-scooters in Munich and the surrounding region. In addition, users can buy HandyTicket (mobile tickets) in the app, search for connection information, see current disruption reports, live departure times, taxi rank locations, public SWM charging stations for electric cars, and much more. The app is continuously developed further, with new features being added. More information on MVGO can be found on [our website](#).

Online booking of appointments at MVG Customer Centres has been available to passengers preferring in-person counselling since November 2025, allowing them to avoid waiting times.

Our HandyParken München app is another service we offer. It serves as digital parking ticket and moreover offers real-time information on roadwork, local public transport and sharing offers, charging stations, and park & ride facilities. In 2025, its user numbers reached a record of more than one million. About 60 % of all parking tickets in Munich are bought via this app.



### We also create digital networks for Munich

The continuing digitalisation as well as electricity and CO<sub>2</sub> savings make fibre optics indispensable for the Munich of tomorrow. Together with our M-net subsidiary, we have been rolling out the fibre-optic network in Munich since 2010. Approximately 70 % of Munich's households are already benefitting from our powerful fibre-optic network, and we are connecting additional areas. At present, approximately 650,000 private households and commercial businesses in Munich have access to high-speed Internet solutions based on our fibre-optic network.

In our network expansion, we are now placing increasing emphasis on fibre-to-the-home (FTTH). Compared to fibre-to-the-building (FTTB), FTTH provides the highest bandwidths in each individual flat. In this process, we are installing what are known as "service junction boxes" in the basements of the buildings for the connection of smart-meter gateways. These boxes can send data digitally to the meter operator. PV plants and other technical installations that need a communication port can also be connected to these boxes.

Some

70 %

of Munich's households have been linked to **fibre optics** in their basements.

In September 2025, we opened our high-performance fibre-optic network to Deutsche Telekom via a cooperation agreement. There are several reasons why open access is a sustainable strategy. First, it avoids the expensive – and unnecessary – construction of parallel infrastructures in addition to existing fibre-optic networks. Second, use by several providers leads to better utilisation of the capacities offered by fibre-optic technology. And third, the cost-intensive further expansion of the network can reasonably focus on areas that have not yet been hooked up.

Furthermore, the City of Munich has commissioned us and M-net to set up free WLAN (WiFi) hot spots throughout the city. At present, M-WLAN is offered at approximately 800 locations with some 19,100 access points (hot spots). We thus cover some 150 public

squares and more than 650 public buildings, schools, etc. Further hot spots have been and will be installed in cooperations, e.g. with municipal hospitals and MÜNCHENSTIFT, an organisation that provides care and age-friendly accommodation for the elderly. In 2025, we recorded almost 31 million M-WLAN logins.

Our M-Login single sign-on now has more than 3 million accounts. Via their M-Login access data, users can securely and conveniently access various web and app offers provided by many service partners from the areas of mobility, supply, leisure, and culture. Users manage their personal data in a time-saving manner at a single location: their M-Login account. A payment function for SEPA (Single Euro Payments Area) direct debits and credit card options moreover allows users to handle payments quickly.

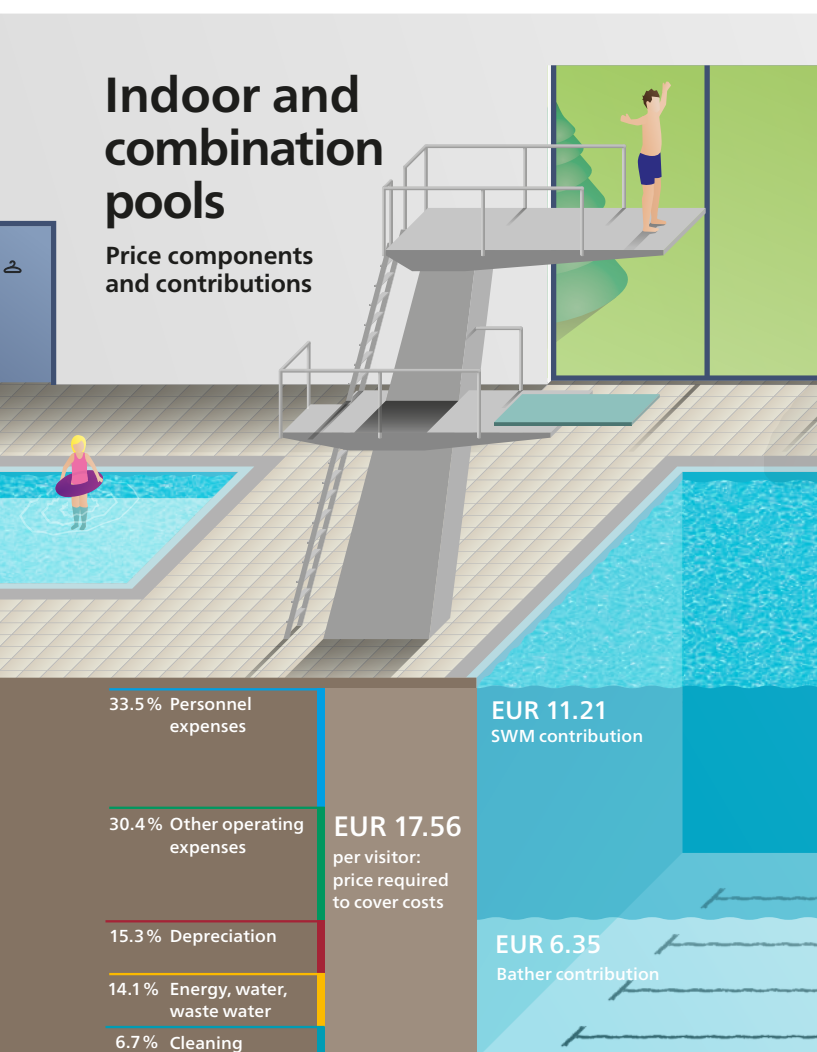
## Munich as a city of swimming pools

Munich's public pools are good for people's wellbeing. The municipal essential public services comprise 17 modern indoor and outdoor pools, eight attractive sauna facilities, the Prinzregenten ice rink, and two fitness centres. These facilities enable many people to exercise, relax, and spend time with family and friends at acceptable prices. What is more, a large number of children learn to swim in our classes every year. To ensure smooth operation, we refurbish and upgrade the Munich public pool infrastructure continuously to the necessary extent.

### A BARRIER-FREE NATURAL POOL

After comprehensive energetic refurbishment, we reopened the Georgenschweige outdoor pool in 2025 as a chlorine-free natural pool. A dedicated photovoltaic plant generates electricity for the circulation pumps and a heat pump and keeps the water temperature in the pool at a constant 22°C. Water treatment is handled naturally by large ground filters. In addition, the pool has a completely barrier-free design.

Our public pool operation is cost-efficient, but not profit-oriented. Financial losses incurred in this business segment are borne by Stadtwerke München Group.



## Innovative technologies and research projects

To optimise our portfolio and make our workflows more efficient, we are also driving SWM's digital transformation forward. Internally developed AI models and machine-learning procedures, for instance, make precise passenger number forecasts possible. This facilitates better adjustment of service offerings to customers' needs as well as efficient and sustainable planning. Smart forecasting models also support the prediction of the energy requirements of our electric bus fleet, the goal being to charge the vehicles as needed. With AI and predictive maintenance, maintenance requirements can be predicted before disruptions occur. This minimises downtimes, lowers operating costs, and conserves resources.

Our activities are accompanied by a comprehensive and cross-divisional AI initiative. It ensures that the legal framework conditions and internal corporate governance rules for responsible, legally watertight, and sustainable use of AI are complied with. In addition, we prioritise the necessary conveyance of knowledge in the area of AI through target-group-specific training sessions and further education measures.

