

Consolidated Financial Statements

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Consolidated Statement of Income

€ in millions	Note	2024	2023
Sales including electricity and energy taxes		81,841	95,404
Electricity and energy taxes		-1,722	-1,718
Sales	(5)	80,119	93,686
Changes in inventories (finished goods and work in progress)		-90	79
Own work capitalized	(6)	1,596	1,334
Other operating income	(7)	11,739	38,888
Cost of materials	(8)	-58,990	-64,228
Personnel costs	(11)	-6,534	-6,010
Depreciation, amortization and impairment charges	(14)	-4,401	-3,514
Other operating expenses	(7)	-15,384	-59,548
<i>Thereof: Impairments of financial assets</i>		-558	-984
Income from companies accounted for under the equity method		258	478
Income/loss from equity investments		19	30
Income from continuing operations before interest results and income taxes		8,332	1,195
Interest results	(9)	-1,001	-1,094
<i>Income from other securities, interest and similar income</i>		1,097	1,291
<i>Interest and similar expenses</i>		-2,098	-2,385
Income taxes	(10)	-1,769	598
Income from continuing operations		5,562	699
Income/loss from discontinued operations, net	(4)	-	61
Net income		5,562	760
<i>Attributable to shareholders of E.ON SE</i>		4,531	517
<i>Attributable to non-controlling interests</i>		1,031	243
in €			
Earnings per share (attributable to shareholders of E.ON SE)—basic and diluted¹	(13)		
from continuing operations		1.73	0.18
from discontinued operations		-	0.02
from net income		1.73	0.20
Weighted-average number of shares outstanding (in millions)		2,612	2,611

¹Based on weighted-average number of shares outstanding.

Consolidated Statement of Recognized Income and Expenses

€ in millions	2024	2023
Net income	5,562	760
Remeasurements of defined benefit plans	448	-1,427
Remeasurements of defined benefit plans of companies accounted for under the equity method	-34	149
Income taxes	-283	272
Items that will not be reclassified subsequently to the income statement	131	-1,006
Cash flow hedges	-144	-675
<i>Unrealized changes—hedging reserve</i>	-33	-139
<i>Unrealized changes—reserve for hedging costs</i>	27	13
<i>Reclassification adjustments recognized in income</i>	-138	-549
Fair value measurement of financial instruments	37	76
<i>Unrealized changes</i>	2	39
<i>Reclassification adjustments recognized in income</i>	35	37
Currency-translation adjustments	-193	-15
<i>Unrealized changes—hedging reserve/other</i>	-193	-10
<i>Unrealized changes—reserve for hedging costs</i>	-	2
<i>Reclassification adjustments recognized in income</i>	-	-7
Companies accounted for under the equity method	720	328
<i>Unrealized changes</i>	720	328
<i>Reclassification adjustments recognized in income</i>	-	-
Income taxes	25	217
Items that might be reclassified subsequently to the income statement	445	-69
Total income and expenses recognized directly in equity (other comprehensive income)	576	-1,075
Total recognized income and expenses (total comprehensive income)	6,138	-315
<i>Attributable to shareholders of E.ON SE</i>	5,095	-445
<i>Continuing operations</i>	5,095	-506
<i>Discontinued operations</i>	-	61
<i>Attributable to non-controlling interests</i>	1,043	130

Consolidated Balance Sheet—Assets

€ in millions	Note	December 31,	
		2024	2023
Goodwill	(14)	16,573	17,126
Intangible assets	(14)	3,711	3,592
Right-of-use assets	(32)	2,943	2,710
Property, plant and equipment	(14)	44,269	40,749
Companies accounted for under the equity method	(15)	7,111	6,653
Other financial assets	(15)	3,621	3,738
<i>Equity investments</i>		2,752	2,561
<i>Non-current securities</i>		869	1,177
Financial receivables and other financial assets	(17)	1,107	1,079
Operating receivables and other operating assets	(17)	4,173	3,850
Deferred tax assets	(10)	1,763	3,505
Income tax assets	(10)	36	32
Non-current assets		85,307	83,034
Inventories	(16)	1,243	1,940
Financial receivables and other financial assets	(17)	543	1,085
Trade receivables and other operating assets	(17)	15,198	19,005
Income tax assets	(10)	1,093	1,030
Liquid funds	(18)	7,280	7,412
<i>Securities and fixed-term deposits</i>		1,273	1,375
<i>Restricted liquid funds</i>		255	452
<i>Cash and cash equivalents</i>		5,752	5,585
Assets held for sale	(4)	697	–
Current assets		26,054	30,472
Total assets		111,361	113,506

Consolidated Balance Sheet—Equity and Liabilities

€ in millions	Note	December 31,	
		2024	2023
Capital stock	(19)	2,641	2,641
Additional paid-in capital	(20)	13,316	13,327
Retained earnings	(21)	4,751	1,491
Accumulated Other Comprehensive Income	(22)	-1,853	-2,303
Treasury shares	(19)	-1,014	-1,042
Equity attributable to shareholders of E.ON SE		17,841	14,114
Non-controlling interests (before reclassification)		7,510	7,024
Reclassification related to IAS 32		-1,185	-1,168
Non-controlling interests	(23)	6,325	5,856
Equity		24,166	19,970
Financial liabilities	(26)	34,100	30,823
Operating liabilities	(26)	7,151	8,316
Income tax liabilities	(10)	392	548
Provisions for pensions and similar obligations	(24)	5,181	4,985
Miscellaneous provisions	(25)	8,292	9,028
Deferred tax liabilities	(10)	2,102	2,223
Non-current liabilities	(26)	57,218	55,923
Financial liabilities	(26)	4,964	4,617
Trade payables and other operating liabilities	(26)	19,706	27,397
Income tax liabilities	(10)	615	733
Miscellaneous provisions	(25)	4,292	4,866
Liabilities associated with assets held for sale	(4)	400	-
Current liabilities		29,977	37,613
Total equity and liabilities		111,361	113,506

Consolidated Statement of Cash Flows

€ in millions	2024	2023
Net income	5,562	760
Income/loss from discontinued operations, net	-	-61
Depreciation, amortization and impairment of intangible assets and of property, plant and equipment	4,401	3,514
Changes in provisions	-1,135	-2,704
Changes in deferred taxes	1,379	-1,546
Other non-cash income and expenses	374	1,065
Gain/loss on disposal of intangible assets and property, plant and equipment, equity investments and securities (>3 months)	23	7
Changes in operating assets and liabilities and in income taxes	-4,931	4,619
<i>Inventories</i>	173	266
<i>Trade receivables</i>	720	-688
<i>Other operating receivables and income tax assets</i>	2,857	22,917
<i>Trade payables</i>	-728	-2,997
<i>Other operating liabilities and income taxes</i>	-7,953	-14,879
Cash provided by (used for) operating activities of continuing operations	5,673	5,654
Cash provided by (used for) operating activities of discontinued operations	-	-
Cash provided by (used for) operating activities (operating cash flow)	5,673	5,654
Proceeds from disposal of intangible assets and property, plant and equipment	103	221
Proceeds from disposal of equity investments	168	46 ¹
Purchases of investments in intangible assets and property, plant and equipment	-6,971	-6,010
Purchases of investments in equity investments	-528	-453 ¹
Proceeds from disposal of securities (>3 months) and of financial receivables and fixed-term deposits	2,532	2,636
Purchases of securities (>3 months) and of financial receivables and fixed-term deposits	-2,126	-2,026

¹Adjustment of the previous year's figures due to the expansion of investments and desinvestments to include cash inflows and outflows for loans to affiliated non-consolidated companies as well as other loans.

Consolidated Statement of Cash Flows

€ in millions	2024	2023
Changes in restricted liquid funds	196	-2
Cash provided by (used for) investing activities of continuing operations	-6,626	-5,588
Cash provided by (used for) investing activities of discontinued operations	-	-
Cash provided by (used for) investing activities	-6,626	-5,588
Payments received/made from changes in capital	-190	30
Cash dividends paid to shareholders of E.ON SE	-1,384	-1,331
Cash dividends paid to non-controlling interests	-321	-297
Proceeds from financial liabilities	7,046	5,347
Repayments of financial liabilities	-4,045	-5,593
Cash provided by (used for) financing activities of continuing operations	1,106	-1,844
Cash provided by (used for) financing activities of discontinued operations	-	-
Cash provided by (used for) financing activities	1,106	-1,844
Net increase/decrease in cash and cash equivalents	153	-1,778
Effect of foreign exchange rates on cash and cash equivalents	24	27
Cash and cash equivalents at the beginning of the year ^{1,2}	5,585	7,336
Cash and cash equivalents of discontinued operations at the beginning of the period	-	-
Cash and cash equivalents at the end of the period	5,762	5,585
Less: Cash and cash equivalents of discontinued operations at the end of the period	-	-
Cash and cash equivalents of continuing operations at the end of the period²	5,762	5,585

¹Cash and cash equivalents of continuing operations at the beginning of the period also include €10 million attributable to the Romanian sales business that was reclassified as a disposal group in the third quarter of 2024.

²Cash and cash equivalents of continuing operations at the beginning of the period of the previous year also include €12 million attributable to VSEH Group that was desconsolidated in the fourth quarter of 2023.

Consolidated Statement of Changes in Equity

€ in millions	Changes in accumulated other comprehensive income													Total
				Currency translation adjustments		Cash flow hedges								
	Capital stock	Additional paid-in capital	Retained earnings	Hedging reserve/ other	Reserve for hedging costs	Fair value measurement of financial instruments	Hedging reserve	Reserve for hedging costs	Treasury shares	Equity attributable to shareholders of E.ON SE	Non-controlling interests (before reclassification)	Reclassification related to IAS 32	Non-controlling interests	
Balance as of January 1, 2023	2,641	13,338	3,217	-2,436	-2	-60	300	-8	-1,067	15,923	7,032	-1,088	5,944	21,867
Change in scope of consolidation			-1							-1	69		69	68
Treasury shares repurchased/sold		-11							25	14				14
Capital increase											21		21	21
Dividends			-1,331							-1,331	-312		-312	-1,643
Share additions/reductions			-46							-46	84		84	38
Net additions/disposals from reclassification related to IAS 32												-80	-80	-80
Total comprehensive income			-348	382	2	38	-532	13		-445	130		130	-315
<i>Net income/loss</i>			517							517	243		243	760
<i>Other Comprehensive Income</i>			-865	382	2	38	-532	13		-962	-113		-113	-1,075
<i>Remeasurement of defined benefit plans</i>			-865							-865	-141		-141	-1,006
<i>Changes in accumulated other comprehensive income</i>				382	2	38	-532	13		-97	28		28	-69
Balance as of December 31, 2023	2,641	13,327	1,491	-2,054	0	-22	-232	5	-1,042	14,114	7,024	-1,168	5,856	19,970

Consolidated Statement of Changes in Equity

€ in millions	Changes in accumulated other comprehensive income													
				Currency translation adjustments		Fair value measurement of financial instruments	Cash flow hedges			Equity attributable to shareholders of E.ON SE	Non-controlling interests (before reclassification)	Reclassification related to IAS 32	Non-controlling interests	Total
	Capital stock	Additional paid-in capital	Retained earnings	Hedging reserve/ other	Reserve for hedging costs		Hedging reserve	Reserve for hedging costs	Treasury shares					
Balance as of January 1, 2024	2,641	13,327	1,491	-2,054	0	-22	-232	5	-1,042	14,114	7,024	-1,168	5,856	19,970
Change in scope of consolidation			1	-10		7	1			-1	-8		-8	-9
Treasury shares repurchased/sold		-11							28	17				17
Capital increase														
Dividends			-1,384							-1,384	-336		-336	-1,720
Share additions/reductions											-213		-213	-213
Net additions/disposals from reclassification related to IAS 32												-17	-17	-17
Total comprehensive income			4,643	499		26	-100	27		5,095	1,043		1,043	6,138
<i>Net income/loss</i>			4,531							4,531	1,031		1,031	5,562
<i>Other Comprehensive Income</i>			112	499		26	-100	27		564	12		12	576
<i>Remeasurement of defined benefit plans</i>			112							112	19		19	131
<i>Changes in accumulated other comprehensive income</i>				499		26	-100	27		452	-7		-7	445
Balance as of December 31, 2024	2,641	13,316	4,751	-1,565	0	11	-331	32	-1,014	17,841	7,510	-1,185	6,325	24,166

(1) Summary of Significant Accounting Policies

Basis of Presentation

The Consolidated Financial Statements of E.ON SE, Brüsseler Platz 1, 45131 Essen, Germany, registered in the Commercial Register of Essen District Court under number HRB 28196, have been prepared in accordance with Section 315e (1) of the German Commercial Code ("HGB") and with those International Financial Reporting Standards ("IFRS") and IFRS Interpretations Committee interpretations ("IFRS IC") that were adopted by the European Commission for use in the EU as of the end of the fiscal year, and whose application was mandatory as of December 31, 2024. On February 19, 2025, the Board of Management of E.ON SE approved the Consolidated Financial Statements as of December 31, 2024, for publication.

Principles

The Consolidated Financial Statements for the E.ON Group ("E.ON" or the "Group") were prepared in euros. Unless otherwise stated, all amounts are shown in millions of euros (€ million). For accounting reasons, rounding differences may occur. These financial statements relate to the financial year from January 1 to December 31, 2024. In accordance with IAS 1, "Presentation of Financial Statements" ("IAS 1"), the Consolidated Balance Sheets have been prepared using a classified balance sheet structure. Assets that will be realized within 12 months of the reporting date, as well as liabilities that are due to be settled within one year of the reporting date, are generally classified as current. The Consolidated Statement of Income is classified using the nature of expense method, which is also applied for internal purposes.

Scope of Consolidation

The Consolidated Financial Statements incorporate the financial statements of E.ON SE and entities controlled by E.ON ("subsidiaries"). Control exists when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to use its power over the investee to influence those returns. Control is generally deemed established when a majority of the voting rights is held. An entity is a structured entity if control is based on contractual arrangements or other legal relationships and is not reflected in a majority of voting rights.

The results of the subsidiaries acquired or disposed of during the year are included in the Consolidated Statement of Income from the date of acquisition or until the date of their disposal, respectively.

If the issue of shares in subsidiaries or associates to third parties leads to a reduction in E.ON's ownership interest in these investees ("dilution"), and consequently to a loss of control, joint control or significant influence, gains

and losses from these dilutive transactions are included in the income statement under other operating income or expenses.

Where necessary, adjustments are made to the subsidiaries' financial statements to bring their accounting policies into line with those of the Group. Intercompany receivables, liabilities, expenses and income, and results are eliminated in the consolidation process.

Associated Companies

An associate is an investee over whose financial and operating policy decisions E.ON has significant influence and that is not controlled by E.ON or jointly controlled with E.ON. Significant influence is presumed if E.ON directly or indirectly holds at least 20 percent, but not more than 50 percent, of an entity's voting rights. Interests in associated companies are accounted for using the equity method.

Interests in associated companies accounted for using the equity method are reported on the balance sheet at cost, adjusted for changes in the Group's share of the net assets after the date of acquisition and for any impairment charges. Pro rata losses that might potentially exceed the Group's interest in an associated company when attributable long-term loans are taken into consideration are generally not recognized. Any difference between the cost of the investment and the pro rata remeasured value of its net assets is recognized in the Consolidated Financial Statements as part of the carrying amount.

Companies accounted for using the equity method are tested for impairment by comparing the carrying amount with its recoverable amount. If the carrying amount exceeds the recoverable amount, the carrying amount is adjusted for this difference. If the reasons for previously recognized impairment losses no longer exist, such impairment losses are reversed accordingly.

Joint Ventures

Joint ventures are also accounted for using the equity method. Unrealized gains and losses arising from transactions with joint-venture companies are eliminated within the consolidation process on a pro rata basis if they are material.

Joint Operations

A joint operation exists when E.ON and other investors jointly control an operation, but unlike a joint venture, they do not have a claim to the changes in net assets from the operation. Instead, they have direct rights to individual assets or direct obligations with respect to individual liabilities in connection with the operation. E.ON recognizes assets and liabilities as well as revenues and expenses in a joint operation pro rata according to the rights and obligations attributable to E.ON.

Business Combinations

Business combinations are accounted for using the purchase method, under which the purchase price is offset against the pro rata share in the acquired company's revalued net assets. The fair values are determined using published exchange or market prices at the time of acquisition in the case of marketable securities or commodities, for example, and in the case of land, buildings and major technical equipment, generally using independent expert reports that have been prepared by third parties. If exchange or market prices are unavailable for consideration, fair values are derived from market prices for comparable assets or comparable transactions. If these values are not directly observable, fair value is determined using appropriate valuation methods. In such cases, E.ON determines fair value using the discounted cash flow method by discounting estimated future cash flows by a weighted-average cost of capital.

Non-controlling interests can be measured either at cost (partial goodwill method) or at fair value (full goodwill method). The choice of method can be made on a case-by-case basis. The partial goodwill method is generally used within the E.ON Group.

Intangible assets must be recognized separately if they are clearly separable or if their recognition arises from a contractual or other legal right. Provisions for restructuring measures may not be recognized in a purchase price allocation. If the purchase price paid exceeds the proportional share in the revalued net assets at the time of acquisition, the positive difference is recognized as goodwill. No goodwill is recognized for positive differences attributable to non-controlling interests. After a repeated review, any negative difference is recognized in net income.

Foreign Currency Translation

The Company's transactions denominated in foreign currency are translated at the current exchange rate at the date of the transaction. At each balance sheet date monetary foreign currency items are adjusted to the exchange rate on the reporting date; any gains and losses resulting from fluctuations in the relevant currencies are recognized in net income and reported as other operating income and other operating expenses, respectively. Gains and losses from the translation of non-derivative financial instruments used in hedges of net investments in foreign operations are recognized in equity as a component of other comprehensive income. The ineffective portion of the hedging instrument is immediately recognized in net income.

The functional currency as well as the reporting currency of E.ON SE is the euro. The assets and liabilities of Group companies with a functional currency other than the euro are translated using the mid-market exchange rates applicable on the balance sheet date. The income statements of foreign Group companies with a functional currency other

than the euro are translated using annual average exchange rates. Differences arising from the application of both rates are recognized directly in equity as a component of other comprehensive income.

The following table depicts the movements in exchange rates for the periods indicated for major currencies of countries outside the European Monetary Union:

Currencies

	ISO Code	€1, rate at year-end		€1, annual average rate	
		2024	2023	2024	2023
British pound	GBP	0.83	0.87	0.85	0.87
Danish krone	DKK	7.46	7.45	7.46	7.45
Norwegian krone	NOK	11.80	11.24	11.63	11.42
Polish zloty	PLN	4.28	4.34	4.31	4.54
Romanian leu	RON	4.97	4.98	4.97	4.95
Swedish krona	SEK	11.46	11.10	11.43	11.48
Czech crown	CZK	25.19	24.72	25.12	24.00
Turkish lira	TRY	36.74	32.65	35.57	25.76
Hungarian forint	HUF	411.35	382.80	395.30	381.85
US dollar	USD	1.04	1.11	1.08	1.08

Countries classified as hyperinflationary are required by IAS 29 to express their financial statements in the functional currency of the hyperinflationary economy in terms of the measuring unit current at the balance sheet date to reflect current purchasing power. As a result, among other things, non-monetary assets and liabilities are generally adjusted using a general price index and a gain or loss on the net monetary position is recognized. For additional information on the application of IAS 29 in fiscal year 2024, please refer to [Note 15](#).

Recognition of Income

a) Revenues

Revenues in the Energy Retail segment are generated primarily from the sale of electricity and gas (conventional and green) to retail customers, industrial and commercial customers and wholesale markets. For contracts that do not provide for defined purchase quantities, the performance obligation consists in particular in the provision and availability of energy on demand at any time (standing ready obligation). Revenues are also generated in the German district heating business and from the provision of sustainable solutions to customers to enhance energy efficiency, energy autonomy and electromobility.

In the Energy Infrastructure Solutions segment, E.ON offers integrated, sustainable energy solutions with the goal of sustainably supplying heating, electricity, steam, and cooling to cities and towns, as well as commercial and industrial customers. Revenues are mainly generated from the delivery of district heating and cooling, from the portfolio of decentralized services for neighborhoods, as well as industrial and commercial customers, and from products and services to enhance energy efficiency. This also includes the energy infrastructure sector, where the performance obligations mainly consist in the installation of block-type thermal power stations, photovoltaic systems, air-conditioning systems and heat pumps. This segment also includes the revenues generated from the smart energy meter business in the United Kingdom.

In the Energy Networks business, mainly earnings from the distribution of electricity and gas are included in revenues. E.ON makes the electricity and gas distribution network available to its customers. In the course of extending electricity and gas networks, E.ON also installs customer connections and connects renewable energy generating stations to the grid. In some cases, the fulfillment of performance obligations also entails construction work on non-owned land. Significant parts of the fees generated in the Energy Networks segment are regulated and are therefore subject to efficiency-based upper limits on revenue. Since the introduction of IFRS 15 with effect from January 1, 2018, revenues no longer include the fees for the promotion of Renewables because these revenues are netted with the corresponding cost of materials (net disclosure).

Revenues are generally recognized when E.ON fulfills its performance obligation by transferring a promised good or service to a customer. An asset is deemed to be transferred when the customer obtains control of the asset. The majority of the E.ON Group's revenues are recognized over time because customers use these services when they are provided. For all such revenues, progress is measured using output-based methods, e.g., through the measurement of services that have already been provided or units that have been produced or delivered. For construction contracts, the stage of completion for overtime revenue recognition can be determined using input-based methods, such as the cost-to-cost method. The methods used appropriately reflect the pattern of transfer of goods to customers or provision of services for customers. The relatively subordinate point-in-time revenue recognition occurs, among other things, on the installation of solar panels or charging stations in the electromobility business, and for so-called linear products, where a fixed amount of energy is provided to commercial customers at a specific point in time. Revenue is recognized when control is transferred to the customer, which means that no significant discretionary decisions are required.

Revenues from the sale of goods and services are measured using the transaction prices allocated to these goods and services. They reflect the value of the volume supplied, including an estimated value of the volume

supplied to customers between the date of the last invoice and the end of the period. Monthly advance payments for B2C customers are generally determined on the basis of historical consumption data, taking into account current temperature effects. Peak payments are settled at the end of the settlement period. In B2B, a bottom-up approach is used to calculate individual rates. Contractually agreed variable consideration may be allocated to an entire contract or to specific components of a contract, which is the case with energy supply agreements with a base fee, for which the variable consideration is allocated in full to the actual supply of energy, but not to the fundamental willingness to supply the energy. E.ON's sales transactions generally are not based on any material finance components. The average target payment period is generally between 10 and 30 days, in exceptional cases longer. Refunds to customers are an exception and are granted if the customer is disconnected from the power supply for an extended period of time. Cash bonuses or bonus payments to customers are recognized as refund liabilities and presented as a decrease in revenues uniformly over the term of the contract. As a rule, no warranties are granted in the core business. Warranties are only granted in the "Build & Sell" activities.

Revenues also include interest income from finance leases when the corresponding activities are part of E.ON's core business. This interest income is recognized on the basis of the effective interest method.

b) Interest Income

Interest income is recognized pro rata using the effective interest method.

c) Dividend Income

Dividend income is recognized when the right to receive the distribution payment arises.

Electricity and Energy Taxes

Electricity and energy taxes are levied on electricity and natural gas delivered to retail customers and are calculated on the basis of a fixed tax rate per kilowatt-hour ("kWh"). This rate varies between different classes of customers. Electricity and energy taxes payable are deducted from sales revenues on the face of the income statement if those taxes are levied upon delivery of energy to the retail customer.

Earnings per Share

Basic (undiluted) earnings per share is computed by dividing the consolidated net income attributable to the shareholders of the parent company by the weighted-average number of ordinary shares outstanding during the relevant period. At E.ON, the computation of diluted earnings per share is identical to that of basic earnings per share because E.ON SE has issued no potentially dilutive ordinary shares. The increase in the weighted-average number of shares outstanding resulted primarily from

the issue of treasury shares in E.ON SE under the voluntary employee stock purchase program.

Goodwill and Intangible Assets

Goodwill

Goodwill is not amortized, but rather tested for impairment at the cash-generating unit level on at least an annual basis. The term cash-generating unit also always includes groups of cash-generating units and is referred to in simplified form as a cash-generating unit. Goodwill must also be tested for impairment, during the year, at the level of individual cash-generating units if events or changes in circumstances indicate that the recoverable amount of a particular cash-generating unit might be impaired, resulting in a shortfall in the carrying amount.

Newly created goodwill is allocated to those cash-generating units expected to benefit from the respective business combination. The cash-generating units to which goodwill is allocated are generally equivalent to the operating segments. If goodwill cannot be allocated to individual cash-generating units without arbitrariness but instead can only be allocated to groups of cash-generating units, the lowest level within the unit at which the goodwill is monitored for internal management purposes then includes several cash-generating units to which the goodwill relates but to which it cannot be allocated individually. Goodwill impairment testing is performed in euros, while the underlying goodwill is always carried in the functional currency.

In a first step, E.ON determines the recoverable amount of a cash-generating unit on the basis of the fair value (less costs to sell) using generally accepted valuation procedures. This is based on the mid-term planning data of the respective cash-generating unit. Valuation is performed using the discounted cash flow method unless market transactions or valuations prepared by third parties for comparable assets which are higher-level in the fair value hierarchy according to IFRS 13 are available. If needed, a calculation of value in use is also performed.

If the carrying amount exceeds the recoverable amount, the goodwill allocated to that cash-generating unit is adjusted in the amount of this difference. Because E.ON generally applies the partial goodwill method, only that part of the difference that is attributable to the respective partial goodwill is recognized as an impairment.

E.ON performs the annual testing of goodwill for impairment at the cash-generating unit level in the fourth quarter on October 1 of each fiscal year.

Impairment charges on the goodwill of a cash-generating unit and reported in the income statement under "Depreciation, amortization and impairment charges" may not be reversed in subsequent reporting periods.

Intangible Assets

IAS 38, "Intangible Assets" ("IAS 38"), requires that intangible assets be amortized over their expected useful lives unless their lives are considered to be indefinite. Factors such as typical product life cycles and legal or similar limits on use are taken into account in the classification.

Internally generated intangible assets subject to amortization are related to software and are recognized as development costs. Intangible assets subject to amortization are generally amortized using the straight-line method over their expected useful lives. The useful lives of customer relationships and similar assets range between 2 and 50 years, and between 3 and 50 years for concessions, industrial property rights, licenses and similar rights, unless depreciation based on consumption reflects an appropriate level of depletion. This latter category includes software in particular. Useful lives and amortization methods are subject to regular verification. Intangible assets subject to amortization are tested for impairment whenever events or changes in circumstances indicate that such assets may be impaired.

Intangible assets whose use has not yet started are not amortized. An impairment test is carried out at least once a year as well as whenever there are indications of impairment, either for the individual asset or at the level of the cash-generating unit. The useful life of an intangible asset with an indefinite life is tested annually to determine whether the indefinite life assumption continues to be justified.

Both assets with definite and indefinite useful lives are impaired if the recoverable amount—the higher of fair value less costs to sell and value in use—is lower than the carrying amount. If the reasons for the impairment losses previously recognized under "Depreciation, amortization and impairment charges" no longer apply, these assets are written up to a maximum of the value that would have resulted if no impairment losses had been recognized during the preceding periods, taking into account scheduled amortization.

See [Note 14](#) for additional information about goodwill and intangible assets.

Research and Development Costs

Under IFRS, expenditure on research is expensed as incurred, while costs incurred during the development phase of new products, services and technologies are to be recognized as assets when the specific criteria for recognition specified in IAS 38 are present. In the 2023 and 2024 fiscal years, E.ON capitalized costs for internally generated software and other technologies in this context.

Property, Plant and Equipment

Property, plant and equipment is initially measured at acquisition or production cost, including decommissioning or restoration cost that must be capitalized, and is depreciated over the expected useful lives of the components, generally using the straight-line method, unless a different method of depreciation is deemed more suitable in certain exceptional cases. Useful lives are regularly tested for appropriateness and the underlying assumptions and estimates are updated, for example, in view of technical, economic or legal circumstances.

The useful lives of the most significant asset classes of material property, plant and equipment are presented below:

Useful Lives of Property, Plant and Equipment

Buildings	5 to 60 years
Technical equipment, plant and machinery	2 to 80 years
Other equipment, fixtures, furniture and office equipment	2 to 30 years

Property, plant and equipment is tested for impairment whenever events or changes in circumstances indicate that an asset may be impaired. In such a case, property, plant and equipment is tested for impairment according to the principles prescribed for intangible assets in IAS 36. If the reasons for the impairment losses previously recognized under "Depreciation, amortization and impairment charges" no longer exist, such impairment losses are reversed and recognized in income. Such reversal shall not cause the carrying amount to exceed the amount that would have resulted had no impairment taken place during the preceding periods.

Subsequent costs arising, for example, from additional or replacement capital expenditure are only recognized as part of the acquisition or production cost of the asset, or else—if relevant—recognized as a separate asset if it is probable that the Group will receive a future economic benefit and the cost can be determined reliably.

Repair and maintenance costs that do not constitute significant replacement capital expenditure are expensed as incurred.

Borrowing Costs

Borrowing costs that arise in connection with the acquisition, construction or production of a qualifying asset from the time of acquisition or from the beginning of construction or production until the conclusion of all material work required to prepare the qualifying asset for its intended use or sale are capitalized and subsequently amortized alongside the related asset. In the case of a specific financing arrangement, the respective borrowing costs incurred for that particular arrangement during the period are used. For non-specific financing arrangements, a financing rate uniform within

the Group of 3.00 percent was applied for 2024 (2023: 2.66 percent). Other borrowing costs are expensed.

Government Grants

The Group receives grants for assets and grants related to income.

Government investment subsidies do not reduce the acquisition and production costs of the respective assets; they are instead reported on the balance sheet as deferred income. They are recognized in income on a straight-line basis over the associated asset's expected useful life.

Grants related to income are also generally recognized as deferred income on the balance sheet. The liability item is reversed over the period necessary to match the corresponding income effects that are intended to compensate for the government grants. Grants are recognized in the same way as subsidized items.

Government grants are recognized at fair value if the Group satisfies the necessary conditions for receipt of the grant and if it is highly probable that the grant will be issued.

Leasing

Lease agreements are accounted for in accordance with IFRS 16, "Leases" ("IFRS 16"). A lease is an agreement that conveys the right to use an identified asset for a specified period in exchange for consideration. In certain cases, agreements that are not concluded in the form of a rental or lease agreement (e.g., physical power purchase agreements) are also reviewed to determine whether they contain a lease in accordance with IFRS 16. E.ON is party to some agreements in which it is the lessor and to others in which it is the lessee.

