



# Stadtwerke München

## Sustainability Report 2024



[muenchen.de](http://muenchen.de)

SWM Infrastruktur

bayerngas

# Our commitment to the climate

## Our climate targets



We will avoid and reduce greenhouse gas emissions to achieve climate neutrality by 2040.<sup>1)</sup>



From 2025 onwards, we will generate sufficient green electricity in our own plants to cover all of Munich's consumption.



By 2040 at the latest, we will supply CO<sub>2</sub>-neutral district heating to Munich. For additional needs, we will offer up-to-date solutions such as local heating infrastructure and heat pumps.



We will shape a cost-effective transformation to hydrogen along the value chain.



We will electrify our fleets by 2035.



By 2040, we will achieve climate neutral<sup>1)</sup> operation of all public pools in Munich, focusing on measures that are cost-effective and technically necessary.



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

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



## Contents

02–03	Foreword
04–07	Stadtwerke München – a portrait
08–15	Sustainability management
16–31	Essential services and product responsibility
32–47	Environmental protection
48–61	Employees
62–71	Corporate governance
72–74	About this report
75–81	GRI content index

Munich, June 2025

## Dear readers,

Germany is facing great economic challenges, but there are nevertheless opportunities for enhancing climate protection while simultaneously ensuring a high quality of life and supply reliability. We play a proactive and responsible role in shaping this transition. In 2024, we continued to pursue our strategic goals despite difficult framework conditions and contributed to Munich's sustainable development by making clearly targeted investments. Last year, we invested roughly one billion euros in projects for the future – above all in an attractive public transport system, in the decarbonisation of our heating supply, and in the expansion of renewable energies.

A functioning public transport system is a major backbone of urban quality of life. This is also reflected in rising demand, which has returned to levels last seen before the Covid pandemic. With the construction start of the western tangential tram route, the modernisation of the Sendlinger Tor underground hub, and the commissioning of further electric buses, we continued to strengthen sustainable mobility in Munich over the long term in 2024. The fact that the Munich City Council awarded MVG a long-term public service contract for Munich's urban transport until the year 2047 gives us the necessary planning security for these projects. However, it is also clear that reliable political support is an indispensable prerequisite for future-ready mobility.

In our heating supply, we reached an important milestone: the geothermal plant we are building on the grounds of the Michaelibad public pool will be the largest of its kind in Continental Europe. The expansion of geothermal energy is an important building block of the district heating transformation plan we published in 2024. The conversion of the steam-operated grid, the expansion of our district heating grid, and our M-Wärmepumpe heat pump offers are further steps in the roll-out of our heating transition. Here, too, we hope for political framework conditions that are conducive to further developments and therefore welcome the fact that the new German federal government will continue to place a focus on geothermal energy.

We have realised our vision to generate sufficient green electricity in our own plants to cover all of Munich's power consumption from 2025 onwards: nominally, we are able to generate more green electricity in our own plants than Munich is likely to consume in 2025. And we will continue to resolutely drive the expansion of renewable energies forward, as Munich's electricity demand is rising due to a growing population and the increased use of heat pumps and electromobility. Our regional plans include further solar farms and onshore wind parks. This puts us well on track towards reaching our green electricity target as scheduled.

We are also refining our sustainability reporting: in 2024, our greenhouse gas inventory for the first time showed not only the equity share approach, but additionally also the operational control approach – an important step on our way towards CSRD reporting. According to the latest changes at the EU level, the corresponding reporting obligations will presumably apply to us from the 2027 financial year onwards. In addition, we published our decarbonisation path, which uses the Net Zero Standard of the Science Based Targets Initiative (SBTi) as its yardstick, the clear goal being to achieve climate neutrality by 2040.



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

The path that leads to Munich's conversion into a more climate-friendly city is ambitious. It requires continuity, entrepreneurial courage, and a clear political commitment to sustainable investments. With our employees' crucial expertise, we make our contribution to the high quality of life in the city. We thank you for the trust you have placed in us and invite you to take a look at our projects, progress, and goals on the pages that follow.

Sincerely yours

**Dr Florian Bieberbach**  
Chief Executive Officer

**Ingo Wortmann**  
Director,  
Mobility

**Helge-Uve Braun**  
Director,  
Technology

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

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



# Stadtwerke München – a portrait

As one of Germany's largest municipal companies (2024 revenues: approximately EUR 6.9 billion), we are a major contributor to the quality of life of the people in Munich and the metropolitan region. From reliable energy and water supply to state-of-the-art urban mobility and fast Internet to Munich's public swimming pools, we offer excellent services at fair prices.

We are committed to satisfying our customers with high-quality services, active relationship management, and partnership-based communications. We embrace economic success while protecting natural resources and the environment. We make ambitious investments in supply and infrastructure facilities while ensuring sustainability. We are fair-minded and act to achieve mutual benefits in our relationships with customers, suppliers, and other business partners. We keep an eye on our independence and exercise due diligence in all of our ventures.

## Our business segments

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

### Energy Generation

We generate energy in Munich and the metropolitan region in more than 140 plants, including wind, hydro-electric, and solar energy plants, energy-efficient combined heat and power (CHP) plants, and geothermal plants. Since 2004, we have also provided district cooling. Here, we use the natural cold temperature of ground water and Munich's underground streams.

In addition, we operate wind parks and solar farms throughout Germany and Europe at sites with lots of

Energy



Drinking Water



Mobility



Telecommunications



Public Pools



wind and sunshine. Via our shareholding in Spirit Energy Limited (Spirit Energy), we also engage in gas extraction in Northwestern Europe. In line with our decarbonisation strategy, we have already noticeably reduced our gas production ([↗ see the chapter “Essential services and product responsibility”, page 21](#)). Spirit Energy is also being aligned with the requirements of the energy transition: natural gas production is to gradually dwindle away, and the existing infrastructure is to be used sustainably, e.g. for CO<sub>2</sub> storage.

### Networks

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

### Sales

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

### Trade

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

### Individual Energy Solutions

Against the background of a changing energy market and as part of our activities driving the energy transition, we also offer individual energy solutions to our customers. Our offerings include photovoltaic plants, heat pumps, and charging solutions (see the “Mobility” section) and span the gamut from counselling and planning to installation and maintenance of the plants.

### Drinking Water

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

### Mobility

Together with our subsidiary Münchner Verkehrsgesellschaft (MVG), we provide state-of-the-art and environmentally benign mobility in Munich. We interlink traditional local public transport services (underground trains, buses, and trams) with personalised solutions such as the MVG Rad rental bike and our partners' e-scooter and carsharing services. In our MVGO app, we offer these services in addition to digital ticket purchasing. We are also driving electromobility forward – in both local public transport and individual traffic via our M-Ladelösung charging solutions. In 2024, the number of passengers using our underground trains, buses, and trams in Munich reached 615 million – an increase of approximately 8% versus the previous year.

### Telecommunications

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

### Public Pools

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

[↗ An overview of SWM's affiliated companies and major equity participations can be found in our 2024 Annual Report from page 78 onwards.](#)



125 years of SWM

## STRONG ROOTS FOR THE FUTURE

On 1 November 1899, Munich's energy supply became a municipal service, marking the birth of Stadtwerke München. We celebrated our 125th anniversary in 2024 – hosting, among other things, an open-house day during which we provided insights into our work that keeps Munich up and running every day. Without trail-blazing feats in energy and water supply and local public transport, Munich would not be what it is today: one of the world's most liveable cities. We operate the lifelines of the city: the electricity, gas, and water grids, the public transport system, and a large share of the telecommunication networks. In these efforts, our focus has always been on supply reliability and the most resilient supply possible. The benefits for the people in Munich have always been and continue to be key guiding principles of our activities, making us an essential element of the city's vibrant life. For more information on our history, please go to: [www.swm.de/historie](http://www.swm.de/historie)

## Committed to citizens' well-being

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

Stadtwerke München is not merely seeking profit maximisation, but is also committed to creating an optimum outcome for the people in the Munich metropolitan region. We want to preserve and improve their quality of life, maintain the city's attractiveness as a business location, and provide support to the metropolitan region. In these efforts, we assume responsibility for both the environment and society, and cooperative and partnership-oriented action is a key element of our approach. In addition, we see ourselves as a socially responsible company. This is also reflected in many areas that go beyond the responsible operation of our core

business: we are one of the largest workplace training organisations in the region, sponsor education, sports, cultural events, and social projects, build company flats, develop digital service offerings, and champion a lively and diverse urban community.

We create added value not only for our customers and our shareholder, but also for society: we offer attractive jobs to more than 11,000 employees in the SWM Group, most of whom live in the Munich region. In addition, the local economy also benefits from us, as we place orders worth many millions of euros with companies located in the Munich metropolitan region and the city of Munich every year.

For the **2025–2029** period, we are currently planning to make investments of more than **EUR**

# 6 billion

– mostly in the Munich metropolitan region.

This amount will be allocated as follows:

- ▶ **approximately EUR 1,850 million** to the expansion of renewable energies,
- ▶ **approximately EUR 1,650 million** to local public transport,
- ▶ **approximately EUR 1,000 million** to the expansion and modernisation of the network and grid infrastructure,
- ▶ **approximately EUR 650 million** to geothermal energy for our district heating vision,
- ▶ **approximately EUR 400 million** to the company-flat expansion campaign,
- ▶ **approximately EUR 150 million** to the expansion and maintenance of conventional generation plants,
- ▶ **approximately EUR 100 million** to the expansion of fibre optics, and
- ▶ **approximately EUR 50 million** to the maintenance and modernisation of public pools.

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



Approximately **EUR 360 million** is the average annual order volume we place with companies in the Munich metropolitan region.

An average of **EUR 155 million** per year goes to companies located in the city of Munich itself.

## Our commitment to the community

Our mission to provide essential public services also includes our commitment to a liveable and future-ready urban community.

Since 2007, our SWM Education Foundation has supported numerous projects aimed at improving the educational opportunities of disadvantaged children and adolescents. With basic foundation assets totalling EUR 20 million, the foundation ranks among the largest organisations of its kind in Germany's educational sector. Every year, it invests approximately EUR 500,000 in the sponsoring of a wide variety of projects. Since 2013, it has moreover awarded a sponsorship prize for outstanding commitment to education. In 2024, the foundation paid out ca. EUR 434,000 to nine projects. Recipients included the Artists for Kids gGmbH for a project focusing on flexible school and career counselling for adolescents and young adults in difficult life situation and the Institute for German as a Foreign Language of Munich's Ludwig Maximilians University for a project offering career-oriented honing of reading and writing skills in vocational training.

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

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

Low-income households receive free energy counselling from us. Our customer service employees analyse the consumption behaviour of residential customers and give them advice regarding tariffs and all personal concerns. In addition, we offer a monthly energy consultation hour

to Munich's senior citizens on the premises of the Munich Senior Citizens Advisory Council.