We are also taking a very close look at the use of innovative robotics. One example is "Spot", the robot dog from Boston Dynamics, that we have tested at one of our heat plants. Its use will make it possible to optimise various workflows. Over a long-term horizon, our focus will be on developing a robotics perspective for SWM.

In addition, we are involved in various research projects. One example is the research on superconductor cables we are conducting together with partners. Superconductor cables transmit electrical power virtually without any losses, are compact, and can be installed with comparatively little effort. This technology could make our power grid more efficient and climate-friendly in the future. For this project, we developed a prototype for the world's first commercial high-voltage superconductor, which commenced operation at SWM's Menzing transformer station in 2024. If the prototype fulfils the specified requirements and the technical and commercial prerequisites are in place, a roughly 15-kilometre-long superconductor cable is to be laid between Menzing and Sendling. In the spring of 2026, we signed a letter of intent for the next joint steps with the NKT cable manufacturer.

We will implement all this and many more projects in the coming years and decades. This will bring us closer to our vision: Munich as a shining example of a liveable and networked city.



Up to

15 km

is the length of the **superconductor** we want to install in Munich – the longest high-voltage superconducting power line in the world.

# Our community engagement

Beyond our mission to provide essential public services, we are also committed to a liveable and future-ready urban community.

Since 2007, our SWM Education Foundation has supported numerous projects aimed at improving the educational opportunities of disadvantaged children and adolescents. With basic foundation assets totalling EUR 20 million, the foundation ranks among the largest organisations of its kind in Germany's educational sector. Every year, it invests approximately EUR 500,000 in the sponsoring of a wide variety of projects. Since 2013, it has moreover awarded a EUR 10,000 sponsorship prize for outstanding commitment to education. In the year under review, this prize was bestowed on the Feldbergstraße Middle School for its outstanding commitment to diversity and social responsibility. In addition, the foundation paid out approximately EUR 500,000 to eight projects. Recipients included Horizont e. V. for its "Education is the Key: AI and I" project and Munich's Ludwig Maximilian University for a virtual mentoring project that uses VR to help students improve their access, interaction, empathy, and reading skills.

Our "Stadtwerkeprojekt" helps young adults who are socially disadvantaged or suffer from impairments to get their careers off the ground through suitable qualifications.

We support schools with curriculum-related materials revolving around the topics of energy, water, and communication. In addition, we offer them free career guidance, guided tours, and events.



Low-income households receive free energy counselling from us. Our customer service employees analyse the consumption behaviour of residential customers and give them advice regarding tariffs and all personal concerns. In addition, we offer a monthly energy consultation hour to Munich's senior citizens on the premises of the Munich Senior Citizens Advisory Council.

"Krisendienst Psychiatrie Oberbayern" offers individual counselling for people in mental distress. We have actively supported this crisis hotline for Upper Bavaria since it was established in 2017, e.g. in their public relations. With posters in underground trains and buses and at stations and stops, we make people aware of their psychosocial counselling and support and their emergency assistance by phone. In 2025, we cooperated with Deutsche Bahn to roll out these posters throughout the entire suburban train (S-Bahn) and underground (U-Bahn) system in Munich.

We support Munich's cultural landscape through initiatives such as an advertising cooperation with the Tollwood festival, as cooperation partner of the Munich International Film Festival, and through support for Tierpark Hellabrunn, the first geo-zoo.

In addition, we support recreational and professional sports in Munich. Concrete examples include our sponsorship of the track-and-field club "Leichtathletikgemeinschaft Stadtwerke München" and the swimming club "Schwimmstartgemeinschaft Stadtwerke München". Furthermore, we are partners in various sports offerings such as "Münchner Freizeitsport" for recreational sports and the Munich Marathon.

## RECORD DONATION FOR MARIENKÄFER E.V.

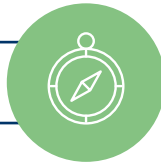
Since 2003, we have served fresh-from-the-source drinking water at the Tollwood Summer Festival. All proceeds are donated to non-profit projects. In 2025, guests were offered as much water as they liked for a EUR 1 donation at the SWM Info Booth – and they were more generous than ever before. We handed over a record donation amount of EUR 33,007.50 to "Der Marienkäfer e.V.". This humanitarian association supports unhoused people in Munich with a bus that distributes clothes, sanitary products, hot meals, sleeping bags, and other things several times per week.

# Corporate governance



Good corporate governance is also reflected in responsible behaviour. As we are a company providing important infrastructure services and owned by the City of Munich – and thus ultimately by Munich’s citizens – corporate governance is an important topic for us. This is embedded in the mission statement of our organisation.

#### Mission Statement



1. We are committed to the citizens of Munich.
2. We work towards enhancing the quality of life in Munich and the region.
3. We engage in sound and long-term relationships with our customers.
4. We act in a responsible manner towards the environment and society.
5. Our business success is the basis of everything.
6. We demand and encourage performance and reliability.
7. Our actions are based on cooperation and partnership.

SWM Group is made up of the core group ([see the chapter “Sustainability management”, page 7](#)) and its shareholdings. The parent company is the operational holding company for the subsidiaries and responsible for uniform management. Group regulations define the internal (legal and factual) governance framework for the company. In particular, this framework covers the following important aspects:

- ▶ binding descriptions of duties,
- ▶ clear regulation of responsibilities,
- ▶ transparent delegation of responsibilities,
- ▶ a clear operational chain of command,
- ▶ effective control mechanisms and functional delineation,
- ▶ compliance with the business judgement rule as well as the requirements of corporate law, and
- ▶ approval requirements for major decisions.

The business activities of SWM as a municipal company are subject to a certain control by the local political parties and institutions such as citizen committees or the city council. Mandatory provisions in SWM’s articles of association or city council applications or requests lead to the discussion of projects planned by SWM on the city council. In addition, citizens can resort to referenda.

The articles of association are the foundation of the companies of the SWM core group. With the exception of SWM Infrastruktur GmbH & Co. KG, all companies in the core group are organised as German limited liability companies (Gesellschaft mit beschränkter Haftung; GmbH). The corporate bodies of a GmbH are always the shareholder meeting (Gesellschafterversammlung) and the managing directors (Geschäftsführung). A mandatory supervisory board has been established at Stadtwerke München GmbH, SWM Services GmbH, and MVG. Trust-based and close cooperation with the employee representatives, characterised by an open and constructive dialogue and mutual respect, is a key element of our corporate policy.

According to our Code of Conduct, which has been published on our website, decisions must be prepared properly, taking account of all relevant decision-making options and their implications. They may not be determined by inappropriate influences and special interests. Another principle that applies is that key decisions require the approval of senior management.

At SWM, internal policies provide guideposts for action. The major elements are our corporate policy, the regulations on decision-making authorities, our delegation guidelines, the articles of association and by-laws for the Management Board and the Supervisory Board, the business distribution plan, the guideline for the organisation of management board resolutions, and our policies for financial transactions and the management of shareholdings.

In the core group, the Group Governance and Compliance staff unit – hereinafter also called “Compliance function” – addresses the topic of corporate governance from an overarching perspective. The Management Board’s corporate office supports them in this task. At SWM, various management systems exist for risk, shareholdings, compliance including data protection, information security, and sustainability. The organisation and operation of the Compliance Management System (CMS) is governed by the Guideline on the CMS. Our CMS has been aligned with the Principles of Proper Audit of Compliance Management Systems promulgated by the Institute of Public Auditors in Germany (IDW) and covers three levels of action: prevent, identify, and react.

While the topic of corporate governance has been organisationally centralised in the core group, decentralised management has been implemented in most of our shareholdings. Centralised policies also exist for relevant units that serve the purpose of shareholding support, management, and controlling by SWM.