E.ON as Lessee

Transactions in which E.ON acts as a lessee are accounted for on the basis of the right-of-use model. The recognition exemption of IFRS 16.5 is used for low-value leases and for agreements with a lease term of less than 12 months (short-term leases). Accordingly, there is no recognition of the right-of-use asset and the lease liability. Instead, the payments are recognized on a straight-line basis as an expense. In line with internal management practice, intragroup leases are recognized as current expenses in the segment reporting.

A lease liability is recognized in the amount of the present value of the existing payment obligation. Where an arrangement provides for payments for lease components and non-lease components, the payments are not separated using the practical expedient under IFRS 16.15 (with the exception of real estate leases); the lease liability is measured taking into account the total amount of the payments. Present value is determined by discounting with an incremental borrowing rate that is equivalent in terms

of risk and term if the implicit interest rate cannot be determined. The liability is subsequently measured using the effective interest method. A right-of-use asset corresponding with the lease liability is recognized in the amount of the present value of the lease payments. The initial recognition amount of the right-of-use asset is increased by the amount of the initial direct costs, as well as expected costs for asset retirement obligations; prepayments made are included and lease incentives received are deducted from the initial recognition amount. A right-of-use asset is subsequently measured at amortized cost. Depreciation is carried out on a straight-line basis over the shorter of the lease term or the useful life of the identified asset. An impairment test is carried out in accordance with IAS 36 if events or changed circumstances indicate an impairment.

E.ON ensures its operational flexibility when concluding leasing agreements through the use of extension and termination options. In determining the lease term, E.ON considers all facts and circumstances that provide an economic incentive to exercise existing options. The lease term therefore also includes periods covered by extension options if it is assumed with reasonable certainty that they will be exercised.

E.ON as Lessor

Lease transactions in which E.ON acts as lessor are classified as operating or finance leases depending on the distribution of risks and rewards. If a lease is classified as an operating lease, E.ON recognizes the identified asset and recognizes the lease payments as other operating income on a straight-line basis over the lease term. For finance leases, the identified asset is derecognized and a receivable is recognized in the amount of the net investment value. Payments made by the lessee are treated as a reduction of the lease receivable or interest income, which is recognized over the term of the lease using the effective interest method. Interest income from customer contracts in the core business is presented separately under revenues. Subleases are classified based on the right-of-use asset under the head lease.

Financial Instruments

Non-Derivative Financial Instruments

Non-derivative financial instruments are measured in accordance with IFRS 9, "Financial Instruments" ("IFRS 9"). They are recognized at fair value, including transaction costs, on the settlement date when acquired, provided they are not recognized at fair value through profit and loss.

Financial assets are classified as financial assets measured at amortized cost (AmC), financial assets measured at fair value through other comprehensive income (FVOCI), and financial assets measured at fair value through profit and loss (FVPL) based on the business model and the characteristics of the cash flows.

If a financial asset is held for the purpose of collecting contractual cash flows and the cash flows of the financial asset represent exclusively interest and principal payments, then the financial asset is measured at amortized cost (AmC).

A financial asset is measured at fair value through other comprehensive income (FVOCI) if it is used both to collect contractual cash flows and for sales purposes and the cash flows of the financial asset consist exclusively of interest and principal payments.

Unrealized gains and losses from financial assets measured at fair value through other comprehensive income (FVOCI), net of related deferred taxes, are reported as a component of equity (other comprehensive income) until realized. Realized gains and losses are determined by analyzing each transaction individually.

Debt instruments that do not exclusively serve to collect contractual cash flows or to both generate contractual cash flows and sales revenue, or whose cash flows do not exclusively consist of interest and principal payments are measured at fair value through profit and loss (FVPL). For equity instruments that are not held for trading purposes, E.ON does not exercise the FVOCI option.

Impairments of financial assets are both recognized for losses already incurred and for expected future credit defaults. The amount of the impairment loss calculated in the determination of expected credit losses is recognized on the income statement.

The expected future credit loss is calculated by multiplying the probability of default by the carrying amount of the financial asset (exposure at default) and the expected loss ratio (loss given default). For information on the treatment of impairments under IFRS 9, please see [Note 31](#).

Non-derivative financial liabilities (including trade payables) within the scope of IFRS 9 are measured at amortized cost, using the effective interest method. Initial measurement takes place at fair value, with transaction costs included in the measurement. In the subsequent measurement, the residual carrying amount is adjusted by the amortization and accretion of any premium or discount remaining until maturity. The premium or discount is recognized in financial results over its term.

Derivative Financial Instruments and Hedging

Derivative financial instruments and separated embedded derivatives are measured at fair value as of the trading date at initial recognition. Under IFRS 9, they are classified as at fair value through profit and loss (FVPL) as long as they are not a component of a hedge accounting relationship. Gains and losses from changes in fair value are immediately recognized in net income.

The instruments primarily used are foreign currency forwards and cross-currency interest rate swaps, as well as interest rate swaps. In commodities, the instruments used primarily include physically and financially settled forwards and options related to electricity and gas.

As part of fair value measurement in accordance with IFRS 13, the counterparty risk is also taken into account for derivative financial instruments. E.ON determines this risk based on a portfolio valuation in a bilateral approach for both own credit risk (debt value adjustment) and the credit risk of the corresponding counterparty (credit value adjustment). The counterparty risks thus determined are allocated to the individual financial instruments by applying the relative fair value method on a net basis.

E.ON has designated some of these derivatives as part of a hedging relationship. IFRS 9 sets requirements for the admissibility of hedging instruments and the underlyings, the formal designation and documentation of hedging relationships, the hedging strategy, as well as fulfilling requirements of effectiveness in order to qualify for hedge accounting. The designated hedged items and hedging instruments are subject to the same risk. This economic relationship ensures that the amounts of the hedged items and hedging instruments are offset against each other and that the hedging relationships are therefore effective. The hedge ratio of the hedges is 1:1. Ineffectiveness arises only if the measurement parameters of the hedged item and the hedging instrument differ from one another or in the case of subsequent designation of the hedging instrument. All components of derivative gains and losses from the measurement of hedge ineffectiveness are taken into consideration during recognition.

For qualifying fair value hedges, the change in the fair value of the derivative and the change in the fair value of the hedged item that is due to the hedged risk(s) are recognized in income.

If a derivative instrument qualifies as a cash flow hedge under IFRS 9, the effective portion of the hedging instrument's change in fair value is recognized in equity (as a component of other comprehensive income. In accordance with IFRS 9, the currency basis spread (hedging costs) will be separated from the hedging instrument and reported separately as an excluded component in accumulated other comprehensive income in the reserve for hedging costs as a component of equity.

The hedging result is reclassified into income during the period in which the cash flows of the hedged asset are recognized in income. The result is recognized immediately in income if it becomes probable that the hedged underlying transaction will no longer occur. For hedging instruments used to establish cash flow hedges, the change in fair value of the ineffective portion is recognized immediately in the income statement to the extent required.

To hedge the foreign currency risk arising from the Company's net investment in foreign operations, derivative as well as non-derivative financial instruments are used. Gains or losses due to changes in fair value and from foreign currency translation are recognized within equity, as a component of other comprehensive income, under currency translation adjustments.

E.ON currently uses hedges in the framework of cash flow hedges and hedges of a net investment.

Changes in fair value of derivative instruments that are recognized in income are presented as other operating income or expenses. Gains and losses from interest-rate derivatives are included in interest income.

Unrealized gains and losses resulting from the initial measurement of derivative financial instruments at the inception of the contract are not recognized in income. They are instead deferred and recognized in income systematically over the term of the derivative. An exception to the accrual principle applies if unrealized gains and losses from the initial measurement are verified by quoted market prices, observable prices of other current market transactions or other observable data supporting the valuation technique. In this case the gains and losses are recognized in income.

E.ON holds portfolios of sales and procurement contracts for electricity and gas supplies with various customer and supplier groups (commodity futures). Contracts (in particular sales and procurement contracts for electricity and gas) that are entered into for purposes of receiving or delivering non-financial items in accordance with E.ON's anticipated procurement, sale or use requirements, and held as such, are generally classified as own-use contracts.

They are not accounted for as derivative financial instruments at fair value through profit and loss (FVPL) in accordance with IFRS 9, but as pending transactions subject to the rules of IAS 37. Contracts that provide for net settlement and resales of the quantities to be delivered at a future date generally cannot, as a rule, be classified as own-use contracts. Based on forward-looking forecasts of delivery quantities specified by customer structure and portfolio management, contracts with physical settlement upon conclusion are recognized as derivatives for which settlement cannot be ensured within the scope of ordinary delivery. This "safety buffer" is reviewed on a regular basis and adjusted if necessary.

Embedded derivatives in own-use contracts must be separated from the host contract and accounted for as derivatives in accordance with IFRS 9 if the economic characteristics and risks of these derivatives are not closely related to those of the host contract. The contract is assessed upon conclusion to determine whether a derivative is required to be separated. A

reassessment must be carried out if there is a significant change in the terms of the contract or in the context of business combinations.

Agreements to buy or sell non-financial items that are not classified as own-use contracts under IFRS 9 and that are required to be accounted for as derivatives must be recognized in the balance sheet at their fair value until they are realized. At the time of physical settlement (delivery or feed-in) of such energy delivery contracts, the electricity or gas volumes delivered are measured at the market price prevailing at this time. The difference between the contract price and the market price is recognized in other operating income. In exceptional cases, commodity derivatives are designated as hedging instruments of a cash flow hedge in accordance with IFRS 9, and the effective part of the value change is recognized in equity as a component of other comprehensive income.

IFRS 7, "Financial Instruments: Disclosures" ("IFRS 7"), and IFRS 13 both require comprehensive quantitative and qualitative disclosures about the extent of risks arising from financial instruments. Additional information on financial instruments is provided in Notes [30](#) and [31](#).

Non-derivative and derivative financial instruments are netted on the balance sheet if under IAS 32 E.ON has both an unconditional right—even in the event of the counterparty's insolvency—and the intention to settle offsetting positions simultaneously and/or on a net basis.

Inventories

Inventories are measured at the lower of acquisition or production cost and net realizable value. The cost of raw materials, finished products and goods purchased for resale is determined based on the average cost method. In addition to production materials and wages, production costs include material and production overheads based on normal capacity. The costs of general administration are not capitalized. Inventory risks resulting from excess and obsolescence are considered by using appropriate valuation allowances, whereby inventories are written down to net realizable value.

Emission Rights and Similar Certificates

Emission rights and similar certificates held under national and international emissions trading systems for the settlement of obligations are capitalized at cost at the date of acquisition and reported under current assets. Subsequent measurement is at amortized cost under IAS 38.

The obligation to submit emission rights and similar certificates to the relevant authorities is recognized as a liability as of the balance sheet date. Measurement is based on the best estimate of the future settlement amount.

Receivables, Contract Assets or Liabilities and Other Assets

A receivable is recognized under IFRS 15 when the goods or services are delivered, provided that the right to consideration is unconditional, i.e., is only related to the passage of time. However, if the right to receive the consideration is contingent upon conditions other than the passage of time, a contract asset is recognized. A contract liability under IFRS 15 is recognized when consideration has been received for an existing IFRS 15 contract and the right to receive the goods or services still exists in full or in part. The contractual liability is only reversed with an effect on revenue when E.ON has performed the corresponding service. An asset is recognized under other assets under IFRS 15 if the cost of obtaining the contract is expected to be recovered and the amortization period is longer than one year. Other assets are amortized over the estimated term of the contract depending on how the goods or services to which the costs relate are transferred to the customer. If the estimated term of the contract is less than one year, the costs are immediately recognized as an expense on the income statement. Trade receivables without a significant financial component are measured upon initial recognition at their transaction price. Valuation allowances, included in the reported net carrying amount, are provided for identifiable individual risks. If the loss of a certain part of the receivables is probable, valuation allowances are provided to cover the expected loss. Impairments are also recognized for expected future credit losses.

Liquid Funds

Liquid funds include checks, cash on hand, bank balances and current securities.

Liquid funds with an original maturity of more than three months are recognized under securities and fixed-term deposits provided that their maturities are not more than 12 months and therefore are recognized under non-current financial receivables and other financial assets.

Liquid funds with an original maturity of less than three months are considered to be cash and cash equivalents in accordance with IAS 7. This also applies if they are merely contractually restricted, in which case the funds can technically be disposed of at any time at E.ON's discretion. However, if, as a result of a restriction, liquid funds cannot technically be disposed of at any time at E.ON's discretion, they are reported separately as restricted liquid funds.

Assets Held for Sale and Liabilities Associated with Assets Held for Sale and Discontinued Operations

Non-current assets and any corresponding liabilities held for sale are recognized separately from other assets and liabilities in the balance sheet in the line items "Assets held for sale" and "Liabilities associated with assets held for sale" if they can be disposed of in their current condition and if there is sufficient probability of their disposal actually taking place. The

reclassification to the separate balance sheet items is shown in the fixed asset movement schedule under Disposals.

Discontinued operations are components of an entity that are either held for sale or have already been sold and can be clearly distinguished from other corporate operations, both operationally and for financial reporting purposes. Additionally, the component of the entity classified as a discontinued operation must represent a major business line or a specific material geographic business segment of the Group or a subsidiary acquired exclusively for resale.

Non-current assets that are held for sale either individually or collectively as part of a disposal group, or that belong to a discontinued operation, are no longer depreciated. They are instead accounted for at the lower of the carrying amount and the fair value less any remaining costs to sell. If this value is less than the carrying amount, an impairment loss is recognized in other operating expenses.

The income and losses resulting from the measurement of components held for sale as well as the gains and losses arising from the disposal of discontinued operations, are reported separately on the face of the income statement under income/loss from discontinued operations, net, as is the income from the ordinary operating activities of these divisions. Prior-year income statement figures are adjusted accordingly. The relevant assets and liabilities are reported in a separate line on the balance sheet. The cash flows of discontinued operations are reported separately in the cash flow statement, with prior-year figures adjusted accordingly. However, there is no reclassification of prior-year balance sheet line items attributable to discontinued operations.

Equity Instruments

E.ON has entered into purchase commitments to holders of non-controlling interests in subsidiaries. By means of these agreements, the non-controlling shareholders have the right to require E.ON to purchase their shares on specified conditions. None of the contractual obligations has led to the transfer of substantially all of the risk and rewards to E.ON at the time of entering into the contract. Under the anticipated acquisition method, however, the right of tender is accounted for as if it had already been exercised. Accordingly, the minority interests are derecognized—irrespective of the probability of the option being exercised—and at the same time a liability is recognized in the amount of the present value of the repurchase amount in accordance with IAS 32, "Financial Instruments: Presentation" ("IAS 32"). The difference between this measurement and the carrying amount of the minority shareholders' equity to be derecognized is recognized in equity of E.ON SE shareholders. The accretion of the liability is recognized as interest expense. If a purchase commitment expires unexercised, the liability reverts to non-controlling

interests. Any remaining difference is then recognized directly in equity in retained earnings.

Where shareholders of entities own statutory, non-excludable rights of termination (as in the case of German partnerships, for example), such termination rights require the reclassification of non-controlling interests from equity into liabilities under IAS 32. The liability is recognized at the present value of the expected settlement amount irrespective of the probability of termination. Changes in the value of the liability are reported within other operating income. Accretion of the share of the results of the non-controlling shareholders' share in net income is recognized in Net interest income/expense. In the event that non-controlling shareholders are entitled to a guaranteed dividend, this entitlement is recognized as a liability through reclassification from non-controlling interests in equity.

If E.ON SE or a Group company buys treasury shares of E.ON SE, the value of the consideration paid, including directly attributable additional costs (net after income taxes), is deducted from E.ON SE's equity until the shares are retired, distributed or resold. If such treasury shares are subsequently distributed or sold, the consideration received, net of acquisition costs, any directly attributable additional transaction costs and associated income taxes, is recognized in additional paid-in capital.

Share-Based Payment

Share-based payment plans issued in the E.ON Group are accounted for in accordance with IFRS 2, "Share-Based Payment" ("IFRS 2").

In fiscal years 2017 to 2024, virtual shares were granted to members of the Management Board of E.ON SE and certain E.ON Group executives under the new E.ON Performance Plan. See the Compensation Report for more details on the structure of the plan.

The E.ON Performance Plan represents commitments of the Company which provide for cash compensation based on the share price performance at the end of the term. The compensation expense is measured taking into account the fair value of the virtual shares granted and recognized in personnel expense pro rata over the vesting period.

In 2024, as in 2023, employees of E.ON SE and participating subsidiaries once again had the opportunity to purchase E.ON shares at favorable conditions under the employee stock purchase program. The program includes a share-based payment settled in equity instruments (shares of E.ON SE) as consideration for services rendered or work performed. The corresponding compensation under IFRS 2 was recognized in personnel expense and the offsetting entry was made in equity.

Provisions for Pensions and Similar Obligations

Measurement of defined benefit obligations in accordance with IAS 19, "Employee Benefits," is based on actuarial computations using the projected unit credit method, with actuarial valuations performed at year-end. The valuation encompasses both pension obligations and pension entitlements that are known on the reporting date and economic trend assumptions such as assumptions on wage and salary growth rates and pension increase rates, among others, that are made in order to reflect realistic expectations, as well as variables specific to reporting dates such as discount rates, for example.

Included in gains and losses from the remeasurements of the net defined benefit liability or asset are actuarial gains and losses that may arise especially from differences between estimated and actual variations in underlying assumptions about demographic and financial variables. Additionally included is the difference between the actual return on plan assets and the expected interest income on plan assets included in the net interest result. Remeasurement effects are recognized in full in the period in which they occur and are not reported within the Consolidated Statement of Income, but are instead recognized within the Consolidated Statement of Recognized Income and Expenses as part of equity.

The employer service cost representing the additional benefits that employees earned under the benefit plan during the fiscal year is reported under personnel costs; the net interest on the net liability or asset from defined benefit pension plans determined based on the discount rate applicable at the start of the fiscal year is reported under financial results.

Past service cost, as well as gains and losses from settlements, are fully recognized in the income statement in the period in which the underlying plan amendment, curtailment or settlement takes place. They are reported under personnel costs.

The amount reported on the balance sheet represents the present value of the defined benefit obligations reduced by the fair value of plan assets. If a net asset position arises from this calculation, the amount is limited to the present value of available refunds and the reduction in future contributions and to the benefit from prepayments of minimum funding requirements. Such an asset position is recognized as an operating receivable.

Payments for defined contribution pension plans are expensed when due and reported under personnel costs. Contributions to state pension plans are treated like payments for defined contribution pension plans to the extent that the obligations under these pension plans generally correspond to those under defined contribution pension plans.

Provisions for Asset Retirement Obligations and Other Miscellaneous Provisions

In accordance with IAS 37, "Provisions, Contingent Liabilities and Contingent Assets" ("IAS 37"), provisions are recognized when E.ON has a legal or constructive present obligation towards third parties as a result of a past event, it is probable that E.ON will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The provision is recognized at the expected settlement amount. Long-term obligations are reported as liabilities at the present value of their expected settlement amounts if the interest rate effect (the difference between present value and repayment amount) resulting from discounting is material; future cost increases that are foreseeable and likely to occur on the balance sheet date at year-end must also be included in the measurement. Long-term obligations are generally discounted at the market interest rate applicable as of the respective balance sheet date, provided that it is not negative. The accretion amounts and the effects of changes in interest rates are generally presented as part of financial results. A reimbursement related to the provision that is virtually certain to be collected is capitalized as a separate asset. No offsetting within provisions is permitted. Advance payments remitted are deducted from the provisions.

Obligations arising from the decommissioning or dismantling of property, plant and equipment are recognized during the period of their occurrence at their discounted settlement amounts, provided that the obligation can be reliably estimated, whereby no negative discount rates are applied. The carrying amounts of the respective property, plant and equipment are increased by the same amounts. In subsequent periods, capitalized asset retirement costs are amortized over the expected remaining useful lives of the assets, and the provision is accreted to its present value on an annual basis. Advance payments remitted are deducted from the provisions.

Changes in estimates arise in particular from deviations from original cost estimates, from changes to the maturity or the scope of the relevant obligation, and also as a result of the regular adjustment of the discount rate to current market interest rates. The adjustment of provisions for the decommissioning and restoration of property, plant and equipment for changes to estimates is generally recognized by way of a corresponding adjustment to these assets, with no effect on income. As the property, plant and equipment concerned have, however, frequently already been fully depreciated, changes to estimates are primarily recognized within the income statement.

The estimates for nuclear decommissioning provisions are derived from studies, cost estimates, legally binding civil agreements and legal information. A material element in the estimates are the real interest rates applied (the applied discount rate, less the cost increase rate).

If onerous contracts exist in which the unavoidable costs of meeting a contractual obligation exceed the economic benefits expected to be received under the contract, provisions are established for losses from pending transactions. Such provisions are recognized at the lower of the excess obligation upon performance under the contract and any potential penalties or compensation arising in the event of non-performance. Obligations under an open contractual relationship are determined from a sales market perspective, in part on the basis of contract portfolios.

Provisions for pending sales transactions must also be recognized if these transactions are subject to the own-use exemption under IFRS 9 and if they are partially offset by transactions that are accounted for as derivative financial instruments measured at current market prices. As a result, provisions under IAS 37 are recognized for transactions actually subject to the own-use exemption, for the purpose of which the intrinsic values of the derivatives accounted for under IFRS 9 held in the procurement portfolio are taken into consideration in the calculation of the imputed performance costs. The book structure adopted under IFRS 9 therefore affects the accounting treatment of the corresponding provisions.

Contingent liabilities are possible obligations toward third parties arising from past events that are not wholly within the control of the entity, or else present obligations toward third parties arising from past events in which an outflow of resources embodying economic benefits is not probable or where the amount of the obligation cannot be measured with sufficient reliability. Contingent liabilities are not recognized on the balance sheet.

A full disclosure of information is not provided for certain contingent liabilities, contingent receivables and provisions in connection with pending litigation if such disclosure could have a significant influence on further proceedings.

Provisions for restructuring costs are recognized at the present value of the future outflows of resources. Provisions are recognized once a detailed restructuring plan has been decided on by management and whose implementation has either already begun or which have been publicly announced or communicated to the employees or their representatives. Only those expenses that are directly attributable to the restructuring measures are used in measuring the amount of the provision. Expenses associated with the future operation are not taken into consideration.

Income Taxes

Under IAS 12, "Income Taxes" ("IAS 12"), deferred taxes are recognized on temporary differences arising between the carrying amounts of assets and liabilities on the balance sheet and their tax bases (balance sheet liability method). Deferred taxes are recognized for temporary differences that will result in taxable or deductible amounts when taxable income is calculated for future periods, unless those differences are the result of the initial

recognition of an asset or liability in a transaction other than a business combination that, at the time of the transaction, affects neither accounting nor taxable profit/loss and does not generate any temporary differences in the same amount that are subject to tax or to deduction (initial differences). Uncertain tax positions are recognized at their most likely value or the expected value. IAS 12 further requires that deferred tax assets be recognized for unused tax loss carryforwards and unused tax credits. Deferred tax assets are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and unused tax losses can be utilized. Each of the corporate entities is assessed individually with regard to the probability of a positive tax result in future years. The planning horizon is basically three to five years in this context. Any existing history of losses is incorporated in this assessment. For those tax assets to which these assumptions do not apply, the value of the deferred tax assets is reduced. Deferred taxes in connection with the global minimum tax ("Pillar II") are not recognized.

Deferred tax liabilities caused by temporary differences associated with investments in affiliated and associated companies are recognized unless the timing of the reversal of such temporary differences can be controlled within the Group and it is probable that, owing to this control, the differences will in fact not be reversed in the foreseeable future.

Deferred tax assets and liabilities are measured using the enacted or substantively enacted tax rates expected to be applicable for taxable income in the years in which temporary differences are expected to be recovered or settled. The effect on deferred tax assets and liabilities of changes in tax rates and tax law is recognized in net income unless the change affects deferred taxes that had previously been recognized directly in equity. The change is generally recognized in the period in which the material legislative process is completed. Income taxes for transaction costs of an equity transaction are recognized directly in equity.

Income tax items are regularly assessed, in particular against the backdrop of numerous changes in tax laws, tax regulations, legal decisions and ongoing tax audits. E.ON is responding to this circumstance, in particular through the application of IFRIC 23, by continuously identifying and assessing the tax environment and the resulting effects. The most current information is then incorporated into the estimate parameters necessary for measuring the tax provisions. Accordingly, related potential interest rate effects are also assessed, measured and reported separately.

Consolidated Statement of Cash Flows

In accordance with IAS 7, "Statement of Cash Flows," the Consolidated Statement of Cash Flows are classified in cash flows from operating, investing and financing activities.

Segment Information

In accordance with the so-called management approach required by IFRS 8, "Operating Segments," the internal reporting organization used by management for making decisions on operating matters is used to identify the Company's reportable segments. The internal performance measure used as the segment result is EBITDA adjusted to exclude certain non-operating effects (see [Note 34](#)). Transactions between the reportable segments are recorded at arm's length transfer prices.

Structure of the Consolidated Balance Sheets and Statement of Income

In accordance with IAS 1, "Presentation of Financial Statements," the Consolidated Balance Sheets have been prepared using a classified balance sheet structure. Assets that will be realized within 12 months of the reporting date, as well as liabilities that are due to be settled within one year of the reporting date are generally classified as current.

The Consolidated Statement of Income is classified using the nature of expense method, which is also applied for internal purposes.

Critical Accounting Estimates and Assumptions; Critical Judgments in the Application of Accounting Policies

The preparation of the Consolidated Financial Statements requires management to make estimates and assumptions that may both influence the application of accounting principles within the Group and affect the measurement and presentation of reported figures. Actual amounts may differ from these estimates. Estimates are based on past experience and on current knowledge obtained on the transactions to be reported. The estimates and underlying assumptions are reviewed on an ongoing basis and are adjusted as necessary in the periods in which they were recognized.

Estimates are particularly necessary for the measurement of the value of property, plant and equipment and of intangible assets, specifically in connection with purchase price allocations and determining the useful life, the recognition and measurement of deferred tax assets (especially with regard to the future availability of taxable profits against which the deductible temporary differences and tax loss carryforwards can be applied), the accounting treatment of provisions for pensions and other provisions (in particular provisions for the decommissioning of nuclear power plants and provisions for onerous contracts from pending transactions involving the sale of electricity and gas), for impairment testing in accordance with IAS 36, as well as the determination of the fair value of certain financial instruments, as well as for the application of IFRS 15, and here in particular for the estimation of the value of electricity and gas units supplied, including the estimated values for units between the last settlement and the end of the period. The same applies to the estimation of outstanding performance obligations. This estimation is

performed on the basis of medium-term planning data. In a second step, this data is adjusted for expected new contracts and the renewal of existing contracts in the coming years. Estimates are also factored in when applying IFRS 16, namely in connection with the determination of lease terms and the calculation of the discount rate, and in part when applying IFRS 9 in connection with the determination of expected future credit losses.

The application of accounting policies requires judgments to be made that may affect the amounts recognized in the financial statements. Judgments are relevant, for example, when assessing whether an item is to be classified in accordance with IFRS 5. Here, management assesses whether a disposal is considered highly probable. Further judgments may be necessary in assessing whether E.ON controls, jointly controls with other investors, or can significantly influence an entity. Specifically, management assesses here what the significant activities of the Company are, i.e., which activities have a material impact on the returns of the investee. The list of shareholdings (see [Note 12](#)) provides information on the form of inclusion in the consolidated financial statements of certain investees whose share of voting rights indicates a different form of inclusion. The impairment tests to be conducted in accordance with IAS 36 are also based on various assumptions according to the discretionary judgment of the management. The assumptions applied for the impairment tests conducted in fiscal year 2024 are described in detail in [Note 14](#). Critical judgment is also required in the recognition of risks arising from claims asserted by customers for the restitution of amounts collected through price adjustment measures (provisions in connection with price adjustments). Discretionary judgment is required in estimating the financial impacts of litigation, particularly the determination of whether assets or liabilities should be recognized and whether contingent assets or liabilities should be disclosed (see [Note 28](#)).

Estimates and judgments continue to be subject to increased uncertainty, in particular due to the significant volume and price volatilities on the energy markets (and due to the continuing war in Ukraine). The actual amounts may differ from the estimates and judgments made. Such changes may have a material impact on E.ON's net assets, financial position and results of operations. When the estimates and judgments were updated, all available information on expected economic developments and country-specific government measures was taken into account on the reporting date. It is still difficult to predict the duration and the extent of the impact on assets, liabilities, earnings and cash flows of the war in Ukraine.

The underlying principles used for estimates and judgments in the named topics and in additional relevant topics are outlined in the respective sections.

(2) New Standards, Interpretations and Amendments

Standards, Interpretations and Amendments Applicable for the First Time in Fiscal Year 2024

The EU has transposed these amendments into European law. The amendments will be applied for fiscal years beginning on or after January 1, 2024. The amendments have no material impact on E.ON's Consolidated Financial Statements.

IASB and IFRS IC Pronouncements	Explanation	To be applied by E.ON from	Expected impact on the presentation of E.ON's net assets, financial position and results of operations
Amendments to IFRS 16—Lease Liability in a Sale and Leaseback	Clarification that the seller-lessee determines the (modified) lease payments in the subsequent measurement of the lease liability in a way that prevents the recognition of a gain or loss for the right-of-use retained.	01/01/2024	No material impact.
Amendments to IAS 1—Classification of Liabilities as Current or Non-Current Amendments to IAS 1—Classification of Liabilities as Current or Non-Current—Deferral of Effective Date Amendments to IAS 1 – Non-Current Liabilities with Covenants	Clarification that the classification of liabilities as current or noncurrent is based on the existing rights of the entity at the reporting date. Clarification of how conditions with which an entity must comply within 12 months after the reporting period affect the classification of a liability.	01/01/2024	No material impact.
Amendments to IAS 7 and IFRS 7—Supplier Finance Arrangements	Additional disclosure requirements for companies to provide qualitative and quantitative information about supplier finance arrangements.	01/01/2024	No impact.