"Krisendienst Psychiatrie Oberbayern" offers individual counselling for people in mental distress. We have actively supported this psychiatric crisis hotline for Upper Bavaria since it was established in 2017, e.g. in their public relations.

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

In addition, we support recreational and professional sports in Munich. Among other things, we are the main sponsor and namesake of the track-and-field club "Leichtathletikgemeinschaft Stadtwerke München" and the swimming club "Schwimmstartgemeinschaft Stadtwerke München". Furthermore, we are partners in various sports offerings such as "Münchner Freizeitsport" for recreational sports and the Munich Marathon.

## RECORD DONATION FOR "PFLEGEHOF MÜNCHEN"

Since 2003, we have served fresh-from-the-source drinking water at the Tollwood Summer Festival. All proceeds are donated to non-profit projects. In 2024, thirsty guests were again offered as much fresh-from-the-source drinking water as they liked for a EUR 1 donation. We collected a record donation amount of EUR 25,460, which we handed over to "Pflegehof München e.V.". This humanitarian association supports people who suffer from dementia or disabilities or are in need of care, offering them the possibility to live in an assisted living community that allows them to nevertheless retain their independence.



Sustainability management

As a company owned by the City of Munich, our activities are guided by the interests of the city and its inhabitants. Our organisation reflects the diversity of this city – and our sustainability management reflects the standards of our stakeholders, products, and services. Our energy services thus cover essential needs, supplemented by attractive offers, and are based on sustainable and low-emission operations. In drinking water supply, product quality and nature conservation have always gone hand in hand in the regions where we source the water. In our mobility services, we strive for zero emissions and are committed to enhancing accessibility for all passenger groups and harmonious integration into the urban society and landscape. And our public pools are intended to be gathering places with near-natural greenspaces.

## Organisation

The overall responsibility for the topic of sustainability lies with the top executives of our Group, the Management Board of Stadtwerke München GmbH. The Management Board is responsible for adopting relevant decisions on sustainability; concrete examples include the sustainability strategy or the [decarbonisation path](#) developed for SWM in 2024 ([link for details, see the chapter "Environmental protection", page 35](#)).

The Supervisory Board, which is responsible for monitoring sustainability topics, is involved in sustainability concerns in a topic-adequate manner. Established reporting and information formats are used to adequately prepare the Supervisory Board, impart the necessary professional skills, and provide the requisite background information.

In our central organisation, Sustainability Management has been assigned to the Regional Energy Transition division as a staff unit, which acts as an overarching functional link for all sustainability topics in the group. The responsibilities of the central Sustainability Management focus on designing the sustainability strategy and (group-wide) overarching sustainability topics and ensuring their implementation. In addition, we have decentralised sustainability management in our subsidiaries. The Management Board delegates this task to specialists where this makes sense, e.g. in energy or

environmental management or in corporate health management. Specialised officers develop our strategic orientation in terms of energy consumption, emissions, and other environmental issues; the business segments then implement the associated measures, [link see the chapter "Environmental protection", page 34 et seq.](#) Our guideposts in these efforts are external and internal quality standards that also cover the areas of occupational health and safety.

New and extensive topics, such as the preparation for new statutory requirements, are developed in projects. This ensures an efficient flow of information. Within this framework, Sustainability Management takes on the project manager or project owner role, establishes project-specific exchange and communication formats and reports to the Director of the Regional Energy Transition division and, in a situation-related and topic-adequate manner, additionally to the entire Management Board. In addition, communication between the various parties of the Sustainability organisation is also regulated through regularly held "jour fixe" meetings, where key information and decisions are submitted to the Director of the Regional Energy Transition division and, if necessary, additionally to the entire Management Board outside of formal projects.

## Sustainability strategy

Since 2023, Stadtwerke München has had a comprehensive sustainability strategy. This strategy combines our initiatives in the key areas of "Climate and environment", "Future-ready corporate culture", and "Sustainable supply chain and products" and follows the accepted ESG logic (E = environmental, S = social, G = good governance). The sustainability strategy must also be seen within the context of the group strategy, because sustainability is the central goal of our actions. For the future, there are considerations to incorporate the key elements of the sustainability strategy into the group strategy.

That said, our strategy not only sharpens our focus, but also ensures compliance with the relevant external requirements. Within the framework of this strategy, six key goals in three action areas were defined that make decisive contributions to achieving our group goals:



## Climate and environment

1. Reduction of greenhouse gas emissions with a view to achieving climate neutrality by 2040<sup>1)</sup>; [for details, see the chapter "Environmental protection", page 36 et seq.](#)
2. Preparation for the impacts of climate change on our assets and services and responsible use of water resources.

## Future-ready corporate culture

3. Diversity and an inclusive corporate culture; [for details, see the chapter "Employees", page 58 et seq.](#)
4. Employee orientation to strengthen SWM's economic efficiency and innovative strength; [for details, see the chapter "Employees", page 54](#)

## Sustainable supply chain and products

5. Assumption of social and environmental responsibility in our supply chain including reduction in greenhouse gas emissions and work with sustainability-promoting and innovative products, services, and technologies; [for details, see the chapter "Corporate governance", page 68 et seq.](#)
6. Responsible use of resources throughout the entire product lifecycle; ensuring a functioning circular economy; [for details, see the chapters "Essential services and product responsibility", page 18 et seq., and "Environmental protection", page 33 et seq.](#)

<sup>1)</sup> We will remain a reliable partner of our customers beyond the year 2040 and will continue to offer them gas products to the extent to which this is legally permissible. For the definition basis of the term "climate neutrality", see the chapter "About this report", page 74

To prepare for the Corporate Sustainability Reporting Directive (CSRD), the sustainability strategy is now being refined through definition of key performance indicators (KPIs) and specific measures in a joint project. These measures are being developed and implemented in cooperation with the business segments and are being supported by accompanying change management processes with a view to optimising their organisational integration and implementation.

## Sustainability reporting

Since the 2019 reporting year, we have published an annual Sustainability Report on our website. Its preparation is aligned with the internationally accepted reporting framework defined by the Global Reporting Initiative (GRI), and we focus on the SWM core group. For more information on our reporting, data capturing, and the GRI Index, [see the chapter "About this report", page 72 et seqq.](#)

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

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

Based on this materiality analysis, we derived 16 material topics, which are the focus areas of our sustainability reporting. We have grouped these topics into five action areas:

- ▶ Society
- ▶ Products and services
- ▶ Environment
- ▶ Employees
- ▶ Corporate governance

In January 2023, the EU’s Corporate Sustainability Reporting Directive (CSRD) entered into force. It aims at enhancing non-financial reporting and elevating it to the same level as financial reporting. Under the CSRD, many companies – including SWM – will have to fulfil extensive reporting obligations regarding their sustainability activities in the coming years. Based on the current

- A SOCIETY**
  - A.1 Social responsibility
- B PRODUCTS AND SERVICES**
  - B.1 Provision of essential services
  - B.2 Product responsibility
- C ENVIRONMENT**
  - C.1 Energy
  - C.2 Emissions
  - C.3 Raw materials and supplies
  - C.4 Water
- D EMPLOYEES**
  - D.1 Working conditions
  - D.2 Training and education
  - D.3 Occupational health and safety
  - D.4 Diversity and equal opportunities
- E CORPORATE GOVERNANCE**
  - E.1 Value creation
  - E.2 Compliance
  - E.3 Data protection
  - E.4 Competition
  - E.5 Political engagement

**Materiality matrix**



information, 2027 will be the first financial year on which we will have to report in compliance with CSRD rules in 2028. We are already preparing intensively for this in a cross-divisional project. For example, we carried out a materiality analysis in accordance with the requirements of the CSRD. This analysis is still in the alignment process, but will (taking account of the topic categorisation of the European Sustainability Reporting Standards, or ESRS) presumably largely cover the same sustainability topics as the materiality analysis on which this Sustainability Report is based. The topics hitherto identified as material and, by extension, the focus areas of our sustainability reporting continue to apply to this Sustainability Report.

## Stakeholder management

Numerous stakeholder groups shape our actions, and our operations impact many people. These interactions are relevant for us; after all, it is our goal to do the best possible justice to all our stakeholders. To this end, our efforts are based on target-group-aligned, transparent, and regular exchanges.

Our customers are crucial stakeholders. In the chapter "Essential services and product responsibility", we

describe how we want to fulfil the expectations they place on us, [see the chapter "Essential services and product responsibility", page 17 et seq.](#) The City of Munich, in its capacity of shareholder, and the citizens of Munich are also important stakeholders. We make a broad range of contributions to urban life – not just as a relevant employer, but also in the form of sponsorships and cooperations, [see the chapter "Stadtwerke München – a portrait", page 6 et seq.](#)

Our employees are also a top priority. They are essential contributors to the provision of SWM's services; in addition, they themselves are customers for our offerings and usually live in the Munich region, which means they are part of the (urban) society we address. Our business success strongly depends on our ability to attract highly qualified, motivated, and loyal people – they are the ones who shape SWM and its corporate development.

As a utility offering essential public services, we operate in a highly regulated environment and are subject to special accountability. As legislation can have a significant impact on our business activities, we also engage in political debates via a variety of formats at various levels, [see the chapter "Corporate governance", page 70.](#)



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

## Sustainable development: SWM supports the United Nations' Sustainable Development Goals

As a future-oriented company that feels committed to the public wellbeing, we want to make relevant contributions to sustainable development. For us, this also means playing an active role in achieving the Sustainable Development Goals (SDGs).