## Fairness and compliance

The entire Group and especially the SWM management are aware of their responsibilities vis-à-vis customers, employees, citizens, the City of Munich in its capacity of our shareholder, and the competent authorities. When it comes to responsibilities, we pursue a top-down approach. The responsibility for compliance has been assigned to the Management Board of Stadtwerke München GmbH and/or the top executives of SWM Group. According to the business distribution plan, the Chief Executive Officer holds the departmental responsibility for Compliance.

The senior executive heading the Group Governance and Compliance staff unit is responsible for the CMS. This Compliance Officer compiles annual activity reports to inform the Management Board of Stadtwerke München GmbH or the top executives of SWM Group, and the supervisory board bodies of SWM. The Compliance Officer also performs the function of Human Rights Officer.

In our organisation, compliance covers the following areas of activity:

- ▶ data protection law,
- ▶ anti-trust law,
- ▶ prohibition of insider trading and market manipulation,
- ▶ prevention of money laundering and terrorist financing,
- ▶ sanctions against individuals,
- ▶ the German Supply Chain Due Diligence Act (Lieferkettensorgfaltspflichtengesetz; LkSG), and
- ▶ prevention of corruption and property offences, and prevention of collusive tendering.

We do not tolerate corruption or other unfair competitive practices, and we pursue a transparent approach to donations and sponsoring that complies with our internal policies in accordance with Article 5.3 of our Code of Conduct and the guideline governing the handling of benefits, donations, and sponsoring. In 2025, there were no internal corruption incidents.

The focus of our compliance activities is on preventive measures. Key elements are e-learning modules, in-person workshops, jour fixes, and further communication measures in accordance with the compliance communication strategy that has been adopted by the Management Board. For example, a mandatory e-learning module is to increase all employees’ awareness of compliance issues. In-person workshops supplement these modules, e.g. in the form of leadership training workshops. Internal preventive measures have also been established with respect to the LkSG. Awareness-raising measures such as the Compliance Newsletter and dedicated training sessions serve the purpose of familiarising employees in relevant organisational units with our human-rights strategy, the LkSG rules and regulations, and the associated processes. New employees are informed about the compliance organisation, compliance regulations, contact persons as well as the goals and content of compliance in their onboarding. Furthermore, we offer training on occupational safety and various environmental issues such as waste management or water protection.



We publish all relevant policies, rules of procedure, and application guides on our intranet, along with additional information on training options, newsletters, and orientation and application guidelines.

Our Code of Conduct assigns responsibility to all employees and makes it clear that we respect the law, draw attention to violations of laws and rules, and assume responsibility for compliance with rules and regulations. In addition, we act in the interest and for the benefit of SWM, adopt a cooperative and partnership-oriented approach, take decisions with due diligence, and acknowledge our responsibility for the environment and society. This includes our clear commitment to both the energy transition and sustainability in the supply chain. Moreover, the Code of Conduct regulates confidentiality obligations, the handling of conflicts of interest, and dealing with customers, business partners, and other third parties.

Employees are directed by the Code of Conduct to report potential suspicions of compliance violations they note. Apart from speaking to their manager, the Group Governance & Compliance staff unit is available to them as an internal whistle-blower contact. Alternatively, an attorney who has been appointed as an external ombudsperson can be contacted. Compliance violation tips may also be submitted anonymously. Both whistle-blowers and individuals affected by such information are protected and their rights are safeguarded. The whistle-blower system also includes the complaint procedure stipulated under the LkSG. In 2025, we introduced an electronic reporting channel, which is part of the internal Reporting Office in the Compliance Officer's organisation. The individuals responsible, the contact data of the internal whistle-blower contact unit, the access to the electronic reporting channel, and the ombudsperson as well as the rules of procedure including information on responsibilities and regulations regarding the procedure to be followed in compliance intelligence or compliance investigations are available in German and English on the websites of Stadtwerke München GmbH, SWM Infrastruktur GmbH & Co. KG, and Münchner Verkehrsgesellschaft mbH (MVG). We pursue all compliance suspicions of which we gain knowledge consistently and without any exceptions. If a plausibility check and subsequent compliance analysis or

compliance investigation find that internal rules and regulations and/or statutory requirements have indeed been violated, suitable actions will be recommended. Responsibility for their implementation is assigned to the respective business units.

Because changes may occur in the legal environment, case law, and authorities' specific decisions as well as SWM's risk position and structure, we continuously update our CMS. Implementations in 2025 included a software tool that, among other things, helps capture, process, and document benefits and serves the purpose of digitalising and simplifying processes. In addition, the guideline governing the handling of benefits, donations, and sponsoring was drawn up.

In 2025, the Compliance function performed a compliance risk analysis of the Central Purchasing department with the support of a law firm specialising in construction and procurement law. The measures recommended aim at increasing governance, reducing structural risks, and ensuring an audit-proof end-to-end design of the procurement process.

Our implementation of the LkSG is taking place within the framework of the existing management systems. The CMS plays a key role in this context. While the methodological responsibility is embedded centrally in the Compliance function and most requirements have been integrated into the existing CMS, implementation is the responsibility of the Compliance Officers in the respective business segments. The effectiveness of preventive and remedial actions and of the complaint procedure is reviewed as part of the annual compliance audits.

One key measure resulting from the most recent effectiveness review was an even more concrete specification of the risks arising from the LkSG in the risk analyses conducted for suppliers and our own area of business in 2024 and 2025.

Another key element is company-wide LkSG risk management, which essentially comprises overarching risk controlling, central and decentralised compliance management, and the LkSG-specific risk management of the Central Purchasing department.

The risk analysis regarding human-rights and environment-related risks in SWM's own area of business that was carried out in the year under review covered the core group and 48 dominantly influenced shareholdings. Three shareholdings were added compared to the previous year. The specific medium and low risks identified in the previous risk analysis ("disregard of occupational safety and related health hazards", "unequal treatment in employment", and "causing harmful soil changes, contamination of bodies of water") have not increased, but remained mostly unchanged or even decreased in some cases.

### **Business partner compliance**

We also expect our suppliers and other external business partners to adhere to all applicable laws. Business partner compliance is an integral part of our CMS and comprises our Business Partner Code of Conduct, which has been published on the SWM website, and the business partner compliance review.

Our Business Partner Code of Conduct spells out the most important principles for legally correct, responsible, and ethical behaviour that we require of business partners and see as an essential basis of our cooperation as partners. The code contains principles on human and employee rights, environmental protection, raw material procurement, the prevention of corruption, child and forced labour, anti-money laundering and anti-terrorist financing, on export and import controls, sanctions, conduct in competition and business ethics, and data protection and handling of information. We reserve the right to critically review the business relationship and perform a risk-oriented review of compliance conformity depending on each individual case. All direct suppliers are informed about our Business Partner Code of Conduct. Depending on the identified human-rights and environment-related risks according to the German Supply Chain Due Diligence Act (LkSG), the contribution to these risks, and SWM's ability to influence the party directly responsible for these risks in its role of purchaser, our Business Partner Code of Conduct – or an equivalent code of conduct prepared by the supplier – will be

incorporated as a mandatory element in our contracts and supplemented by LkSG-specific, more concrete contractual obligations such as agreements on passing on these codes.

A risk-oriented, software-based business partner assessment process has been established at both the Central Purchasing department and all other relevant business units (e.g. Trade, Sales). The assessments cover both new and already existing business relationships. If we identify any violations of the requirements of our Business Partner Code of Conduct, we launch an examination and define remedial actions. Private end/residential customers are exempt from the business partner review.

The annual and event-related LkSG risk analysis of our business partners has been integrated into our existing business partner compliance review.