Standards, Interpretations and Amendments Issued But Not Yet Applicable

The IASB and the IFRS IC have issued the following additional standards and interpretations. E.ON does not apply these rules because their application is not yet mandatory. The table below shows whether these amendments are expected to have a material impact on E.ON's Consolidated Financial Statements:

IASB and IFRS IC Pronouncements	Explanation	Transposed into EU law	To be applied by E.ON from	Expected impact on the presentation of E.ON's net assets, financial position and results of operations
Amendments to IAS 21—Lack of Exchangeability	Specification of when a currency is exchangeable and how to determine the exchange rate when it is not.	No	01.01.2025	No impact.
Amendments to IFRS 7 and 9—Classification and Measurement of Financial Instruments	Amendment regarding derecognition of a financial liability settled through electronic transfer, classification of financial assets, and further disclosures.	No	01/01/2026*	No material impact.
Annual Improvements to IFRS	The IASB issued Annual Improvements to IFRS Accounting Standards (Volume 11) on July 18, 2024.	No	01/01/2026*	No material impact.
Amendments to IFRS 9 and IFRS 7—Contracts Referencing Nature-Dependent Electricity	Contracts referencing nature-dependent electricity help companies access electricity from sources such as wind or solar power. These contracts are often structured as Power Purchase Agreements. In order to provide better representation of these contracts in the financial statements of companies, the IASB has made the following amendments: —Clarification on the application of the own use exemption to these contracts; —Amendment of the hedge accounting for requirements to permit an entity to use such contracts as hedging instruments if certain conditions are met; —Introduction of additional disclosure requirements.	No	01/01/2026*	No material impact.
IFRS 19—Subsidiaries without Public Accountability: Disclosures	IFRS 19 establishes reduced disclosure requirements that an eligible entity may apply instead of the disclosure requirements in other IFRS financial reporting standards.	No	01/01/2027*	No impact.
IFRS 18—Presentation and Disclosures in Financial Statements	IFRS 18 contains requirements for the presentation and disclosure of information in IFRS financial statements. IFRS 18 will replace IAS 1 "Presentation of Financial Statements." The key changes introduced by IFRS 18 include: —In the statement of profit or loss: new requirements for the classification of income and expenses into categories and the disclosure of two newly defined subtotals; —In the notes: disclosure of management defined performance measures; —In primary statements and note disclosures: additional requirements for aggregation/disaggregation.	No	01/01/2027*	The initial application of IFRS 18 is expected to have significant impacts on the presentation of financial statements, the specific extent of which is currently being analyzed.

* If not yet endorsed by the EU the date of first-time adoption scheduled by the IASB is assumed to apply.

(3) Scope of Consolidation

The number of consolidated companies changed as follows in the 2024 fiscal year:

Scope of Consolidation

	Domestic	Foreign	Total
Consolidated companies as of January 1, 2023	166	143	309
Additions	5	4	9
Disposals/Mergers	7	18	25
Consolidated companies as of December 31, 2023	164	129	293
Additions	6	14	20
Disposals/Mergers	6	6	12
Consolidated companies as of December 31, 2024	164	137	301

In 2024, a total of 53 domestic and 8 foreign associated companies were consolidated under the equity method (2023: 53 domestic companies and 10 foreign companies). One domestic company reported as joint operations was presented pro rata on the Consolidated Financial Statements (2023: one domestic company).

(4) Material Acquisitions, Disposals and Disposal Groups in 2024

Termination of Operating Concession Wastewater Treatment Plant in Croatia

A concession agreement for the operation of a wastewater treatment plant existed between Zagrebacke otpadne vode d.o.o., a company consolidated at equity in the E.ON Group, and the City of Zagreb. By majority resolution of the City Assembly on January 25, 2024, the City of Zagreb exercised its contractually agreed right to unilaterally terminate this concession. The six-month period of notice expired at the beginning of August and the operating lead was transferred to the City of Zagreb. The negotiations regarding the amount of the compensation payment are still ongoing. E.ON obtained an earnings contribution in a single-digit million range for the fiscal year 2024. A material disposal result is not expected.

Disposal of a Joint Venture in the Netherlands

Essent Energy Next Solutions B.V. (Essent) held a 49 percent stake in a joint venture, Kemkens Groep B.V., which has been consolidated at equity.

The joint venture partner had a contractually agreed call option entitling them to acquire the 49 percent stake. In June 2024, Essent was notified in writing by the joint venture partner about the exercise of this option. The closing of the transaction was expected in the second half of 2024. As a result, the criteria of IFRS 5 for reporting as “held for sale” were met for the first time as of June 30, 2024. Therefore, the investment from the Energy Retail Netherlands segment has been reported as an “asset held for sale” in the balance sheet in the second and third quarter of 2024. The transaction was finally closed as of October 8, 2024, with a positive disposal gain in a lower double-digit million range.

Agreement Reached for Sale of Energy Retail Business in Romania

E.ON signed an agreement on December 16, 2024, to sell its 68 percent shareholding in E.ON Energie România S.A. and its 98 percent shareholding in E.ON Asist Complet S.A. (both reported in the Energy Retail Other operating segment) to MVM Group. The transaction is subject to necessary approvals and is expected to be completed in the first half of 2025. Until closing of the transaction, the business will be classified as a disposal group under IFRS 5.

Assets totaling €684 million and liabilities totaling €400 million were reclassified to the disposal group, and goodwill of €12 million was allocated. The assets primarily consist of current assets of €651 million, and of non-current assets of €17 million and deferred tax assets (€16 million). The total liabilities consist of liabilities of €386 million, provisions of €10 million and deferred tax liabilities of €4 million. The accumulated expense recognized in other comprehensive income relating to the disposal group amounts to €48 million. As of December 31, 2024, no impairment loss for any write-down of the disposal group to fair value less costs to sell has been recognized.

Deconsolidation results are generally allocated to other operating income.

(5) Revenue

At €80.1 billion, revenues in 2024 were significantly lower (roughly - €13.6 billion) than in the previous year.

Revenues in the Energy Networks business division increased compared to the prior year. In addition to the growing regulated asset base, which had a positive impact on revenue across all regions, the discontinuation of government subsidies for transmission system operators in Germany during the current reporting period led to a further increase in network tariffs. In contrast, and more than offsetting this development, there was a significant reduction in the Energy Retail business division due to price

developments on the commodity markets. The downward price trend that began in autumn 2023 reversed in the second quarter of 2024. Nevertheless, prices in 2024 remained well below 2023 levels, leading to lower revenue compared with the prior year. In addition to price trends, lower sales volumes due to weather conditions also contributed to the decline in revenue. Sales also declined owing to a reduction in sales volume that was due in part to our ongoing focus on residential and smaller business customers as well as medium-sized business customers. Furthermore, revenue from sales volumes contracted on a forward basis and accounted for as derivatives under IFRS 9 must be recognized at market prices at the time of physical delivery. The opposing effects of the market valuation of commodity derivatives are recorded under other operating income.

The decline in revenues in the Energy Infrastructure Solutions business division resulted particularly from the lower sales prices in the heating business in Germany determined by the passing on of lower procurement costs. Due to its business model, finance leases are an integral part of the core business in the Energy Infrastructure Solutions segment. The resulting interest income of €17.5 million was reported as revenue for the first time in the 2024 financial year (2023: €0 million).

Revenue realized in the current reporting period and resulting from performance obligations that had already been fulfilled in whole or in part in previous reporting periods amounted to €0.4 billion (2023: €0.8 billion). As of December 31, 2024, the total amount of performance obligations already contracted but still outstanding (excluding expected contract extensions and expected new contracts) amounted to €34.7 billion (December 31, 2023: €30.8 billion). We expect to fulfil outstanding performance obligations of €13.1 billion in 2025 and 2026. Additional performance obligations amounting to €21.6 billion are expected to be fulfilled from 2027 onwards. In the E.ON Group, revenues are mainly realized over time. Revenues that were not recognized under IFRS 15 but under other accounting standards totaled €0.2 billion in the 2024 fiscal year (2023: €5.4 billion). Of this, €0.1 billion was attributable to income-related government grants from the public sector (2023: €5.2 billion).

Revenues are broken down in detail into intragroup and external revenues in the segment information ([Note 34](#)). They are also broken down into key regions and products. The overview also shows the effect of revenues on operating cash flow before interest and taxes.

(6) Own Work Capitalized

Own work capitalized amounted to €1,596 million in 2024 (2023: €1,334 million) and resulted primarily from capitalized work performed in connection with ongoing and completed IT projects and network assets.

(7) Other Operating Income and Expenses

The table below provides details of other operating income for the periods indicated:

Other Operating Income

€ in millions	2024	2023
Income from exchange rate differences	517	578
Gain on derivative financial instruments (including currency derivatives)	10,195	37,273
Gain on disposal of non-current assets and securities	129	151
Gain on the reversal of provisions	30	29
Miscellaneous	868	857
Total	11,739	38,888

Other operating income decreased by €27,149 million to €11,739 million (2023: €38,888 million).

Income and expenses from derivative financial instruments (including currency derivatives) relate to fair value measurement under IFRS 9.

Income from derivative financial instruments decreased year-on-year by €27,078 million to €10,195 million (2023: €37,273 million). Income from commodity derivatives amounted to €9,911 million (2023: €35,931 million), mainly due to price developments on the commodity markets (see the comments on the development of commodity prices in [Note 5](#)). In addition, income from derivative financial instruments includes realized income from currency derivatives of €84 million (2023: €1,174 million).

Conversely, income from currency translation effects decreased by €61 million to €517 million. Corresponding items from derivative financial instruments (including currency derivatives) are included in other operating expenses. The effects of foreign currency translation within other operating income amounted to €645 million (2023: €611 million).

The gain on the disposal of property, plant and equipment and securities (€129 million) was €22 million below prior year. Gains were realized on the sale of securities in the amount of €33 million (2023: €51 million).

Miscellaneous other operating income amounted to €868 million, remaining at the prior-year level (€857 million).

Miscellaneous other operating income also includes items such as transactions other than ordinary business activities in the amount of

€99 million (2023: €105 million), income from contract penalties of €76 million (2023: €67 million), rental and lease income of €69 million (2023: €59 million) and income from the reversal of investment grants in the amount of €48 million (2023: €25 million).

The following table provides details of other operating expenses for the periods indicated:

Other Operating Expenses

€ in millions	2024	2023
Loss from exchange rate differences	750	718
Loss on derivative financial instruments (including currency derivatives)	9,860	53,345
Taxes other than income taxes	109	108
Loss on disposal of non-current assets and securities	155	159
Impairments of financial assets	558	984
Miscellaneous	3,952	4,234
Total	15,384	59,548

Other operating expenses of €15,384 million were €44,164 million lower than in the previous year (2023: €59,548 million). The decrease is due to the €43,485 million decline in expenses from derivative financial instruments (including currency derivatives) to €9,860 million (2023: €53,345 million).

Expenses from commodity derivatives amounted to €9,702 million in 2024 (2023: €52,026 million). Similar to the development in income from derivative financial instruments, this was mainly due to price developments on the commodity markets over the course of the year. In addition, expenses from derivative financial instruments (including currency derivatives) includes, among others, realized expenses from currency derivatives of €123 million (2023: €1,312 million).

Expenses from exchange rate differences in the amount of €750 million increased by €32 million compared with the previous year (€718 million).

Foreign currency translation effects within other operating expenses amounted to €757 million (2023: €707 million).

Compared to the previous year, the impairment of financial assets reduced by -€426 million to €558 million. The reason for this is the included expected losses of €18 million which are -€718 million lower than the previous year (€736 million). By contrast, both the reversal of impairments

as well as also individual value adjustments in the balance sheet increased by €292 million to €540 million.

Miscellaneous other operating expenses includes third-party services and passthrough charges in the amount of €1,134 million (2023: €1,204 million). Also included are IT expenses in the amount of €759 million (2023: €654 million), advertising and marketing expenses in the amount of €336 million (2023: €279 million), as well as consulting and audit fees in the amount of €225 million (2023: €217 million). Additionally reported under this item are repair expenses in the amount of €146 million (2023: €110 million), office expenses in the amount of €121 million (2023: €121 million), travel expenses in the amount of €112 million (2023: €98 million), contributions and fees in the amount of €68 million (2023: €67 million), insurance premiums in the amount of €67 million (2023: €66 million), and rents and leases in the amount of €67 million (2023: €60 million).

(8) Cost of Materials

The principal components of expenses for raw materials and supplies and for purchased goods are the purchase of gas and electricity. Fuel supply is also included in this line item to a lesser extent. Expenses for purchased services consist primarily of network usage charges and maintenance costs.

Cost of Materials

€ in millions	2024	2023
Expenses for raw materials and supplies and for purchased goods	39,283	47,968
Expenses for purchased services	19,707	16,260
Total	58,990	64,228

Cost of materials of €58,990 million was significantly lower than the prior-year level of €64,228 million. This decrease was mainly due to energy price developments on the commodity markets. The downward price trend that began in autumn 2023 reversed again in the second quarter of 2024. Nevertheless, prices in 2024 remained well below 2023 levels, leading to lower procurement costs compared with the prior year. In addition, forward procurement contracts are recognized as derivative financial instruments in accordance with IFRS, and on recognition this requires adjustment to the market price at the time of delivery. The opposing effect from the market valuation of commodity derivatives is recognized in other operating income.

In addition, the change in provisions for contracted sales transactions reported that are not subject to IFRS 9 (so-called own-use contracts), which are economically part of a portfolio that is partly offset by procurement transactions to be accounted for as derivative financial instruments. While significant reversals were made in the prior year due to falling prices, there were no material changes to these provisions in the current reporting period.

Government subsidies received reduced the cost of materials by €147 million (2023: €453 million).

(9) Financial Result

The following table provides details of financial result for the periods indicated:

Financial Result

€ in millions	2024	2023
Income from companies in which equity investments are held	188	148
<i>Fair value through P&L</i>	112	86
<i>Other</i>	76	62
Loss from companies in which equity investments are held	-88	-56
Impairment charges/reversals on other financial assets	-81	-62
Income/loss from equity investments	19	30
Income/loss from securities, interest and similar income	1,097	1,291
<i>Amortized cost</i>	223	238
<i>Fair value through P&L</i>	674	877
<i>Fair value through OCI</i>	18	20
<i>Other interest income</i>	182	156
Interest and similar expenses	-2,098	-2,385
<i>Amortized cost</i>	-883	-794
<i>Fair value through P&L</i>	-570	-681
<i>Other interest expenses</i>	-645	-910
Net interest income/loss	-1,001	-1,094
Financial result	-982	-1,064

The improvement in the financial result compared to the previous year resulted from an improvement in net interest income/loss, which more than offset the minor decrease in the income/loss from equity investments. In the previous year, the falling level of interest rates led to net interest

expenses from the discounting of provisions, whereas in the reporting period, higher interest rates led to net interest income.

Interest and similar income at amortized cost include positive effects from cash investments by E.ON SE in the amount of €138 million (2023: €150 million).

Interest and similar expenses at amortized cost includes the positive effect from the difference between the nominal interest rate and the effective interest rate of former innogy bonds, which was adjusted due to the purchase price allocation, in the amount of €147 million, which is €40 million lower than in the previous year. This item was also negatively impacted by the increased interest expense from the newly issued bonds.

The valuation effects of "Securities measured at fair value through P&L" are included in both income and expenses at fair value through P&L. These effects accounted for €43 million in the income (2023: €86 million) and -€12 million in the expenses (2023: -€35 million).

Other interest income includes interest income from the discounting of provisions for asset retirement obligations in the amount of €110 million (2023: €0 million) and other non-current provisions in the amount of €43 million (2023: €31 million).

Other interest expenses mainly relate to net interest expenses from pension provisions of €138 million (2023: €114 million), interest expenses from the regular compounding of other non-current provisions of €206 million (2023: €245 million), and interest expenses for lease liabilities of €206 million (2023: €185 million).

(10) Income Taxes

The following table provides details of income taxes, including deferred taxes, for the periods indicated:

Income Taxes

€ in millions	2024	2023
Current taxes	390	948
thereof previous years	-323	106
Deferred taxes	1,379	-1,546
on temporary differences	1,479	-1,281
on loss carryforwards	39	86
on tax interest carryforwards and other tax credits	-90	141
on valuation allowance	-49	-492
Total income taxes	1,769	-598

The income tax rate of 31 percent (2023: 31 percent) applicable in Germany is composed of corporate income tax (15 percent), trade tax (15 percent) and the solidarity surcharge (1 percent). The income tax rate of 31 percent corresponds to the tax rate applicable to E.ON SE for 2024. The differences from the effective tax rate are reconciled as follows:

Reconciliation to Effective Income Taxes/Tax Rate

	2024		2023	
	€ in millions	in %	€ in millions	in %
Income/loss from continuing operations before taxes	7,331	100.0	101	100.0
Expected income taxes	2,273	31.0	31	31.0
Foreign tax rate differentials	-202	-2.8	-203	-200.8
Changes in tax rate/tax law	2	0.0	30	29.6
Tax effects on tax-free income	-161	-2.2	-91	-90.4
Tax effects of non-deductible expenses and permanent differences	307	4.2	234	232.2
Tax effects on income from companies accounted for under the equity method	-43	-0.6	-102	-101.2
Tax effects of changes in value and non-recognition of deferred taxes	-81	-1.1	-618	-611.8
Tax effects of other taxes on income	28	0.4	156	154.1
Tax effects of income taxes related to other periods	-360	-4.9	-31	-31.0
Other	6	0.1	-4	-3.6
Effective income taxes/tax rate	1,769	24.1	-598	-591.9

Continuing operations generated tax expenses of €1,769 million in the reporting year (2023: tax income of €598 million). This corresponds to a tax rate of 24 percent. The tax expenses mainly comprise deferred tax expenses on positive effects related to derivative financial instruments. In the reporting period, countervailing effects resulted from tax income from prior years, including €198 million from a concluded redress procedure, and changes in the value of deferred taxes. In the previous year, negative effects from the measurement of derivatives and changes in value of deferred taxes led to the recognition of tax income on a net basis.

Various temporary differences as well as various unused tax loss carryforwards and tax credits result in the following deferred tax assets and liabilities:

Deferred Tax Assets and Liabilities

€ in millions	Dec. 31, 2024		Dec. 31, 2023	
	Tax assets	Tax liabilities	Tax assets	Tax liabilities
Intangible assets	299	832	108	535
Right-of-use assets	3	743	3	737
Property, plant and equipment	300	3,802	337	3,832
Financial assets	224	127	209	140
Inventories	154	3	148	13
Receivables (including derivative financial instruments)	599	3,564	1,076	5,673
Provisions for pensions and similar obligations	1,761	77	2,018	55
Miscellaneous provisions	1,162	187	1,326	247
Liabilities (including derivative financial instruments)	4,769	1,050	8,289	1,542
Loss carryforwards	523	–	598	–
Other	1,232	421	878	286
Subtotal	11,026	10,806	14,990	13,060
Changes in value	-559	–	-648	–
Deferred taxes (gross)	10,467	10,806	14,342	13,060
Netting	-8,704	-8,704	-10,837	-10,837
Deferred taxes (net)	1,763	2,102	3,505	2,223
<i>Current</i>	<i>1,108</i>	<i>104</i>	<i>1,935</i>	<i>274</i>

Income tax assets and liabilities consist primarily of income taxes for the respective current year and for prior-year periods that have not yet been definitively examined by the tax authorities. These items can be found in the balance sheet.

As of December 31, 2024, €28 million (2023: €16 million) in deferred tax liabilities were recognized for the differences between net assets and the tax bases of subsidiaries and associated companies (outside basis differences). Accordingly, deferred tax liabilities were not recognized for temporary differences of €2,404 million (2023: €2,062 million) at subsidiaries and associated companies, as E.ON is able to control the timing of their reversal and the temporary difference will not reverse in the foreseeable future.

No deferred tax assets were recognized, or were no longer recognized, on the following tax loss carryforwards, interest carryforwards and other deferred tax assets:

Tax Loss Carryforwards, Tax Interest Carryforwards and Other Tax Credits without Recognition of Deferred Tax Assets

€ in millions	December 31, 2024			December 31, 2023		
	Tax loss carryforwards corporate tax	Tax loss carryforwards trade tax and local income taxes	Tax interest carryforwards and other tax credits	Tax loss carryforwards corporate tax	Tax loss carryforwards trade tax and local income taxes	Tax interest carryforwards and other tax credits
Amounts at the balance sheet date	10,232	2,158	2,767	10,349	2,214	2,837
of which amounts without recognition of deferred taxes	8,795	1,799	2,096	8,678	1,777	2,515
– unlimited duration	4,642	1,790	2,096	4,498	1,727	2,515
– limited duration	4,153	9	–	4,180	50	–
– of which up to 5 years	182	9	–	182	50	–
– of which up to 9 years	252	–	–	283	–	–
– of which 10 years or longer	3,719	–	–	3,715	–	–

The expiring tax loss carryforwards relate exclusively to countries other than Germany.

Deferred tax assets were not recognized, or are no longer recognized, in the amount of €352 million (2023: €776 million) for temporary differences which are recognized in income and equity.

Current tax expense was reduced by €40 million (2023: €26 million) due to the use of previously unrecognized tax losses. The change in previously unrecognized tax losses, interest carryforwards and temporary differences reduced deferred tax expense by €91 million (2023: €77 million).

As of December 31, 2024, E.ON reported deferred tax assets for companies that incurred losses in the current or the prior-year period that exceed the deferred tax liabilities by €672 million (2023: €2,028 million). Of this amount, €667 million (2023: €1,672 million) is attributable to companies in Germany. This amount mainly includes deductible temporary differences. Recognition is based, among other factors, on taxable profits realized in the current financial year and on sufficient taxable profits in subsequent fiscal years. These factors are based on scenario analyses as well as stable earnings contributions from the regulated area. When considered in the aggregate, the management has concluded that each company will generate sufficient taxable income against which the previously unused tax losses and deductible temporary differences can be offset.

Income taxes recognized in other comprehensive income break down as follows:

Income Taxes of Other Comprehensive Income

€ in millions	2024	2023
Deferred taxes within OCI	344	602
Current taxes within OCI	-2	-2
Total	342	600

Changes in income taxes recognized in other comprehensive income break down as follows:

Changes in Income Taxes of Other Comprehensive Income

€ in millions	2024			2023		
	Before income taxes	Income taxes	After income taxes	Before income taxes	Income taxes	After income taxes
Cash flow hedges	-144	47	-97	-675	207	-468
Fair value measurement of financial instruments	37	-10	27	76	-13	63
Currency translation adjustments	-193	-12	-205	-15	23	8
Remeasurements of defined benefit plans	448	-283	165	-1,427	272	-1,155
Companies accounted for under the equity method	686	-	686	477	-	477
Total	834	-258	576	-1,564	489	-1,075

Additions and Disposals

Effects from additions and disposals and from discontinued operations resulted in changes in deferred taxes totaling €18 million (2023: €27 million).

Changes in deferred tax assets in the current year, with net disposals of €16 million, mainly relate to receivables (-€13 million). The change in deferred tax liabilities, with a net addition of €2 million, mainly relate to intangible assets (+€6 million) and receivables (-€8 million).

In the previous year, changes in deferred taxes, with a net addition of €38 million, related mainly to liabilities (+€26 million), property, plant and equipment (+€11 million) and loss carryforwards (+€7 million). Changes in deferred tax liabilities, with a net addition of €65 million, relate primarily to property, plant and equipment (+€39 million), receivables (+€34 million) and liabilities (-€16 million).

Global Minimum Tax

The E.ON Group is included in the scope of application of the OECD Model Rules of Pillar 2 for the national implementation of the global minimum tax. The Model Rules were transposed into German law through the introduction of a minimum tax law in December 2023, which applies to all fiscal years beginning after December 31, 2023. The E.ON Group applies the exemption in IAS 12 for the recognition and disclosure of information on deferred tax assets and liabilities in connection with income taxes from global minimum taxation.

The minimum tax legislation applicable from 2024 requires E.ON to determine the effective tax rate for each country in which business units as defined by the law exist and, if the effective tax rate determined is below the minimum tax rate of 15 percent, to pay a so-called supplementary tax equal to the difference between the effective tax rate and the minimum tax rate.

The E.ON Group carried out an analysis as of the reporting date to determine the impact and the jurisdictions in which the Group could be exposed to potential effects in connection with a Pillar 2 supplementary tax.

The first step was to determine whether the safe harbor regulations were applicable. None of the CbCR safe harbor tests is relevant for the United Kingdom and a simplified Pillar 2 calculation as of December 31, 2024 yielded a qualified domestic minimum top-up tax of €7 million, which is included in consolidated tax expenses.

(11) Personnel-Related Information

Personnel Costs

The following table provides details of personnel costs for the periods indicated:

Personnel Costs

€ in millions	2024	2023
Wages and salaries	5,339	4,908
Social security contributions	852	772
Pension costs and other employee benefits	343	330
<i>Pension costs</i>	321	304
Total	6,534	6,010

Personnel costs of €6,534 million were €524 million higher than the prior-year figure of €6,010 million. The change is primarily attributable to the higher headcount and tariff increases.

Share-Based Payment

The expenses for share-based payment in 2024 (the E.ON Performance Plan) amounted to €69.7 million (2023: €93.3 million).

Employee Stock Purchase Program

The voluntary employee stock purchase program took place again in 2024, giving employees in the German Group companies the opportunity once again to purchase E.ON shares at favorable conditions. The favorable pricing conditions granted within the framework of the employee stock purchase program (IFRS 2, "Share-based Payment") resulted in personnel expense of €7.8 million; the offsetting entry was made in equity in additional paid-in capital.

Long-term Variable Compensation

Members of the Management Board of E.ON SE and certain executives of the E.ON Group receive share-based payment as part of their voluntary long-term variable compensation. The purpose of such compensation is to reward their contribution to E.ON's growth and to further the long-term success of the Company. This variable compensation component, comprising a long-term incentive effect along with a certain element of risk, provides for a logical linking of the interests of shareholders and management.

The following discussion includes reports on the E.ON Performance Plan introduced in 2017.

E.ON Performance Plan (EPP)

In the years 2017 to 2024, E.ON granted the members of the Management Board of E.ON SE and certain executives of the E.ON Group virtual shares under the E.ON Performance Plan. The vesting period of each tranche is four years. Vesting periods start on January 1 of each year.

The beneficiary will receive virtual shares in the amount of the agreed target. The conversion into virtual shares will be based on the fair market value on the date when the shares are granted. The number of virtual shares allocated may change during the four-year vesting period. For tranches granted through 2021, the only relevant criterion was the total shareholder return ("TSR") of E.ON stock compared with the TSR of the companies in a peer group ("relative TSR"). The final number of virtual shares allocated in the 2022 tranche depends on three performance criteria, namely, relative TSR, ROCE, and the E.ON Sustainability Index.

The TSR is the return on E.ON stock, which takes into account the stock price plus the assumption of reinvested dividends, adjusted for changes in capital. The peer group used for relative TSR will be the other companies in E.ON's peer index, the STOXX® Europe 600 Utilities. During a tranche's vesting period, E.ON's TSR performance is measured once a year in comparison with the companies in the peer group and set for that year.

The E.ON Sustainability Index reflects the four most relevant ESG aspects (ESG = Environment, Social, Governance) at E.ON. In 2024 these aspects were: climate action, diversity, health and safety, and ESG ratings.

For the tranches granted up to and including 2021, the final number of virtual shares is determined as follows: E.ON's TSR performance in a given year determines the final number of one-fourth of the virtual shares

E.ON Performance Plan – Virtual Shares

	8th tranche	7th tranche	6th tranche	5th tranche
Date of issuance	Jan. 1, 2024	Jan. 1, 2023	Jan. 1, 2022	Jan. 1, 2021
Term	4 years	4 years	4 years	4 years
Target value at issuance	€ 11.92	€ 9.32	€ 12.76	€ 7.65

granted at the beginning of the vesting period. If target attainment in a year is below the threshold defined by the Supervisory Board upon allocation, the number of virtual shares is reduced by one-fourth. If E.ON's performance is at the upper cap or above, the fourth of the virtual shares allocated for the year in question will increase, but to a maximum of 150 percent.

For the tranche granted beginning in 2022, in addition to TSR (50 percent weighting), ROCE (25 percent weighting) and the E.ON Sustainability Index (25 percent weighting) are also taken into account as performance criteria.

The resulting number of virtual shares at the end of the vesting period is multiplied by the average price of E.ON stock in the final 60 days of the vesting period. This amount is increased by the dividends distributed on E.ON stock during the vesting period and then paid out. The sum of the payouts is capped at 200 percent of the agreed target.

The virtual shares are canceled if the employment relationship of the beneficiary ends before the end of the term for reasons within the control of the beneficiary. If the employment relationship of the beneficiary is terminated before retirement, through the end of a limited term or for operational reasons before the end of the term, the virtual shares do not expire but are settled at maturity.

If the employment relationship ends before maturity due to death or permanent invalidity, the virtual shares are settled before maturity. The same shall apply in the case of a change in control related to E.ON SE and also if the allocating company leaves the E.ON Group before maturity.

The following are the base parameters of the tranches of the E.ON Performance Plan active in 2024:

The provision for the fifth, sixth, seventh and eighth tranches of the E.ON Performance Plan as of the balance sheet date is €163.5 million (2023: €165.0 million). The expense for the fifth, sixth, seventh and eighth tranches amounted to €69.7 million in the 2024 fiscal year (2023: €93.3 million).

Employees

In 2024, E.ON employed an average personnel of 75,046 (2023: 71,629). Part-time employees were taken into account on a pro rata basis when this figure was calculated. In addition, an average of 2,249 apprentices were employed in the reporting year in Germany (2023: 2,064).

The breakdown by business division is shown in the following table:

Core Workforce¹

FTE ²	2024	2023	+/- in %
Energy Networks	41,293	39,579	4
Energy Infrastructure Solutions	7,729	7,752	0
Energy Retail	20,132	18,569	8
Corporate Functions/Other	5,892	5,729	3
E.ON Group	75,046	71,629	5

¹Excluding apprentices, interns and working students.

²Full-time equivalents.

(12) Other Information

German Corporate Governance Code

On December 17, 2024, the Management Board and the Supervisory Board of E.ON SE made a declaration of compliance pursuant to Section 161 of the German Stock Corporation Act ("AktG"). The declaration has been made permanently and publicly accessible to stockholders on the Company's website (www.eon.com).

Fees and Services of the Independent Auditor

During 2024, the following fees were recorded as expenses for the services provided by the independent auditor of the Consolidated Financial Statements, KPMG, and by companies of the international KPMG network:

Independent Auditor Fees

€ in millions	2024	2023
Financial statement audits	36	34
<i>Domestic</i>	25	25
Other attestation services	8	7
<i>Domestic</i>	8	7
Tax advisory services	0	0
<i>Domestic</i>	0	0
Other services	0	0
<i>Domestic</i>	0	0
Total	44	41
<i>Domestic</i>	33	32

The fees for financial statement audits relate to the audit of the Consolidated Financial Statements and the legally mandated financial statements of E.ON SE and its affiliates. They also include the fees for auditing reviews of the IFRS interim financial statements and other audit services directly required by the audit of the financial statements.