To analyse our business activities from the perspective of the SDGs, we held a workshop with sustainability experts from different business segments in 2021. In preparation of this workshop, the SDGs of the peer group were analysed. The SDGs reported most frequently by the peer group were discussed extensively and subsequently assessed by the workshop participants in the dimension "positive and/or negative impact by SWM's business activities". The evaluation of the workshop showed that we have a particular impact on the following eight SDGs:



### SDG 4: Quality Education

As one of Munich's largest employers, we are committed to contributing to inclusive and equitable quality education. This is why we train young people and help them start their professional careers, [see the chapter "Employees", page 52 et seq.](#) With SWM Education Foundation, we moreover help improve the opportunities of disadvantaged children and adolescents, [see the chapter "Stadtwerke München – a portrait", page 7.](#)



### SDG 5: Gender Equality

As a technically oriented company, we still face a pronounced inequality in the professional distribution of women and men. Our goal is to increase the share of women in our organisation – in leadership positions to at least 25 % by 2030 at the latest. To achieve this, we have initiated numerous measures, ranging from Girls' Day participation to offers enabling our employees to find the best possible balance between their professional and family lives to cross-mentoring programmes for female leaders, [see the chapter "Employees", page 58 et seq.](#)



### SDG 6: Clean Water and Sanitation

As drinking water supplier of the City of Munich, we provide high-quality water to a large number of people every day. With this, we contribute to ensuring the availability of water and sanitation for all, [see the chapter "Essential services and product responsibility", page 23 et seq.](#) In addition, we conserve this vital resource by fostering sustainable cultivation of the land around our extraction sites, [see the chapter "Environmental protection", page 46 et seq.](#)



### SDG 7: Affordable and Clean Energy

According to Ban Ki-moon (former UN Secretary-General), climate change is the greatest challenge facing humanity. With its renewable energies expansion campaign and its district heating vision, SWM makes important contributions to mastering this challenge, [see the chapter "Environmental protection", page 39 et seq.](#) We ensure that the people in Munich have reliable access to affordable and sustainable energy, of which a steadily increasing share is generated from renewable sources, [see the chapter "Essential services and product responsibility", page 19 et seq.](#)



### SDG 9: Industry, Innovation, and Infrastructure

Using five megatrends as our guideposts, we are developing new service areas that tap new potentials for our organisation, safeguard the high quality of life in the region, and turn Munich into a sustainable city in every respect. The changes in the energy and transport sectors, in particular, as well as digitalisation and interconnected networks, and the desire for sustainable and local production processes expressed by many customers provide us numerous opportunities for new business models. We have established a dedicated unit for this, [see the chapter "Essential services and product responsibility", page 29 et seq.](#)



### SDG 11: Sustainable Cities and Communities

Our entrepreneurial vision is to make a major contribution to turning Munich into a trail blazer among sustainable cities. All citizens are to benefit from this. In addition to a sustainable supply of essential services – electricity, heating, cooling, and water – we see it as our task to ensure affordable high-quality mobility for all people in Munich, [see the chapter "Essential services and product responsibility", page 24 et seq.](#) Our public pools as places where



## THE SUSTAINABLE DEVELOPMENT GOALS (SDGS)

The Sustainable Development Goals were adopted in 2015 by the General Assembly of the United Nations as part of its Agenda 2030. They comprise a total of 17 goals and 169 specific targets (sub-goals and means of implementation). The ambition linking all goals is to achieve a better and more sustainable future for all. This requires the participation of nations, regions, cities, as well as enterprises.

people can gather and do something for their health, [see the chapter "Essential services and product responsibility", page 28](#), and our diverse social engagement, [see the chapter "Stadtwerke München – a portrait", page 7](#), likewise contribute to this goal.



### SDG 12: Responsible Consumption and Production

With attractive green electricity and green heating offers, [see the chapter "Essential services and product responsibility", page 17 et seqq.](#), diverse and intermodal mobility services, [see the chapter "Essential services and product responsibility", page 24 et seq.](#), and renewable energies solutions for residential customers (e.g. photovoltaic plants and charging solutions), [see the chapter "Essential services and product responsibility", page 29](#), we support the people in Munich in leading a sustainable lifestyle. We also set high standards in our daily business with respect to SDG 12 – cases in point are environmentally benign strategies within the framework of our numerous construction projects or the use of renewable energy sources for our own business premises, [see the chapter "Environmental protection", page 44 et seqq.](#)



### SDG 13: Climate Action

SWM is addressing the challenges posed by climate change and the energy transition. With our renewable energies expansion campaign, we have been building a powerful generation portfolio for green electricity since 2009, [see the chapter "Environmental protection", page 39 et seqq.](#) With the help of geothermal energy, we want to provide CO<sub>2</sub>-neutral heating, [see the chapter "Environmental protection", page 42 et seq.](#) As a further major pillar of our local public transport system after underground trains and trams, we are now electrifying our bus fleet, too, [see the chapter "Environmental protection", page 43 et seq.](#) In addition, we are continuously expanding the charging infrastructure for electric vehicles. By 2040, we also want to achieve climate-neutral operation of our public pool landscape. And we converted our coal-fired power-station block to gas-fired operation in 2024, [see the chapter "Environmental protection", page 43.](#)

<sup>1)</sup> See the chapter "About this report" for a definition of the term "climate neutrality", page 74.



Essential services and  
product responsibility

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

## Energy and water supply

The essential public services we provide to the City of Munich include the energy and drinking water supply for the city and some parts of the metropolitan region. As such, this means that we provide the "critical services" necessary for society to function. Accordingly, we are subject to special statutory requirements, including those stipulated in the German Energy Industry Act (EnWG) as the key legal basis for secure and macroeconomically efficient energy supply and the German Ordinance for Defining Critical Infrastructures in Accordance with the BSI Act (BSI-KritisV) with its focus on the IT security of operators of critical infrastructures (KRITIS).

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

Our goal is to safeguard essential services in all divisions at all times, i.e. with as few outage occurrences as possible. This is why we protect our critical infrastructures against any physical and digital attacks, e.g. through strict access management, video surveillance, redundant design of essential building services, and isolated networks. For institutions requiring particular

protection, e.g. nursing homes and hospitals, we have made and agreed suitable arrangements and plans. In addition, we have drawn up high-level policies for the prevention of and response to crisis situations, including a Group policy on general principles, and rules of procedures for the Technology division on additional systematic structures as well as emergency and crisis manuals.

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

## Energy for the people

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

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

	2022	2023	2024
Gas	15,241.7	13,634.5	16,529.6
Electricity	6,707.3	6,536.9	6,509.5
District heating	4,351.1	4,050.3	3,937.3
District cooling	61.3	63.6	62.6
<b>Total<sup>1)</sup></b>	<b>26,361.4</b>	<b>24,285.3</b>	<b>27,039</b>

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

Our goal is to ensure high customer satisfaction and loyalty. Last year, we were unfortunately not able to fully achieve this goal in the energy market. The frequency of our price fluctuations, mainly due to the repercussions of Russia’s war of aggression on energy prices and the aftereffects of the implementation of the complex energy price caps, are still placing burdens on customer satisfaction. Nevertheless, a slight increase in the number of customers was achieved in the residential and commercial customer segments. We remain committed to once again improving our trust scores, customer satisfaction, and customers’ loyalty towards SWM. At least, we were able to maintain our leading position in the Munich market and continue to have an extraordinarily high market share.

Despite the great challenges, independent surveys again confirmed our good reputation and our customers’ high level of satisfaction in the year under review. For example, FOCUS MONEY magazine selected us as “fairest electricity supplier” for the 13th time in a row. Similarly, we again received an award from FOCUS MONEY for being the fairest gas supplier. In addition, the “Top Lokalversorger 2025” quality hallmark assigned to local electricity and gas utility companies by the Energy Consumer Portal for Electricity and Gas bore testimony to our good value for money as well as our regional commitment, our environmental management, and our service quality. This has also been confirmed by our own studies, which are carried out by independent market research institutes at our behest. According to a study conducted by SZ Institute in 2024, we moreover rank among the ten best service providers in Bavaria. For this ranking, a total of 237 service providers were analysed and approximately 100 consumers were polled in each case. We are making committed efforts to maintain or once again improve these trust and competence scores.

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

**1. Supply reliability**

Munich’s energy supply is extremely reliable; we have one of the lowest outage rates in Germany: in 2024, electricity supply was interrupted for only 9.33 minutes per consumer (previous year: 7.95 minutes) in the grid operated by SWM Infrastruktur GmbH & Co. KG. For natural gas, we recorded an outage rate of 0.077 minutes (previous year: 0.23 minutes) in 2024. Our outage rates are thus below the German national average, which was 12.8 minutes (electricity) and 1.26 minutes (gas) per consumer in 2023<sup>1)</sup>. Our customers benefit from our excellent infrastructure, our M-Sicherheitsservice security service, and our tried-and-proven processes and communication structures. Over the medium to long-term horizon, the expansion of renewable energies is the best way to strengthen the resilience of our energy supply – after all, it makes us more independent of fossil energies and commodities from difficult countries of origin. This is why we have been committed for many years to driving the expansion of renewable energies forward. In the transition to renewable energies, we of course take care to ensure a reliable supply to our customers at all times. In our efforts to achieve a heating transition, for example, we submit offers for resource-saving heating options, while simultaneously continuing to reliably supply natural gas to our customers.

**2. Environmental suitability**

We are increasingly relying on regenerative energies and, as a basic principle, take care to ensure economical, efficient, and environmentally friendly use of energy and resources. Our energy offerings are becoming more and more sustainable and are thus making an increasing contribution to the achievement of the EU’s ambitious targets for the decarbonisation of the electricity and heating supply. With M-Ökostrom electricity, we enable all Munich citizens to opt in favour of a particularly environmentally friendly green energy supply. Customers buying M-Ökostrom Regional are supplied with green electricity generated in the same quantity in the Munich region. For every kilowatt-hour sold under this tariff, we invest one cent in new renewable energy generation plants in Munich and the metropolitan region. Our M-Ökostrom KlimaAktiv product, which is available throughout Germany, likewise goes beyond mere green characteristics and includes an additional amount that is

<sup>1)</sup> At the time of writing, the 2024 national average outage rates for Germany were not yet available.





invested in the expansion of renewable energies. The origin of our green electricity products from renewable energies is guaranteed through certificates of origin; in addition, they have been awarded the TÜV SÜD eco certificate. What is more, we inform our customers about the electricity labelling that is required by law and list all relevant sustainability aspects on our website. On a nation-wide level, approximately one fourth of our residential and business customers have already opted in favour of various green electricity products.

Our M-Kompensation Plus product offers companies the possibility to make a contribution to the expansion, maintenance and/or operation of renewable energy plants in Germany in addition to compensating their residual emissions.

In our heating supply, we offer the possibility to compensate greenhouse gas emissions as an optional add-on to our supply contracts, either as an integral part of the

product or as a stand-alone add-on component, depending on the customer segment. M-Fernwärme district heating is sustainability-oriented thanks to its use of efficient combined heat and power (CHP) plants. What is more, the consistent expansion of geothermal energy is gradually reducing the CO<sub>2</sub> load of our district heating. Our natural gas filling stations supply M-Erdgas – a fuel based entirely on renewable biomethane. The latter is fully derived from domestic organic waste, which means that no potential food crops are used in production.