The LkSG risk analysis conducted in the Central Purchasing department in the year under review showed that, due to the location of their regional headquarters, the majority of our direct suppliers are exposed to low abstract country risks. We used the due diligence software to classify a total of 9,653 suppliers (as of 31 December 2025) into one of three categories (high, medium, low) depending on the respective country and industry risks based on recognised indices such as the Global Slavery Index. In this process, certain industry risks were corrected when the company in question had its headquarters in Germany. At an abstract level, this exercise flagged 50 high-risk cases.

In the following step, the specific risk analysis covered nine suppliers. Ultimately, no new specific risks were identified at our direct suppliers.

In addition to the annual risk analysis, we continued two event-driven risk analyses from previous year for the suppliers in Central Purchasing in 2025 (see the previous year's report on this matter) and initiated one new event-driven risk analysis. The latter concerns the withholding of reasonable wages at an indirect supplier.



As a basic principle, the Central Purchasing department pursues an avoidance strategy: the first response to identified risks is to examine whether an alternative procurement source exists. If this is not the case or if we are in tender proceedings, suitable risk mitigation measures are initiated:

- ▶ Internal analyses
- ▶ Information and evidence collection via questionnaires
- ▶ Agreement on contractual provisions such as a commitment to comply with the Business Partner Code of Conduct of Stadtwerke München by means of a letter of intent. Should a supplier not agree to compliance with our code, an equivalent code prepared by the supplier can be incorporated into the contractual arrangement by concluding a recognition agreement.
- ▶ Blocking of risky suppliers in SAP to prevent the placement of orders until the review has been completed and the supplier has been cleared by the Central Purchasing department.

### Competition

We also rely on preventive measures with respect to anti-trust legislation. Specific requirements in our Code of Conduct, compliance training workshops, and continuous legal counsel – e.g. for contract design – aim at possibly avoiding violations even before they occur. Even though we ourselves do not violate anti-trust legislation, collusion by third parties may cause us harm. In tight markets, in particular, the risk of collusion among third parties exists in tendering. In the event of anti-trust-induced damage, we examine whether we should file damage claims. The requirements for the German Competition Register have been implemented as stipulated.

## Sustainable procurement

Embedding sustainability aspects in procurement plays a key role in the achievement of the strategic sustainability goals in the SWM Group. With this, we assume social and environmental responsibility for the supply chain and work on sustainability-promoting and innovative products, services, and technologies. We ensure responsible use of resources throughout the product life cycle and are committed to a functioning circular economy. All individuals involved in procurement are obliged to chart a more sustainable course in the procurement of materials, services, and construction work. Concurrently, we expect our suppliers to also maintain our standards. Among other things, we ensure this by contractually incorporating our Business Partner Code of Conduct in our agreements with suppliers ([see the section “Business partner compliance” on page 50 et seq.](#)).

The key strategic action areas in procurement – environmental protection, use of resources and circularity, working conditions and human rights, and good corporate governance – form the ESG-based foundation of our sustainable procurement strategy and serve the purpose of deriving concrete goals and measures.

We intend to progressively reduce the greenhouse gas emissions of the goods and services we purchase. Our internal logistics is a key component of emission reduction in the energy consumption of our warehouses. Through measures such as LED exchange programmes and heating system optimisation, we seek to achieve continuous improvements. A further focus area is the conversion of our vehicle fleet to electromobility. In 2025, we put our first fully electric truck into operation. It is used for

pivotal transport tasks between our own facilities and to customers' sites and significantly reduces CO<sub>2</sub> emissions thanks to its 300-kilometre range and its load-carrying capacity of 5.5 tonnes.

In the use of resources and circularity, we see environmental and economic potential in procurement through waste avoidance, resource conservation, and lower energy consumption as well as higher supply chain resilience and cost savings through secondary materials. Pilot projects with suppliers lead to practice-oriented insights that are incorporated in binding procurement

standards including sustainable tender and contract award criteria. For example, the circularity strategy or a "raw material passport" and the product carbon footprint (PCF) were considered in the contract award decision for MVG working uniforms or electric buses in the period under review.

In addition, we strengthen our internal potentials and are developing a concept for an internal SWM recycling centre with the goal of systematically expanding the reuse and recycling of materials and circularity within SWM even further.

## SWM AS A PURCHASER

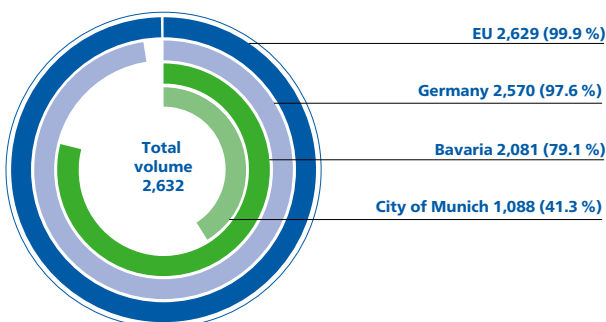
In the 2025 financial year, SWM purchased goods and services with a total value of approximately EUR 2,632 billion from 5,558 suppliers.<sup>1)</sup> This procurement volume can be broken down as follows: construction and engineering services (19%), vehicles and delivered goods (17%), and IT and services (64%). The contract volume placed with enterprises in the Munich metropolitan region<sup>2)</sup> in transparent, competition-based procurement processes amounted to EUR 1,709 million (65%), with companies from the city of Munich accounting for EUR 1,088 million of this total – a contribution to strengthening regional value creation.

<sup>1)</sup> The reported procurement volume comprises the total volume of all contracts newly concluded by the core group in the year under review, including multi-year framework agreements (except for trading transactions). Multi-year agreements are fully recognised in the year of their conclusion, which means that the volume can fluctuate significantly in some instances in year-on-year comparisons.

<sup>2)</sup> 27 districts and six district-free towns in southern Bavaria.

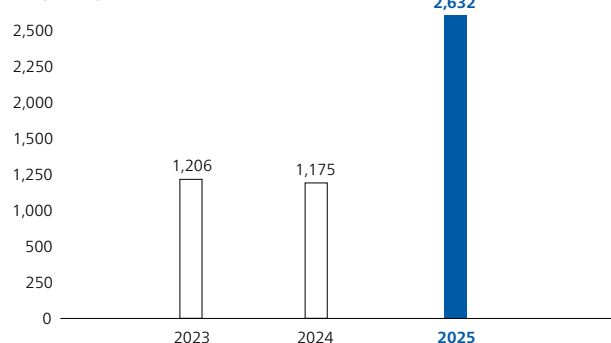
### Procurement volume in 2025 by region

in EUR million

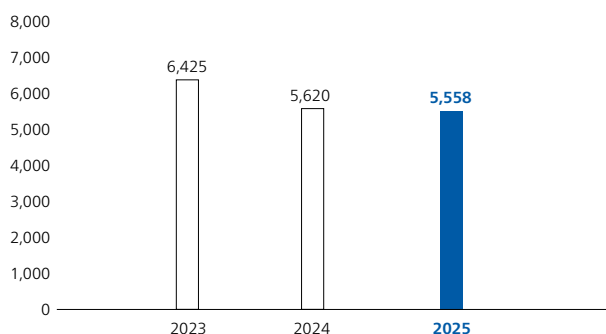


### Procurement volume

in EUR million



### Number of suppliers



## Political engagement

Our business is subject to strong regulatory influences. EU legislation (or its transposition at the national level) is relevant here, as are laws and measures adopted at the federal, state, and local levels.

The political developments at the European and national levels in 2025 played a key role for Stadtwerke München und our strategic direction. A wide variety of political measures were implemented that had a major impact on both energy policy and transport policy.