The fees for other attestation services include all attestation services that are not auditing services and are not used in connection with the audit of the Consolidated Financial Statements. These fees are for legally required attestation services and for other voluntary attestation services (e.g., the audit of the sustainability reporting, Renewable Energy Sources Act (EEG) and the Act on Combined Heat and Power Generation (KWKG) and audit services in connection with new IT systems).

List of Shareholdings

Details of the companies included in the consolidated financial statements, the subsidiaries and affiliated companies of the E.ON Group pursuant to Section 313 (2) HGB as well as a list of domestic subsidiaries that availed themselves in 2024 of certain exemptions granted under Section 264 (3), and Section 264b HGB, are included in the audited consolidated financial statements that have been sent for entry in the Commercial Register. This information can also be accessed at www.eon.com/shareownership2024.

(13) Earnings per Share

The computation of basic and diluted earnings per share for the periods indicated is shown below:

Earnings per Share

€ in millions	2024	2023
Income/loss from continuing operations	5,562	699
Less: Non-controlling interests	-1,031	-243
Income/loss from continuing operations (attributable to shareholders of E.ON SE)	4,531	456
Income/loss from discontinued operations, net	-	61
Less: Non-controlling interests	-	-
Income/loss from discontinued operations, net (attributable to shareholders of E.ON SE)	-	61
Net income/loss attributable to shareholders of E.ON SE	4,531	517
in €		
Earnings per share (attributable to shareholders of E.ON SE)		
from continuing operations	1.73	0.18
from discontinued operations	-	0.02
from net income/loss	1.73	0.20
Weighted-average number of shares outstanding (in millions)	2,612	2,611

The computation of diluted earnings per share is identical to that of basic earnings per share because E.ON SE has issued no potentially dilutive ordinary shares. The slight increase in the weighted-average number of shares outstanding resulted primarily from the issue of treasury shares in E.ON SE under the voluntary employee stock purchase program.

(14) Goodwill, Intangible Assets, Right-of-use Assets and Property, Plant and Equipment

The changes in goodwill and intangible assets, in right-of-use assets, and in property, plant and equipment, are presented in the tables on the following pages:

Goodwill, Intangible Assets, Right-of-use Assets and Property, Plant and Equipment

€ in millions	Acquisition and production costs							Accumulated depreciation							Net carrying amounts		
	Jan. 1, 2024	Exchange rate differences	Additions in scope of consolidation	Additions	Disposals ¹	Transfers	Dec. 31, 2024	Jan. 1, 2024	Exchange rate differences	Changes in scope of consolidation	Additions	Disposals ¹	Transfers	Impairment	Reversals	Dec. 31, 2024	Dec. 31, 2024
Goodwill	18,911	55	38	–	-27	-3	18,974	-1,785	1	–	–	7	4	-628	–	-2,401	16,573
Customer relationships and similar items	2,107	7	–	–	-4	-112	1,998	-1,561	-6	–	-165	1	106	–	–	-1,625	373
Concessions, commercial property rights, licenses, and similar rights	3,720	-15	30	488	-61	122	4,284	-1,596	8	-1	-402	41	24	-1	5	-1,922	2,362
Development expenditures	918	1	–	146	-124	344	1,285	-566	2	–	-168	119	-167	-9	–	-789	496
Advance payments	585	-1	–	225	-6	-316	487	-15	–	–	–	–	17	-9	–	-7	480
Intangible assets	7,330	-8	30	859	-195	38	8,054	-3,738	4	-1	-735	161	-20	-19	5	-4,343	3,711
Land and buildings	950	3	3	135	-144	-1	946	-402	-1	-2	-110	124	5	-1	–	-387	559
Networks	2,878	–	–	480	-59	–	3,299	-904	-1	–	-262	25	–	–	–	-1,142	2,157
Storage, e-charging and production capacities	4	–	–	1	–	–	5	-2	–	–	-1	–	–	–	–	-3	2
Technical equipment and machine	85	1	–	13	-1	–	98	-16	-1	–	-10	–	–	–	–	-27	71
Fleet, office and business equipment	227	-2	1	108	-47	–	287	-110	3	–	-62	36	–	–	–	-133	154
Right-of-use assets	4,144	2	4	737	-251	-1	4,635	-1,434	–	-2	-445	185	5	-1	–	-1,692	2,943
Real estate and leasehold rights	1,134	-8	–	37	-13	58	1,208	-65	2	–	-3	1	-24	–	–	-89	1,119
Buildings	3,521	-25	39	108	-30	130	3,743	-1,494	13	-38	-109	25	16	–	–	-1,587	2,156
Technical equipment, plant and machinery	63,664	-459	37	3,432	-581	1,883	67,976	-31,097	212	-7	-2,211	442	33	-34	13	-32,649	35,327
Other equipment, fixtures, furniture and office equipment	1,659	-7	1	219	-80	38	1,830	-982	1	–	-175	73	28	–	–	-1,055	775
Advance payments and construction in progress	4,527	-23	42	2,715	-73	-2,180	5,008	-118	–	–	–	34	10	-42	–	-116	4,892
Property, plant and equipment	74,505	-522	119	6,511	-777	-71	79,765	-33,756	228	-45	-2,498	575	63	-76	13	-35,496	44,269

¹Includes reclassifications to assets/disposal groups held for sale (see Note 4).

Changes in Goodwill and in Other Reversals and Impairment Charges by Segment from January 1, 2024

€ in millions	Energy Networks					Customer Solutions ²				Corporate Functions/ Other	E.ON Group
	Germany	Sweden	ECE/Turkey ¹		Energy Infrastructure Solutions	Germany	UK	The Netherlands	Sonstige		
Net carrying amount of goodwill as of December 31, 2023	7,651	83	245		-	6,752	1,886	81	428	-	17,126
Reallocation EIS ² as of January 1, 2024	-50	-	-		2,103	-1,269	-615	-	-169	-	-
€ in millions	Energy Networks					Energy Retail ²				Corporate Functions/ Other	E.ON Group
	Germany	Sweden	Central Eastern Europe ¹	South Eastern Europe ¹	Energy Infrastructure Solutions	Germany	UK	The Netherlands	Other		
Net carrying amount of goodwill as of January 1, 2024	7,601	83	43	202	2,103	5,483	1,271	81	259	-	17,126
Changes resulting from acquisitions and disposals	-	-	-	-	-	-	-	-	-	-	-
Impairment charges	-	-	-	-	-628	-	-	-	-	-	-628
Other changes ³	-	-2	-1	-14	15	-	61	36	-20	-	75
Net carrying amount of goodwill as of December 31, 2024	7,601	81	42	188	1,490	5,483	1,332	117	239	-	16,573
Growth rate (in %) ⁴	1.25	-	-	-	1.25	1.25	1.25	-	-	-	-
Cost of capital (in %) ⁴	4.2	-	-	-	5.0 - 6.6	6.3	6.7	-	-	-	-
Other non-current assets ⁵											
Impairment	-5	-1	-	-	-74	-10	-	-	-5	-1	-96
Reversals	5	-	-	5	9	-	-	-	-1	-	18

¹Effective January 1, 2024, the Energy Networks business unit in East-Central Europe/Turkey (ECE/Turkey) has been divided into Central Eastern Europe and South Eastern Europe.

²Since January 1, 2024, the Energy Infrastructure Solutions business unit has been added to the Energy Networks and Customer Solutions (now Energy Retail) business units, primarily spun off from the Customer Solutions segment. The Customer Solutions business unit has been renamed to Energy Retail.

³Other changes include effects from intragroup restructuring (excluding the reallocation of EIS), transfers, exchange rate differences and reclassifications to assets held for sale.

⁴Presented here are the growth rates and cost of capital for selected cash-generating units whose respective goodwill is material when compared with the carrying amount of all goodwill.

⁵Other non-current assets consist of intangible assets, right-of-use assets and of property, plant and equipment.

Goodwill, Intangible Assets, Right-of-use Assets and Property, Plant and Equipment

€ in millions	Acquisition and production costs							Accumulated depreciation							Net carrying amounts		
	Jan. 1, 2023	Exchange rate differences	Additions in scope of consolidation ¹	Additions	Disposals ¹	Transfers ¹	Dec. 31, 2023	Jan. 1, 2023	Exchange rate differences	Changes in scope of consolidation ¹	Additions	Disposals ¹	Transfers ¹	Impairment	Reversals	Dec. 31, 2023	Dec. 31, 2023
Goodwill	18,799	50	62	-	-	-	18,911	-1,782	-3	-	-	-	-	-	-	-1,785	17,126
Customer relationships and similar items	2,077	12	43	-	-15	-10	2,107	-1,389	-9	-9	-177	11	12	-	-	-1,561	546
Concessions, commercial property rights, licenses, and similar rights	3,394	1	23	374	-204	132	3,720	-1,485	-2	-17	-294	180	-6	-2	30	-1,596	2,124
Development expenditures	1,023	7	-	47	-257	98	918	-624	-6	-	-135	256	-	-57	-	-566	352
Advance payments	469	-1	-	343	-15	-211	585	-12	1	-	-	-	-	-4	-	-15	570
Intangible assets	6,963	19	66	764	-491	9	7,330	-3,510	-16	-26	-606	447	6	-63	30	-3,738	3,592
Land and buildings	826	9	9	177	-76	5	950	-345	-2	-5	-110	55	7	-2	-	-402	548
Networks	2,438	-	-	489	-50	1	2,878	-669	-	-	-248	14	-1	-	-	-904	1,974
Storage, e-charging and production capacities	3	-	-	1	-	-	4	-1	-	-	-1	-	-	-	-	-2	2
Technical equipment and machine	43	-1	-	44	-1	-	85	-12	-	-	-5	1	-	-	-	-16	69
Fleet, office and business equipment	193	2	10	82	-56	-4	227	-99	-	-5	-53	44	3	-	-	-110	117
Right-of-use assets	3,503	10	19	793	-183	2	4,144	-1,126	-2	-10	-417	114	9	-2	-	-1,434	2,710
Real estate and leasehold rights	1,172	2	4	29	-30	-43	1,134	-75	-	-	-2	17	-	-5	-	-65	1,069
Buildings	4,118	29	59	95	-137	-643	3,521	-1,613	-8	-19	-111	125	133	-2	1	-1,494	2,027
Technical equipment, plant and machinery	58,556	138	624	2,701	-531	2,176	63,664	-28,561	-51	-370	-2,050	315	-330	-52	2	-31,097	32,567
Other equipment, fixtures, furniture and office equipment	1,395	-2	109	211	-137	83	1,659	-837	1	-79	-150	97	-13	-1	-	-982	677
Advance payments and construction in progress	3,327	13	24	2,570	-45	-1,362	4,527	-63	-1	-	-	-	-	-54	-	-118	4,409
Property, plant and equipment	68,568	180	820	5,606	-880	211	74,505	-31,149	-59	-468	-2,313	554	-210	-114	3	-33,756	40,749

¹Adjustment of the previous year's figures due to adjustments in the column presentation. The reclassifications to assets/disposal groups held for sale (IFRS 5) are now shown under disposals and no longer under changes in scope of consolidation (now called: additions in scope of consolidation). Internal transactions are now shown under reclassifications and no longer under changes in scope of consolidation (now called: additions in scope of consolidation).

Changes in Goodwill and in Other Reversals and Impairment Charges by Segment from January 1, 2023

€ in millions	Energy Networks			Customer Solutions				Corporate Functions/ Other	E.ON Group
	Germany	Sweden	ECE/Turkey	Germany	UK	The Netherlands	Other		
Net carrying amount of goodwill as of January 1, 2023	7,597	83	236	6,752	1,848	73	428	–	17,017
Changes resulting from acquisitions and disposals	–	–	–	–	–	–	–	–	–
Impairment charges	–	–	–	–	–	–	–	–	–
Other changes ¹	54	–	9	–	38	8	–	–	109
Net carrying amount of goodwill as of December 31, 2023	7,651	83	245	6,752	1,886	81	428	–	17,126
Growth rate (in %) ^{2,3}	1.25	–	–	1.25	1.25	–	–	–	–
Cost of capital (in %) ^{2,3}	4.3	–	–	6.0	6.4	–	–	–	–
Other non-current assets⁴									
Impairment	-6	–	–	-124	-37	–	-11	–	-178
Reversals	1	–	30	2	–	–	–	–	33

¹Other changes include effects from intragroup restructuring, transfers, exchange rate differences and reclassifications to assets held for sale.

²Presented here are the growth rates and cost of capital for selected cash-generating units whose respective goodwill is material when compared with the carrying amount of all goodwill.

³Other non-current assets consist of intangible assets, right-of-use assets and of property, plant and equipment.

Goodwill and Intangible Assets

The changes in goodwill within the segments, as well as the allocation of impairments and their reversals to each reportable segment, are presented in the tables above.

Impairments

To perform the impairment tests, E.ON first determines the fair values less costs of disposal of its cash-generating units. Because there were no binding sales transactions or market prices for the respective cash-generating units in 2024, fair values were calculated based on discounted cash flow methods.

Valuations are based on the medium-term corporate planning authorized by the Management Board. The calculations for impairment-testing purposes are generally based on the five planning years of the medium-term plan plus two additional detailed planning years. Deviations from this are made in certain justified exceptional cases. The cash flow assumptions extending beyond the detailed planning period are determined using sustainable, business and currency-specific growth rates based on the analysis of past years and predictions for the future. In fiscal year 2024, the sustainable, currency-specific inflation rate used for the euro area was 1.25 percent (2023: 1.25 percent). The discount rates after taxes used for discounting cash flows in the annual impairment test are calculated using market data for each cash-generating unit, and as of the valuation date, ranged between 4.2 and 11.6 percent after taxes (2023: between 4.3 and 12.6 percent).

The principal assumptions underlying the determination by management of recoverable amount are the respective forecasts of the growth rates and the cost of capital, and specifically of revenue and EBITDA margin (in the Energy Retail business), of Regulated Asset Base and regulatory return (in the Energy Networks business), and of non-current assets and long-term project returns (in the Energy Infrastructure Solutions business). The assumptions used in these forecasts regarding the development of commodity market prices, future electricity and gas prices in the wholesale and retail markets are based on external market data from reputable suppliers as well as internal assessments and also appropriately take into account climate-related impacts on market conditions and macroeconomic linkages as well as the sustainability targets anchored in the Group strategy, such as the reduction of Scope 3 emissions by 100 percent by 2050. For example, impacts of climate targets on CO₂ prices and changing weather conditions (temperature, wind, etc.) are included. The assumed development of all of the key influencing factors mentioned here corresponds to the expectations set out in the forecast report.

Overall, medium-term planning assumes that the regulatory environment will remain stable.

Against the backdrop of the expansion of the network, which is key to achieving climate protection targets, the detailed planning period provides for a significant increase in investments in the Energy Networks Germany segment, with a corresponding increase in the regulated asset base. We expect regulatory returns to remain stable.

In the Energy Retail Germany and UK segments, we anticipate a modestly lower sales revenue during our detailed planning period compared to the 2024 financial year. The decline in revenues in spite of a comparable number of customers is due to the assumption that prices on the commodity markets will normalize. We expect a moderate increase in estimated EBITDA margins in the detailed planning period in the Energy Retail UK and Germany segments due to the planned portfolio optimization and the expansion of our growth business areas.

In the Energy Infrastructure Solutions segment, we anticipate an increase in investments during our detailed planning period compared to the 2024 financial year. These investments are primarily growth investments given that the original baseline for capital expenditures in the past few years was considerably lower. We also expect that long-term project returns will exceed the capital costs.

The above discussion applies accordingly to the testing for impairment of e.g. intangible assets and property, plant and equipment under IAS 36 as well as of equity investments, which are subject to the application of the equity method (IAS 28), and of groups of assets. If the goodwill of a cash-generating unit is combined with assets or groups of assets for impairment testing, the assets must be tested first.

Goodwill

On September 11, 2023, the Board of Management of E.ON SE adopted a new management concept for the Group, which took effect as of January 1, 2024, and due to the concept in IFRS 8, requires a change in the

definition of the operating segments and thus also a reallocation of the existing goodwill of all segments affected by the changes as of January 1, 2024.

The goodwill reallocation was conducted on the basis of relative values in accordance with the requirements of IAS 36. The Energy Infrastructure Solutions business is much more capital-intensive than the Energy Retail business and therefore the carrying amount of the Energy Infrastructure Solutions segment was high in comparison to the recoverable amount. This circumstance triggered an ad-hoc impairment test as of January 1, 2024. Including the newly allocated goodwill, the carrying amount in the Energy Infrastructure Solutions segment exceeded the recoverable amount, necessitating a reallocation-induced impairment charge of originally €624 million on the newly allocated goodwill in the Energy Infrastructure Solutions segment, which is presented within the item of "Depreciation, amortization and impairment charges." The recoverable amount of the cash-generating unit Energy Infrastructure Solutions amounted to €6,017 million on January 1, 2024. Due to exchange rate movements and the application of IAS 21.BC32, the goodwill impairment increased by another €4 million as of December 31, 2024. Thus, the goodwill in the Energy Infrastructure Solutions segment as of December 31, 2024 amounted to €1,490 million after the total impairment charge of €628 million.

The fair value less costs of disposal, which was underlying in the course of the goodwill reallocation and which determined the recoverable amount for the trigger-based impairment test as of January 1, 2024, was calculated on the basis of a discounted cash flow method, which corresponds to Level 3 in the IFRS 13 hierarchy. The valuation was generally based on the medium-term planning authorized by the Management Board, which covered three planning years plus two additional detailed planning years. The cash flow assumptions extending beyond the detailed planning period were determined using a sustainable, business- and currency-specific growth rate of 1.25 percent based on the analysis of past years and predictions for the future. Other key assumptions underlying the determination by management of recoverable amount were forecasts of company-specific investment activity, costs of capital, revenue and EBITDA margin. In the Energy Infrastructure Solutions segment, substantially higher investments and revenues were anticipated during the detailed planning period. In addition, a moderate increase in assumed EBITDA margins during the detailed planning period was anticipated in the Energy Infrastructure Solutions segment due to portfolio optimization and the expansion of growth business areas. The country-specific, after-tax interest rates applied for discounting purposes in the Energy Infrastructure Solutions segment were determined on the basis of market data and ranged from 5.4 to 7.3 percent as of the valuation date of January 1, 2024. All other things being equal, the worsening of any key valuation parameter would have lowered the fair value less costs of disposal of the Energy

Infrastructure Solutions segment and would have necessitated an additional impairment charge.

The performance of the annual goodwill impairment tests in the 2024 financial year did not result in any impairments under IAS 36 as of October 1. The determination of a value in use was not necessary for any cash generating unit.

Of all the cash-generating units whose respective goodwill as of the balance sheet date is material in relation to the total carrying amount of all goodwill, the Energy Infrastructure Solutions cash-generating unit showed the lowest headroom of recoverable amount over carrying amount (€255 million). This surplus would be depleted if the after-tax interest rate applied for discounting purposes (see table Changes in Goodwill and in Other Reversals and Impairment Charges by Segment from January 1, 2024) were 5.6 percent higher or if the long-term project returns were 2.6 percent lower. The long-term project return used in the valuation for impairment test purposes was 6.9 percent on average. For the other material valuation parameters, only a significant change that is not considered realistic would necessitate the recognition of goodwill impairment.

The tested goodwill of all other cash-generating units whose respective goodwill is material shows a surplus of recoverable amounts over the respective carrying amounts and, therefore, based on current assessment of the economic situation, likewise only a significant change in the material valuation parameters that is not considered realistic would necessitate the recognition of goodwill impairment in these cash-generating units.

Intangible Assets

In 2024, approximately €19 million of impairments were recognized on intangible assets. In terms of amount, the largest impairment loss occurred in the Energy Retail Germany segment. The German Sales Technology Platform, a platform for technological solutions in German sales, was again written down by a further amount of €7 million in the reporting period (2023: €44 million). The main reason for this latest impairment was the planned reorganization of the billing system within the sales group: The Powercloud software program will be replaced ahead of schedule due to technical problems that prevent the realization of the system's full potential. As of December 31, 2024, the new carrying amount of the sales platform, which consists of several assets and sub-assets, amounts to €64 million. The other impairments recognized in the reporting period consist of various insignificant amounts.

Reversals of impairments on intangible assets amounted to around €5 million in the current year. A write-up of €5 million was recognized on the Delgaz power grid in the cash generating unit Energy Networks Romania, bringing the new carrying amount to €582 million. The main

reasons for this write-up are the more stable market environment compared to the prior years with a functioning allocation mechanism, including a price cap for energy procurement for the distribution system operator's technological consumption, as well as the positive development of the regulated asset base.

In 2024, the Company recorded an amortization expense on intangible assets of €735 million (2023: €606 million).

As of December 31, 2024, the closing balance of intangible assets with an indefinite useful life amounted to €85 million (2023: €82 million). These assets are mainly attributable to concession rights from the Swedish energy grid with a value of €36 million.

In the year under review, €156 million (2023: €104 million) of research and development costs within the meaning of IAS 38 were recognized as expenses.

Rights of Use

In 2024, the Company recorded an amortization expense of €445 million (2023: €417 million). Impairment charges on rights of use amounted to €1 million (2023: €2 million).

Property, Plant and Equipment

Impairments on property, plant and equipment amounted to €76 million in 2024.

The largest impairment charge recognized in the reporting period was taken on a biomass power plant under construction in Germany, which belongs to the cash generating unit Energy Infrastructure Solutions. Whereas the project had already been negatively affected in the past by construction delays and rising procurement costs, as well as financial and quality-related challenges on the part of technical suppliers, the latest impairment loss of €30 million (2023: €28 million) was recognized to account for newer developments (including substantially higher fuel costs and the decision of a major customer of steam deliveries to close its production site). The new carrying amount as of December 31, 2024 is €113 million. In the United Kingdom, impairments totaling €18 million (2023: €14 million) were recognized in the cash generating unit Energy Infrastructure Solutions, due to the full write-off of conventional meters that were no longer needed and which have been replaced by smart energy meters. The other impairments recognized in the reporting period consist of various insignificant amounts.

Reversals of impairments on property, plant and equipment amounted to around €13 million in the current year (2023: €3 million). A district heating and power generating plant in the cash generating unit Energy Infrastructure Solutions (specifically in the German operations) was written

up by €8 million to the current fair value of €54 million. The main reasons for this write-up were the improved profit outlook due to the imminent termination of a less advantageous contract and the conclusion of an agreement with a customer on the subject of natural gas costs for operating the turbine. In addition, the carrying amount of a gas storage facility in the cash generating unit Energy Networks Germany was written up by €4 million to the new carrying amount of €10 million. The main reasons for this write-up were the substantially improved economic conditions and the attendant increase in profit expectations.

Depreciation amounted to €2,498 million in 2024 (2023: €2,313 million).

In 2024, land and buildings as well as technical equipment and machinery in the amount of € 345 million (2023: €173 million) were subject to restrictions on disposal.

Borrowing costs in the amount of €15 million were capitalized in 2024 (2023: €8 million) as part of the historical cost of property, plant and equipment.

(15) Companies Accounted for under the Equity Method and Other Financial Assets

The following table shows the structure of the companies accounted for under the equity method and the other financial assets as of the dates indicated:

Companies Accounted for under the Equity Method and Other Financial Assets

€ in millions	December 31, 2024			December 31, 2023		
	E.ON Group	Associates ¹	Joint Ventures ¹	E.ON Group	Associates ¹	Joint Ventures ¹
Companies accounted for under the equity method	7,111	2,927	4,184	6,653	2,923	3,730
Equity investments	2,752	834	311	2,561	803	296
Non-current securities	869	–	–	1,177	–	–
Total	10,732	3,761	4,495	10,391	3,726	4,026

¹The associates and joint ventures presented as equity investments are associated companies and joint ventures accounted for at cost on materiality grounds.

Companies accounted for under the equity method consist solely of associates and joint ventures.

The €458 million increase in the carrying amounts of companies measured at equity compared with December 31, 2023, was mainly due to the increase in the carrying amount of the application of IAS 29 in Turkey.

The net income from companies measured at equity of €258 million includes impairments of €448 million (2023: €237 million) and reversals of impairment losses of €195 million (2023: €7 million). These impairments and reversals primarily relate to the application of IAS 29 in Turkey.

In April 2022, Turkey was classified as a hyperinflationary economy. Consequently, since the second quarter of 2022, the financial statements prepared on the basis of historical cost have been adjusted in accordance with IAS 29 for the first time for two Turkish investees included in the Group using the equity method (joint ventures). Under IAS 29, financial statements in the functional currency of a hyperinflationary economy must be expressed in terms of the measuring unit current at the balance sheet date in order to reflect the current purchasing power. As a result, non-monetary assets and liabilities, among other things, are generally adjusted using a general price index and a gain or loss on the net monetary position is recognized. The adjustment under IAS 29 is made on the basis of the consumer price index published by the Turkish Statistical Institute.

As of December 31, 2024, this consumer price index amounted to 2,684.55 index points (December 31, 2023: 1,859.38).

The transition effect as of January 1, 2022, amounted to €612 million (in foreign currency OCI), partially offset by a write-down in accumulated retained earnings (-€381 million).

The amount shown for non-current securities relates primarily to fixed-income securities.

Impairments on other financial assets amounted to €84 million (2023: €63 million). Write-ups totaled €3 million (2023: €1 million). The carrying amount of other financial assets with impairment losses was €73 million as of the end of the fiscal year (2023: €42 million); the carrying amount of the other financial assets written up amounts to €12 million (2023: €6 million).

Shares in Companies Accounted for under the Equity Method

The carrying amounts of the associates accounted for under the equity method totaled €2,927 million (2023: €2,923 million), and those of the joint ventures totaled €4,184 million (2023: €3,730 million).

Investment income generated from companies accounted for under the equity method amounted to €466 million in 2024 (2023: €443 million).

The following table provides an overview of material items in the aggregated consolidated statements of comprehensive income of the associates and joint ventures accounted for using the equity method:

Summarized Financial Information for Associates and Joint Ventures Accounted for under the Equity Method¹

€ in millions	Associates		Joint ventures		Total	
	2024	2023	2024	2023	2024	2023
Proportional share of net income from continuing operations	278	304	-20	174	258	478
Proportional share of other comprehensive income	13	80	673	397	686	477
Proportional share of total comprehensive income	291	384	653	571	944	955

¹The review of materiality in the 2024 financial year revealed that none of the equity-accounted companies individually have significant importance for the E.ON Group. As a result, the previous year's figures were adjusted.

The materiality review conducted in the 2024 fiscal year showed that no single company accounted for under the equity method is in itself materially significant for the E.ON Group.

Disclosures of company names, registered offices and equity interests as required by IFRS 12 for material joint arrangements and associates can be found in the list of shareholdings pursuant to Section 313 (2) HGB (see [Note 12](#)).

As of December 31, 2024, the investment in Enerjisa Enerji A.Ş. remains marketable. The pro rata market value amounted to €757 million as of December 31, 2024 (2023: €659 million). The carrying amount is €757 million as of December 31, 2024. The free float in the company totals 20 percent, with E.ON and Haci Ömer Sabanci Holding A.Ş. holding half of the remaining shares; from E.ON's perspective, Enerjisa Enerji A.Ş. is therefore a joint venture.

Of investments in companies accounted for under the equity method, the shareholdings in companies with a carrying amount of €736 million (2023: €709 million) are restricted because they were pledged as collateral for financing as of the balance sheet date.

There are no further material restrictions apart from those contained in standard legal and contractual provisions.

(16) Inventories

The following table provides a breakdown of inventories as of December 31, 2024 and 2023, respectively:

Inventories

€ in millions	December 31,	
	2024	2023
Raw materials and supplies	820	750
Goods purchased for resale	361	640
Work in progress and finished products	62	550
Total	1,243	1,940

The cost of raw materials, goods purchased for resale and finished products is primarily determined based on the average cost method.

Write-downs totaled -€18 million in 2024 (2023: -€97 million). Reversals of write-downs amounted to €91 million in 2024 (2023: €16 million).

The reason for the significantly lower stock of inventories compared to the previous year is the increased reference to the realization of sales over time deriving from construction work on third-party land. Whereas in the past, point-in-time revenue recognition led to the capitalization of work in progress and finished products in inventories, revenue recognition over time requires the capitalization of contract assets instead. In addition, the decline in stored natural gas reserves compared to December 31, 2023 led to a reduction of inventories.

No inventories have been pledged as collateral.

(17) Receivables and Other Assets

The following table lists receivables and other assets by remaining time to maturity as of the dates indicated:

Receivables and Other Assets

€ in millions	December 31, 2024		December 31, 2023	
	Current	Non-current	Current	Non-current
Receivables from finance leases ¹	29	213	29	223
Other financial receivables and financial assets	514	894	1,056	856
Financial receivables and other financial assets	543	1,107	1,085	1,079
Trade receivables	9,318	-	10,404	-
Receivables from derivative financial instruments	2,064	2,211	5,364	2,621
Contract assets (IFRS 15)	539	39	34	15
Other assets	152	492	120	303
Other operating assets	3,125	1,431	3,083	911
Trade receivables and other operating assets	15,198	4,173	19,005	3,850
Total	15,741	5,280	20,090	4,929

¹See also [note 32](#).

As of the reporting date, other financial assets include receivables from interests in jointly owned power plants of €34 million (2023: €65 million).

Receivables from derivative financial instruments amounted to €4,275 million at the balance sheet date (2023: €7,985 million). Of this amount, €2,955 million (2023: €6,709 million) is attributable to forward commodity contracts. The decrease is primarily due to price developments on the commodity markets during the course of the year.

Receivables within the scope of IFRS 15 mainly comprise trade receivables. Value adjustments recognized in profit or loss on receivables within the scope of IFRS 15 totaled -€0.5 billion in 2024 (2023: -€1.0 billion).

The following table presents the changes in other assets under IFRS 15:

Other Assets

€ in millions	2024	2023
Amortization and impairment	577	251
Balance as of December 31	644	423

The following table shows the opening and closing balances of contractual assets within the meaning of IFRS 15:

Contract Assets

€ in millions	2024	2023
Balance as of January 1	49	57
Balance as of December 31	578	49

Contract assets have risen sharply since December 31, 2023 (€49 million) to reach €578 million in total as of December 31, 2024 (see also the comments in [Note 16](#)).

In addition, the E.ON Group had contingent assets in the amount of about €0.3 billion as of December 31, 2024 (2023: €0.3 billion) due to pending legal proceedings.