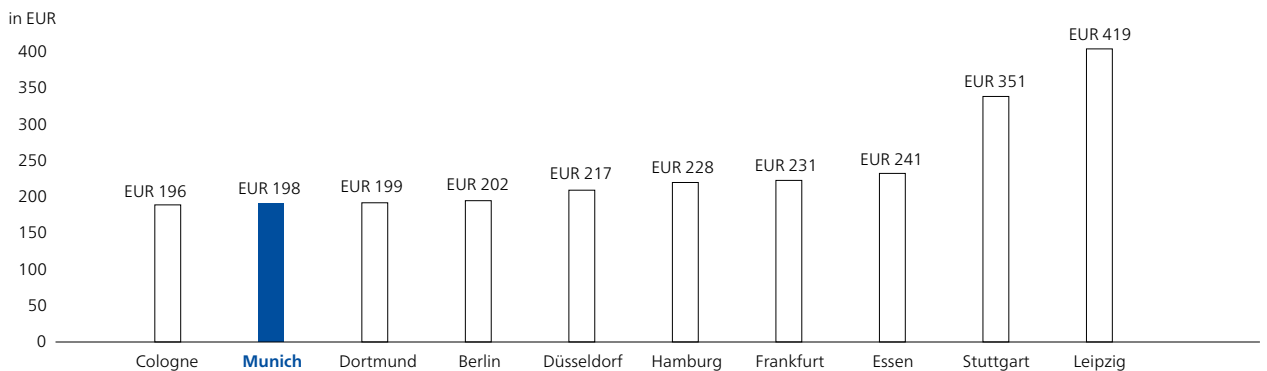
### 3. Cost efficiency

We want to offer fair value for money when it comes to the costs for electricity, natural gas, and drinking water. To diversify our raw material sources and produce as cost-efficiently and environmentally friendly as possible, we use a wide array of technologies for electricity and heat generation in our own plants. In addition, we have secured our “key factors”: we have our own agricultural fields and plots of land for biogenic materials, mining rights for geothermal energy as well as storage facilities. This makes us a little less dependent on the international energy markets.

An increase in the costs of salaries, drinking water protection measures, and maintenance and modernisation of the pipework system prompted us to moderately raise the price of drinking water with effect from 1 January 2025. For a Munich two-person household (in a 10-family dwelling; 96 cubic metres per year; meter: Qn6), this will increase drinking water costs by 32 cents per month or EUR 3.86 per year.

Even after this increase, Munich still features a very moderate drinking water price in comparison to the other large cities in Germany, and its drinking water quality is outstanding.

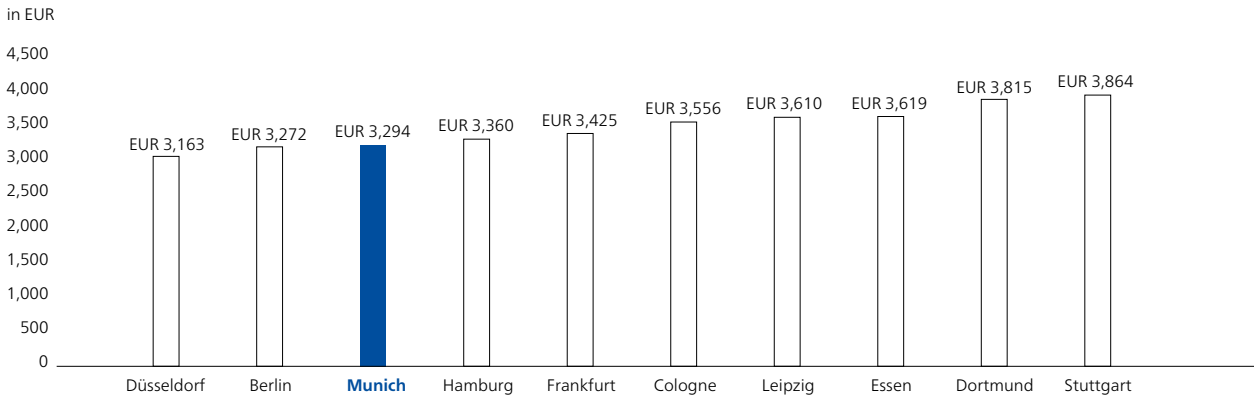
#### Large city price comparison: drinking water



Drinking-water costs for an average household (in a 10-family dwelling) with a consumption of 96 cubic metres per year. Meter: Qn6 or Q3=10. Sources: All price quotations can be found on the utilities' respective websites. As of: 1 February 2025

Measured by total costs of electricity, gas, and drinking water in the supply of essential public services, we likewise offer affordable prices compared to other large German cities.

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



The comparison is based on the essential service tariffs/general prices of the respective provider of essential public services based on an average household's annual consumption of electricity (2,500 kilowatt-hours), gas (15,000 kilowatt-hours), and water (96 cubic metres) (in a 10-family dwelling; meter: Qn6). The total costs of the annual consumption in an average household are compared in all of the above categories (source for electricity and gas prices: data base of ene't GmbH; source for drinking water prices: the tariffs published on the respective websites of the companies). As of 1 February 2025.

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

Alongside the three "traditional" goals of the energy sector, the "magical quadrangle" of SWM's energy management also includes social acceptance of the plants and the infrastructure required for the energy supply including the way in which they are effectively communicated.



### STRONG SUPPORT

As a contribution to dealing with the energy crisis, we took measures that included the initiation of an energy saving campaign in 2022 and, in cooperation with welfare organisations and the City of Munich, the set-up of a heating fund in 2023. Both measures attracted a great deal of interest and expired in 2024. The energy saving campaign allowed residential customers in autumn 2022 to earn bonuses of up to EUR 100 through their savings. We paid out a total of EUR 900,000 to our customers. Over the last two years, the heating fund supported low-income households in handling the high heating costs resulting from the energy crisis. More than 15,400 households received grants totalling more than EUR 19.3 million from this fund.

### Energy for the future

In Munich and the metropolitan region, we generate energy – electricity, heating, and cooling – in energy-efficient combined heat and power (CHP) plants, wind, hydroelectric, solar, biomass, cooling, and geothermal plants. In addition, we operate wind parks and solar farms throughout Germany and Europe at sites where the wind blows strongly and the sun shines often. We converted the coal-fired block of our “Nord” combined heat and power station to gas in 2024 (see the chapter “Environmental protection”, page 43). The “Isar 2” nuclear power station near the city of Landshut (SWM stake: 25%) went off the grid in 2023. Dismantling started in early April 2024.

#### Energy generation<sup>1)</sup> and renewable energies ratio (in GWh and %, respectively)

	2022	2023	2024
Electricity	7,734	7,434	7,731
RE ratio <sup>2)</sup>	72.3 %	71.2 %	72.4 %
District heating	4,670	4,593	4,569
RE ratio <sup>2)</sup>	23.3 %	24.5 %	25.5 %
District cooling	61	64	63
RE ratio <sup>2)</sup>	67.2 %	60.3 %	49.7 %
<b>Energy generation (total)<sup>3)</sup></b>	<b>12,465</b>	<b>12,091</b>	<b>12,363</b>

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

<sup>2)</sup> RE = renewable energies

<sup>3)</sup> Sums may differ due to rounding differences.

With our partner, the UK energy company Centrica, we also engage in the extraction of natural gas. Our Spirit Energy joint venture produces natural gas in the North Sea. This shareholding allows us to directly influence the origin and type of natural gas production: in the UK and the Netherlands, the production of natural gas is subject to particularly stringent environmental and safety standards and CO<sub>2</sub> emissions are low compared to other countries. In accordance with our decarbonisation strategy, we will progressively reduce our share in natural gas production (see the chapter “Environmental protection”, page 35 et seq.). As an initial major step in this direction, Spirit Energy already sold the Norwegian gas and oil fields and one British field in 2022. In the future, the company’s focus will be on secure and economically viable production of the remaining gas reserves, which is to gradually dwindle away within the next five to ten years.



> 100 %

#### green electricity for Munich

In 2025, we are nominally able to generate a volume of green electricity that exceeds Munich’s power consumption.

#### Gas and crude oil production (in GWh)

	2022	2023	2024
Gas	10,520	7,800	6,980
Crude	1,920	300	314

In addition, we intend to use the existing infrastructure for sustainable and climate-friendly activities such as hydrogen production with subsequent CO<sub>2</sub> capture (blue hydrogen). Spirit Energy has now received its first licence to store CO<sub>2</sub> in a depleted natural gas field. After the discontinuation of gas extraction, CO<sub>2</sub> injection can be expected to commence by approximately 2030 at the earliest.



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

- ▶ **Our renewable energies expansion campaign:** From 2025 onwards, we intend to generate sufficient green electricity in our own plants to cover all of Munich's consumption. We have achieved this goal: nominally, we are able to generate even more green electricity than Munich is likely to consume in 2025. Given the rising number of inhabitants and the increased use of electromobility and heat pumps, Munich's demand for electricity will continue to grow. To keep pace with these developments, we will therefore continue our expansion of renewable energies.
- ▶ **Our district heating vision:** By 2040 at the latest, we intend to achieve CO<sub>2</sub>-neutral coverage of Munich's district heating requirements, mainly relying on deep geothermal energy. We already operate six geothermal plants in Munich and the surrounding region, including what is currently Germany's largest geothermal plant, and are constructing a seventh geothermal plant on the grounds of the Michaelibad public pool. We intend to cover the additionally required heating supply through other heating solutions such as local heating networks and heat pumps.

We are also continuously expanding our energy-efficient district cooling grid. For explanations how we expand the use of renewable energies in electricity, heating, and cooling, see the [chapter "Environmental protection" from page 39](#) of this report.

### JOINTLY DRIVING THE ENERGY TRANSITION FORWARD

---

Climate change is a global challenge that cannot be solved at the municipal level alone. Climate actions must be designed from a supra-regional perspective and implemented jointly. Cooperations across city and town limits improve the scope for action in the energy supply and the local heating transition. This is the reason why we established the "Energienetze Neufahrn Eching" joint venture, which commenced operations at the start of the year. In late 2024, closer cooperation was moreover agreed with the municipalities and municipal utilities of the NordAllianz, with which Neufahrn and Eching are also affiliated. In addition, we are planning the "Zukunftswärme M West" geothermal venture together with the towns of Germering and Puchheim. These initiatives strengthen the expansion of renewable energies in the region and improve supply reliability in the municipalities.

---

In the area of decentralised energy solutions, we would like to give citizens access to ways in which they themselves can actively support the energy transition – with offers that are attractive from both an economic and environmental perspective. With M-Solar, we offer photovoltaic solutions for single-family homes, covering all stages from counselling and planning to assembly to commissioning and service. An electricity storage device and a wall-mounted EV home charging station for charging electric cars with self-generated solar power can be added to the package. We sold more than 1,900 photovoltaic plants between 2016 and 2024. These plants generate approximately 20 million kilowatt-hours of solar energy per annum in Munich and the surrounding region (previous year: 13 million kilowatt-hours). This corresponds to the consumption of more than 5,900 households. In addition, we offer photovoltaic solutions for multi-family buildings (M-Mieterstrom, [see page 29](#)) and solutions for commercial and public buildings. Since 2023, our range of offerings has also included M-Wärmepumpe heat pumps for individual heating supply ([see page 30](#)).