In Brussels, the EU Commission headed by Ursula von der Leyen began its work in 2025, focusing on European competitiveness, defence, and security. Major goals are decarbonisation combined with a simultaneous strengthening of the industrial sector, bureaucracy minimisation, and innovation fostering. In this context, the Clean Industrial Deal played a particularly important role as a strategic guidepost. It stands for a new economic and industrial strategy that aims at making Europe more resilient and competitive without losing sight of the climate targets. A major element is the Affordable Energy Action Plan that is to make energy more affordable and speed up the transition to clean energy. Simplification is another focus area, e.g. through the Sustainability and Digital Omnibus Packages. Major legislative initiatives such as the Grids Package, the Carbon Border Adjustment Mechanism, and the 2040 Climate Target break important new ground for energy and decarbonisation. These decisions have a direct impact on SWM, especially in the expansion of renewable energies, decarbonisation of the heating supply, and the resilience of the European Economic Area.

At the German national level, the year was dominated by the parliamentary election and the transposition of European measures into national law. The expansion of renewable energies, supply reliability, and measures to strengthen the resilience of critical infrastructures and cyber security were at the top of the political agenda. European measures were transposed into national law or are in the corresponding legislative process, e.g. RED III, the Industrial Emissions Directive, the NIS2 Implementation Act, and the KRITIS Umbrella Act for the implementation of the EU's Resilience of Critical Entities Directive. In addition, the German Energy Industry Act (EnWG) was amended, the gas storage levy was abolished, key pillars of the power plant strategy were defined, and the German Act for the Acceleration of Approval Procedures for Geothermal Plants was adopted. The latter simplifies

approval procedures and prioritises geothermal projects, providing major support to the heating transition. This is also a major milestone for SWM.

Given the crucial importance of legislation for our business, we engage in a supporting role in the political discussions on planned legislation at the EU, the German federal, and the German state levels. The Politics and Associations department is responsible for this. We publish statements on particularly important issues or decisions. SWM is registered in the respective transparency/ lobby registers under the following numbers:

- ▶ Lobby Register Number (Bavaria): DEBYLT0164
- ▶ Lobby Register Number (national): R000611
- ▶ Transparency Register Number (Brussels): 17284292859-45

Our positions and approaches in this dialogue are solely based on principles that are sound from an energy-sector and macroeconomic perspective. Proprietary fundamental models for the energy sector provide an objective data basis for our reasoning. Of course, we adhere to all requirements of our Code of Conduct and all applicable compliance rules in the political sphere, too. With our political engagement, we intend to generate greater awareness of our interests and concerns, especially with respect to the implementation of our renewable energies expansion campaign, the expansion of geothermal energy, and the importance of local public transport for the mobility transition. In addition, our political engagement enables us to communicate developments in the Group and prepare ourselves for the relevant changes early on.



## Information security

We protect the confidentiality, integrity, and availability of the information that we process in our business operations and for the fulfilment of our supply obligations in accordance with the state of the art. Our Information Security Management System (ISMS) comprises components such as regular risk analyses, the implementation of organisational, personal, physical, and technological security measures, and the application of control and monitoring mechanisms.

We prove the effectiveness of the ISMS und the information security level achieved in internal and external audits as part of a wide variety of audit methods – including certifications and audits in accordance with international standards such as ISO/IEC 27001, industry standards, statutory and administrative regulations. The requirements placed on SWM as operator of critical infrastructures (IT Security Act) and the ensuing requirements of the German Federal Office for Information Security (Bundesamt für Sicherheit in der Informationstechnik; BSI) or the German Federal Network Agency (Bundesnetzagentur; BNetzA) play a key role in this connection.

At the executive management level, the overall responsibility for information processing and security has been assigned to the Chief Information Officer (CIO). Support

is provided by a specialised staff unit (CIO function) and group-wide specialised officers and decentralised information security specialists in all segments of the company. They simultaneously are multipliers for information security topics and their (decentralised) implementation. Technical security experts, especially in the central IT department and in the operating units for the (control) systems of our critical facilities, are the key pillars of technical IT and OT security. All employees must regularly attend mandatory training sessions, in which they are made aware of the risks arising from attacks in the digital space and of the right conduct.

For several years, we have used professional attack detection systems at all levels of electronic information processing. We continuously improve the detection capabilities of these systems together with internal and external experts. The goal of these systems is to detect cyber-attacks and attack attempts as early as possible to be able to rapidly initiate effective countermeasures. We also work on the further development of the detection and reaction processes that are part of our Cyber Defence Centre – the main goal being to effectively thwart those cyber-attacks that might jeopardise the provision of critical services. We have observed an increase in such and other cyber-attacks and expect this trend to continue.



## Data protection

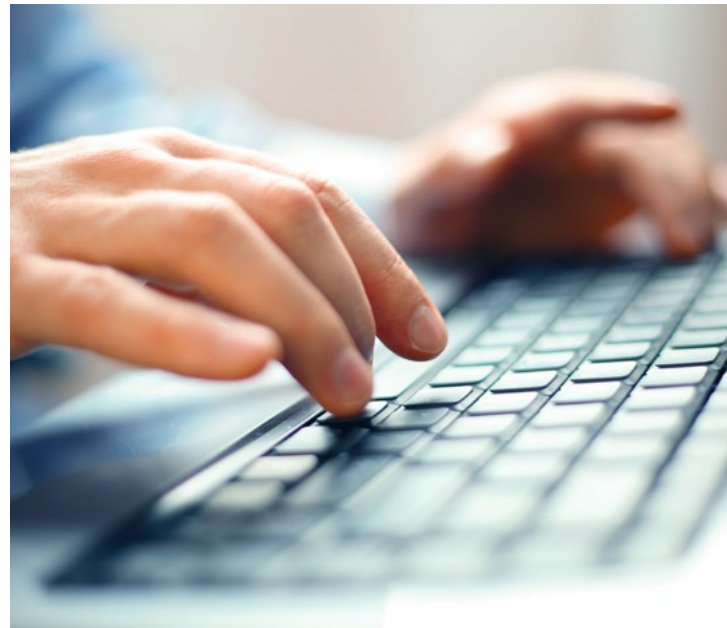
Our business activities regularly involve personal data. We handle these data responsibly and in compliance with the EU General Data Protection Regulation as well as all other applicable data protection legislation and regulations.

We actively provide transparent and comprehensible information to our customers on the processing of their data and their rights. Our Data Protection Notice and Stadtwerke München's guideline governing the handling the advancing digitalisation and artificial intelligence (Corporate Digital and Social Responsibility) are available to the public for inspection at [www.swm.de/datenschutz](https://www.swm.de/datenschutz). If we wish to process personal data for any purpose not listed in our Data Protection Notice, we notify our customers thereon separately in accordance with the statutory requirements.

Organisationally, the topic of data protection is integrated in our Compliance function. In addition, there are decentralised contacts in the form of data protection coordinators and data protection specialists, who support the central Compliance function and are multipliers for the topic of data protection and its (decentralised) implementation. Our CMS includes data protection.

We pursue a consistently preventive data protection approach geared towards identifying potential risks for personal data and mitigating such risks through systematic preventive measures.

The topic of data protection is embedded in our Code of Conduct. New employees are already given a comprehensive overview of the goals and contents of data protection, our Data Protection organisation, and policies and the pertinent contacts in onboarding meetings. This is supplemented by mandatory data protection e-learning modules that employees must regularly complete. We organise in-person training workshops and deep-dive sessions for leaders and employees from units where data protection is particularly relevant. Regular awareness-enhancing measures such as our data protection newsletter and exchange formats for decentralised data protection contacts support a continuous transfer of knowledge.



We grant transparent access to all pertinent policies, internal instructions, user guides, processes, and further information on data protection on our intranet.