(18) Liquid Funds

The following table provides a breakdown of liquid funds by original maturity as of the dates indicated:

Liquid Funds

€ in millions	December 31,	
	2024	2023
Securities and fixed-term deposits	1,273	1,375
<i>Current securities with an original maturity greater than 3 months</i>	1,273	1,375
Restricted liquid funds	255	452
Cash and cash equivalents	5,752	5,585
<i>thereof subject to an only contractual restriction</i>	6	33
Total	7,280	7,412

Cash and cash equivalents include €5,230 million (2023: €5,096 million) in cash, checks, cash on hand and balances at financial institutions with an original maturity of less than three months. Cash and cash equivalents also include, in particular, money market funds in the amount of €382 million (2023: €358 million) which meet the definition of cash and cash equivalents. Cash and cash equivalents in the amount of €6 million (2023: €33 million) which are subject to an only contractual restriction comprise mainly advance payments in connection with government intervention measures.

(19) Capital Stock

The capital stock is subdivided into 2,641,318,800 registered shares with no par value (no-par-value shares) and amounts to €2,641,318,800 (2023: €2,641,318,800). The capital stock of the Company was provided by way of conversion of E.ON AG into a European Company (SE) and through a capital increase carried out on March 20, 2017, partially using the Authorized Capital 2012, which expired on May 2, 2017, and through a capital increase entered in the Commercial Register of the Company on September 19, 2019, making extensive use of the Authorized Capital 2017.

Pursuant to a resolution by the Annual Shareholders Meeting of May 16, 2024, the Management Board is authorized to purchase own shares until May 15, 2029. The shares purchased, combined with other treasury shares in the possession of the Company, or attributable to the Company pursuant to Sections 71a et seq. AktG, may at no time exceed 10 percent of its capital stock. The Management Board was authorized at

the aforementioned Annual Shareholders Meeting to cancel any shares thus acquired without requiring a separate shareholder resolution for the cancellation or its implementation. The total number of outstanding shares as of December 31, 2024, was 2,613,077,958 (December 31, 2023: 2,611,658,485). As of December 31, 2024, E.ON SE held a total of 28,240,842 treasury shares (December 31, 2023: 29,660,315) having a book value of €1,015 million (equivalent to approximately 1.07 percent or €28,240,842 of the capital stock).

The Management Board has further been authorized by the Annual Shareholders Meeting of May 16, 2024, also to buy shares using derivatives (put or call options, or a combination of both). When derivatives in the form of put or call options, or a combination of both, are used to acquire shares, the option transactions must be conducted with a credit institution or investment firm or a company operating in accordance with Section 53 (1) sentence 1 or Section 53b (1) sentence 1 or (7) of the German Banking Act (KWG), or with a consortium of such institutions or firms, or at market terms on the stock exchange. No shares were acquired in the reporting year using this purchase model.

In the 2024 fiscal year, employees of German E.ON Group companies had the opportunity to purchase E.ON shares at favorable conditions under a voluntary employee stock purchase program. The employees received a grant of €360 on the shares subscribed by them in the period from September 1 to September 30, 2024. The applicable issue price of the E.ON share was €11,625. A total of 1,419,473 shares, or 0.05 percent of the share capital of E.ON SE, were used and issued to employees with a weighted-average purchase price of €19.59 per share.

No scrip dividend was offered in the 2024 fiscal year.

Authorized Capital

By shareholder resolution adopted at the Annual Shareholders Meeting of May 16, 2024, the Management Board was authorized, subject to the Supervisory Board's approval, to increase until May 15, 2029, the Company's capital stock by a total of up to €528,000,000 through one or more issuances of new registered no-par-value shares against contributions in cash and/or in kind (authorized capital pursuant to Sections 202 et seq. AktG, Authorized Capital 2024).

Subject to the Supervisory Board's approval, the Management Board is authorized to exclude shareholders' subscription rights.

The Authorized Capital 2024 was not used.

Conditional Capital

At the Annual Shareholders Meeting of May 16, 2024, shareholders approved a conditional increase of the capital stock (with the option to exclude shareholders' subscription rights) in the amount of up to €264 million (Conditional Capital 2024).

The conditional capital increase will be used to grant registered no-par-value shares to the holders of convertible bonds or bonds with warrants, profit participation rights or income bonds (or combinations of these instruments), in each case with option rights, conversion rights, option obligations and/or conversion obligations, which are issued by the Company or a Group company of the Company as defined by Section 18 of the German Stock Corporation Act (AktG), under the authorization approved by the Annual Shareholders Meeting on May 16, 2024, under agenda item 9, through May 15, 2029. The new shares will be issued at the conversion or option price to be determined in accordance with the authorization resolution.

The conditional capital increase is to be implemented only to the extent that holders of option or conversion rights exercise these rights, or to the extent that holders of mandatory conversion or option rights fulfill their obligation to exercise these rights, or to the extent that the Company exercises its right to grant shares in the Company in whole or in part in lieu of payment of the cash amount due.

The Conditional Capital 2024 was not used.

Voting Rights

The following notices pursuant to Section 33 (1) of the German Securities Trading Act ("WpHG") concerning changes in voting rights have been received:

Information on Stockholders of E.ON SE

	Date of notice	Threshold	Achieved, over or under threshold	Gained voting rights on	Allocation	Voting rights	
						Percentages	Absolute
The Capital Group Companies Inc., Los Angeles, USA ¹	Dec. 19, 2024	3%	Under	Dec. 18, 2024	indirect	2.94	77,661,948
BlackRock Inc., Wilmington, Delaware, USA	Dec. 10, 2024	5%	Over ²	Dec. 5, 2024	indirect	5.40 ³	142,538,046 ³
RWE Aktiengesellschaft, Essen, Germany ⁴	Dec. 10, 2020	15%	Achieved	Dec. 8, 2020	indirect	15.00	396,197,820
DWS Investment GmbH, Frankfurt am Main, Germany	Aug. 2, 2024	3%	Under	Jul. 30, 2024	indirect	2.98	78,783,238
Canada Pension Plan Investment Board, Toronto, Canada	Oct. 28, 2024	3%	Under	Oct. 25, 2024	direct/indirect	2.99	78,994,750 ⁵

¹Name of shareholder holding 3.0 percent or more of voting rights according to the notice received: Capital Research and Management Company.

²Voluntary Group notification with triggered threshold on subsidiary level without specific information about threshold crossing.

³Includes voting rights pursuant to Sec. 34 and instruments pursuant to Sec. 38 (1) Nos. 1 and 2 WpHG.

⁴Name of shareholder holding 3.0 percent or more of voting rights according to the notice received: GBV Zweieunddreißigste Gesellschaft für Beteiligungsverwaltung mbH.

⁵Includes voting rights pursuant to Sec. 33 and instruments pursuant to Sec. 38 (1) No. 2 WpHG.

(20) Additional Paid-in Capital

Additional paid-in capital decreased by €11 million to €13,316 million in 2024 (2023: €13,327 million). The reduction in additional paid-in capital is attributable to the issuance of employee shares to eligible employees of the E.ON Group.

(21) Retained Earnings

The following table breaks down the E.ON Group's retained earnings as of the dates indicated:

Retained Earnings

€ in millions	December 31,	
	2024	2023
Legal reserves	45	45
Other retained earnings	4,706	1,446
Total	4,751	1,491

As of December 31, 2024, these IFRS retained earnings totaled €4,751 million (2023: €1,491 million). The total change of €3,260 million is primarily due to the positive consolidated net income. In addition, actuarial income from pensions led to a change in retained earnings. This was partially offset by E.ON SE's distribution to shareholders.

Under German securities law, E.ON SE shareholders may receive distributions from E.ON SE's income available for distribution in accordance with the German Commercial Code (German GAAP).

As of December 31, 2024, these German-GAAP retained earnings totaled €3,309 million (2023: €3,294 million). Of this amount, legal reserves of €45 million (2023: €45 million) are restricted pursuant to Section 150 (3) and (4) AktG. The increase in retained earnings is due to the sale of treasury shares under the employee stock purchase program in 2024. In addition, amounts of €76.3 million (2023: €102.9 million) are restricted from distribution under German commercial law as a result of the surplus of plan assets and the difference between the recognition of provisions for retirement benefit obligations based on the corresponding average market interest rate over the past ten fiscal years and the recognition of these provisions based on the corresponding average market interest rate over the past seven fiscal years. The dividend-restricted amounts are fully covered by a sufficient amount of available reserves.

The amount of retained earnings available for distribution is €3,188 million (2023: €3,146 million).

A proposal to distribute a cash dividend for 2024 of €0.55 per share will be submitted to the Annual Shareholders Meeting. For 2023, shareholders at the May 16, 2024, Annual Shareholders Meeting voted to distribute a dividend of €0.53 for each dividend-paying ordinary share. Based on a €0.55 dividend, the total profit distribution is €1,437 million (2023: €1,384 million).

(22) Changes in Other Comprehensive Income

The change in other comprehensive income is primarily the result of exchange rate differences recognized on the balance sheet, indexation effects from the application of IAS 29 (hyperinflationary accounting) in Turkey, effects from cash flow hedges, and the recognition of actuarial gains and losses.

The table below illustrates the share of OCI attributable to companies accounted for under the equity method.

Share of OCI Attributable to Companies Accounted for under the Equity Method

€ in millions	2024	2023
Balance as of December 31 (before taxes)	274	-412
Taxes	-	-
Balance as of December 31 (after taxes)	274	-412

(23) Non-Controlling Interests

Non-controlling interests by segment as of the dates indicated are shown in the following table:

Non-Controlling Interests

€ in millions	December 31,	
	2024	2023
Energy Networks	5,153	4,973
<i>Germany</i>	4,730	4,574
<i>Sweden</i>	-	-
<i>Central Eastern Europe</i>	-	-
<i>South Eastern Europe</i>	423	399
Energy Infrastructure Solutions	22	36
Energy Retail	888	589
<i>Germany</i>	621	351
<i>United Kingdom</i>	-	-
<i>The Netherlands</i>	2	-
<i>Other</i>	265	238
Corporate Functions/Other	262	258
E.ON Group	6,325	5,856

The table below illustrates the share of OCI that is attributable to non-controlling interests:

Share of OCI Attributable to Non-Controlling Interests

€ in millions	Cash flow hedges	Available-for-sale securities	Currency translation adjustments	Remeasurements of defined benefit plans
Balance as of January 1, 2023	1	-27	-222	229
Changes	-1	15	12	-139
Balance as of December 31, 2023	-	-11	-210	90
Changes	-	6	-10	22
Balance as of December 31, 2024	-	-5	-220	112

In compliance with IFRS 12, the following tables include subsidiaries with significant non-controlling interests and provide an overview of significant items on the aggregated balance sheet and on the aggregated income statement, and significant cash flow items. The list of shareholdings pursuant to Section 313 (2) HGB (see [Note 12](#)) contains information on the registered office of the company and disclosures on equity interests.

Subsidiaries with Material Non-Controlling Interests—Balance Sheet Data as of December 31

€ in millions	rhenag Rheinische Energie AG		envia Mitteldeutsche Energie AG		E.DIS AG ¹		Avacon AG ¹	
	2024	2023	2024	2023	2024	2023	2024	2023
Non-controlling interests in equity	495	448	1,253	1,156	641	564	569	538
Non-controlling interests in equity (in %) ²	54	54	42	42	33	33	39	39
Dividends paid out to non-controlling interests	30	18	70	68	30	30	50	50
Operating cash flow	21	52	-30	135	-20	-11	-67	-44
Non-current assets	489	466	3,708	3,719	1,851	1,826	2,507	2,175
Current assets	258	266	501	710	459	226	234	433
Non-current liabilities	37	36	564	842	7	6	900	729
Current liabilities	126	136	691	823	257	302	152	295

¹Holding companies without operational business

²Calculated share ratio.

Subsidiaries with Material Non-Controlling Interests—Earnings Data

€ in millions	rhenag Rheinische Energie AG		envia Mitteldeutsche Energie AG		E.DIS AG ¹		Avacon AG ¹	
	2024	2023	2024	2023	2024	2023	2024	2023
Share of earnings attributable to non-controlling interests	33	25	137	-17	105	52	81	84
Sales	247	288	392	349	5	4	14	13
Net income/loss	63	40	356	39	320	153	233	239
Comprehensive income	63	40	356	39	319	153	233	239

¹Holding companies without operational business.

There are no major restrictions beyond those under customary corporate or contractual provisions. The amount of €17 million (2023: €80 million) was reclassified from non-controlling interests to liabilities in connection with guaranteed dividends.

(24) Provisions for Pensions and Similar Obligations

The retirement benefit obligations toward the active and former employees of the E.ON Group, which amounted to €20.9 billion, were covered by plan assets having a fair value of €16.8 billion as of December 31, 2024. This corresponds to a funded status of 80 percent.

Provisions for Pensions and Similar Obligations

	December 31,	
€ in millions	2024	2023
Present value of all defined benefit obligations		
Germany	17,256	17,811
United Kingdom	3,582	3,858
Other countries	40	41
Total	20,878	21,710
Fair value of plan assets		
Germany	13,092	13,347
United Kingdom	3,693	3,914
Other countries	9	8
Total	16,794	17,269
Net defined benefit liability/asset (-)		
Germany	4,164	4,464
United Kingdom	-111	-56
Other countries	31	33
Total	4,084	4,441
<i>Presented as operating receivables</i>	-1,097	-544
<i>Presented as provisions for pensions and similar obligations</i>	5,181	4,985

Description of the Benefit Plans

In addition to their entitlements under government retirement systems and the income from private retirement planning, most active and former E.ON Group employees are also covered by occupational benefit plans. Both defined benefit plans and defined contribution plans are in place. Benefits under defined benefit plans are generally paid upon reaching retirement age, or in the event of disability or death.

E.ON regularly reviews the pension plans in place within the Group for financial risks. Typical risk factors for defined benefit plans are longevity and changes in nominal interest rates, as well as inflation developments and rising wages and salaries.

The features and risks of defined benefit plans are shaped by the general legal, tax and regulatory conditions prevailing in the respective country. The configurations of the major defined benefit and defined contribution plans within the E.ON Group are described in the following discussion.

Germany

Active employees at the German Group companies are covered by both cash balance plans and pension plans based on final salary. Pension plans based on final salary are closed to new hires. All new hires will receive cash balance plans in accordance with a capital or pension module system, which, depending on the pension plan, can provide for alternative payout options of a prorated single payment and payments of installments in addition to the payment of a regular pension. The cash balance plans used different interest rules until December 31, 2021. Depending on the underlying pension plan, either interest rates adjusted to market developments with a fixed lower limit or guaranteed interest rates were used to determine the capital or pension modules. The majority of pension commitments still with a fixed guaranteed interest rate were modified as of January 1, 2022, in that the pension modules acquired from January 1, 2022, onwards now also bear interest at a rate adjusted to market developments and protected by a fixed lower limit. The benefit expense for the cash balance plans is determined at different percentage rates based on the ratio between compensation and the contribution limit in the statutory retirement pension system in Germany. Employees can additionally choose to defer compensation.

Future pension adjustments are either guaranteed at 1 percent per annum or largely track the development of the inflation rate, usually in a three-year cycle.

To fund the pension plans for the German Group companies, plan assets were established. The major part of these plan assets is administered in the form of Contractual Trust Arrangements ("CTAs") in accordance with specified investment principles. There are additional plan assets available through the implementation channels of the pension fund ("Pensionsfonds") and smaller German pension vehicles ("Pensions- und Unterstützungskassen"). Only the pension fund and the "Pensionskassen" vehicles are subject to regulatory provisions in relation to the investment of capital and funding requirements.

United Kingdom

In the United Kingdom, there are various pension plans. In the past, employees were covered by defined benefit plans, which for the most part were final-pay plans and make up the majority of the pension obligations currently reported for the United Kingdom. Benefit payments to the beneficiaries are adjusted for inflation on a limited basis. These pension plans were closed to new hires. Since then, new hires are offered a defined

contribution plan. Aside from the payment of contributions, this plan entails no additional risks for the employer.

Plan assets in the United Kingdom are administered by trustees in independent special-purpose vehicles, most of which are a separate section of the Electricity Supply Pension Scheme (ESPS). The trustees are selected by the members of the plan or appointed by the entity. In that capacity, the trustees are particularly responsible for the investment of the plan assets.

The Pensions Regulator in the United Kingdom requires that a so-called "technical valuation" of the plan's funding status be performed every three years. The actuarial assumptions underlying the valuation are agreed upon by the trustees and E.ON UK plc. They include presumed life expectancy, wage and salary growth rates, investment returns, inflationary assumptions and interest rate levels. The most recent technical valuation of the financing status of the "E.ON UK Section" was completed as of the reporting date of March 31, 2024, and no technical funding deficit was identified. The "Npower Section" was merged into the "E.ON UK Section" as of March 31, 2024. The "Npower Section" is already included in the valuation result of the financing status of the "E.ON UK Section".

Other Countries

The remaining pension obligations are divided between the Netherlands, Luxembourg, Sweden, Italy, Poland, Romania, the Czech Republic and the USA.

The defined benefit plan in the Netherlands consists of commitments made by various employers within the framework of a sector-specific fund and does not permit a pro rata allocation of the obligations, plan assets and service cost. The E.ON Group accordingly accounts for this obligation as a defined contribution plan. There are no minimum funding requirements in this respect. Benefits may be reduced or contributions increased if there is insufficient funding.

From the perspective of the Group, however, the benefit plans are relatively insignificant in the above-mentioned countries.

Description of the Benefit Obligations

The following table shows the changes in the present value of the defined benefit obligations for the periods indicated:

Changes in the Defined Benefit Obligations

€ in millions	2024				2023			
	Total	Germany	United Kingdom	Other countries	Total	Germany	United Kingdom	Other countries
Defined benefit obligations as of January 1	21,710	17,811	3,858	41	19,897	16,028	3,832	37
Employer service cost for benefits earned during the year	215	201	12	2	164	151	11	2
Past service cost	-28	-28	-	-	16	20	-4	-
Gains (-) and losses (+) on settlements	-	-	-	-	1	-	1	-
Interest cost on the present value of the defined benefit obligations	736	556	178	2	778	582	194	2
Remeasurements	-818	-429	-388	-1	1,856	1,862	-12	6
<i>Actuarial gains (-)/losses (+) arising from changes in demographic assumptions</i>	-19	-	-19	-	-104	-	-104	-
<i>Actuarial gains (-)/losses (+) arising from changes in financial assumptions</i>	-947	-573	-373	-1	1,518	1,451	63	4
<i>Actuarial gains (-)/losses (+) arising from experience adjustments</i>	148	144	4	-	442	411	29	2
Employee contributions	4	3	1	-	3	2	1	-
Benefit payments	-1,128	-872	-254	-2	-1,101	-853	-244	-4
Changes in scope of consolidation	-	-	-	-	20	21	-	-1
Exchange rate differences	175	-	175	-	79	-	79	-
Other	12	14	-	-2	-3	-2	-	-1
Defined benefit obligations as of December 31	20,878	17,256	3,582	40	21,710	17,811	3,858	41

The actuarial gains shown in the table for the development of the present value of the defined benefit obligations are primarily attributable to an increase in the discount rates used.

The present value is attributable to retirees and their beneficiaries in the amount of €13.4 billion (2023: €13.5 billion), to former employees with vested entitlements in the amount of €2.5 billion (2023: €2.8 billion) and to active employees in the amount of €5 billion (2023: €5.4 billion).

The actuarial assumptions used to measure the defined benefit obligations and to compute the net periodic pension cost at E.ON's German and UK subsidiaries as of the respective balance sheet date are as follows:

Actuarial Assumptions

Percentages	December 31,		
	2024	2023	2022
Discount rate¹			
Germany	3.41	3.16	3.71
United Kingdom	5.45	4.50	4.80
Wage and salary growth rate			
Germany	2.95	2.95	2.75
United Kingdom ²	2.20/2.70	2.10/2.50	2.20/2.70
Pension increase rate			
Germany ³	2.20	2.20	2.00
United Kingdom	3.00	2.90	3.10

¹The discount rates used to determine service cost were 3.12 percent (2023: 3.59 percent) in Germany and 4.53 percent (2023: 4.78 percent) in the UK.

²Different salary growth rates due to different benefit plans (E.ON: 2.20 percent (2023: 2.10 percent); Npower: 2.70 percent (2023: 2.50 percent)).

³The pension increase rate for Germany applies to eligible individuals not subject to an agreed guarantee adjustment.

The IAS 19 discount rates for the EUR and GBP currency areas are determined on the basis of the single equivalent discount rate method. The full yield curve is used to determine the present value of the defined benefit obligations, and the IAS 19 discount rate disclosed is determined retrospectively as the discount rate that leads to the identical present value of the defined benefit obligations when applied uniformly. The yield curve "RATE:Link" from provider WTW is used to determine the present value.

To measure the E.ON Group's occupational pension obligations for accounting purposes, the Company has employed the current versions of the biometric tables recognized in each respective country for the calculation of pension obligations:

Actuarial Assumptions (Mortality Tables)

Germany	2018 G versions of the Heubeck biometric tables (2018)
United Kingdom	"S4" series base mortality tables with the CMI 2023 projection model for future improvements

Changes in the actuarial assumptions described previously would lead to the following changes in the present value of the defined benefit obligations:

Sensitivities

	Change in the present value of the defined benefit obligations			
	December 31, 2024		December 31, 2023	
Change in the discount rate by (basis points)	+ 50	-50	+ 50	-50
<i>Change in percent</i>	-5.93	6.62	-6.30	7.09
Change in the wage and salary growth rate by (basis points)	+ 25	-25	+ 25	-25
<i>Change in percent</i>	0.23	-0.22	0.26	-0.25
Change in the pension increase rate by (basis points)	+ 25	-25	+ 25	-25
<i>Change in percent</i>	1.79	-1.72	1.88	-1.77
Change in mortality by (percent)	+ 10	-10	+ 10	-10
<i>Change in percent</i>	-2.03	2.27	-2.11	2.36

The sensitivities indicated are computed based on the same methods and assumptions used to determine the present value of the defined benefit obligations. If one of the actuarial assumptions is changed for the purpose of computing the sensitivity of results to changes in that assumption, all other actuarial assumptions are included in the computation unchanged.

When considering sensitivities, it must be noted that the change in the present value of the defined benefit obligations resulting from changing multiple actuarial assumptions simultaneously is not necessarily equivalent to the cumulative effect of the individual sensitivities.

Description of Plan Assets and the Investment Policy

The defined benefit plans are funded by plan assets held in specially created pension vehicles that legally are distinct from the Company. The fair value of these plan assets changed as follows:

Changes in the Fair Value of Plan Assets

€ in millions	2024				2023			
	Total	Germany	United Kingdom	Other countries	Total	Germany	United Kingdom	Other countries
Fair value of plan assets as of January 1	17,269	13,347	3,914	8	16,787	12,863	3,915	9
Interest income on plan assets	598	414	184	–	664	465	199	–
Remeasurements	-370	-19	-352	1	429	491	-62	–
<i>Return on plan assets recognized in equity, not including amounts contained in the interest income on plan assets</i>	-370	-19	-352	1	429	491	-62	–
Employee contributions	4	3	1	–	3	2	1	–
Employer contributions	175	154	21	–	339	314	25	–
Benefit payments	-1,061	-807	-254	–	-1,041	-796	-244	-1
Changes in scope of consolidation	–	–	–	–	6	6	–	–
Exchange rate differences	179	–	179	–	81	–	81	–
Other	–	–	–	–	1	2	-1	–
Fair value of plan assets as of December 31	16,794	13,092	3,693	9	17,269	13,347	3,914	8

The plan assets include virtually no owner-occupied real estate or equity and debt instruments issued by E.ON Group companies. Each of the individual plan asset components has been allocated to an asset class based on its substance.

The plan assets thus classified break down as shown in the following table:

Classification of Plan Assets

Percentages	December 31, 2024				December 31, 2023			
	Total	Germany	United Kingdom	Other countries	Total	Germany	United Kingdom	Other countries
Plan assets listed in an active market								
Equity securities (stocks)	20	23	10	–	18	21	8	–
Debt securities	47	44	57	–	45	43	52	–
<i>thereof Government bonds</i>	32	26	52	–	28	22	47	–
<i>thereof Corporate bonds</i>	15	18	5	–	17	21	5	–
Other investment funds	6	–	25	–	7	–	30	–
Total listed plan assets	73	67	92	–	70	64	90	–
Plan assets not listed in an active market								
Equity securities not traded on an exchange	6	6	6	–	6	6	6	–
Debt securities	–	–	–	–	1	1	–	–
Real estate	9	12	–	–	11	14	–	–
Qualifying insurance policies	2	2	1	100	2	2	1	100
Cash and cash equivalents	1	1	1	–	3	3	1	–
Other	9	12	–	–	7	10	2	–
Total unlisted plan assets	27	33	8	100	30	36	10	100
Total	100	100	100	100	100	100	100	100

The fundamental investment objective for the plan assets is to provide full coverage of benefit obligations at all times for the payments due under the corresponding benefit plans. This investment policy stems from the corresponding governance guidelines of the Group. An increase in the net defined benefit liability or a deterioration in the funded status following an unfavorable development in plan assets or in the present value of the defined benefit obligations is identified in these guidelines as a risk. E.ON therefore regularly reviews the development of the funded status in order to monitor this risk.

To implement the investment objective, the E.ON Group primarily pursues an investment approach that takes into account the structure of the benefit obligations. This long-term investment strategy seeks to manage the funded status, with the result that any changes in the defined benefit obligations, especially those caused by fluctuating inflation and interest rates are, to a certain degree, offset by simultaneous corresponding changes in the fair value of plan assets. The investment strategy may also involve the use of derivatives (for example, interest rate swaps and inflation swaps, as well as currency hedging instruments) to facilitate the control of specific risk factors of pension liabilities. In the table above, derivatives have been allocated, based on their substance, to the respective asset classes.

In order to improve the funded status of the E.ON Group as a whole, a portion of the plan assets will also be invested in a diversified portfolio of asset classes that are expected to provide for long-term returns in excess of those of fixed-income investments and the discount rate.

The determination of the target portfolio structure for the individual plan assets is based on regular asset-liability studies. In these studies, the target portfolio structure is reviewed in a comprehensive approach against the backdrop of existing investment principles, the current funded status, the condition of the capital markets and the structure of the benefit obligations, and is adjusted as necessary. The parameters used in the studies are additionally reviewed regularly. Asset managers are tasked with implementing the target portfolio structure. They are monitored for target achievement on a regular basis.

Description of the Pension Cost

The net periodic pension cost for defined benefit plans included in the provisions for pensions and similar obligations and in operating receivables is shown in the table below:

Net Periodic Pension Cost

€ in millions	2024				2023			
	Total	Germany	United Kingdom	Other countries	Total	Germany	United Kingdom	Other countries
Employer service cost for benefits earned during the year	215	201	12	2	164	151	11	2
Past service cost	-28	-28	-	-	16	20	-4	-
Gains (-) and losses (+) on settlements	-	-	-	-	1	-	1	-
Net interest cost (+)/interest income (-) on the net defined benefit liability/asset	138	142	-6	2	114	117	-5	2
Total	325	315	6	4	295	288	3	4

In addition to the total net periodic pension cost for defined benefit plans, an amount of €122 million in contributions to external insurers or similar institutions was paid in 2024 (2023: €104 million) for defined contribution plans.

Contributions to state plans totaled €0.4 billion (2023: €0.4 billion).

Description of Contributions and Benefit Payments

Prospective benefit payments under the defined benefit plans existing as of December 31, 2024, for the next ten years are shown in the following table:

Prospective Benefit Payments

€ in millions	Total	Germany	United Kingdom	Other countries
2025	1,162	922	237	3
2026	1,156	915	238	3
2027	1,171	929	239	3
2028	1,175	933	239	3
2029	1,182	942	237	3
2030–2034	5,938	4,746	1,166	26
Total	11,784	9,387	2,356	41

For the following fiscal year, it is expected that employer contributions to plan assets will amount to a total of €181 million.

The weighted-average duration of the defined benefit obligations measured within the E.ON Group was 12.7 years as of December 31, 2024 (2023: 13.5 years).

Description of the Net Defined Benefit Liability

The recognized net liability from the E.ON Group's defined benefit plans results from the difference between the present value of the defined benefit obligations and the fair value of plan assets:

Changes in the Net Defined Benefit Liability

€ in millions	2024				2023			
	Total	Germany	United Kingdom	Other countries	Total	Germany	United Kingdom	Other countries
Net liability as of January 1	4,441	4,464	-56	33	3,110	3,165	-83	28
Net periodic pension cost	325	315	6	4	295	288	3	4
Changes from remeasurements	-448	-410	-36	-2	1,427	1,371	50	6
Employer contributions to plan assets	-175	-154	-21	-	-339	-314	-25	-
Net benefit payments	-67	-65	-	-2	-60	-57	-	-3
Changes in scope of consolidation	-	-	-	-	14	15	-	-1
Exchange rate differences	-4	-	-4	-	-2	-	-2	-
Other	12	14	-	-2	-4	-4	1	-1
Net liability as of December 31	4,084	4,164	-111	31	4,441	4,464	-56	33
<i>thereof net liability</i>	5,181	5,117	31	33	4,985	4,917	33	35
<i>thereof net asset</i>	-1,097	-953	-142	-2	-544	-453	-89	-2

(25) Miscellaneous Provisions

The following table lists the miscellaneous provisions as of the dates indicated:

Miscellaneous Provisions

€ in millions	December 31, 2024		December 31, 2023	
	Current	Non-current	Current	Non-current
Nuclear-waste management obligations	684	5,219	713	5,840
Personnel obligations	425	741	465	796
Obligations from green certificates	860	30	812	43
Other asset retirement obligations	64	708	109	713
Supplier-related and customer-related obligations	930	119	976	167
Environmental remediation and similar obligations	47	296	79	323
Other	1,282	1,179	1,712	1,146
Total	4,292	8,292	4,866	9,028

The changes in the miscellaneous provisions are shown in the table below:

Changes in Miscellaneous Provisions

€ in millions	January 1, 2024	Exchange rate differences	Changes in scope of consolidation	Unwinding of discounts	Additions	Utilization	Reclassifications	Reversals	Changes in estimates	December 31, 2024
Nuclear-waste management obligations	6,553	-	-	136	-	-686	-	-	-100	5,903
Personnel obligations	1,261	1	-	23	435	-411	-35	-108	-	1,166
Obligations from green certificates	855	41	-	1	1,352	-1,342	-	-17	-	890
Other asset retirement obligations	822	-	-	14	16	-31	4	-12	-41	772
Supplier-related and customer-related obligations	1,143	3	1	4	371	-290	2	-185	-	1,049
Environmental remediation and similar obligations	402	-1	-	-	21	-39	-	-40	-	343
Other	2,858	9	-7	59	803	-816	-31	-414	-	2,461
Total	13,894	53	-6	237	2,998	-3,615	-60	-776	-141	12,584

The accretion expense resulting from the changes in provisions is shown in the financial result (see [Note 9](#)). The provision items are discounted in accordance with the maturities with interest rates of between 1.9 and 7.3 percent.