Via our Hanse Windkraft subsidiary, we are also working towards a sustainable energy transition. Through the acquisition of legacy wind parks, their upgrading for the future, and their continued operation (also after expiry of subsidisation under the German Renewable Energy Act [EEG]) or repowering, we ensure that renewable energies generation capacities remain in the market. In 2024, Hanse Windkraft's portfolio generated approximately

129 million kilowatt-hours of green electricity. Since 2023, we have moreover invested some of the revenues generated by existing wind parks in the development of new wind parks. With this and with investments in repowering projects, the cycle is closed, and the entire lifecycle of wind energy projects is served.

Energy storage is also a fundamental prerequisite of the energy transition. After all, the decoupling of generation and consumption will make gradual replacement of conventional energy sources possible. At the same time, every additional kilowatt-hour of storage capacity will also increase the general supply reliability for our customers. This is why we are taking a correspondingly close look at this issue. We already operate battery storage systems at our Freimann combined heat and power plant, at the Freiham energy centre, and at the Uppenborn 1 hydroelectric power plant. At the "Süd" energy location in Munich, we are constructing a heat storage reservoir with a diameter of nearly 40 metres and a height of 50 metres as well as a gross filling capacity of approximately 57,000 cubic metres. This reservoir will allow us to use the on-site generation plants more flexibly. The shell of the reservoir was completed in 2024. The entire construction project is scheduled to be completed in 2025.

### SWM'S HYDROGEN STRATEGY

---

As Germany's largest municipal utility, we see ourselves as an important player in the emerging hydrogen market – even though sufficient quantities of hydrogen will presumably not be available in Munich until the 2030s at the earliest. It is very likely that major industrial companies will be the first purchasers of hydrogen. For private customers, hydrogen will not play any role as energy source in Munich, e.g. for heating, in the foreseeable future. However, green hydrogen could be used as fuel in our central heating plants and combined heat and power plants for district heating or in the industrial segment. We are analysing the retrofitting measures that would be required. Our expectation is that the gradual technical conversion of the heat/combined heat and power plants will take until 2040. In addition, we see the potential of hydrogen mainly in the seasonal storage of electricity from renewable sources. By 2050, we expect hydrogen to play a key role as seasonal storage and means to offset peak loads.

---

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

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

Together, these areas supply one of Europe's best drinking waters. Each individual litre comes to our customers fresh from the source; we do not add any treatment substances to Munich's drinking water. Our M-Wasser thus satisfies top quality standards and boasts analytical results that are significantly below the strict limits permissible under the German Drinking Water Ordinance (TrinkwV). In addition, M-Wasser is a low-cost and environmentally friendly refreshment.

The quality of M-Wasser is regularly tested all along the supply chain. We analyse more than 1,200 samples a month. The results are published once a year: [www.swm.de/analysewerte](http://www.swm.de/analysewerte) To protect Munich's drinking water for the future and sustainably safeguard its high quality, we encourage organic farming in the catchment areas and make sure that soil and water are protected in the cultivation of the areas in the vicinity of our extraction plants. In addition, we invest in our extraction plants, overhead reservoirs, and pipework system.



Extreme weather events such as torrential rainfall or flooding may impact the water quality in the three catchment areas. Even in such difficult situations, two plants using ultraviolet light guarantee impeccable drinking water. UV light has a much broader spectrum of effectiveness than chlorine; in addition, the use of this method avoids the formation of organochlorinated by-products. This purely physical process ensures secure and reliable drinking water disinfection. No foreign substances are dispensed into the water, and the taste remains unchanged, too.

**Water extraction (in million cubic metres)**

	2022	2023	2024
Pipework system/ drinking water inflow	111.0	112.2	115.2
Pipework system/ drinking water outflow	96.8	96.5	1) <sup>1)</sup>
Thereof supply to customers	94.6	93.9	1) <sup>1)</sup>
Water loss (3-year average) <sup>2)</sup>	0.39	0.4	1) <sup>1)</sup>

<sup>1)</sup> At the time of writing, the 2024 figures were not yet available because the volume supplied to customers is recorded on a rolling monthly basis until the end of 2025.

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

**Mobile in Munich**

Via our MVG subsidiary, we are responsible for most of the public mobility in Munich. MVG is one of Germany’s largest municipal transport companies and offers its passengers state-of-the-art and environmentally friendly vehicles, highly qualified employees, and extensive information and services. In addition to the traditional local public transport system with underground, bus, and tram service, MVG’s offerings also include individually usable mobility services such as the MVG Rad bike rental service and digital services such as the MVGO app. We link our services at mobility stations, facilitating smooth transition from public transport to individually usable offers. The goal: flexible mobility also without a car of your own – reliable solutions that are available at any time and everywhere and fulfil our customers’ respective mobility needs.

We are operating the local public transport system under challenging conditions: as in the previous year, the staff shortage discernible throughout the industry again made full service temporarily impossible on certain MVG lines in 2024. To recruit new employees, especially drivers, we have therefore adopted innovative

approaches: after the success of the job application tram, a job application underground train and a job application bus now also offer prospective candidates an easily accessible possibility of obtaining information on the profession of driver, apply for positions, and – in a best-case scenario – immediately get accepted for the job. In addition, our efforts to recruit drivers are increasingly also relying on lateral entrants and university students, on international recruiting, a migration project, and training concepts with integrated language courses.

Alongside the current challenges posed by the shortage of specialists, it is mainly the financial squeeze in the public sector that is hindering and slowing down the pace of mobility expansion. Nevertheless, some forward-looking large projects such as the western tangent tram route can be realised. In addition, we focus on keeping the existing services at a high level, ensuring a sustainable stabilisation of underground train, bus, and tram operations, and driving the fundamental infrastructure overhaul forward.





Our passengers' needs are the focus of our attention. As in the previous years, our 2024 MVG customer satisfaction illustrated that passengers attach particular importance to reliable and on-time service of the MVG means of transport and consider this to be (very) important. The share of those polled that is (very) satisfied with this element is 79%. Short distances to stops and a dense route network are also highly relevant. 94% of those polled are (very) satisfied with these aspects. Overall, the subjective sense of security of those using the local public transport system is high: 78% of the passengers that consider this element to be important feel safe when they ride at night. Our staff members' customer orientation is (very) important for 95% of our passengers: 9 out of 10 passengers are (very) satisfied with drivers' conduct and/or the friendliness of our service staff at MVG customer centres. The eco-friendliness of the MVG means of transport is also a highly relevant topic for customers: 82% of them regarded this aspect as (very) important in 2024, and 96% of these survey participants were (very) satisfied with MVG.

#### **We have defined the following goals in the area of mobility:**

- ▶ **By 2035**, we will have electrified our bus fleet.
- ▶ **Continually**, we will – to the extent to which our financial resources permit – invest in the maintenance and modernisation of local public transport and in service expansions.
- ▶ **Continually**, we will improve barrier-free access in our vehicles and stops/stations.

#### **Modernisation and expansion**

Underground trains and trams are already powered by green electricity. By electrifying our bus fleet, we intend to achieve 100% electromobility in our local public transport services. In the first half of 2025, we plan to put an additional 30 electric buses in operation. This

means that approximately 100 out of MVG's more than 400 buses are now electrically powered. Please find more information on this topic in the [chapter "Environmental protection" on page 43 et seq.](#)

Furthermore, numerous modernisation and refurbishing measures are on our agenda. In 2025, the tram system is being upgraded at the Karlsplatz/Stachus square as well as the Maxmonument and Nordbad stops. Above all, the underground system that is now more than 50 years old must be modernised to maintain and enhance its performance capabilities. Measures are required for rails and points, among others – on average, we replace slightly over 6,000 metres of rails and 13 points per annum. Please read about the measures we were able to implement in 2024 in our [Annual Report on page 20](#). In the period until autumn 2026, a total of 125 escalators throughout the system will be exchanged. In addition, we are working on the barrier-free accessibility of stations and stops.

Where possible, we are also expanding our tram and underground lines, creating new routes and reducing congestion on existing routes. One case in point is the extension of the 12 tram line that has been in operation since 2025. The construction of the expansion of the western tangential tram route started in 2024, and we intend to commence tram service there section by section from late 2025 onwards. Interested parties can obtain information about the construction work at a dedicated information office. Concurrently, we intend to realise further tram routes. Our largest new construction project in the underground infrastructure is the U9 underground route from the Implerstrasse stop to the Schwabing neighbourhood. Construction is slated to commence in the 2030s. Further underground expansion projects include the U6 extension to Martinsried and the U5 extension to Pasing. For these two projects, construction has already begun in the town of Planegg and the city of Munich.

New vehicles with larger capacities will also offer more space for our passengers. In particular, they include the state-of-the-art C2 articulated underground trains and the new Avenio trams, some of which are operated on highly frequented routes as a combination of two and three tram cars. Service offerings have been expanded, too: since the start of 2025, our night bus and tram service, NachtBus and NachtTram, has been supplemented by night underground trains running on weekends and the nights before public holidays. During daytime peak hours, the U3 underground line now runs every five rather than every ten minutes between the Olympiazentrum and Moosach stops.

New depots and workshops are also prerequisites for an expansion of our services. We are therefore planning and/or constructing new operational facilities at various locations. In this respect, we cooperate closely with municipal and state authorities and ensure early and transparent involvement of policy-makers and local residents.

### Digitalisation and service

We also rely on digital solutions to make mobility in Munich easier to access. Our MVGO app currently records more than two million downloads and over one million active users. It combines local public transport and individual sharing offers such as electric scooters and electric bikes in Munich and the surrounding region. Users can buy HandyTicket mobile tickets in the app, search for connection information, see current disruption reports, live departure times, taxi rank locations, public charging stations for electric cars, and much more.



New features are being integrated step by step. One change in 2024 was the switch from paper tickets to digital tickets in the MVGO app for our MVG subscriptions. Alternatively, customers can also get their subscriptions in the form of chip cards. Another innovation in MVGo is the “MVVswipe” function. One swipe in the app before and after their ride is enough to allow the system to automatically calculate the most favourable price for the day. Six weeks after the introduction of this feature, the number of trips booked via MVVswipe already reached the mark of 100,000. A great success – just like our MVGO app. It was awarded the German Excellence Prize by the German Institute for Service Quality in 2024.

For tomorrow’s local public transport, we are moreover involved in various research projects studying possibilities to digitalise and automate the bus system. In the MINGA project, we, together with 16 partners, are testing an autonomous on-demand ride-pooling service with three to five shuttles, an automated solo bus, and a bus platoon in scheduled operation.

### AWARD-WINNING SAFETY AND SECURITY

---

With well-trained drivers and service staff and an operations control centre that monitors everything, we ensure our passengers’ safety and security. In addition, the underground security guards help in emergencies, intervene in disputes, and make sure that everything runs in an orderly fashion both during and outside major events. In 2024, Münchner U-Bahnwache, the underground security guard service we operate jointly with the Securitas company, received an award in the “Outstanding Security Partnership” category at the renowned Outstanding Security Performance Awards (OSPAs), commending the high quality level the guards provide for our passengers’ safety and security.