Our Data Protection unit prioritises the support of internal projects in which data protection plays a major role. In addition, Data Protection addresses the implementation of data protection requirements in our organisation. We continuously refine our CMS, taking account of new data protection regulations, regulatory rulings, and technological advancements. In this context, the large number of Group projects with data protection relevance is a challenge.

Audits verify whether data protection regulations have been implemented properly in the company. In addition, the Management Board of Stadtwerke München GmbH tasks Group Internal Audit with data protection and information security audits in its annual internal audit plan. We handled data protection violations recorded during 2025 as stipulated in the rules and regulations, implemented suitable and appropriate remedial actions, and reported them to the competent data protection agency in all cases that were subject to reporting obligations.

# Appendix

**Editorial notes**

Apart from carbon dioxide (CO<sub>2</sub>), the list of climate-damaging greenhouse gases that must be included in a greenhouse gas inventory as carbon dioxide equivalents (CO<sub>2</sub>e) under the internationally recognised standard of the Greenhouse Gas Protocol also includes gases such as methane (CH<sub>4</sub>) and sulphur hexafluoride (SF<sub>6</sub>). In this report, we also consider CO<sub>2</sub> equivalents in most cases. However, we use the abbreviation CO<sub>2</sub> for the sake of simplicity in general terms such as “CO<sub>2</sub> compensation” or “CO<sub>2</sub> offsetting”, even though we mean CO<sub>2</sub>e.

For the term “climate neutrality”, we use the Net Zero Standard of the Science Based Targets initiative (SBTi) as our yardstick. At various points in this report, this term is used as a synonym of the SBTi term “net zero”. To achieve climate neutrality by 2040 based on long-term targets

in accordance with SBTi, we will cut our greenhouse gas emissions (measured in tonnes of CO<sub>2</sub> equivalents) by more than 90 % (base year: 2023) through avoidance or reduction. We plan to neutralise the residual emissions with certificates that fulfil high quality standards and through technologically possible options such as CO<sub>2</sub> capture.

Rounding of amounts or percentages to the nearest whole number may lead to differences from the actual figures. Forward-looking statements made in this report are based on internal assessments of future developments, which are subject to uncertainties and may not be under the control of Stadtwerke München. This report is published in German and English. In the event of deviations, the German version prevails.

**GRI content index**

**Statement of use**

Stadtwerke München GmbH has reported the information cited in this GRI content index for the period from 1 January 2025 to 31 December 2025 with reference to the GRI Standards.

**GRI Standard used**

GRI 1: Foundation 2021

| GRI Standard                                  | Disclosures                                                      | Page | Comments/omissions                                                          |
|-----------------------------------------------|------------------------------------------------------------------|------|-----------------------------------------------------------------------------|
| General Disclosures                           |                                                                  |      |                                                                             |
| GRI 2: General Disclosures 2021               |                                                                  |      |                                                                             |
| Organisational Profile and Reporting Practice |                                                                  |      |                                                                             |
| GRI 2-1                                       | Organisational details                                           | 4–5  | Stadtwerke München GmbH<br>Emmy-Noether-Straße 2<br>80992 Munich<br>Germany |
| GRI 2-2                                       | Entities included in the organisation’s sustainability reporting | 7    |                                                                             |

| GRI Standard                             | Disclosures                                                                 | Page                  | Comments/omissions                                                                                                                                                                                                                                 |
|------------------------------------------|-----------------------------------------------------------------------------|-----------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GRI 2-3                                  | Reporting period, frequency, and contact point                              | 7                     | The reporting period is January 2025 through December 2025. Reports are prepared annually.<br><br>Contacts for questions on this report:<br>Natascha Lung, Marketing and Communication<br>Roswitha Hochenrieder, Sustainability and Digitalisation |
| GRI 2-4                                  | Restatements of information                                                 |                       | New definitions, calculation methods, or scopes considered are, if necessary, described in footnotes to the respective indicators or in the text of this report.                                                                                   |
| GRI 2-5                                  | External assurance                                                          |                       | No external review has been performed.                                                                                                                                                                                                             |
| <b>Activities and Employees</b>          |                                                                             |                       |                                                                                                                                                                                                                                                    |
| GRI 2-6                                  | Activities, value chain, and other business relationships                   | 4 et seqq.            | See Annual Report 2025, pp. 4–25 and pp. 27–36                                                                                                                                                                                                     |
| GRI 2-7                                  | Employees                                                                   | 29–36                 |                                                                                                                                                                                                                                                    |
| GRI 2-8                                  | Workers who are not employees                                               | 29–36 and 50–51       |                                                                                                                                                                                                                                                    |
| <b>Governance</b>                        |                                                                             |                       |                                                                                                                                                                                                                                                    |
| GRI 2-9                                  | Governance structure and composition                                        | 9                     | See Annual Report 2025, p. 74 et seqq.                                                                                                                                                                                                             |
| GRI 2-11                                 | Chair of the highest governance body                                        |                       | See Annual Report 2025, p. 74 et seqq.                                                                                                                                                                                                             |
| GRI 2-12                                 | Role of the highest governance body in overseeing the management of impacts | 9                     |                                                                                                                                                                                                                                                    |
| GRI 2-13                                 | Delegation of responsibility for managing impacts                           | 9                     |                                                                                                                                                                                                                                                    |
| GRI 2-14                                 | Role of the highest governance body in sustainability reporting             | 9                     |                                                                                                                                                                                                                                                    |
| GRI 2-19                                 | Remuneration policies                                                       |                       | See Annual Report 2025, p. 67                                                                                                                                                                                                                      |
| <b>Strategy, Policies, and Practices</b> |                                                                             |                       |                                                                                                                                                                                                                                                    |
| GRI 2-22                                 | Statement on sustainable development strategy                               | 2–3                   |                                                                                                                                                                                                                                                    |
| GRI 2-24                                 | Embedding policy commitments                                                | 38 et seqq. and 53–55 |                                                                                                                                                                                                                                                    |
| GRI 2-25                                 | Processes to remediate negative impacts                                     | 29–30 and 47–55       |                                                                                                                                                                                                                                                    |
| GRI 2-26                                 | Mechanisms for seeking advice and raising concerns                          | 29–30 and 47–55       |                                                                                                                                                                                                                                                    |
| GRI 2-27                                 | Compliance with laws and regulations                                        |                       | We are not aware of any incidents of non-compliance with environmental laws and/or regulations. Similarly, we are not aware of any incidents of non-compliance of laws and regulations in the social or economic realm.                            |