As per the previous year, as of December 31, 2024, provisions for nuclear-waste management obligations exclusively relate to Germany; other provisions mainly relate to eurozone countries and the United Kingdom.

Provisions for Nuclear-Waste Management Obligations

The provisions for nuclear-waste management obligations as of December 31, 2024, in the amount of €5.9 billion exclusively relate to nuclear power activities in Germany.

The provisions for nuclear waste management based on nuclear power legislation comprise all those nuclear obligations relating to the disposal of spent nuclear-fuel rods and low-level nuclear waste and to the retirement and decommissioning of nuclear power plant components that are determined on the basis of external studies, external and internal cost estimates and contractual agreements, as well as the supplementary provisions of the German Act Transferring Responsibility for Nuclear Waste Storage and the German Disposal Fund Act.

The asset retirement obligations recognized include the anticipated costs of post- and residual operation of the facility, dismantling costs, and the cost of removal and disposal of the nuclear components of the nuclear power plant.

Provisions for the disposal of spent nuclear fuel rods also comprise the contractual costs of the return of waste from reprocessing in France and England to interim storage, as well as costs incurred for expert handling, including the necessary interim storage containers and transport to interim storage.

The cost estimates used to determine the provision amounts are based on studies and analyses performed by external specialists and are updated annually, provided that the cost estimates are not based on contractual agreements.

In the following, the provision items after deduction of advance payments are classified based on technical criteria:

Nuclear Waste Management Obligations in Germany (Less Advance Payments)

€ in millions	December 31,	
	2024	2023
Retirement and decommissioning	5,605	6,167
Containers, transports, other	298	386
Total	5,903	6,553

Provisions, if they are non-current, are measured at their settlement amounts, discounted to the balance sheet date.

A risk-free discount rate of an average of about 2.3 percent is used for the measurement of E.ON's disposal obligations (previous year: about 2.0 percent). As in the prior year, E.ON assumes a 2 percent increase in costs when estimating annual payments. A change in the discount rate or in the cost increase rate of 0.1 percentage points would change the amount of the provision recognized on the balance sheet by approximately €40 million.

Excluding the effects of discounting and cost increases, the amounts for disposal obligations would be €5,979 million with average credit terms of approximately five years.

There were changes in estimates for the nuclear power business in 2024 in the amount of -€100 million (2023: €266 million). This mainly includes the discounting effect in the amount of about -€93 million resulting from the increase in interest rates. Increases from cost adjustments were largely offset by countervailing effects from the optimization of decommissioning and disposal services in the amount of around €114 million. €686 million (2023: €686 million) of this was used, of which €616 million (2023: €592 million) related to decommissioning nuclear power plants based on circumstances for which decommissioning and dismantling costs were capitalized.

Personnel Obligations

Provisions for personnel costs primarily cover provisions for early retirement benefits, performance-based compensation components, restructuring and other deferred personnel costs. Restructuring provisions, which totaled €597 million at December 31, 2024 (2023: €641 million), were made especially in Germany for various restructuring projects.

Obligations from Green Certificates

Renewables Obligation Certificates (ROCs or Green Certificates) are an important mechanism for promoting renewable energies, especially in the UK. The ROCs represent a fixed share of Renewables in power sales and can be acquired either from renewable sources or on the market. During a 12-month ROC period, the obligations recognized as a provision for this purpose are offset against the acquired certificates and used.

Provisions for Other Asset Retirement Obligations

The provisions for other asset retirement obligations consist of obligations for renewable energy power plants and infrastructure. In addition, the provisions for dismantling conventional plant components in the nuclear power segment, which are based on legally binding civil law agreements and public requirements in the amount of €360 million (2023: €375 million) are taken into account here. The change in this item is mainly due to the increase in interest rates. Excluding discounting and cost-increase effects, the amount for these disposal obligations with an average payment term of about 13 years would be €379 million.

The other asset retirement obligations disclosed under economic net debt, not including the provisions for dismantling conventional plant components in the nuclear power segment, amount to €412 million (2023: €447 million).

Sales and Supplier-Related Obligations

Provisions for supplier-related obligations consist of provisions for potential losses on open purchase contracts.

Provisions for sales market-oriented obligations include provisions for price reductions, discounts and rebates in the amount of €554 million (2023: €557 million).

Environmental Remediation and Similar Obligations

Provisions for environmental remediation refer primarily to redevelopment protection measures and the rehabilitation of contaminated sites.

Other

The other miscellaneous provisions consist of obligations for a possible insolvency payment in the amount of €140 million (2023: €120 million), litigation cost risks in the amount of €99 million (2023: €114 million), emissions allowances of €73 million (2023: €108 million), possible obligations from tax-related interest expense in the amount of €46 million (2023: €58 million) and miscellaneous taxes in the amount of €46 million (2023: €65 million).

(26) Liabilities

The following table provides a breakdown of liabilities:

Liabilities

€ in millions	December 31, 2024		December 31, 2023	
	Current	Non-current	Current	Non-current
Financial liabilities	4,964	34,100	4,617	30,823
Trade payables	10,870	–	11,580	–
Capital expenditure grants	617	538	395	357
Liabilities from derivatives	1,962	2,108	8,727	3,713
Advance payments	280	21	358	33
Contract liabilities (IFRS 15)	687	3,904	699	3,693
Other operating liabilities	5,290	580	5,638	520
Trade payables and other operating liabilities	19,706	7,151	27,397	8,316
Total	24,670	41,251	32,014	39,139

Financial Liabilities

The following tables present the changes to financial liabilities in fiscal years 2024 and 2023:

Financial Liabilities

€ in millions	Jan. 1, 2024	Cash-effective		Non-cash-effective			Dec. 31, 2024
		Cash flows	Exchange rate differences	Changes in scope of consolidation	Compounding effect	Other	
Bonds	29,426	2,935	154	–	19	-148	32,386
Commercial paper	214	6	–	–	–	–	220
Bank loans/liabilities to banks	1,671	418	-35	–	–	-163	1,891
Lease obligations ¹	2,874	-377	-1	2	–	693	3,191
Other financial liabilities	1,255	19	-2	38	–	66	1,376
Financial liabilities	35,440	3,001	116	40	19	448	39,064

¹For more information see [Note 32](#).

Liabilities to financial institutions include, among other items, collateral received, measured at a fair value of €81 million (2023: €27 million). This collateral relates to amounts pledged by banks to limit the utilization of credit lines in connection with the fair value measurement of derivative transactions. The other financial liabilities include, inter alia, financial guarantees totaling €8 million (2023: €8 million). Also included is collateral received in connection with goods and services in the amount of €13 million (2023: €17 million). E.ON can use this collateral without restriction.

The financial liabilities of innogy recognized at the date of initial consolidation were marked to market under IFRS. This market value was considerably higher than the nominal value because market interest rates had fallen since the bonds were issued. The difference between the nominal value and the market value calculated during the purchase price allocation totaled €1,388 million as of December 31, 2024 (as of December 31, 2023: €1,496 million) and will be reversed over the term of each bond and recognized as an expense in the financial result (see [Note 9](#)). This difference is not taken into account in the economic net debt.

Financial Liabilities

€ in millions	Jan. 1, 2023	Cash-effective		Non-cash-effective			Dec. 31, 2023
		Cash flows	Exchange rate differences	Changes in scope of consolidation	Compounding effect	Other	
Bonds	28,897	641	53	–	22	-187	29,426
Commercial paper	767	-553	–	–	–	–	214
Bank loans/liabilities to banks	921	643	-4	109	–	2	1,671
Lease obligations ¹	2,512	-383	8	–	–	737	2,874
Other financial liabilities	1,054	-594	2	8	–	785	1,255
Financial liabilities	34,151	-246	59	117	22	1,337	35,440

¹For more information see [Note 32](#).

The following is a description of the E.ON Group's significant credit arrangements and debt issuance programs.

€35 Billion Debt Issuance Program

A Debt Issuance Program simplifies the flexible issuance of debt instruments through public and private placements to investors. The Debt Issuance Program of E.ON SE was most recently renewed in March 2024, with a total amount of €35 billion. E.ON SE plans to renew the program and re-admit E.ON International Finance B.V. as a possible issuer in 2025.

At year-end 2024, the following E.ON SE and E.ON International Finance B.V. bonds were outstanding:

Major Bond Issues of E.ON SE and E.ON International Finance B.V.¹

Issuer	Volume in the respective currency	Initial term	Repayment	Coupon
E.ON SE	EUR 750 million	2,8 years	Jan 2025	0.875%
E.ON International Finance B.V.	EUR 750 million	8 years	Apr 2025	1.000%
E.ON SE	EUR 750 million	5.5 years	Oct 2025	1.000%
E.ON SE	EUR 500 million	4 years	Jan 2026	0.125%
E.ON International Finance B.V.	EUR 500 million	8 years	May 2026	1.625%
E.ON SE	EUR 750 million	7 years	Oct 2026	0.250%
E.ON SE	EUR 1,000 million	7.7 years	Sep 2027	0.375%
E.ON International Finance B.V.	EUR 850 million	10 years	Oct 2027	1.250%
E.ON SE	EUR 800 million	5 years	Jan 2028	3.500%
E.ON SE	EUR 500 million	7.8 years	Feb 2028	0.750%
E.ON SE	EUR 600 million	6 years	Aug 2028	2.875%
E.ON SE	EUR 600 million	7.9 years	Dec 2028	0.100%
E.ON SE	EUR 750 million	5.5 years	Mar 2029	3.750%
E.ON SE	EUR 750 million	12 years	May 2029	1.625%
E.ON International Finance B.V.	EUR 1,000 million	11.5 years	Jul 2029	1.500%
E.ON SE	EUR 750 million	10.5 years	Feb 2030	0.350%
E.ON SE	EUR 750 million	5.5 years	Mar 2030	3.125%
E.ON International Finance B.V.	GBP 760 million	28.1 years	Jun 2030	6.250%
E.ON SE	EUR 500 million	10.9 years	Dec 2030	0.750%

¹Listing: All bonds ≥ EUR 500 million are listed in Luxembourg with the exception of the Rule 144A/Regulation S USD bond, which is unlisted.

Major Bond Issues of E.ON SE and E.ON International Finance B.V.¹

Issuer	Volume in the respective currency	Initial term	Repayment	Coupon
E.ON SE	EUR 750 million	7 years	Jan 2031	3.375%
E.ON SE	EUR 750 million	9 years	Mar 2031	1.625%
E.ON SE	EUR 500 million	11.3 years	Aug 2031	0.875%
E.ON SE	EUR 500 million	12 years	Nov 2031	0.625%
E.ON SE	EUR 800 million	8 years	Mar 2032	3.500%
E.ON International Finance B.V. ²	GBP 975 million	30 years	Jun 2032	6.375%
E.ON SE	EUR 750 million	11.5 years	Oct 2032	0.600%
E.ON International Finance B.V.	EUR 600 million	30 years	Feb 2033	5.750%
E.ON SE	EUR 750 million	10 years	Aug 2033	4.000%
E.ON International Finance B.V.	GBP 600 million	22 years	Jan 2034	4.750%
E.ON SE	EUR 800 million	12.8 years	Oct 2034	0.875%
E.ON SE	EUR 1,000 million	12 years	Jan 2035	3.875%
E.ON SE	EUR 750 million	12 years	Jan 2036	3.750%
E.ON International Finance B.V.	GBP 900 million	30 years	Oct 2037	5.875%
E.ON International Finance B.V. ³	USD 1,000 million	30 years	Apr 2038	6.650%
E.ON SE	EUR 500 million	14 years	Sep 2038	3.875%
E.ON International Finance B.V.	GBP 700 million	30 years	Jan 2039	6.750%
E.ON International Finance B.V.	GBP 1,000 million	30 years	Jul 2039	6.125%
E.ON SE	EUR 1,000 million	20 years	Mar 2044	4.125%

¹Listing: All bonds ≥ EUR 500 million are listed in Luxembourg with the exception of the Rule 144A/Regulation S USD bond, which is unlisted.

²The volume of this issue was raised from originally GBP 850 million to GBP 975 million.

³Rule 144A/Regulation S bond.

Additionally outstanding as of December 31, 2024, were private placements with a total volume of approximately €1.7 billion (2023: €1.4 billion). As of December 31, 2024, there were bilateral credit facilities in the amount of €1.0 billion (2023: €2.3 billion), with original maturities of up to 1.5 years. These facilities were agreed with a share of E.ON's core banking group and were not drawn on during the reporting year.

€3.5 Billion Syndicated Revolving Credit Facility

Effective October 24, 2019, E.ON arranged a syndicated revolving credit facility in the amount of €3.5 billion over an original term of five years, with two extension options for one year each. Taking into account the two already exercised options, the credit line will mature on October 24, 2026. The credit margin is linked, among other things, to the development of certain ESG ratings, which gives E.ON financial incentives to pursue a sustainable corporate strategy. The ESG ratings are set by three prominent agencies: ISS ESG, MSCI ESG Research, and Sustainalytics. The facility serves as the Group's reliable, long-term liquidity reserve, one purpose of which is to function as a backup facility for the commercial paper programs. The facility was granted by 21 banks, which make up E.ON's core banking group. The facility has not been drawn in the reporting year.

€10 Billion and \$10 Billion Commercial Paper Programs

The euro commercial paper program in the amount of €10 billion allows E.ON SE to issue from time to time commercial paper with maturities of up to two years less one day to investors. The US commercial paper program in the amount of \$10 billion allows E.ON SE to issue from time to time commercial paper with maturities of up to 366 days to investors. As of December 31, 2024, €0 million was outstanding under the euro commercial paper program (2023: €44 million) and the equivalent of €221 million (prior year: €170 million) under the US commercial paper program.

The bonds issued by E.ON SE and E.ON International Finance B.V. (guaranteed by E.ON SE) have the maturities presented in the table below. Liabilities denominated in foreign currency include the effects of economic hedges, and the amounts shown here may therefore vary from the amounts presented on the balance sheet

Bonds Issued by E.ON SE and E.ON International Finance B.V.

€ in millions	Total	2024	2025	2026	Due between	Due after
					2027 and	2033
December 31, 2024	30,920	–	2,408	1,750	16,690	10,072
December 31, 2023	28,461	2,139	2,408	1,750	14,678	7,485

Financial Liabilities by Segment

The following table breaks down the financial liabilities by segment:

Financial Liabilities by Segment as of December 31¹

€ in millions	Bonds		Commercial paper		Bank loans/Liabilities to banks		Lease obligations		Other financial liabilities		Financial liabilities	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Energy Networks	–	–	–	–	1,109	905	2,664	2,385	813	693	4,586	3,983
Germany	–	–	–	–	571	454	2,560	2,285	811	692	3,942	3,431
Sweden	–	–	–	–	–	–	15	15	–	1	15	16
Central Eastern Europe	–	–	–	–	–	–	76	71	2	1	78	72
South Eastern Europe	–	–	–	–	538	451	13	14	-1	-1	550	464
Consolidation	–	–	–	–	–	–	–	–	1	–	1	–
Energy Infrastructure Solutions	–	–	–	–	9	12	145	118	48	44	202	174
Energy Retail	–	–	–	–	693	725	279	261	261	179	1,233	1,165
Germany	–	–	–	–	80	76	21	21	37	25	138	122
United Kingdom	–	–	–	–	-4	-4	28	33	1	2	25	31
The Netherlands	–	–	–	–	1	1	90	80	4	34	95	115
Other	–	–	–	–	616	651	140	126	219	120	975	897
Consolidation	–	–	–	–	–	1	–	1	–	-2	–	–
Corporate Functions/Other	32,386	29,426	220	214	80	29	103	110	254	339	33,043	30,118
E.ON Group	32,386	29,426	220	214	1,891	1,671	3,191	2,874	1,376	1,255	39,064	35,440

¹Because of changes in segment reporting, the prior-year figure was adjusted accordingly.

Trade Payables and Other Operating Liabilities

Trade payables totaled €10,870 million as of December 31, 2024 (2023: €11,580 million).

Capital expenditure grants of €1,155 million (2023: €752 million) have not yet been recognized as revenue. As in the prior year, the majority of these were government grants, in particular for the Energy Networks business. The E.ON Group retains ownership of the assets. The grants are non-refundable and are recognized in other operating income over the period of the depreciable lives of the related assets.

Derivative liabilities totaled €4,069 million as of December 31, 2024 (2023: €12,440 million). Of this amount, €2,645 million (2023: €10,832 million) is attributable to forward commodity contracts. The change compared with the previous year is mainly due to the market valuation of commodity derivatives.

Contract liabilities under IFRS 15 in the amount of €4,591 million (2023: €4,392 million) consist primarily of construction grants that were paid by customers for the cost of new gas and electricity connections in accordance with the generally binding terms governing such new connections. These grants are customary in the industry, are usually non-refundable, and are generally reversed and recognized as revenue over the regulatory period in question. This effect increased revenue by €319 million in 2024 (2023: €314 million).

Other operating liabilities consist primarily of other tax liabilities in the amount of €860 million (2023: €950 million) and interest payable in the amount of €562 million (2023: €441 million). This item also includes other liabilities to our customers from overpayments and refund claims of €1,676 million (2023: €1,765 million) and current personnel liabilities of €523 million (2023: €503 million). Also included in other operating liabilities are carryforwards of counterparty obligations to acquire additional shares in already consolidated subsidiaries as well as non-controlling interests in fully consolidated partnerships with legal structures that give their shareholders a statutory right of withdrawal combined with a compensation claim, in the amount of €314 million (2023: €563 million).

(27) Contingent Liabilities and Other Financial Obligations

As part of its business activities, E.ON is subject to contingent liabilities and other financial obligations involving a variety of underlying matters. These primarily include guarantees, obligations from litigation and claims (as discussed in more detail in [Note 28](#)), short- and long-term contractual, legal and other obligations and commitments.

Contingent Liabilities

The contingent liabilities of the E.ON Group amounted to €0.3 billion as of December 31, 2024 (December 31, 2023: €0.3 billion) and primarily include contingent liabilities in connection with potential long-term environmental remediation measures and legal disputes. This value represents the best estimate of the expenditure required to settle the present obligation as of the reporting date.

E.ON has also issued direct and indirect guarantees and surety bonds to third parties in connection with its own operations or the operations of affiliated companies, which may trigger payment obligations based on the occurrence of certain events. These instruments include both financial guarantees as well as operational guarantees, which primarily secure contractual obligations as well as benefit obligations for active and former employees.

In addition, E.ON has entered into indemnification agreements, which as a rule are incorporated in agreements concerning the disposal of shareholdings and, above all, affect the customary representations and warranties with relation to liability risks for environmental damage and contingent tax risks. In some cases, obligations are covered in the first instance by provisions of the disposed companies before E.ON itself is required to make any payments. Guarantees issued by companies that were later sold by E.ON SE or its legal predecessors are usually included in the respective final sales contracts in the form of indemnities.

Moreover, E.ON has commitments under which it assumes joint and several liability arising from its interests in civil-law companies ("GbR"), non-corporate commercial partnerships and consortia in which it participates.

The guarantees of E.ON also include items related to the operation of nuclear power plants. Under the German Nuclear Energy Act ("Atomgesetz" or "AtG") and the ordinance regulating the provision for coverage under the Atomgesetz ("Atomrechtliche Deckungsvorsorge-Verordnung" or "AtDeckV") of April 27, 2002, German nuclear power plant operators are required to provide nuclear accident liability coverage of up to €2.5 billion per incident.

The coverage requirement is satisfied in part by a standardized insurance facility in the amount of €255.6 million. The institution Nuklear Haftpflicht Gesellschaft bürgerlichen Rechts ("Nuklear Haftpflicht GbR") now only covers costs between €0.5 million and €15 million for claims related to officially ordered evacuation measures. Group companies have agreed to place their subsidiaries operating nuclear power plants in a position to maintain a level of liquidity that will enable them at all times to meet their

obligations as members of the Nuklear Haftpflicht GbR, in proportion to their shareholdings in nuclear power plants.

To provide liability coverage for the additional €2,244.4 million per incident required by the above-mentioned amendments, E.ON Energie AG ("E.ON Energie") and the other parent companies of German nuclear power plant operators reached a Solidarity Agreement ("Solidarvereinbarung") on July 11, July 27, August 21, and August 28, 2001, extended by agreement dated March 25, April 18, April 28, and June 1, 2011, and with agreement of November 17, November 29, December 2, and December 6, 2021. If an accident occurs, the Solidarity Agreement calls for the nuclear power plant operator liable for the damages to receive—after the operator's own resources and those of its parent companies are exhausted—financing sufficient for the operator to meet its financial obligations. Under the Solidarity Agreement, E.ON Energie's share of the liability coverage on December 31, 2024, was 43.3 percent (prior year: 43.3 percent), plus an additional 5.0 percent charge for the administrative costs of processing damage claims. The contract does not provide for a change in share for the 2024 calendar year. Sufficient liquidity has been provided for and is included within the liquidity plan.

Furthermore, as of December 31, 2024, E.ON is continuing to provide collateral in the amount of €477.5 million (2023: €454.2 million) for the former Group companies transferred to RWE which are to be repaid or assumed by RWE Group companies.

Other Financial Obligations

In addition to provisions and liabilities carried on the balance sheet and to reported contingent liabilities, there also are other financial obligations arising mainly from contracts entered into with third parties, or on the basis of legal requirements.

As of December 31, 2024, purchase commitments for investments in property, plant and equipment amounted to €4.5 billion (2023: €2.9 billion). Of these commitments, €2.6 billion are due within one year (2023: €2.4 billion). €2.8 billion of the purchase commitment at December 31, 2024 (2023: €2.3 billion) relates to the segments Energy Networks Germany and Sweden.

Additional contractual obligations in place at the E.ON Group as of December 31, 2024, relate primarily to the purchase of electricity and natural gas. Fixed financial obligations under electricity purchase contracts amount to €4.0 billion on December 31, 2024 (2023: €6.7 billion), of which €2.8 billion (2023: €5.0 billion) is due within one year. Financial obligations under fixed gas purchase contracts amount to approximately €3.2 billion on December 31, 2024 (2023: €3.9 billion). Of this amount, €2.0 billion (2023: €2.8 billion) is due within one year. Additional fixed

purchase commitments as of December 31, 2024, amount to €0.7 billion (2023: €0.8 billion). They essentially include long-term contractual commitments to purchase heat and alternative fuels. Of these commitments, €0.2 billion (2023: €0.2 billion) are due within one year. There are also additional purchase commitments whose amount is not fixed yet.

Other financial obligations exist only to an insignificant extent. These include capital commitments in connection with joint ventures, obligations concerning the acquisition of financial assets, and obligations arising from capital measures.

(28) Litigation and Claims

A number of different court actions, governmental investigations and proceedings, and other claims are currently pending or may be instituted or asserted in the future against companies of the E.ON Group. This in particular includes an increased number of legal actions and proceedings relating to contract amendments and price adjustments initiated in response to market upheavals and the changed economic and geopolitical situation in the electricity, gas and heat sectors (also as a consequence of the energy transition and the energy crisis) and concerning price increases and anticompetitive practices. The courts and authorities are also subjecting competitive practices to stricter reviews. Where appropriate, Group companies have recognized corresponding contingent assets (see [Note 17](#)), provisions (see [Note 25](#)) or contingent liabilities (see [Note 27](#)).

In the Energy Networks business division, Group companies are involved in proceedings for the award of concessions and in connection with grid connections and the calculation of the grid fee. Official regulations, approvals and changes in regulatory practice have given rise to legal disputes. Of particular note here are effects in connection with the regulatory treatment of capital costs, return on equity and other key regulatory parameters. The national legal framework conditions within Europe are subject to changes, some of which have a significant impact on network operations. Owing to a number of factors, including regulatory and legal decisions, the regulatory framework has increased here. However, these regulatory interventions are not restricted to the Energy Networks business division; distribution activities in the Energy Infrastructure Solutions and Energy Retail business divisions have also been affected by regulatory measures.

There are also legal disputes in connection with completed M&A activities, in particular as a result of the acquisition of innogy SE. With regard to the latter, all legal actions brought against the European Commission's merger control approval decision were dismissed by the European General Court (ECG); the not yet finally adjudicated actions are now pending before the Court of Justice of the European Union (CJEU) as the court of final appeal. E.ON SE intervenes on the side of the European Commission in these proceedings.

(29) Supplemental Cash Flow Disclosures

In the current fiscal year, E.ON made external payments for additions to consolidated shareholdings and activities in the amount of €46 million (2023: €14 million). Cash and cash equivalents in the amount of €4 million were also acquired. The purchases also resulted in the acquisition of assets in the amount of €41 million and liabilities in the amount of €18 million.

The total consideration received by E.ON in the reporting year on the disposal of consolidated equity interests and activities generated cash inflows of €0 million (2023: €1 million). Cash and cash equivalents disposed of amounted to €0 million (2023: €0 million). The sale of the consolidated activities led to reductions of €0 million (2023: €1 million) in assets and €0 million (2023: €1 million) in provisions and liabilities.

Cash provided by operating activities of continuing operations before interest and taxes of €7.3 billion was €0.1 billion above the prior-year figure (€7.2 billion). This resulted from an increase of €0.3 billion at Energy Networks in Germany, which is mainly attributable to positive changes in working capital. The 2023 financial year was characterized by temporary one-off effects and higher market prices, whereas the current development of receivables and liabilities led to a normalization of working capital and thus to a year-on-year improvement. The €0.2 billion increase at Energy Retail is attributable to adverse changes in working capital in the prior year that did not recur in the 2024 financial year. The negative changes in working capital in 2023 were mainly attributable to the timing difference between customer installment payments already received in 2022 and payments from government support measures and the related cash outflows from commodity procurement in 2023. The shutdown of E.ON's last nuclear power plant in April of last year and the commencement of dismantling resulted in a €0.2 billion decline in operating cash flow at Corporate Functions/Other.

Cash provided by investing activities of continuing operations of -€6.6 billion was €1.0 billion below the prior-year figure of -€5.6 billion. This includes cash-effective investments of €7.5 billion (prior year: €6.5 billion). This development is primarily attributable to the planned increase in investments in property, plant, and equipment and intangible assets, particularly at the network business Germany. In addition, the net of cash inflow and outflow from securities was higher than in the prior year.

Cash provided by financing activities of continuing operations of €1.1 billion was about €3.0 billion above the prior-year figure of -€1.8 billion. The net of the issuance and repayment of bonds, commercial paper, and bank liabilities led to a year-on-year improvement in cash provided by financing activities. The effects relating to variation margins were lower in the year under review than in the prior year.

Supplemental Information on Cash Flows from Operating Activities

€ in millions	2024	2023
Income taxes paid (less refunds)	-742	-716
Interest paid	-1,210	-1,203
Interest received	282	348
Dividends received	581	571

(30) Derivative Financial Instruments and Hedging Transactions

Strategy and Objectives

E.ON's policies permit the use of derivatives if they are based on underlying assets or liabilities, contractual rights and obligations, or planned transactions.

At the E.ON Group, hedge accounting in accordance with IFRS 9 is employed primarily in connection with hedging long-term liabilities and future financing via interest-rate derivatives and for hedging long-term foreign currency receivables and payables via currency derivatives. E.ON also hedges net investments in foreign operations against foreign currency risks on a case-by-case basis.

In the commodity sector, fluctuations in future cash flows from procurement and sales transactions are economically hedged by offsetting transactions. Hedge accounting was applied in individual cases with regard to hedging electricity and gas price change risks.

To hedge currency risk, E.ON held hedging transactions in the reporting year in pounds sterling at an average hedging rate of £0.90/€ (2023: £0.90/€) and in US dollars at an average hedging rate of US\$1.36/€ (2023: US\$1.36/€). Hedging transactions existed at an average interest rate of 3.12 percent (2023: 2.80 percent) to hedge the interest rate risk in the eurozone. To hedge commodity price risk, E.ON held hedging transactions with an average hedged price of €37/MWh (2023: €30/MWh) for gas and an average hedged price of €122/MWh (2023: €115/MWh) for electricity.

Fair Value Hedges

Fair value hedges are used to protect against the risk from changes in market values. Gains and losses on these hedges are generally reported in that line item of the income statement which also includes the respective hedged items.

Cash Flow Hedges

Cash flow hedges are used to protect against the risk arising from variable cash flows. Interest rate swaps and cross-currency interest rate swaps are the principal instruments used to limit interest rate and currency risks. The

purpose of these swaps is to maintain the level of payments arising from long-term interest-bearing receivables and liabilities denominated in foreign currency and euros by using cash flow hedge accounting in the functional currency of the respective E.ON company. Futures contracts are concluded to reduce future cash flow fluctuations arising from variable spot prices for commodity transactions. Cash flow hedge accounting to hedge the risk of changes in commodity prices (electricity and gas) was applied only in individual cases in the 2024 fiscal year. The following table presents the carrying amounts of the hedging instruments and the changes in the fair values of the hedging instruments and hedged items by hedged risk type:

Carrying Amounts of Hedging Instruments and Changes in Fair Value of Hedging Instruments and Hedged Items in Connection with Cash Flow Hedges

€ in millions	Carrying amount				Change in the fair value of the designated portion of hedging instruments		Change in the fair value of hedged items	
	Receivables from derivative financial instruments		Liabilities from derivative financial instruments		2024	2023	2024	2023
	2024	2023	2024	2023				
Currency risk	332	325	212	165	-12	-141	12	140
Interest-rate risk	-	1	226	327	101	72	-127	7
Commodity price change risk	15	0	3	3	13	-3	113	520

The total amount of ineffectiveness for cash flow hedges recorded for the year ended December 31, 2024, produced income of €9 million (2023: income of €6 million) mainly resulting from exchange rate hedging.

Gains and losses from the ineffective portions of cash flow hedges are classified as other operating income or other operating expenses.