---

### We also create digital networks for Munich

The continuing digitalisation as well as electricity and CO<sub>2</sub> savings make fibre optics indispensable for the Munich of tomorrow. Together with our M-net subsidiary, we began to roll out one of Europe’s largest continuous fibre-optic networks as far back as in 2010. At present, approximately 70% of Munich’s households are already benefitting from our powerful fibre-optic network, and we are connecting additional neighbourhoods. At present, approximately 650,000 private households and commercial businesses in Munich have direct access to high-speed Internet solutions. In our network expansion, we are now placing

> 2.5 million accounts have registered for the M-Login single sign-on.

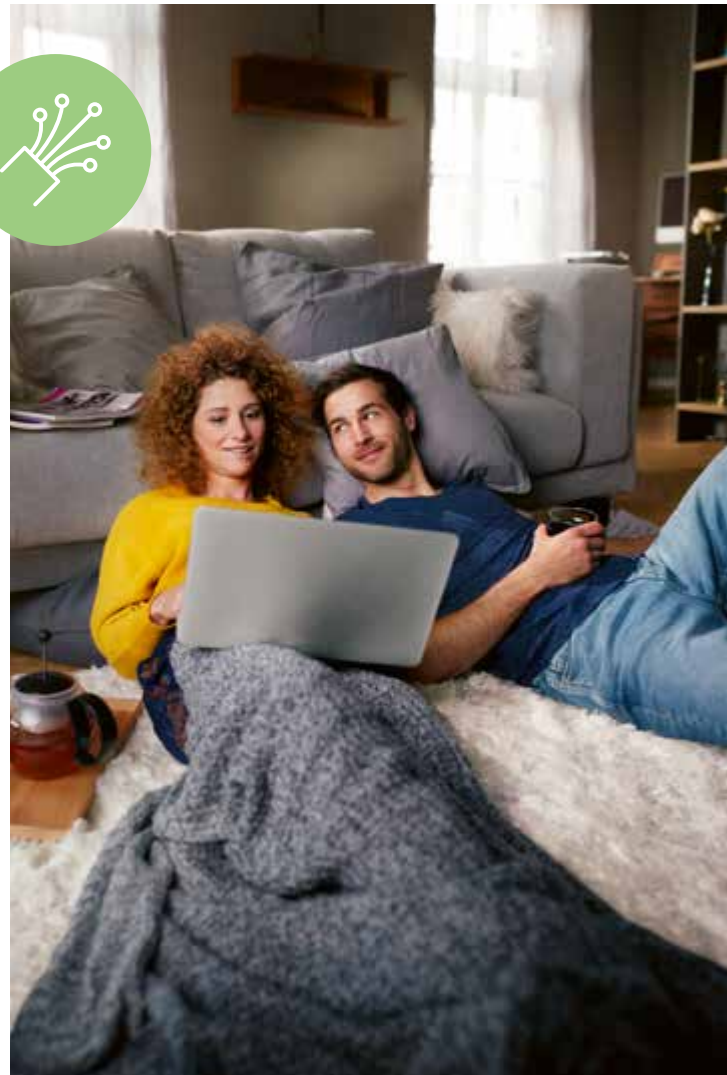


increasing emphasis on fibre-to-the-home (FTTH). Compared to fibre-to-the-building (FTTB), FTTH provides the highest bandwidths in each individual flat. In this process, we are installing what are known as “service junction boxes” in the basements of the buildings for the connection of smart-meter gateways. These boxes can send data digitally to the meter operator. PV plants and other technical installations that need a communication port can also be connected to these boxes. Over time, M-net plans to make a smart-city product available for this purpose.

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

In addition, we are also banking on mobile Internet offerings: the City of Munich has commissioned us and M-net to set up free WLAN (WiFi) hot spots throughout the city. At present, M-WLAN is offered at approximately 800 locations with some 19,100 access points (hot spots). We thus cover some 150 public squares and more than 650 public buildings, schools, etc. In addition, many other hot spots have been and will be installed within the framework of cooperations, e.g. with municipal hospitals and MÜNCHENSTIFT, an organisation that provides care and age-friendly accommodation for the elderly. In total, we recorded more than 55 million logins in M-WLAN in 2024.

For applications in the “Internet of Things” (IoT), in particular, we are also installing a city-wide long-range radio network: LoRaWAN. Such a network allows machines to communicate when sensor systems, smart meters, or even household appliances are incorporated. The cost-efficient and energy-saving network is an important milestone on Munich’s path towards becoming a smart city.



## MUNICH IS BECOMING A SMART CITY

In 2024, we received several awards for our digitalisation efforts: The Bundesverband Breitbandkommunikation (BREKO) industry association awarded us its “True Fibre-Optics” hallmark for our digitalisation commitment, and we ranked second in the “Stadtwerke Award”, which is bestowed on exemplary projects undertaken by municipal utilities, thanks to our “Isarlicht” fibre-optic project. As described above, this project installs fibre-optic junction boxes that can be used not only for high-speed internet, but also for charging solutions for electric vehicles, smart metering, and further digitalisation options. Furthermore, Munich topped the Smart City Index that is compiled by Bitkom, the German information, telecommunications, and new media industry association, in 2024, making it the leading digital city – a testimony to our successful measures in the area of digital transformation.

The M-Login single sign-on now has more than 2.5 million accounts. Via their M-Login access data, users can securely and conveniently access various web and app offers provided by many service partners from the areas of mobility, supply, leisure, and culture. Users manage their personal data in a time-saving manner at a single location: their M-Login account. A payment function for SEPA (Single Euro Payments Area) direct debits and credit card options moreover allows users to handle payments quickly. In 2024, student validation was introduced in M-Login, making it possible to also buy discounted Deutschland-ticket subscriptions at MVG. In addition, users can store a photo in their M-Login account and use this, for instance, to buy annual tickets for the zoo via the muenchen app. This app, which we developed together with [muenchen.de](https://www.muenchen.de) and the München Ticket ticketing service, allows users to buy digital tickets for numerous leisure attractions in Munich, from municipal museums or theatres to the M-Bäder public pools to the Deutsche Museum.

## Munich as a city of swimming pools

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

Since 2019, the positive contribution of Munich's public pools to society has been confirmed by their public wellbeing inventory, which is audited by an external party. Munich's public pools not only successfully completed a new round of inventory preparation in December 2023, but improved their already good score further, from 391 points (2019) and 426 points (2022) to 451 points. For more information, please see the Public Wellbeing Report at [www.swm.de/gemeinwohlbericht](https://www.swm.de/gemeinwohlbericht).

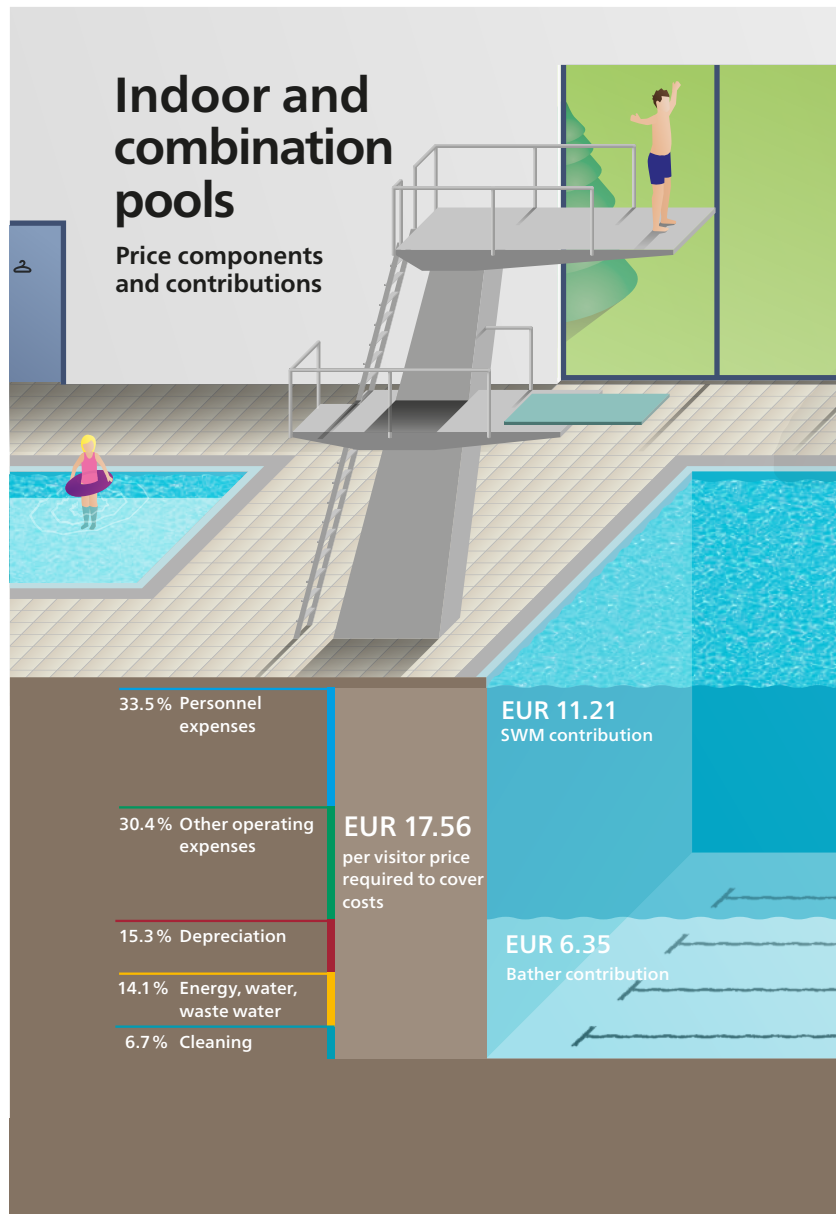
Statutory regulations and guidelines must be followed in pool operation. They include the German Infection Protection Act (IfSG), the DIN 19643 standard for pool water treatment, technical regulations, and guidelines issued by the German Association for the Recreational and Medicinal Bath Industry (Deutsche Gesellschaft für das Badewesen). To keep up with these requirements, M-Bäder employees regularly attend training workshops.

Public pool operation is cost-efficient, but not profit-oriented. Financial losses incurred in this business segment are borne by Stadtwerke München Group. To drive the sustainability of our public pools forward, we have defined two ambitious climate-relevant goals:

- ▶ **The Georgenschwaige pool** has been transformed into a barrier-free natural pool as scheduled and has reopened in 2025 (see the chapter "Environmental protection", page 44).
- ▶ **By 2040**, we intend to switch all M-Bäder public pools to climate-neutral<sup>1)</sup> operation.