| GRI Standard                       | Disclosures                                                                              | Page  | Comments/omissions                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                             |
|------------------------------------|------------------------------------------------------------------------------------------|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| GRI 2-28                           | Membership associations                                                                  |       | <p>Selection:</p> <ul style="list-style-type: none"> <li>– 8KU   A cooperation of eight energy companies</li> <li>– AGFW   Energy Efficiency Association for Heating, Cooling, and CHP</li> <li>– Bitkom e.V.   German Association for Information Technology, Telecommunications, and New Media</li> <li>– BDEW   German Association of the Energy and Water Industries</li> <li>– BREKO   German Broadband Association</li> <li>– BVG   German Geothermal Association</li> <li>– BWO   German Association of Offshore Wind Energy Operators</li> <li>– DVGW   German Association of the Gas and Water Industries</li> <li>– EU DSO Entity</li> <li>– Euroheat &amp; Power</li> <li>– German Chamber of Industry and Commerce</li> <li>– UITP   The International Association of Public Transport</li> <li>– VDV   Association of German Transport Companies</li> <li>– VKU   German Association of Local Public Utilities</li> <li>– WBU   Economic Advisory Council of the Union</li> <li>– Business Association of the German Social Democratic Party</li> <li>– Business Association of the German Green Party</li> </ul> |
| <b>Stakeholder Engagement</b>      |                                                                                          |       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| GRI 2-29                           | Approach to stakeholder engagement                                                       | 10–11 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| GRI 2-30                           | Collective bargaining agreements                                                         | 33    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>GRI 3: Material Topics 2021</b> |                                                                                          |       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| GRI 3-1                            | Process to determine material topics                                                     | 8     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| GRI 3-2                            | List of material topics                                                                  | 8     |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| <b>Economic Performance</b>        |                                                                                          |       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| GRI 3: Material Topics 2021        | 3-3 Management of material topics                                                        | 37–45 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| GRI 201: Economic Performance 2016 | GRI 201-1 Direct economic value generated and distributed                                |       | See Annual Report 2025, pp. 47–51                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|                                    | GRI 201-2 Financial implications and other risks and opportunities due to climate change | 39–40 | See Annual Report 2025, pp. 41–46                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|                                    | GRI 201-3 Defined benefit plan obligations and other retirement plans                    |       | See Annual Report 2025, pp. 57–61                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
| <b>Market Presence</b>             |                                                                                          |       |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| GRI 3: Material Topics 2021        | 3-3 Management of material topics                                                        | 32–33 |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                |
| GRI 202: Market Presence 2016      | GRI 202-1 Ratios of standard entry level wage by gender compared to local minimum wage   |       | We pay our employees in accordance with various collective bargaining agreements – and they receive at least the statutory minimum wage.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |

| GRI Standard                             | Disclosures                                                                               | Page                            | Comments/omissions                                                                                                                    |
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| <b>Indirect Economic Impacts</b>         |                                                                                           |                                 |                                                                                                                                       |
| GRI 3: Material Topics 2021              | 3-3 Management of material topics                                                         | 37 – 38                         |                                                                                                                                       |
| GRI 203: Indirect Economic Impacts 2016  | GRI 203-1 Infrastructure investments and services supported                               | 4 – 5, 15 – 16, 37 – 45, and 50 |                                                                                                                                       |
| <b>Procurement Practices</b>             |                                                                                           |                                 |                                                                                                                                       |
| GRI 3: Material Topics 2021              | 3-3 Management of material topics                                                         | 51 – 52                         |                                                                                                                                       |
| GRI 204: Procurement Practices 2016      | GRI 204-1 Proportion of spending on local suppliers                                       | 51 – 52                         |                                                                                                                                       |
| <b>Anti-corruption</b>                   |                                                                                           |                                 |                                                                                                                                       |
| GRI 3: Material Topics 2021              | 3-3 Management of material topics                                                         | 47 – 51                         |                                                                                                                                       |
| GRI 205: Anti-corruption 2016            | GRI 205-1 Operations assessed for risks related to corruption                             | 48 – 51                         |                                                                                                                                       |
|                                          | GRI 205-2 Communication and training about anti-corruption policies and procedures        | 48 – 51                         |                                                                                                                                       |
|                                          | GRI 205-3 Confirmed incidents of corruption and actions taken                             | 48                              | No incidents of corruption were reported at SWM in 2025.                                                                              |
| <b>Anti-competitive Behaviour</b>        |                                                                                           |                                 |                                                                                                                                       |
| GRI 3: Material Topics 2021              | 3-3 Management of material topics                                                         | 48 – 51                         |                                                                                                                                       |
| GRI 206: Anti-competitive Behaviour 2016 | GRI 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices |                                 | SWM was not involved as a party in any legal actions for anti-competitive behaviour, anti-trust, and monopoly practices.              |
| <b>Materials</b>                         |                                                                                           |                                 |                                                                                                                                       |
| GRI 3: Material Topics 2021              | 3-3 Management of material topics                                                         | 38 – 39 and 51 – 52             |                                                                                                                                       |
| GRI 301: Materials 2016                  | GRI 301-1 Materials used by weight or volume                                              |                                 | For information on this matter, please see the Consolidated Environmental Statement of the Technology division of Stadtwerke München. |
| <b>Energy</b>                            |                                                                                           |                                 |                                                                                                                                       |
| GRI 3: Material Topics 2021              | 3-3 Management of material topics                                                         | 13 – 15 and 23 – 24             |                                                                                                                                       |
| GRI 302: Energy 2016                     | GRI 302-1 Energy consumption within the organisation                                      | 15 – 17 and 24                  |                                                                                                                                       |
|                                          | GRI 302-2 Energy consumption outside of the organisation                                  | 15 – 17                         |                                                                                                                                       |

| GRI Standard                                    | Disclosures                                                                                                  | Page                     | Comments/omissions                                                                                                                                                                                                                                                        |
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| <b>Water and Effluents</b>                      |                                                                                                              |                          |                                                                                                                                                                                                                                                                           |
| GRI 3: Material Topics 2021                     | 3-3 Management of material topics                                                                            | 13, 24–25, 37–40, and 45 |                                                                                                                                                                                                                                                                           |
| GRI 303: Water and Effluents 2018               | GRI 303-1 Interactions with water as a shared resource                                                       | 24–25 and 37–40          |                                                                                                                                                                                                                                                                           |
|                                                 | GRI 303-2 Management of water discharge-related impacts                                                      |                          | Sewage management is not handled by SWM, but by Münchner Stadtentwässerung, another public-sector company owned by the City of Munich.                                                                                                                                    |
|                                                 | GRI 303-3 Water withdrawal                                                                                   | 40                       |                                                                                                                                                                                                                                                                           |
|                                                 | GRI 303-5 Water consumption                                                                                  | 25                       |                                                                                                                                                                                                                                                                           |
| <b>Emissions</b>                                |                                                                                                              |                          |                                                                                                                                                                                                                                                                           |
| GRI 3: Material Topics 2021                     | 3-3 Management of material topics                                                                            | 14 et seqq.              |                                                                                                                                                                                                                                                                           |
| GRI 305: Emissions 2016                         | GRI 305-1 Direct (Scope 1) GHG emissions                                                                     | 15–17                    |                                                                                                                                                                                                                                                                           |
|                                                 | GRI 305-2 Energy indirect (Scope 2) GHG emissions                                                            | 15–17                    |                                                                                                                                                                                                                                                                           |
|                                                 | GRI 305-3 Other indirect (Scope 3) GHG emissions                                                             | 15–17                    |                                                                                                                                                                                                                                                                           |
|                                                 | GRI 305-5 Reduction of GHG emissions                                                                         | 14 et seqq.              |                                                                                                                                                                                                                                                                           |
| <b>Supplier Environmental Assessment</b>        |                                                                                                              |                          |                                                                                                                                                                                                                                                                           |
| GRI 3: Material Topics 2021                     | 3-3 Management of material topics                                                                            | 48–52                    |                                                                                                                                                                                                                                                                           |
| GRI 308: Supplier Environmental Assessment 2016 | GRI 308-1 New suppliers that were screened using environmental criteria                                      | 48–52                    |                                                                                                                                                                                                                                                                           |
|                                                 | GRI 308-2 Negative environmental impacts in the supply chain and actions taken                               | 51–52                    |                                                                                                                                                                                                                                                                           |
| <b>Employment</b>                               |                                                                                                              |                          |                                                                                                                                                                                                                                                                           |
| GRI 3: Material Topics 2021                     | 3-3 Management of material topics                                                                            | 27 et seqq.              |                                                                                                                                                                                                                                                                           |
| GRI 401: Employment 2016                        | GRI 401-1 New employee hires and employee turnover                                                           | 33                       |                                                                                                                                                                                                                                                                           |
|                                                 | GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees | 33–34                    | Company benefits are provided to all employees of SWM – including temporary employees to the extent to which Articles 12 and 8 of the German Temporary Employment Act (Arbeitnehmerüberlassungsgesetz, AÜG) are applicable and implemented by the labour leasing company. |
|                                                 | GRI 401-3 Parental leave                                                                                     | 33                       |                                                                                                                                                                                                                                                                           |
| <b>Labour/Management Relations</b>              |                                                                                                              |                          |                                                                                                                                                                                                                                                                           |
| GRI 3: Material Topics 2021                     | 3-3 Management of material topics                                                                            | 27–28 and 32–33          |                                                                                                                                                                                                                                                                           |
| GRI 402: Labour/Management Relations 2016       | GRI 402-1 Minimum notice periods regarding operational changes                                               |                          | We inform our employees as timely as possible regarding organisational changes.                                                                                                                                                                                           |