The development of OCI arising from cash flow hedges, broken down by hedged risk type, is as follows:

Changes in OCI Arising from Cash Flow Hedges

€ in millions	Total	Currency risk	Interest-rate risk	Commodity price change risk
Balance as of January 1, 2023	292			
Unrealized changes—hedging reserve	-139	-58	-77	-4
Unrealized changes—reserve for hedging costs	13	13	-	-
Reclassification adjustments recognized in income	-549 ²	32	-65	-516
Change in scope of consolidation	-	-	-	-
Income taxes	207	-	-	-
Companies accounted for under the equity method	-51	-	-	-
Balance as of December 31, 2023 ¹	-227			
Balance as of January 1, 2024	-227			
Unrealized changes—hedging reserve	-33	-112	71	8
Unrealized changes—reserve for hedging costs	27	27	-	-
Reclassification adjustments recognized in income	-138 ²	-7	-5	-126
Change in scope of consolidation	1	-	-	-
Income taxes	47	-	-	-
Companies accounted for under the equity method	24	-	-	-
Balance as of December 31, 2024 ¹	-299	-	-	-

¹As of December 31, 2024, includes -€206 million (2023: -€141 million) from terminated cash flow hedges.

²Of this amount, €0 million (previous year: -€116 million) relates to hedged cash flows that are no longer expected to occur.

The balance of the OCI arising from cash flow hedges as of December 31, 2024, contains €0.2 billion relating to hedging of interest-rate risk (2023: €0.4 billion).

Reclassifications recognized in income are generally reported in that line item of the income statement which also includes the respective hedged item.

The nominal volume of the hedging instruments is presented in the following table:

Nominal Values of Hedging Instruments in Connection with Cash Flow Hedges (Fiscal Year)

€ in millions	Maturity			Total
	< 1 year	1–5 years	> 5 years	
Currency risk	225	213	2,473	2,911
Interest-rate risk	0	1,500	1,500	3,000
Commodity price change risk	226	6	–	232

Nominal Values of Hedging Instruments in Connection with Cash Flow Hedges (Prior Year)

€ in millions	Maturity			Total
	< 1 year	1–5 years	> 5 years	
Currency risk	158	290	2,200	2,648
Interest-rate risk	1,000	1,500	3,000	5,500
Commodity price change risk	52	9	–	61

Net Investment Hedges

The Company uses foreign currency forwards, foreign currency swaps and foreign currency loans to protect the value of its net investments in its foreign operations denominated in foreign currency.

The carrying amount of the assets used as hedging instruments as of December 31, 2024, was €19 million (2023: €2 million) and the carrying amount of the liabilities used as hedging instruments was €1,208 million (2023: €1,241 million). The fair values of the designated portion of the hedging instruments changed by +€40 million in the reporting period (2023: -€110 million).

As in the previous year, no ineffectiveness resulted from net investment hedges in 2024.

The development of OCI arising from net investment hedges is as follows:

Changes in OCI Arising from Net Investment Hedges

€ in millions	Currency risk
Balance as of January 1, 2023	354
Unrealized changes—hedging reserve	-113
Unrealized changes—reserve for hedging costs	2
Reclassification adjustments recognized in income	–
Change in scope of consolidation	–
Income taxes	23
Balance as of December 31, 2023¹	266
Balance as of January 1, 2024	266
Unrealized changes—hedging reserve	40
Unrealized changes—reserve for hedging costs	–
Reclassification adjustments recognized in income	–
Change in scope of consolidation	–
Income taxes	-12
Balance as of December 31, 2024¹	294

¹As of December 31, 2024, includes -€71 million (2023: -€71 million) from terminated net investment hedges.

As a rule, reclassification adjustments recognized in income are reported under other operating income and expenses. The nominal volume of hedging instruments in net investment hedges amounted to €4,668 million as of December 31, 2024 (2023: €4,613 million). Since the currency risk of net investment hedges is hedged through the ongoing rollover of the hedging instruments, the majority are concluded with a remaining term of less than one year.

Valuation of Derivative Instruments

The fair value of derivative financial instruments depends on movements in underlying market factors. The Company assesses and monitors the fair value of derivative instruments on a periodic basis. The fair value to be determined for each derivative instrument is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants on the measurement date (exit price). E.ON also takes into account the counterparty credit risk for both own credit risk (debt value adjustment) and the risk of the corresponding counterparty (credit value adjustment) when determining fair value. The fair values of derivative instruments are calculated using common market valuation methods with reference to available market data on the measurement date.

The following is a summary of the methods and assumptions for the valuation of utilized derivative financial instruments in the Consolidated Financial Statements:

- Currency, electricity and gas forward contracts, swaps, and emissions-related derivatives are valued separately at their forward rates and prices as of the balance sheet date. Whenever possible, forward rates and prices are based on market quotations, with any applicable forward premiums and discounts taken into consideration.
- Market prices for commodity options are valued using standard option pricing models commonly used in the market.
- The fair values of existing instruments to hedge interest risk are determined by discounting future cash flows using market interest rates over the remaining term of the instrument. Present values are determined for interest rate, currency and cross-currency interest rate swaps for each individual transaction as of the balance sheet date. Interest income and expenses are recognized in income at the date of payment or accrual.

- Equity forwards are valued on the basis of the stock prices of the underlying equities, taking into consideration any timing components.
- Exchange-traded futures and option contracts are valued individually at daily settlement prices determined on the futures markets that are published by their respective clearing houses. Paid initial margins are disclosed under other assets. Variation margins received or paid during the term of such contracts are stated under other liabilities or other assets, respectively, unless they are offset against the recognized market values of the commodity derivatives, as the offsetting criteria of IAS 32.42 are met.
- Certain long-term energy contracts are valued with the aid of valuation models that use internal data if market prices are not available. A hypothetical 10 percent increase or decrease in these internal valuation parameters as of the balance sheet date would lead to a theoretical increase in market values of €7 million or a decrease of €9 million.

(31) Additional Disclosures on Financial Instruments

The carrying amounts of the financial instruments, their grouping into IFRS 9 measurement categories, their fair values and their measurement sources by class are presented in the following table:

Carrying Amounts, Fair Values and Measurement Categories by Class within the Scope of IFRS 7 as of December 31, 2024

€ in millions	Carrying amounts	Carrying amounts within the scope of IFRS 7	Measurement categories under IFRS 9 ¹	Fair value	Determined using market prices (Level 1)	Derived from active market prices (Level 2)	Determined by valuation methods (Level 3)
Equity investments	2,752	509	FVPL	509	60	2	447
Financial receivables and other financial assets	1,650	714					
<i>Receivables from finance leases</i>	242	242	<i>n/a</i>	242			
<i>Other financial receivables and financial assets</i>	1,408	472		469			
		393	AmC	390	–	161	229
		79	FVPL	79	–	–	79
Trade receivables and other operating assets	19,371	14,081					
<i>Trade receivables</i>	9,318	9,226	AmC				
<i>Derivatives with no hedging relationships</i>	3,909	3,908	FVPL	3,908	39	3,387	482
<i>Derivatives with hedging relationships</i>	366	366	<i>n/a</i>	366	–	366	–
<i>Other operating assets</i>	5,778	581	AmC	619	–	225	394
Securities and fixed-term deposits	2,142	2,142		2,142	1,069	1,073	–
		1,541	FVPL	1,541	1,069	472	–
		601	FVOCI	601		601	–
Cash and cash equivalents	5,746	5,746					
		382	FVPL	382	–	382	–
		5,364	AmC				
Restricted liquid funds	255	255	AmC				
Assets held for sale	697	502		–	–	–	–
		501	AmC	501	–	501	–
		1	FVPL	1	–	1	–
Total assets	32,613	23,949					
Financial liabilities	39,064	38,484					
<i>Bonds</i>	32,386	32,386	AmC	30,735	29,117	1,618	–
<i>Commercial paper</i>	220	220	AmC	220	–	220	–
<i>Bank loans/liabilities to banks</i>	1,891	1,891	AmC	1,837	–	628	1,209
<i>Lease obligations</i>	3,191	3,140	<i>n/a</i>	3,108			
<i>Other financial liabilities</i>	1,376	847	AmC	836	–	-24	860
Trade payables and other operating liabilities	26,856	17,932					
<i>Trade payables</i>	10,870	10,742	AmC				
<i>Derivatives with no hedging relationships</i>	2,420	2,420	FVPL	2,420	4	1,922	494
<i>Derivatives with hedging relationships</i>	1,649	1,649	<i>n/a</i>	1,649	–	1,649	–
<i>Liabilities related to IAS 32²</i>	314	314	AmC	312	–	–	312
<i>Other operating liabilities</i>	11,603	2,807	AmC	2,368	–	1,309	1,059
Liabilities associated with assets held for sale	400	348		–			
		348	AmC	348	–	348	–
		–	FVPL	–	–	–	–
Total liabilities	66,320	56,764					

¹FVPL: Fair Value through P&L; FVOCI: Fair Value through OCI; AmC: Amortized Cost. The measurement categories are described in detail in [Note 1](#). The amounts determined using valuation techniques with unobservable inputs (Level 3 of the fair value hierarchy) correspond to the difference between the total fair values of the two hierarchy levels listed.

²The liabilities from put options include counterparty obligations and non-controlling interests in fully consolidated partnerships (see [Note 26](#)).

Carrying Amounts, Fair Values and Measurement Categories by Class within the Scope of IFRS 7 as of December 31, 2023

€ in millions	Carrying amounts	Carrying amounts within the scope of IFRS 7	Measurement categories under IFRS 9 ¹	Fair value	Determined using market prices (Level 1)	Derived from active market prices (Level 2)	Determined by valuation methods (Level 3)
Equity investments	2,561	507	FVPL	507	71	-	436
Financial receivables and other financial assets	2,164	849					
<i>Receivables from finance leases</i>	252	252	<i>n/a</i>	222			
<i>Other financial receivables and financial assets</i>	1,912	597		596			
		496	AmC	495	85	145	265
		101	FVPL	101	-	-	101
Trade receivables and other operating assets	22,855	18,861					
<i>Trade receivables</i>	10,404	10,243	AmC				
<i>Derivatives with no hedging relationships</i>	7,657	7,657	FVPL	7,657	1	7,124	532
<i>Derivatives with hedging relationships</i>	328	328	<i>n/a</i>	328	-	328	-
<i>Other operating assets</i>	4,466	633	AmC	626	112	132	382
Securities and fixed-term deposits	2,552	2,552		2,552	1,371	1,181	-
		1,644	FVPL	1,644	1,149	495	-
		908	FVOCI	908	222	686	-
Cash and cash equivalents	5,585	5,585	-				
		358	FVPL	358	-	358	-
		5,227	AmC				
Restricted liquid funds	452	452	AmC				
Assets held for sale	-	-					
		-	AmC	-			
		-	FVPL	-	-	-	-
Total assets	36,169	28,806					
Financial liabilities	35,440	34,923					
<i>Bonds</i>	29,426	29,426	AmC	27,728	26,330	1,398	-
<i>Commercial paper</i>	214	214	AmC	217	-	217	-
<i>Bank loans/liabilities to banks</i>	1,671	1,671	AmC	1,331	-	480	851
<i>Lease obligations</i>	2,874	2,822	<i>n/a</i>	2,720			
<i>Other financial liabilities</i>	1,255	790	AmC	770	-	-8	778
Trade payables and other operating liabilities	35,714	27,471					
<i>Trade payables</i>	11,580	11,476	AmC				
<i>Derivatives with no hedging relationships</i>	10,704	10,704	FVPL	10,704	-	10,154	550
<i>Derivatives with hedging relationships</i>	1,736	1,736	<i>n/a</i>	1,736	-	1,736	-
<i>Liabilities related to IAS 32²</i>	563	563	AmC	88	-	-	88
<i>Other operating liabilities</i>	11,131	2,992	AmC	2,722	182	1,335	1,205
Liabilities associated with assets held for sale	-	-					
		-	AmC	-			
		-	FVPL	-	-	-	-
Total liabilities	71,154	62,394					

¹FVPL: Fair Value through P&L; FVOCI: Fair Value through OCI; AmC: Amortized Cost. The measurement categories are described in detail in [Note 1](#). The amounts determined using valuation techniques with unobservable inputs (Level 3 of the fair value hierarchy) correspond to the difference between the total fair values of the two hierarchy levels listed.

²The liabilities from put options include counterparty obligations and non-controlling interests in fully consolidated partnerships (see [Note 26](#)).

The carrying amounts of cash and cash equivalents and of trade receivables and trade payables are considered reasonable estimates of their fair values because of their short maturity.

Where the fair value of a financial instrument can be derived from an active market without the need for an adjustment, that value is used as the fair value. This applies in particular to equities held and to bonds held and issued.

The fair value of shareholdings in unlisted companies and of debt instruments that are not actively traded, such as loans received, loans granted and financial liabilities, is determined by discounting future cash flows. Any necessary discounting takes place using current market interest

rates over the remaining terms of the financial instruments. The determination of the fair value of derivative financial instruments is discussed in [Note 30](#).

At the end of each reporting period, E.ON assesses whether there might be reasons for reclassification between hierarchy levels. In 2024, there was no reclassification between hierarchy level 1 to hierarchy level 2. The input parameters of Level 3 of the fair value hierarchy for equity investments are specified taking into account economic developments and available industry and corporate data (see also [Note 1](#)). A hypothetical change of +10 percent or -10 percent in these key internal valuation parameters as of the balance sheet date would lead to a theoretical increase in the market values of +€31 million or a decrease of -€31 million, respectively. Certain

long-term energy contracts are measured using valuation models based on internal fundamental data if market prices are not available. A hypothetical change of ±10 percent in the internal valuation parameters as of the balance sheet date would result in a theoretical increase in fair values of +€7 million or a decrease of €9 million. A change of +10 percent or -10 percent in the key internal valuation parameters of financial receivables and other financial assets as of the balance sheet date would result in a theoretical increase in fair values of €1 million or a decrease of -€2 million. The fair values determined using valuation techniques for financial instruments carried at fair value are reconciled as shown in the following table:

Fair Value Hierarchy Level 3 Reconciliation

€ in millions	Jan. 1, 2024	Purchases (including additions)	Sales (including disposals)	Settlements	Gains/losses in income statement	Transfers			Dec. 31, 2024
						into Level 3	out of Level 3	Exchange rate differences	
Equity investments	436	26	-14	-	-4	-	-	4	448
Derivative financial instruments	-18	-6	-	-	12	-	-	-	-12
Financial receivables and other financial assets	101	-	-	-23	2	-	-	-	80
Total	519	20	-14	-23	10	-	-	4	516

The extent to which the offsetting of financial assets and financial liabilities is covered by netting agreements is presented in the following tables.

Compulsory netting is carried out if the netting criteria pursuant to IAS 32.42 are met cumulatively.

Transactions and business relationships resulting in the financial assets and liabilities presented are regularly concluded on the basis of standard contracts that permit the conditional netting of open transactions in the event that a counterparty becomes insolvent. If there is also currently a legal right to set off and the intention is to settle on a net basis, offsetting is mandatory in accordance with IAS 32.

The netting agreements are derived from netting clauses contained in master agreements including those of the International Swaps and Derivatives Association (ISDA), the German Master Agreement for Financial Derivatives Transactions (DRV), the European Federation of Energy Traders (EFET) and the Financial Energy Master Agreement (FEMA).

Collateral pledged to and received from financial institutions in relation to these liabilities and assets limits the utilization of credit lines in the fair value measurement of interest rate and currency derivatives, and is shown in the table.

Netting Agreements for Financial Assets and Liabilities as of December 31, 2024

€ in millions	Gross amount	Amount offset	Carrying amount	Conditional netting amount (netting agreements)	Financial collateral received/pledged	Net value
Financial assets						
Trade receivables	10,650	1,425	9,225	138	2	9,085
Commodity derivatives	2,955	–	2,955	1,542	–	1,413
Interest-rate and currency derivatives	1,320	–	1,320	–	81	1,239
Total	14,925	1,425	13,500	1,680	83	11,737
Financial liabilities						
Trade payables	12,295	1,425	10,870	541	–	10,329
Commodity derivatives	2,645	–	2,645	1,139	–	1,506
Interest-rate and currency derivatives	1,424	–	1,424	–	197	1,227
Total	16,364	1,425	14,939	1,680	197	13,062

Netting Agreements for Financial Assets and Liabilities as of December 31, 2023

€ in millions	Gross amount	Amount offset	Carrying amount	Conditional netting amount (netting agreements)	Financial collateral received/pledged	Net value
Financial assets						
Trade receivables	14,172	3,912	10,260	192	6	10,062
Commodity derivatives	6,712	3	6,709	4,049	–	2,660
Interest-rate and currency derivatives	1,276	–	1,276	–	27	1,249
Total	22,160	3,915	18,245	4,241	33	13,971
Financial liabilities						
Trade payables	15,492	3,912	11,580	294	1	11,285
Commodity derivatives	10,835	3	10,832	3,948	–	6,884
Interest-rate and currency derivatives	1,608	–	1,608	–	388	1,220
Total	27,935	3,915	24,020	4,242	389	19,389

The following two tables illustrate the contractually agreed (undiscounted) cash outflows arising from the liabilities included in the scope of IFRS 7:

Cash Flow Analysis as of December 31, 2024

€ in millions	Cash outflows 2025	Cash outflows 2026	Cash outflows 2027–2029	Cash outflows from 2030
Bonds	3,339	2,664	9,661	25,729
Commercial paper	220	–	–	–
Bank loans/liabilities to banks	852	564	149	453
Lease obligations	636	499	1,300	1,965
Other financial liabilities	1,269	98	220	26
Financial guarantees	1	–	–	7
Cash outflows for financial liabilities	6,317	3,825	11,330	28,180
Trade payables	10,938	–	–	–
Derivatives (with/without hedging relationships)	9,793	2,237	3,910	8,222
Put option liabilities under IAS 32	58	15	198	84
Other operating liabilities	3,206	52	41	70
Cash outflows for trade payables and other operating liabilities	23,995	2,304	4,149	8,376
Cash outflows for liabilities within the scope of IFRS 7	30,312	6,129	15,479	36,556

Cash Flow Analysis as of December 31, 2023

€ in millions	Cash outflows 2024	Cash outflows 2025	Cash outflows 2026–2028	Cash outflows from 2029
Bonds	2,910	3,159	7,264	19,578
Commercial paper	214	–	–	–
Bank loans/liabilities to banks	776	58	555	373
Lease obligations	590	469	1,054	2,031
Other financial liabilities	1,382	62	187	22
Financial guarantees	–	1	–	7
Cash outflows for financial liabilities	5,872	3,749	9,060	22,011
Trade payables	11,580	–	–	–
Derivatives (with/without hedging relationships)	16,788	3,781	2,269	9,682
Put option liabilities under IAS 32	447	34	–	88
Other operating liabilities	3,070	61	16	6
Cash outflows for trade payables and other operating liabilities	31,885	3,876	2,285	9,776
Cash outflows for liabilities within the scope of IFRS 7	37,757	7,625	11,345	31,787

Financial guarantees with a total nominal volume of €21 million (2023: €15 million) were issued to companies outside of the Group. This amount is the maximum amount that E.ON would have to pay in the event of claims on the guarantees. E.ON has recognized a liability for this in the amount of €8 million (2023: €8 million).

For financial liabilities that bear floating interest rates, the rates that were fixed on the balance sheet date are used to calculate future interest payments for subsequent periods as well. Financial liabilities that can be terminated at any time are assigned to the earliest maturity band in the same way as put options that are exercisable at any time.

In gross-settled derivatives (usually currency derivatives and commodity derivatives), outflows are accompanied by related inflows of funds or commodities.

The net gains and losses from financial instruments by IFRS 9 category are shown in the following table:

Net Gains and Losses by Category

€ in millions	2024	2023
Financial assets Amortized Cost	-339	-748
Financial liabilities Amortized Cost	-1,132	-899
Fair Value through P&L	529	-15,810
Fair Value through OCI	35	52
Total	-907	-17,405

The net result of the category fair value through OCI results in particular from currency translation effects, interest results and income from the sale of fair value through OCI securities.

In addition to impairments of financial assets, net gains and losses in the amortized cost category are due primarily to interest income or expenses from financial assets and liabilities and effects from the currency translation of financial liabilities.

The net gains and losses in the fair value through profit or loss measurement category encompass both the changes in fair value from derivative financial instruments and from equity instruments, and gains and losses on realization. The increase in net results was due in particular to reduced income from the valuation and realization of commodity derivatives.

Impairments of Financial Assets

Impairment losses on financial assets must be recognized not only for losses already incurred but also for expected future credit losses. E.ON takes into account expected future credit losses of financial assets carried at amortized cost, financial assets measured at fair value through other comprehensive income, and receivables from finance leases.

For trade receivables, expected credit losses are recognized over their entire residual term using the simplified method (lifetime expected credit loss (ECL) trade receivables). For other financial assets, E.ON first determines the credit loss expected within the first 12 months (stage 1–12 month ECL). In derogation of this, in the event of a significant increase in the default risk, the expected credit loss over the entire residual term of the respective instrument is recognized (stage 2–lifetime ECL). Whether the default risk has increased significantly depends largely on the counterparty risk as calculated internally on initial recognition. E.ON uses an 18-point internal rating scale to monitor counterparty risk. A significant increase in the default risk is assumed at the earliest after a three-level decline in the rating (since initial recognition). If there are objective indications of an actual default, an individual impairment loss must be recognized on the income statement (stage 3—losses already incurred).

E.ON distinguishes between two approaches when calculating expected future credit losses. If external or internal rating information is available, the expected credit loss for trade receivables and other financial assets is determined on the basis of this data. If no rating information is available, E.ON determines default ratios for trade receivables on the basis of historical default rates, taking into account forward-looking information on economic developments. In the E.ON Group, a default or the classification of a receivable as uncollectable is assumed after 180, 270 or 360 days, depending on the region.

In 2024, valuation allowances for trade receivables changed as shown in the following table:

Valuation Allowances for Trade Receivables

€ in millions	2024	2023
Balance as of January 1	-2,491	-1,612
Disposals	595	121
Impairments	-539	-983
Other ¹	-64	-17
Balance as of December 31	-2,499	-2,491

¹The item "Other" includes currency translation differences.

There were no significant changes in valuation allowances for other financial assets measured at amortized cost or at fair value through other comprehensive income, or for receivables from finance leases in 2024.

The default risks for financial assets for which rating information is available can be found in the following table for each rating grade and separately according to the stages of impairment existing in 2024:

Credit Risk Exposure for Financial Assets for Which Rating Information is Available

€ in millions	Stage 1 financial assets		Trade receivables	
	2024	2023	2024	2023
Gross carrying amount investment grade	6,498	6,886	1,323	1,455
Gross carrying amount non-investment grade	14	36	630	848
Gross carrying amount default grade	–	–	252	313
Total	6,512	6,922	2,205	2,616

The default risks for trade receivables for which no rating information is available and the amount of expected credit losses over the remaining term are shown in the following matrix for each maturity class:

Credit Risk Exposure for Trade Receivables for Which No Rating Information is Available

€ in millions	Gross carrying amount		Lifetime ECL	
	2024	2023	2024	2023
Not past due	4,879	5,980	95	110
Past due by	4,190	3,757	2,180	2,163
<i>up to 30 days</i>	761	632	57	45
<i>31 to 60 days</i>	315	380	48	49
<i>61 to 90 days</i>	269	232	49	38
<i>91 to 180 days</i>	447	512	147	160
<i>more than 180 days incl. specific valuation allowances</i>	2,399	2,001	1,879	1,871
Total	9,069	9,737	2,275	2,273

Risk Management

Principles

The prescribed processes, responsibilities and actions concerning financial and risk management are described in detail in internal risk management guidelines applicable throughout the Group. The units have developed additional guidelines of their own within the confines of the Group's overall guidelines. To ensure efficient risk management at the E.ON Group, the Trading (Front Office), Finance Controlling (Middle Office) and Financial Settlement (Back Office) departments are organized as strictly separate units. Risk steering and reporting in the areas of interest rates, currencies and credit for banks and liquidity management is performed by the Finance Controlling department (in the credit area, also in part by Counterparty Risk Management), while risk steering and reporting in the area of commodities and in the credit area for industrial enterprises is performed at Group level by a separate department.

E.ON uses a Group-wide treasury, risk management and reporting system. This system is a standard information technology solution that is fully integrated and is continuously updated. The system is designed to provide for the analysis and monitoring of the E.ON Group's exposure to liquidity, foreign exchange and interest risks. On a Group-wide basis, Finance Controlling/Counterparty Risk Management monitors and steers credit risks for banks, and Counterparty Risk Management monitors and steers corporates of a certain materiality. These activities are carried out each using a standard software package.

Separate Risk Committees/Steering Groups are responsible for the maintenance and further development of the strategy set by the Management Board of E.ON SE with regard to commodity, treasury and credit risk management policies.

1. Liquidity Management

The primary objectives of liquidity management at E.ON consist of ensuring the ability to pay at all times, the timely satisfaction of contractual payment obligations and the optimization of costs within the E.ON Group.

Cash pooling and external financing are largely centralized at E.ON SE and certain financing companies. Funds are provided to the other Group companies as needed on the basis of an "in-house banking" solution.

E.ON SE determines the Group's financing requirements on the basis of short- and medium-term liquidity planning. The financing of the Group is controlled and implemented on a forward-looking basis in accordance with the planned liquidity requirement or surplus. Relevant planning factors taken into consideration include operating cash flow, capital expenditures, divestments, margin payments and the maturity of bonds and commercial paper.

2. Price Risks

In the normal course of business, the E.ON Group is exposed to risks arising from price changes in foreign exchange, interest rates, commodities and asset management. These risks create volatility in earnings, equity, debt and cash flows from period to period. E.ON has developed a variety of strategies to limit or eliminate these risks, including the use of derivative financial instruments, among others.

3. Credit Risks

E.ON is exposed to credit risk in its operating activities and through the use of financial instruments. Uniform credit risk management procedures are in place throughout the Group to identify, measure and steer credit risks.

The following discussion of E.ON's risk management activities and the estimated amounts generated from value-at-risk ("VaR") and sensitivity analyses are "forward-looking statements" that involve risks and uncertainties. Actual results could differ materially from those projected due to actual, unforeseeable developments in the global financial markets. The methods used by the Company to analyze risks should not be considered forecasts of future events or losses. For example, E.ON faces certain risks that are either non-financial or non-quantifiable. Such risks principally include country risk, operational risk, regulatory risk and legal risk, which are not represented in the following analyses.

Foreign Exchange Risk Management

E.ON SE is responsible for steering the currency risks to which the E.ON Group is exposed.

Because it holds interests in businesses outside of the eurozone, currency translation risks arise within the E.ON Group. Fluctuations in exchange rates produce accounting effects attributable to the translation of the balance sheet and income statement items of the foreign consolidated Group companies included in the Consolidated Financial Statements. Translation risks are hedged through borrowing in the corresponding local currency, which may also include shareholder loans in foreign currency. In addition, derivative and non-derivative financial instruments are employed as needed. The hedges qualify for hedge accounting under IFRS as hedges of net investments in foreign operations. The Group's translation risks are reviewed at regular intervals and the level of hedging is adjusted whenever necessary. The respective debt factor, net assets and the enterprise value denominated in the foreign currency are the principal criteria governing the level of hedging.

The E.ON Group is also exposed to operating and financial transaction risks attributable to foreign currency transactions. The subsidiaries are responsible for managing their operating currency risks and are generally required to hedge their currency risks through E.ON SE. E.ON SE coordinates hedging throughout the Group companies and makes use of

external derivatives as needed. It may either directly close out foreign currency positions that have been tendered, in whole or in part, through external transactions, or keep the position open within approved limits. The one-day value-at-risk (95 percent confidence) for transactional foreign currency positions totaled €0.3 million as of December 31, 2024 (2023: €0.2 million) and is mainly determined by the currencies Swedish krona, Danish krone and Polish zloty.

Financial transaction risks result from payments originating from financial receivables and payables. They are generated both by external financing in a variety of foreign currencies, and by shareholder loans from within the Group denominated in foreign currency. Financial transaction risks are generally hedged.

Interest Rate Risk Management

E.ON is exposed to profit risks arising from floating-rate financial liabilities and future (re)financing needs. Positions based on fixed interest rates, on the other hand, are subject to changes in fair value resulting from the volatility of market interest rates. E.ON seeks a balanced maturity profile. This is influenced, among other factors, by the type of business model, existing liabilities as well as the regulatory framework in which E.ON operates. Interest rate derivatives are also used to manage interest rate risk.

With interest rate derivatives and cash on hand included, the share of financial liabilities with floating interest rates or with maturities of less than 12 months was 0 percent as of December 31, 2024 (2023: 0 percent). The volume-weighted average interest rate of the financial liabilities, including interest rate derivatives, was 3.0 percent as of December 31, 2024 (2023: 2.8 percent).

As of December 31, 2024, the E.ON Group held interest rate derivatives with a nominal value of €3,872 million (2023: €5,512 million).

A sensitivity analysis was performed on the Group's floating-rate borrowings and planned financing, including interest rate risk hedges. This measure is used for internal risk controlling and reflects the economic position of the E.ON Group. A one-percentage-point upward or downward change in interest rates (across all currencies) would raise or lower interest charges by ±€23 million (2023: ±€15 million) in the subsequent fiscal year.

Commodity Price Risk Management

The E.ON portfolio of physical assets, long-term contracts and end-customer sales is exposed to substantial risks from fluctuations in commodity prices. The principal commodity prices to which E.ON is exposed relate, in particular, to electricity, gas, guarantees of origin, and emissions certificates.

The objective of commodity risk management is to transact through physical and financial contracts to optimize the value of the portfolio while reducing the potential negative deviation from target EBITDA and OCF.

In the normal course of business of the underlying energy production and retail sales activities, E.ON's individual management units are exposed to uncertain commodity market prices, which impacts operating results. The external trading on commodity markets contributes to reducing open commodity positions driven by sales and is undertaken in strict accordance with approved commodity hedging strategies.

A small number of proprietary trading transactions are entered into in separate trading books, which are subject to strict monitoring and limits based on risk metrics and governance. The processes and operational management models within the trading system are monitored by the local market risk teams and centrally managed by the Risk Management department.

The subsidiary, E.ON Energy Markets GmbH (EEM), acts as a central interface to the wholesale markets. The main function of EEM is to consolidate E.ON's commodity positions, to reduce price risks from the distribution business and to diversify and reduce credit and margin risks.

As of December 31, 2024, the E.ON Group primarily held electricity and gas derivatives with a nominal value of €49,242 million (2023: €125,767 million). Electricity derivatives account for €15,398 million (2023: €45,418 million) of this amount and gas derivatives for €33,692 million (2023: €80,268 million).

A key foundation of the commodity risk management system is the Group-wide Commodity Risk Policy and the corresponding internal policies of the units. These specify the control principles for commodity risk management, minimum required standards and clear management and operational responsibilities.

Commodity exposures and risks are reported across the Group on a quarterly basis to the members of the Risk Committee.