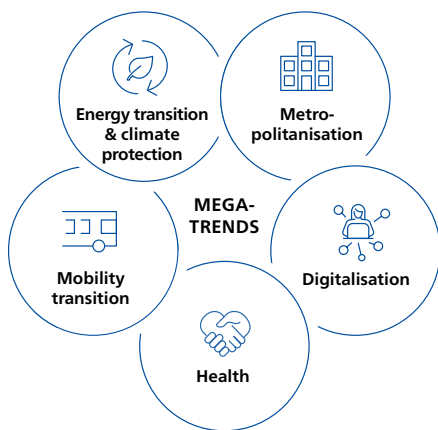
In addition, we are driving numerous other topics forward such as sustainable construction, sustainability in the supply chain, waste avoidance, and biodiversity. For further information, please see the chapter "Environmental protection, page 47".

<sup>1)</sup> See the chapter "About this report", page 74 for a definition of the term "climate neutrality".



## Innovation safeguards continued high quality of life

The world is in a state of flux, and the population on earth continues to grow rapidly. Among the numerous economic, technical, and social developments, five megatrends will have a particular impact on our future business.



- ▶ The energy transition is being driven by the need and willingness to protect the climate. We need alternatives to fossil fuels, not least because energy demand continues to increase worldwide. Renewable energies are already omnipresent today – but the future of energy generation belongs solely to them.
- ▶ Large cities are growing. According to a computation published by the Bavarian State Office for Statistics in 2024, Munich’s population will grow by roughly 6 % in the period until 2042.
- ▶ People want both get a reliable supply of essential services and be mobile. For this, they need innovative and environmentally benign mobility solutions.
- ▶ Everything is becoming more digital. The range of IT solutions is expanded every day, and digital tools are used in virtually all spheres of life. This is changing customer relationships, business models, and workflows.
- ▶ Health ranks among the most important personal values. To ensure participation in society and an active life for all, people must also be given opportunities to maintain their physical fitness.

We believe these trends offer opportunities for our company. Alongside our traditional businesses, we therefore intend to develop new service areas that help safeguard the high quality of life in the region.

## New business models

In our Group, we have established a unit that explicitly focuses on new business models. We continuously validate our solutions and products together with our customers and, if they prove successful, we lead them to profitability. Our innovation process aims to minimise the associated business risks. If a business idea does not fulfil the criteria for long-term profitability, it is discarded during this process.

Changes in the energy and transport sectors, digitalisation and interconnected networks, and the desire for sustainable and local production processes expressed by many customers open up numerous opportunities for new business models for us. We have therefore expanded our product and service range in the last few years and are increasingly supplementing the traditional supply services with personalised and decentralised energy solutions such as photovoltaic plants for homeowners.

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

M-Ladelösung is a charging-as-a-service approach for charging electric vehicles with green electricity – for both business and residential customers. One of the services we provide in this context is dynamic load management, which prevents overloading and subsequent removal of house connections. We can also equip duplex parking spaces or open parking spaces without walls (e.g. in an underground car park) with a “wallbox” station for safe charging of electric cars. This also applies to parking spaces for customers. In the further expansion of our charging infrastructure, we are increasingly focusing on fast-charging technology. In October 2024, we successfully installed our first HPC charging station. By the end of the year, further fast-charging stations had been put in operation. With charging power in excess of 50 kilowatts at DC stations und more than 150 kilowatts at HPC stations, fast-charging stations are much more powerful than traditional AC charging stations. What is more, they considerably shorten vehicle charging periods and downtimes, thus offering users a clear added value.

## CHARGING AT THE OLYMPIC PARK MUNICH

On the grounds of the former bus station at the Olympic Park Munich, we are setting up a fast-charging hub. One photovoltaic plant with an output capacity of 134 kilowatts peak has already been installed. In the future, it can be used to also supply the charging stations with solar energy. The PV plant was planned in close cooperation with the Munich Historic Preservation Office and the park overhaul project. As soon as the refurbishment of the second part of the bus station begins, another PV plant is to be installed there, too. This plant has already been considered in the joint PV and electromobility measuring strategy. In addition, we are installing regular and fast-charging stations throughout all sections of the Olympic Park Munich (park harp, ice rink, etc.).

For the heating transition, we continue to expand both geothermal energy and our district heating grid (see the chapter "Environmental protection", page 42). To also offer people future-proof heating solutions in areas where we are unable to offer district heating, we have expanded our portfolio to include M-Nahwärme local heating infrastructure and M-Wärmepumpe heat pumps. Local heating infrastructure can supply heating to several buildings, entire neighbourhoods or settlements. While district heating is produced in large plants, the local heating infrastructure uses local energy sources in the immediate vicinity of the buildings to be supplied, e.g. ground water. For the individual self-supply of single-family homes and apartment buildings, we offer M-Wärmepumpe heat pumps.

We want to join forces with our customers on our path towards more climate protection. For example, we offer our business customers an opportunity to offset unavoidable greenhouse gas emissions (e.g. emissions associated with their vehicle fleets, production, logistics, events, or travel activities) via our M-Kompensation Plus product. In this product, we combine certified CO<sub>2</sub> compensation through investments in high-quality international climate-protection projects with an additional national commitment. We use the share allocated to national climate protection for the construction, maintenance and/or operation of renewable energy plants in Germany. Companies can choose freely whether they want to compensate CO<sub>2</sub> by funding international climate-protection projects or additionally also help fund renewable energies at the local level.

## Innovative technologies and research projects

To optimise our portfolio and design more efficient operational sequences, we are also driving SWM's digital transformation forward. In these efforts, we are addressing the environmental aspects of digitalisation and support the use of innovative technologies while taking sustainability into account. This includes the operation and expansion of our energy-efficient computer centres and deployment of energy-saving IT terminal devices as well as considering the sustainability of cloud applications. To preserve resources, the majority of the hardware we use is refurbished at the end of its service life. The consideration of green software development and AI use support the efficient operation of our digital applications. We offer information materials and training measures to our employees to help them acquire the specialist knowledge required for sustainable digitalisation. In addition, we bank on advanced technologies to provide not only reliable but also sustainable energy and mobility services to Munich.

Internally developed AI models and machine-learning procedures, for instance, make precise passenger number forecasts possible. These improved projections facilitate optimum adjustment of service offerings to customers' needs and efficient and sustainable planning and utilisation of the transport infrastructure. Smart forecasting models support the prediction of the energy requirements of our expanding electric bus fleet, the goal being to charge the vehicles as needed and reduce the burden on the environment. Another major step forward is the introduction of predictive maintenance of infrastructures, plants, and vehicles. Through the use of AI, maintenance requirements can be predicted before disruptions occur, which, in turn, minimises downtimes, lowers operating costs, and conserves resources.



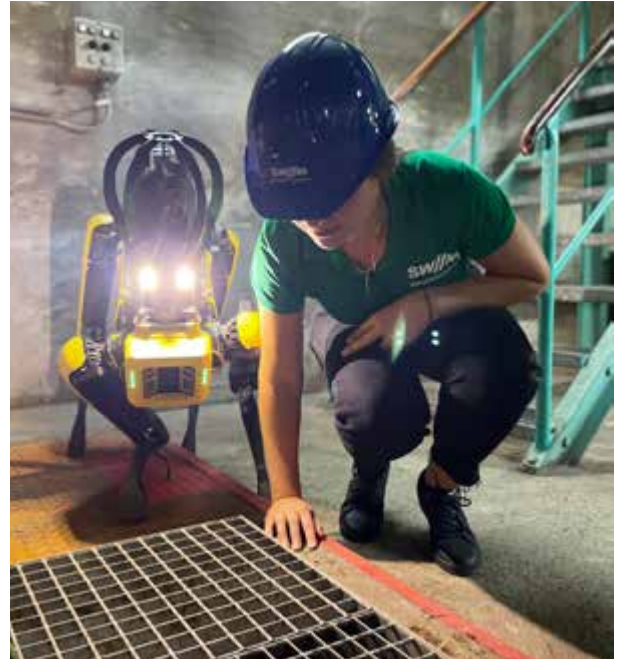
In addition, we are increasingly using AI modules from the cloud at SWM – in particular for standardised tasks in the area of language processing. Passenger announcements at MVG are being progressively automated and voiced by AI. AI-based text translation is used in various areas of SWM. The use of generative AI systems such as Large Language Models and ChatGPT plays a special role. They not only support software development, but have been made available to all employees as “SWM ChatGPT” to make their daily work more efficient and easier. At present, ChatBots that can simplify processes both internally and at the customer interface are also being evaluated. SWM is developing the first AI agents to support employees in specific application cases and ensure that the organisational knowledge is transparent and becomes usable for all.

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

In addition, we are involved in various research projects. One example is the uniT-e<sup>2</sup> project, which was completed in early 2025. The aim of this “Real Lab for Networked E-mobility” was intelligent and safe integration of electromobility into existing and future infrastructures with a view to satisfying the demands of the transformation of the energy system. Over a period of three and a half years, project partners from a variety of industries – from car manufacturers to grid

## ROBOTICS AT SWM

At one of our heat plants, “Spot”, the robot dog from Boston Dynamics, will report for service. Spot specialises in supporting routine inspections and necessary visual checks with state-of-the-art sensor technology to comply with operational requirements while using few resources. Spot will merely capture data rather than interfere with the systems. The use of Spot will make it possible to optimise various workflows. Over a long-term horizon, the focus will be on developing a robotics perspective for SWM.



operators – jointly developed and tested solutions. In two successful field trials, SWM’s contribution demonstrated an alternative way to successfully pursue easy and secure network integration of properties with state-of-the-art charge management solutions or energy management systems via a cloud service offered by the distribution grid operator.

For the power supply of the future, we are researching superconductor cables together with partners. Superconductor cables transmit electrical power virtually without any losses, are compact, and can be installed with comparatively little effort. This technology could make our power grid more efficient and climate-friendly in the future. For this project, we developed a prototype for the world’s first commercial high-voltage superconductor, which commenced operation at SWM’s Menzing transformer station in 2024. If the prototype fulfils the specified requirements and the technical and commercial prerequisites are in place, a roughly 15-kilometre-long superconductor cable is to be laid between Menzing and Sendling.

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

# Environmental protection



Our environmental policy is based on the conviction that we must protect soil, water, and air as natural resources and conserve energy and water. We act responsibly towards the environment, society and future generations. This is why we drive the energy transition forward and are committed to investing in business areas with long-term perspectives – as outlined in our chapter on essential services. We align internal processes and value chains with high-quality ecological standards and continuously improve them.