| GRI Standard                                                   | Disclosures                                                                                                              | Page        | Comments/omissions                                                                                                                                                                                     |
|----------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------|-------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| <b>Occupational Health and Safety</b>                          |                                                                                                                          |             |                                                                                                                                                                                                        |
| GRI 3: Material Topics 2021                                    | 3-3 Management of material topics                                                                                        | 34 et seqq. |                                                                                                                                                                                                        |
| GRI 403: Occupational Health and Safety 2018                   | GRI 403-1 Occupational health and safety management system                                                               | 34–36       |                                                                                                                                                                                                        |
|                                                                | GRI 403-2 Hazard identification, risk assessment, and incident investigation                                             | 34–36       |                                                                                                                                                                                                        |
|                                                                | GRI 403-3 Occupational health services                                                                                   | 34–36       |                                                                                                                                                                                                        |
|                                                                | GRI 403-4 Worker participation, consultation, and communication on occupational health and safety                        | 34–36       |                                                                                                                                                                                                        |
|                                                                | GRI 403-5 Worker training on occupational health and safety                                                              | 35          |                                                                                                                                                                                                        |
|                                                                | GRI 403-6 Promotion of worker health                                                                                     | 36          |                                                                                                                                                                                                        |
|                                                                | GRI 403-8 Workers covered by an occupational health and safety management system                                         | 34–36       |                                                                                                                                                                                                        |
|                                                                | GRI 403-9 Work-related injuries                                                                                          | 35          |                                                                                                                                                                                                        |
| <b>Training and Education</b>                                  |                                                                                                                          |             |                                                                                                                                                                                                        |
| GRI 3: Material Topics 2021                                    | 3-3 Management of material topics                                                                                        | 27 et seqq. |                                                                                                                                                                                                        |
| GRI 404: Training and Education 2016                           | GRI 404-1 Average hours of training per year per employee                                                                | 31          |                                                                                                                                                                                                        |
|                                                                | GRI 404-2 Programs for upgrading employee skills and transition assistance programs                                      | 30–31       |                                                                                                                                                                                                        |
| <b>Diversity and Equal Opportunity</b>                         |                                                                                                                          |             |                                                                                                                                                                                                        |
| GRI 3: Material Topics 2021                                    | 3-3 Management of material topics                                                                                        | 29 et seqq. |                                                                                                                                                                                                        |
| GRI 405: Diversity and Equal Opportunity 2016                  | GRI 405-1 Diversity of governance bodies and employees                                                                   | 29 et seq.  |                                                                                                                                                                                                        |
|                                                                | GRI 405-2 Ratio of basic salary and remuneration of women to men                                                         |             | We pay our employees in accordance with various collective bargaining agreements – and they receive at least the statutory minimum wage. No distinction between men and women is made in this respect. |
| <b>Non-discrimination</b>                                      |                                                                                                                          |             |                                                                                                                                                                                                        |
| GRI 3: Material Topics 2021                                    | 3-3 Management of material topics                                                                                        | 29 et seqq. |                                                                                                                                                                                                        |
| GRI 406: Non-discrimination 2016                               | GRI 406-1 Incidents of discrimination and corrective actions taken                                                       |             | All reported discrimination incidents were reviewed, and the necessary measures were initiated. The process for handling such incidents is being refined continuously.                                 |
| <b>Freedom of Association and Collective Bargaining</b>        |                                                                                                                          |             |                                                                                                                                                                                                        |
| GRI 3: Material Topics 2021                                    | 3-3 Management of material topics                                                                                        | 32 et seqq. |                                                                                                                                                                                                        |
| GRI 407: Freedom of Association and Collective Bargaining 2016 | GRI 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk |             | We are not aware of any operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.                                                                |

| GRI Standard                              | Disclosures                                                                                             | Page                     | Comments/omissions                                                                                              |
|-------------------------------------------|---------------------------------------------------------------------------------------------------------|--------------------------|-----------------------------------------------------------------------------------------------------------------|
| <b>Child Labour</b>                       |                                                                                                         |                          |                                                                                                                 |
| GRI 3: Material Topics 2021               | 3-3 Management of material topics                                                                       | 48–52                    | Please find information on this topic in our Business Partner Code of Conduct.                                  |
| GRI 408: Child Labour 2016                | GRI 408-1 Operations and suppliers at significant risk for incidents of child labour                    | 50                       | We are not aware of any operations and suppliers where an increased risk of child labour exists.                |
| <b>Forced or Compulsory Labour</b>        |                                                                                                         |                          |                                                                                                                 |
| GRI 3: Material Topics 2021               | 3-3 Management of material topics                                                                       | 48–52                    | Please find information on this topic in our Business Partner Code of Conduct.                                  |
| GRI 409: Forced or Compulsory Labour 2016 | GRI 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour     | 50                       | We are not aware of any operations and suppliers where an increased risk of forced or compulsory labour exists. |
| <b>Local Communities</b>                  |                                                                                                         |                          |                                                                                                                 |
| GRI 3: Material Topics 2021               | 3-3 Management of material topics                                                                       | 37 et seqq.              |                                                                                                                 |
| GRI 413: Local Communities 2016           | GRI 413-1 Operations with local community engagement, impact assessments, and development programs      | 37 et seqq.              |                                                                                                                 |
| <b>Supplier Social Assessment</b>         |                                                                                                         |                          |                                                                                                                 |
| GRI 3: Material Topics 2021               | 3-3 Management of material topics                                                                       | 48–52                    | Please find information on this topic in our Business Partner Code of Conduct.                                  |
| GRI 414: Supplier Social Assessment 2016  | GRI 414-1 New suppliers that were screened using social criteria                                        | 50                       |                                                                                                                 |
|                                           | GRI 414-2 Negative social impacts in the supply chain and actions taken                                 | 50–51                    |                                                                                                                 |
| <b>Public Policy</b>                      |                                                                                                         |                          |                                                                                                                 |
| GRI 3: Material Topics 2021               | 3-3 Management of material topics                                                                       | 53                       |                                                                                                                 |
| GRI 415: Public Policy 2016               | GRI 415-1 Political contributions                                                                       |                          | Political parties do not receive any contributions from SWM.                                                    |
| <b>Customer Health and Safety</b>         |                                                                                                         |                          |                                                                                                                 |
| GRI 3: Material Topics 2021               | 3-3 Management of material topics                                                                       | 19, 37–38, 41, and 53–55 |                                                                                                                 |
| GRI 416: Customer Health and Safety 2016  | GRI 416-1 Assessment of the health and safety impacts of product and service categories                 | 37–38                    |                                                                                                                 |
|                                           | GRI 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services |                          | We are not aware of any violations regarding health and safety impacts of products and services.                |
| <b>Customer Privacy</b>                   |                                                                                                         |                          |                                                                                                                 |
| GRI 3: Material Topics 2021               | 3-3 Management of material topics                                                                       | 55                       |                                                                                                                 |
| GRI 418: Customer Privacy 2016            | GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data  | 55                       |                                                                                                                 |

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