A hypothetical change in market prices at the reporting date of +10 percent or -10 percent would result in a theoretical increase in fair value and recognition in income in the amount of €751 million, or a decrease in fair value and recognition in expense in the amount of €771 million for the electricity derivatives (2023: recognition in income of €767 million or recognition in expense of €768 million). A corresponding hypothetical change would result in a theoretical increase in fair value and recognition in income in the amount of €376 million or a decrease in fair value and recognition in expense in the amount of €376 million for gas derivatives (2023: ±€279 million). For electricity derivatives subject to

hedge accounting a hypothetical change in market prices of +10 percent or -10 percent would result in a theoretical increase in fair value and recognition in income in the amount of €8 million through OCI, or a decrease in fair value and recognition in expense in the amount of €7 million through OCI. For gas derivatives subject to hedge accounting a hypothetical change in market prices of +10 percent or -10 percent would result in a theoretical increase in fair value and recognition in income in the amount of €5 million through OCI, or a decrease in fair value and recognition in expense in the amount of €5 million through OCI.

Credit Risk Management

In order to minimize credit risk arising from operating activities and from the use of financial instruments, the Company enters into transactions only with counterparties that satisfy the Company's internally established minimum requirements. Maximum credit risk is confined by credit limits based on internal and (where available) external credit ratings. The setting and monitoring of credit limits is subject to certain minimum requirements, which are based on Group-wide credit risk management guidelines. Long-term operating contracts and asset management transactions are not comprehensively included in this process. They are monitored separately at the level of the responsible units.

In principle, each Group company is responsible for managing credit risk in its operating activities. Depending on the nature of the operating activities and the level of credit risk, additional credit risk monitoring and controls are performed both by the units and by Corporate Headquarters. Regular reports on credit limits, including their utilization, are submitted to the Risk Committee. Intensive, standardized monitoring of quantitative and qualitative early-warning indicators, as well as close monitoring of the credit quality of counterparties, enable E.ON to act early in order to minimize risk.

To the extent possible, collateral is negotiated with counterparties for the purpose of reducing credit risk. Accepted as collateral are primarily guarantees issued by the respective parent companies, letters of comfort or evidence of profit and loss transfer agreements in combination with letters of awareness. To a lesser extent, the Company also requires bank guarantees and deposits of cash and securities as collateral to reduce credit risk. Risk management collateral in the forms mentioned above totaling €4.7 billion (2023: €10.3 billion) was used for setting limits. The continued stable price level in the wholesale markets throughout 2024, as well as a reduced limit allocation, led to a further decrease in the collateral to be accounted for and accordingly considered for some parent companies of the Company's counterparties.

Derivative transactions are generally executed on the basis of standard agreements that allow for the netting of all open transactions with individual counterparties. To further reduce credit risk, bilateral margining

agreements are entered into with selected banks. Limits, which are regularly monitored, are imposed on the credit and liquidity risk resulting from bilateral margining agreements and exchange clearing. The systematic management of liquidity risk remains an important component of risk management at E.ON, particularly against the backdrop of the continued possibility of energy price volatility.

There is no credit risk with respect to the exchange-traded forward and option contracts with an aggregate nominal value of €22,764 million (2023: €21,979 million). For the remaining financial instruments, the maximum risk of default is equal to their nominal amounts.

At E.ON, liquid funds are normally invested at banks with good credit ratings, in money market funds with first-class ratings or in short-term securities (for example, commercial paper) of issuers with strong credit ratings. Bonds of public and private issuers are also selected for investment. Group companies that for legal reasons are not included in the cash pool invest money at leading local banks. Standardized credit assessment and limit-setting is complemented by daily monitoring of CDS levels at the banks and at other significant counterparties.

Asset Management

For the purpose of financing long-term payment obligations, including those relating to asset retirement obligations (see [Note 25](#)) and cash investments, financial investments totaling €2.1 billion (2023: €2.3 billion) were held predominantly by German E.ON Group companies as of December 31, 2024.

These financial assets are invested on the basis of an accumulation strategy (total-return approach), with investments broadly diversified across the various asset classes, for example the money market, bond and equity asset classes, as well as alternative asset classes like real estate. The majority of the assets are held in investment funds managed by external fund managers. Corporate Asset Management at E.ON SE, which is part of the Company's Finance Department, is responsible for continuous monitoring of overall risks and those concerning individual fund managers. The three-month VaR with a 98 percent confidence interval for these financial assets was €29 million (2023: €78 million). The decline in the VaR compared to the previous year is due to a significant reallocation in less volatile asset classes (money market funds).

The liquidation of Versorgungskasse Energie VVaG (VKE i. L.) was completed as of December 31, 2024. The financial investments under management were liquidated.

(32) Leasing**E.ON as Lessee**

E.ON operates as a lessee especially in the areas of networks, land and buildings, and vehicle fleets. Leases are recognized in accordance with the right-of-use model as set out in IFRS 16. The tables in [Note 14](#) present the development of the right-of-use assets by asset class. The net carrying amount of the rights-of-use assets at the balance sheet date of December 31, 2024, in the amount of €2,943 million (2023: €2,710 million) increased year-on-year by €233 million (2023: €333 million). The increase is primarily attributable to the networks area. Depreciation of right-of-use assets in the amount of €445 million (2023: €417 million) showed a slight increase compared with the prior year.

To ensure operational flexibility, in particular for real estate leases as well as in the area of wastewater disposal, extension and termination options are included in the agreements. In determining the lease term, all facts and circumstances that influence the exercise of an extension option or the non-exercise of a termination option are considered. In the determination of the lease liability, and correspondingly of the right-of-use assets, all reasonably certain cash outflows are taken into consideration. As of December 31, 2024, potential future cash outflows in the amount of €193 million (2023: €304 million) were not included in the lease liability as it is not reasonably certain that the leases will be renewed or not terminated. Possible future cash outflows for lease agreements that can be terminated without penalty by either party, subject to certain deadlines, are not included in this amount due to higher levels of uncertainty. Variable lease payments occur in only immaterial amounts and E.ON generally does not issue residual value guarantees. Leases not yet commenced to which E.ON as a lessee is committed result in potential future cash outflows over the expected lease terms of €55 million (2023: €26 million). Most of this amount relates to Energy Networks Germany. The existing lease liabilities do not contain any covenant clauses that are linked to financial ratios.

As of the balance sheet date of December 31, 2024, right-of-use assets are offset by lease liabilities with a present value of €3,191 million (2023: €2,874 million). These lease liabilities are presented under financial liabilities (see [Note 26](#)); the short-term portion of the lease liabilities totals €386 million (2023: €371 million). The maturity structure of the future payment obligations from leases is presented in [Note 31](#). Due to the practical expedients used, the recognition of a right-of-use asset is not necessary for low-value leases and leases with a lease term of less than 12 months. Instead, a lease expense is recognized in these cases. The following amounts are recognized in the income statement in connection with leases in the fiscal year:

E.ON as Lessee—Effects within the Income Statement

€ in millions	2024	2023
Expenses from short-term leases (< 12 months)	15	37
Expense for low-value leases not included in short-term leases	15	18
Expense from variable lease payments	10	11
Interest expenses on lease liabilities	206	185
Income from subleases	1	–
Gain/loss from sale and leaseback transactions	–	-3

The liabilities from short-term agreements with a term of less than 12 months entered into for the next fiscal year do not vary materially from the expenses of the current fiscal year.

Cash outflows from lease agreements totaled €623 million (2023: €634 million) in the fiscal year and are allocated to operating cash flow in the amount of €247 million (2023: €251 million). This includes the lease expense for short-term and low-value leases as well as the expense from variable lease payments and interest expense for the period. Payments allocated to the amortization of the lease liability are recognized in cash flows from financing activities in the amount of €377 million (2023: €383 million).

E.ON as Lessor

E.ON enters into lease agreements as a lessor to a limited extent. Technical equipment and machinery, in particular generation plants, have been transferred to customers for use under finance leases. Operating leases include assets that have been transferred for use, in particular real estate, heat and electricity generation plants and transmission lines. There are no material risks in connection with rights retained to the assets temporarily transferred for use, with the result that risk management strategies, in particular, are not necessary. Residual-value guarantees are only entered into on an individual basis for purposes of additional hedging.

The present value of minimum lease payments is presented under receivables from finance leases (see [Note 17](#)). The current portion totals €29 million (2023: €29 million). There were no material changes to net investments in the period under review.

The nominal and present values of the lease payments had the following maturities:

E.ON as Lessor—Finance Leases

€ in millions	Undiscounted lease payments		Not yet realized interest income		Discounted non-guaranteed residual value		Present value of minimum lease payments	
	2024	2023	2024	2023	2024	2023	2024	2023
Due within 1 year	48	46	18	17	–	–	29	29
Due in 1 to 2 years	41	49	16	18	–	–	26	32
Due in 2 to 3 years	37	38	14	14	8	–	30	23
Due in 3 to 4 years	36	33	13	13	–	8	23	28
Due in 4 to 5 years	32	32	12	12	9	–	30	20
Due in more than 5 years	134	141	32	33	3	12	104	120
Total	328	339	105	107	20	20	242	252

The following effects from activity as lessor are recognized for the period under review:

E.ON as Lessor—Effects within the Income Statement

€ in millions	2024	2023
Finance lease		
<i>Gain/loss from the disposal of assets</i>	–	1
<i>Financial income from net investments</i>	18	20
<i>Income from variable lease payments</i>	4	2
Operating lease		
<i>Income from leasing</i>	95	87
<i>thereof income from variable lease payments</i>	1	–

Cash flows from operating leases are allocated to operating cash flow before interest and taxes. This also applies to cash inflows from finance leases with variable lease payments. Payments recognized as financing income from net investments increase the operating cash flow.

The following future cash inflows are expected from existing operating leases:

E.ON as Lessor—Operating Leases

€ in millions	Undiscounted lease payments	
	2024	2023
Due within 1 year	87	79
Due in 1 to 2 years	74	66
Due in 2 to 3 years	69	61
Due in 3 to 4 years	69	58
Due in 4 to 5 years	65	61
Due in more than 5 years	122	101
Total	486	426

(33) Transactions with Related Parties

E.ON exchanges goods and services with a large number of companies as part of its continuing operations. Some of these companies are related parties, including associated companies accounted for under the equity method and their subsidiaries. Receivables and payables consist primarily of lease obligations from leaseback models and trade receivables. Joint ventures and subsidiaries that are not fully consolidated continue to be accounted for as associated companies. Transactions with related parties in the reporting year and in the previous year are summarized as follows:

Related-Party Transactions

€ in millions	2024	2023
Income	2,262	2,232
<i>Associated companies</i>	1,382	1,587
<i>Joint ventures</i>	600	365
<i>Other related parties</i>	280	280
Expenses	1,465	1,510
<i>Associated companies</i>	635	678
<i>Joint ventures</i>	167	161
<i>Other related parties</i>	663	671
Receivables	847	1,007
<i>Associated companies</i>	352	437
<i>Joint ventures</i>	66	83
<i>Other related parties</i>	428	487
Liabilities	2,481	2,494
<i>Associated companies</i>	1,077	1,090
<i>Joint ventures</i>	799	755
<i>Other related parties</i>	606	648
Provisions	7	7
<i>Associated companies</i>	4	4
<i>Joint ventures</i>	3	3
<i>Other related parties</i>	–	–

In 2024, E.ON generated income from transactions with related companies through the delivery of gas and electricity to distributors and municipal entities, especially municipal utilities. The relationships with these entities do not generally differ from those that exist with municipal entities in which E.ON does not have an interest. Expenses from transactions with related companies are generated mainly through electricity and gas deliveries as well as through management fees, IT services and third-party services.

Liabilities of E.ON payable to related companies as of December 31, 2024, include €51 million (2023: €60 million) in trade payables and shareholder loans to operators of jointly owned nuclear power plants. These shareholder loans bear interest at 1.0 percent (2023: 1.0 percent) and have no fixed maturity. E.ON continues to have in place with these power plants a cost-transfer agreement and a cost-plus-fee agreement for the procurement of electricity. The settlement of such liabilities occurs mainly through clearing accounts.

Under IAS 24, compensation paid to key management personnel (members of the Management Board and of the Supervisory Board of E.ON SE) in the reporting year must be disclosed.

The total expense for members of the Management Board in 2024 amounted to €23.0 million (2023: €25.5 million).

The service costs comprised an expense of €11.6 million (2023: €14.2 million¹⁰) for short-term benefits and an expense of €0.1 million (2023: €0.2 million) for post-employment benefits.

The expense determined in accordance with IFRS 2 for existing commitments for share-based payment in 2024 was €11.3 million (2023: €11.0 million).

Provisions for these commitments amounted to €24.3 million as of December 31, 2024 (2023: €18.0 million).

The members of the Supervisory Board received a compensation of €4.2 million for their activity in 2024 (2023: €4.6 million).

(34) Segment Reporting

Segment Information

On September 11, 2023, the Management Board approved a new management concept for the E.ON Group. This concept took effect on January 1, 2024, and requires a change in the definition of operating segments in accordance with IFRS 8. The E.ON Group, which is managed by Group Management in Essen, is divided into the following reporting segments, which are reported in accordance with IFRS 8. Additionally, as of January 1, 2024, some regional markets in Energy Networks have been reorganized. Central Europe East/Turkey is now divided into Central Eastern Europe and South Eastern Europe. These combined segments are not separately reportable, are of minor importance, have similar economic characteristics and are comparable in terms of customer structure,

products and sales channels. Moreover, the central commodity procurement unit of the E.ON Group, E.ON Energy Markets GmbH, has been reported in Energy Retail since January 1, 2024. Prior to December 31, 2023, it was included in Corporate Functions/Other.

Energy Networks

Germany

This segment combines the electricity and gas distribution networks and all related activities in Germany.

Sweden

This segment comprises the electricity networks businesses in Sweden.

Central Eastern Europe

This segment combines the distribution network activities in the Czech Republic and Poland and the at-equity investment Východoslovenská energetika Holding a.s. in Slovakia.

South Eastern Europe

This segment combines the distribution network activities in Hungary, Croatia and Romania and the at-equity investment Enerjisa Enerji in Turkey.

Energy Infrastructure Solutions

This segment combines the development of energy solutions for customers in Germany, the UK, Sweden, Denmark, Italy, the Czech Republic, Hungary, Poland, the Netherlands, Croatia and Slovenia. The Energy Infrastructure Solutions segment develops integrated, sustainable energy solutions to sustainably provide heating, electricity, steam, and cooling to cities and towns, as well as commercial customers and industrial customers.

Energy Retail

Germany

This segment consists of activities that supply our customers in Germany with electricity and gas and the distribution of specific products and services in areas for improving energy efficiency and energy independence as well as the heating distribution business in Germany.

United Kingdom

The segment presents sales activities and Customer Solutions in the UK.

The Netherlands

The segment includes the distribution of electricity and gas as well as Customer Solutions in the Netherlands.

¹⁰ The expense incurred for short-term benefits in 2023 was adjusted by €1.7 million from €12.5 million to €14.2 million in accordance with IAS 8.41 et seq.

Other

This segment combines sales activities in Sweden, Italy, the Czech Republic, Hungary, Croatia, Romania, and Poland. The E.ON Group's central commodity procurement unit, E.ON Energy Markets GmbH, is also included here.

Corporate Functions/Other

Corporate Functions/Other contains E.ON SE itself and the interests held directly by E.ON SE. The main task of Corporate Functions is to manage the E.ON Group. This includes the strategic development of the Group and the management and financing of the existing business portfolio. It also includes the E.ON Group's internal service providers. In addition, the Non-

Core Business is disclosed under Corporate Functions/Other. The Non-Core Business includes the non-strategic activities of the E.ON Group. This includes the operation of German nuclear power plants until April 15, 2023, and their decommissioning, which are managed by the PreussenElektra operating unit, and the electricity generation business in Turkey.

Financial Information by Business Segment¹

€ in millions	Energy Networks		Energy Infrastructure Solutions		Energy Retail		Corporate Functions/Other		Consolidation		E.ON Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
External sales	20,691	17,607	2,677	3,003	56,503	72,829	248	247	-	-	80,119	93,686
Intersegment sales	6,256	6,365	1,098	1,049	2,356	3,292	1,043	1,377	-10,753	-12,083	0	0
Sales	26,947	23,972	3,775	4,052	58,859	76,121	1,291	1,624	-10,753	-12,083	80,119	93,686
Adjusted EBITDA	6,868	6,617	558	565	1,813	2,303	-183	-115	-7	-	9,049	9,370
<i>Equity-method earnings</i>	514	528	17	6	9	16	130	179	-	-	670	729
Depreciation and amortization²	-2,510	-2,236	-352	-380	-336	-279	-89	-88	-	-	-3,287	-2,983
Operating cash flow before interest and taxes	6,379	6,063	405	606	1,397	1,154	-841	-598	3	-	7,343	7,225
Investments³	5,834	5,158	969	715	547	440	152	152	-3	-2	7,499	6,463
<i>investments in intangible assets and property, plant and equipment</i>	5,738	5,021	788	609	380	299	68	81	-3	-1	6,971	6,009

¹Because of changes in segment reporting, the prior-year figure was adjusted accordingly.

²Adjusted for non-operating effects.

³Adjustment of the previous year's figures due to the expansion of investments to include cash inflows and outflows for loans to affiliated non-consolidated companies as well as other loans.

Financial Information Energy Networks¹

€ in millions	Germany		Sweden		Central Eastern Europe ²		South Eastern Europe ²		Consolidation		Energy Networks	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
External sales	16,905	13,599	1,179	986	970	934	1,637	2,088	-	-	20,691	17,607
Intersegment sales	5,333	5,478	7	5	461	427	457	466	-2	-11	6,256	6,365
Sales	22,238	19,077	1,186	991	1,431	1,361	2,094	2,554	-2	-11	26,947	23,972
Adjusted EBITDA	5,008	5,010	714	576	632	732	514	298	-	1	6,868	6,617
<i>Equity method earnings</i>	341	343	-	-	82	127	91	59	-	-1	514	528
Depreciation and amortization³	-1,933	-1,695	-194	-185	-178	-168	-206	-188	1	-	-2,510	-2,236
Operating cash flow before interest and taxes	4,717	4,450	737	648	597	625	329	341	-1	-1	6,379	6,063
Investments⁴	4,361	3,752	520	510	463	517	489	379	1	-	5,834	5,158
<i>Investments in intangible assets and property, plant, and equipment</i>	4,266	3,617	519	510	463	516	489	378	1	-	5,738	5,021

¹Because of changes in segment reporting, prior-year figures were adjusted accordingly.

²Aggregated and Reportable Segment.

³Adjusted for non-operating effects.

⁴Adjustment of the previous year's figures due to the expansion of investments to include cash inflows and outflows for loans to affiliated non-consolidated companies as well as other loans.

Financial Information Energy Retail¹

€ in millions	Germany		United Kingdom		The Netherlands		Other		Consolidation		Energy Retail	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
External sales	20,023	23,937	16,476	23,432	2,759	4,201	17,245	21,259	–	–	56,503	72,829
Intersegment sales	7,702	11,157	4,174	8,988	2,960	6,796	27,336	47,314	-39,816	-70,963	2,356	3,292
Sales	27,725	35,094	20,650	32,420	5,719	10,997	44,581	68,573	-39,816	-70,963	58,859	76,121
Adjusted EBITDA	751	858	552	639	192	234	318	571	–	1	1,813	2,303
<i>Equity method earnings</i>	–	–	1	–	5	7	3	9	–	–	9	16
Depreciation and amortization²	-101	-79	-28	-33	-89	-71	-118	-95	–	-1	-336	-279
Operating cash flow before interest and taxes	230	1,226	243	765	74	378	850	-1,213	–	-2	1,397	1,154
Investments³	123	127	10	21	129	86	285	206	–	–	547	440
<i>Investments in intangible assets and property, plant, and equipment</i>	84	85	10	13	94	55	193	146	-1	–	380	299

¹Because of changes in segment reporting, prior-year figures were adjusted accordingly.

²Adjusted for non-operating effects.

³Adjustment of the previous year's figures due to the expansion of investments to include cash inflows and outflows for loans to affiliated non-consolidated companies as well as other loans.

The following table shows the reconciliation of operating cash flow before interest and taxes to operating cash flow from continuing operations:

Reconciliation of Operating Cash Flow¹

€ in millions	2024	2023
Operating cash flow before interest and taxes	7,343	7,225
Interest payments	-928	-855
Tax payments	-741	-716
Operating cash flow	5,673	5,654

¹Operating cash flow from continuing operations.

Reconciliation of Adjusted EBITDA

In 2024, adjusted EBITDA, a measure of earnings before interest, taxes, depreciation and amortization adjusted to exclude extraordinary effects ("adjusted EBITDA"), was used at E.ON for purposes of internal management control and as the most important indicator of a business's sustainable earnings power.

The E.ON Management Board is convinced that adjusted EBITDA is the most suitable key figure for assessing operating performance because it presents E.ON's operating earnings independently of non-operating factors, interest, taxes and amortization.

Adjusted EBITDA is a non-IFRS measure that must be reconciled to an IFRS measure in accordance with IFRS 8.

Unadjusted earnings before interest, taxes, depreciation and amortization ("EBITDA") represents the Group's income/loss reported in accordance with IFRS corrected by net interest income, income taxes and impairment charges and reversals of impairment charges. To improve its meaningfulness as an indicator of the sustainable earnings power of the E.ON Group's business, unadjusted EBITDA is adjusted for certain non-operating effects.

Operating earnings also include income from investment subsidies for which liabilities are recognized.

The non-operating earnings effects for which EBITDA is adjusted include, in particular, non-operating interest expense/income, income and expenses from the marking to market on the reporting date of unrealized commodity derivatives and related provisions for contingent losses, where material, book gains/losses, certain restructuring expenses, impairment charges and reversals recognized on equity investments in affiliated or associated companies, and other contributions to non-operating earnings. IAS 29 was applied for the first time in 2022 because of the hyperinflation in Turkey and the effects recognized in income are also presented in other non-operating earnings.

In addition, effects from the valuation of certain provisions on the balance sheet date are disclosed in non-operating earnings. In addition, effects that are to be initially recognized from the subsequent measurement of hidden reserves and charges in connection with the innogy purchase price allocation are included.

Net book gains/losses and restructuring expenses were minimal in 2024.

Effects in conjunction with derivative financial instruments changed by €8,599 million to €4,366 million. They resulted mainly from the settlement of sales and procurement transactions on derivatives that in the prior year had a negative fair value. The fair-value measurement of pending sales and procurement transactions had just a small countervailing effect because energy prices on commodity markets at December 31, 2024, were again roughly at the level of the start of the year.

Other non-operating expense/income consists mainly of expenditures in conjunction with the application of IAS 29 on ownership interests in Turkey that are accounted for using the equity method. The prior-year figure included the disclosure of the earnings contribution of PreussenElektra, whose commercial operations ended on April 15, 2023. In addition, other non-operating expense/income components of EBITDA include expenditures for the amortization of hidden reserves and liabilities from the innogy transaction.

In the 2024 financial year, E.ON recorded depreciation and amortization charges in connection with the innogy purchase-price allocation, which are disclosed separately.

It also recorded in particular impairment charges of €628 million at Energy Infrastructure Solutions. See also "Special Events in the Reporting Period" regarding this matter.

Non-operating interest expense/income improved relative to the prior year. An increase in the discount rate led to income from the discounting of non-

current provisions for asset-retirement obligations. By contrast, expenses were recorded in the previous year due to a decline in interest rates. The positive effect of €147 million (prior year: €187 million) from the difference between the nominal interest rate and the effective interest rate of former innogy bonds adjusted due to the purchase-price allocation is still recorded under non-operating interest expense/income.

The non-operating tax result in the period under review is primarily influenced by tax expenditures stemming from positive effects in conjunction with derivative financial instruments. In the reporting period, countervailing effects resulted from tax income from prior years, including €198 million from a concluded redress procedure, and changes in value of deferred taxes. In the prior-year period, negative items relating to the measurement of derivatives as well as changes in value of deferred tax liabilities led, on balance, to tax income.

Non-controlling interests' share of operating earnings declined relative to the prior year. The decrease resulted mainly from lower operating earnings at some minority-owned companies, in particular at Energy Networks.

Income from discontinued operations resulted from a transaction already completed in 2005. In accordance with the purchase agreement, a one-time purchase-price adjustment was made in the prior year after an audit of the divested company was completed in the first quarter of 2023, and the contractual clause has now taken effect.

The following table shows the reconciliation of earnings before financial results and taxes to adjusted EBITDA:

Non-Operating Adjustments

€ in millions	Fourth quarter		Full year	
	2024	2023	2024	2023
Net book gains (+)/losses (-)	3	12	-15	5
Restructuring expenses	-14	4	-20	-22
Effects from derivative financial instruments	1,932	-1,587	4,366	-4,233
Carryforward of hidden reserves (+) and liabilities (-) from the innogy transaction	-14	13	-56	-100
Other non-operating earnings	25	-219	-509	-237
Non-operating adjustments of EBITDA	1,932	-1,777	3,766	-4,587
Depreciation of hidden reserves (-) and liabilities (+) from the innogy transaction	-95	-107	-413	-448
Other non-operating impairments/reversals	-81	-112	-782	-156
Non-operating interest expense (-)/income (+)	55	-514	139	-12
Non-operating taxes	-151	1,539	-614	1,922
Non-operating adjustments of net income/loss	1,660	-971	2,096	-3,281

Reconciliation to Adjusted EBITDA

€ in millions	Fourth quarter		Full year	
	2024	2023	2024	2023
Adjusted EBITDA	2,362	1,581	9,049	9,370
Non-operating adjustments of EBITDA	1,932	-1,777	3,766	-4,587
Income/loss from continuing operations before depreciation, interest result and income taxes	4,294	-196	12,815	4,783
Scheduled depreciation/impairments and amortization/reversals	-1,144	-1,076	-4,483	-3,588
Income/loss from continuing operations before interest results and income taxes	3,150	-1,272	8,332	1,195

Additional Entity-Level Disclosures

External sales by product break down as follows:

Segment Information by Product

€ in millions	2024	2023
Electricity	53,501	57,791
Gas	19,888	23,977
Other	6,730	11,918
Total	80,119	93,686

The "Other" item consists in particular of revenues generated from services.

External sales of the products electricity and gas recognized under IFRS 15 are broken down by reportable segment as follows:

Electricity¹

€ in millions	2024	2023
Energy Networks	16,025	12,855
<i>Germany</i>	12,630	9,491
<i>Sweden</i>	1,179	985
<i>Central Eastern Europe</i>	911	762
<i>South Eastern Europe</i>	1,305	1,617
Energy Infrastructure Solutions	383	514
Energy Retail	37,093	44,324
<i>Germany</i>	14,335	15,645
<i>United Kingdom</i>	12,304	14,732
<i>The Netherlands</i>	986	1,324
<i>Other</i>	9,468	12,623
Corporate Functions/Other	–	98
E.ON Group	53,501	57,791

¹Because of changes in segment reporting, prior-year figures were adjusted accordingly.

Gas¹

€ in millions	2024	2023
Energy Networks	1,773	2,199
<i>Germany</i>	1,583	2,038
<i>Sweden</i>	–	–
<i>Central Eastern Europe</i>	27	23
<i>South Eastern Europe</i>	163	138
Energy Infrastructure Solutions	82	124
Energy Retail	18,033	21,654
<i>Germany</i>	5,337	7,704
<i>United Kingdom</i>	4,072	4,846
<i>The Netherlands</i>	1,365	1,640
<i>Other</i>	7,259	7,464
Corporate Functions/Other	–	–
E.ON Group	19,888	23,977

¹Because of changes in segment reporting, prior-year figures were adjusted accordingly.

The following table breaks down external sales (by customer and seller location), intangible assets and property, plant and equipment, as well as companies accounted for under the equity method, by geographic area:

Geographic Segment Information

€ in millions	Germany		United Kingdom		Sweden		The Netherlands ¹		Europe (other)		Other		Total	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
External sales by location of customer	41,456	37,497	16,593	33,145	2,238	2,191	2,746	1,365	16,992	19,389	94	99	80,119	93,686
External sales by location of seller	47,242	50,142	17,020	24,054	2,284	2,246	2,785	4,201	10,694	12,944	94	99	80,119	93,686
Intangible assets	1,471	1,497	140	137	205	193	197	177	1,698	1,588	–	–	3,711	3,592
Right-of-use assets	2,494	2,301	107	96	87	92	88	79	163	137	4	5	2,943	2,710
Property, plant and equipment	31,145	28,545	1,027	796	5,581	5,453	138	80	6,369	5,867	9	8	44,269	40,749
Companies accounted for under the equity method	4,394	4,284	6	4	65	71	–	55	1,889	2,238	757	–	7,111	6,652

¹Belgium included in Europe (other) segment.

E.ON's customer structure resulted in a focus on the Germany region. Aside from that, there was no major concentration in any given geographical region or business area. Due to the large number of customers the Company serves and the variety of its business activities, there are no individual customers whose business volume is material compared with the Company's total business volume.

(35) Compensation of Supervisory Board and Management Board

Supervisory Board

Total remuneration to members of the Supervisory Board in 2024 amounted to €4.2 million (2023: €4.6 million).

There were no loans to members of the Supervisory Board in 2024.

Management Board

The compensation of the Management Board according to Section 314 (1) No. 6 HGB combined with Section 315 e HGB in 2024 amounted to €19.3 million (2023: €22.0 million¹¹).

In 2024, the members of the Management Board were granted eighth-tranche virtual shares under the E.ON Performance Plan (2023: seventh tranche of the E.ON Performance Plan) with a value of €7.8 million (2023: €7.8 million) and a total number of shares of 650,587 (2023: 832,082) as part of their total compensation.

The total payments to former members of the Management Board and their beneficiaries amounted to €13.0 million (2023: €12.9 million¹²). Provisions of €162.4 million (2023: €170.6 million) have been established for the pension obligations to former members of the Management Board and their beneficiaries.

There were no loans to members of the Management Board in 2024.

(36) Subsequent Events

Corporate Bonds Issued

E.ON issued two corporate bonds in January 2025. One bond has a volume of €850 million due in April 2033 with a 3.5 percent coupon; the other green bond has a volume of €900 million due in January 2040 with a 4.0 percent coupon.

¹¹ The total compensation granted to the Management Board for 2023 was adjusted by €1.8 million from €20.2 million to €22.0 million in accordance with IAS 8.41 et seq.

¹² The total payments to former members of the Management Board and their beneficiaries for 2023 was adjusted by €3.4 million from €16.3 million to €12.9 million in accordance with IAS 8.41 et seq.