## Environmental management

Environmental protection is a key element of our corporate philosophy, with which we pursue the goal of securing a sustainable future for Munich. Our commitment to the preservation of the environment is based on a holistic and systematic approach. In this context, we regard compliance with laws, ordinances, and regulations as a minimum requirement. Through continuous improvement of our processes and fulfilment of strict environmental standards, we design our business activities in a manner minimising the burdens on the environment and conserving resources in operations.

### Organisation

The Management Board is responsible for environmental protection and management. Its members appoint the designated corporate representatives responsible for waste, water protection, emission control, and hazardous substances required by law. Organisationally, these representatives and officers are assigned to the Environmental Protection staff unit. By contrast, the radiation protection officers required by law are appointed by the respective organisational units responsible because they are better able to fulfil their duties when they have the necessary proximity to the operations in question.

We operate a quality management system in accordance with DIN EN ISO 9001 as well as environmental management systems in accordance with DIN EN ISO 14001 and EMAS (Eco Management and Audit Scheme in accordance with the European Union's EMAS III Eco-Audit Regulation). Individual risky technical units are certified in accordance with ISO 45001 (occupational health and safety). With EMAS or the energy management system, we implement the requirements of the German Act on Energy Services and Other Energy Efficiency

Improvement Measures (EDL-G) and the Act to Increase Energy Efficiency in Germany (EnEfG).

The Environmental Protection staff unit addresses issues pertaining to operational environmental protection in the core Group and is the central contact for the specialists and managers from all SWM business segments. The Management Representative for Preventive Environmental Protection has also been assigned to this unit. The Environmental Management Officer required under EMAS as representative of the top executive body is assigned to the Systems and Processes unit. Together with the environmental protection experts and the management representatives that have been appointed in the individual business segments, the Environmental Management Officer inter alia ensures timely preparation of documentation required by the regulatory standards, coordination of internal and external audit programmes, collection of evidence of continuous improvements in our environmental performance, and implementation of high-level environmental processes and procedures.

Waste, water protection, and emission control specialists have been appointed in all organisational units where such appointments are deemed necessary by the precautionary principle in environmental protection. The precautionary principle is a key concept in environmental protection; it aims at preventing environmental problems early on rather than repairing damage later. It shapes environmental policy in Germany, the EU, and internationally. These specialists support the executives of the respective organisational units in the implementation and execution of the requirements and regulations under environmental law within their area of responsibility and work closely with the Environmental Protection Officer of the core Group on technical issues. The Environmental Protection staff unit regularly trains these specialists for their responsibilities.

The Management Board is also responsible for SWM's energy policy. Its members have appointed a high-level Energy Management Representative who ensures the introduction, maintenance, and improvement of our energy management system in accordance with DIN EN ISO 50001. Further management representatives and specialists also help perform the tasks of the Energy Management Representative at the segment level.

## Operational environmental protection officers and environmental and energy management representatives

### REQUIRED BY LAW (GROUP):

Emission Control Officer<sup>1)</sup>  
Water Protection Officer<sup>1)</sup>  
Waste Inspector<sup>1)</sup>  
Hazardous Substances Officer  
Radiation Protection Officer

### INTERNALLY APPOINTED (GROUP):

Management Representative,  
Environmental Protection<sup>2)</sup>  
Energy Management Representative

### INTERNALLY APPOINTED (DIVISION / BUSINESS SEGMENT):

Environmental Management Officer  
Management System Specialists  
Waste / Water Protection /  
Emission Control Specialists<sup>3)</sup>

<sup>1)</sup> When the same person is responsible for various legally prescribed representative functions – as is the case at SWM – “environmental protection representative” is also used as a general term.

<sup>2)</sup> The Management Representative, Environmental Protection has similar duties and authorisations in business segments in which assignment of these tasks to an environmental protection officer is not required by law – adjusted to the environmental relevance of the respective segments.

<sup>3)</sup> At the engineer/foreman level in the individual organisational units

## Measures and responsibilities

For our technical segments, we report on their impact on the environment and environmentally relevant aspects resulting from our business operations in an annually updated EMAS environmental statement. We identify these aspects through systematic checks of our technical plants and processes. Subsequently, they are analysed and assessed for potential risks. This assessment is based on a quantitatively graduated evaluation system that considers all potential environmental impacts. In addition to qualitative characteristics, the assessment also takes account of quantitative indicators such as volumes and measured values as well as their descriptive summary analysis. The environmental impacts of SWM derived therefrom refer to:

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

Furthermore, we regularly transmit the data captured to the competent authorities. Beyond this, we are also in a continuous exchange with these authorities, e.g. during official walkthroughs at technical plants at sites with significant environmental risks.

Through our environmental management system in accordance with EMAS, especially the targets and measures contained therein, we systematically and continuously improve our environmental performance, minimising our environmental risks beyond the pertinent legal requirements. We perform internal audits to review our optimised environmental performance and strict compliance with all regulations under

environmental law and also have this confirmed by external experts every year. We document the greenhouse gas generated by SWM annually in our greenhouse gas inventory ([see page 36 et seq.](#)).

All subsidiaries in which environmental, quality, energy, and occupational health and safety management systems are applied set segment-specific annual or multi-year targets for themselves. Realisation of defined and ambitious targets leads to continuous improvement of our environmental performance, quality, and occupational safety. At the same time, this is the basis of all management systems listed. The envisaged optimisations focus on various environmental aspects. The scope includes emissions, energy consumption, waste as well as biodiversity. Target achievement measures are monitored by both the specialist units implementing them and centrally via the Environmental Management Officer.





Within the framework of our energy management, we perform energy efficiency evaluations pursuant to DIN EN ISO 50001 at least once a year. They provide us with important data for the comparison of past and current energy consumption levels and the associated influencing factors. This allows us to identify deviations early on and take the necessary measures, if required. As a basic principle, all processes and activities involved are audited internally once within the three-year certification period, and on-site walkthroughs are performed at all technical facilities. Compliance with this methodology and the implementation of relevant measures is reviewed and audited externally on an annual basis.

Internal training workshops are held regularly for environmental auditors. The target group of these workshops are all employees performing audit tasks in certified areas. Workshop participants learn how to check via on-site walkthroughs and through audits whether the relevant applicable environmental regulations are complied with in practice. SWM-specific practical examples are used to convey the knowledge they need for implementing and auditing the rules and regulations in everyday operations. For the employees of SWM, especially all those working within the areas of application of the management systems, we moreover offer various basic training courses and sessions, e.g. on environmental management. The goal is to maintain awareness of these topics also among colleagues not dealing with them in their daily work.

## Climate protection

Our business activities result in greenhouse gas emissions in the amount of several million tonnes of CO<sub>2</sub>e. Given the current state of the art and existing economic restrictions, climate-neutral provision will not yet be possible for many of our offerings in the near future. Nevertheless, we will continue to steadily improve the carbon footprint of our services. After all, we, in our role of municipal energy utility, regard it as our responsibility to contribute to climate protection. Ambitious targets in the individual business segments already serve the purpose of achieving this high-level goal.

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

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

The sustainability strategy is being refined through specific measures and key performance indicators (KPIs). Among other things, we drew up a decarbonisation path in 2024, which shows how we intend to reduce our greenhouse gas emissions and achieve climate neutrality by 2040. This goal involves a reduction in CO<sub>2</sub>e emission by slightly more than 90% compared to 2024, with any remaining residual emission being compensated by high-quality certificates and technologies such as CO<sub>2</sub> capture. Our yardstick in this exercise is the Net Zero Standard of the Science Based Targets Initiative.

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

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

<sup>1)</sup> See the chapter “About this report”, page 74 for a definition of the term “climate neutrality”

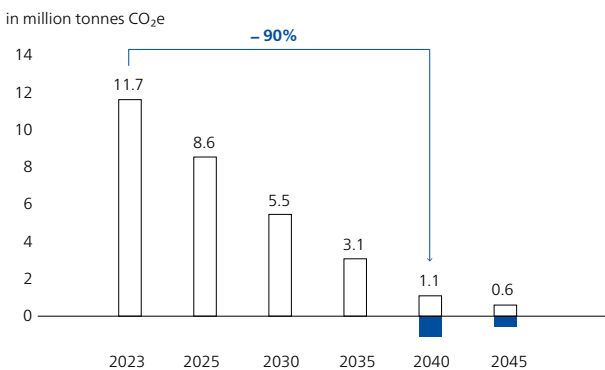
The perimeter for our decarbonisation path is defined based on the operational control approach of the GHG. This means that emissions of major shareholdings are captured. This corresponds to the requirements of the current version of the Corporate Sustainability Reporting Directive (CSRD) and ensures consistent reporting.

Major emission reduction measures include:

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

These strategic measures are an integral part of SWM's corporate strategy and have been aligned with the targets laid down in the Paris Climate Agreement. The decarbonisation path is based on the calculation methods specified in the GHG as well as internal forecasts and assumptions made by industry and trade associations.

### SWM's decarbonisation path



□ Total emissions ■ Compensated emissions

Sources: own analyses, Greenhouse Gas Protocol  
As of 11/2024



The expansion of geothermal energy is making a major contribution to achieving our climate goals.

### SWM greenhouse gas inventory

As in previous years, the compilation of our greenhouse gas inventory follows the market-based approach of the GHG and includes both direct emissions (Scope 1) and indirect emissions (Scope 2 und Scope 3) of SWM. Since the 2022 reporting year, our GHG inventory has included not only the SWM core Group (see the chapter "About this report", page 74) but also all major shareholdings<sup>1)</sup> (see the SWM Annual report 2024, page 78).

Up until the 2023 GHG inventory, we uniformly used the equity share approach of the GHG for the calculation of our shareholdings' emissions. The current version of the CSRD requires the use of the operational control approach. Even though the CSRD will, in all likelihood, not become legally binding for SWM until the 2027 financial year, we are already changing the underlying methodology to CSRD requirements at the current juncture. In concrete terms, this means that we will take the one-off measure in 2024 of showing emission levels in accordance with both the equity share approach and the operational control approach. This double reporting serves the purpose of ensuring comparability of emission levels up until the year 2024. From the coming year onwards, we will report emission levels exclusively in accordance with the operational control approach.

<sup>1)</sup> Shareholdings are considered to be "major" when they are of material importance for SWM Group from a financial perspective or due to their impact on the environment. Therefore, all fully consolidated shareholdings as well as all shareholdings in the areas of energy supply and mobility have been included in the greenhouse gas inventory.

Since we are an energy utility, our direct emissions mainly result from electricity and heat generation (Scope 1). Regarding the indirect emissions from the upstream and downstream value chain, the focus is on emissions from use of sold products (Scope 3.11), especially sold natural gas. Furthermore, financed emissions (Scope 3.15) are also relevant. Until 2023, we continually expanded the emission categories selected to ensure the most comprehensive reporting possible. In 2024, we kept our past selection unchanged.

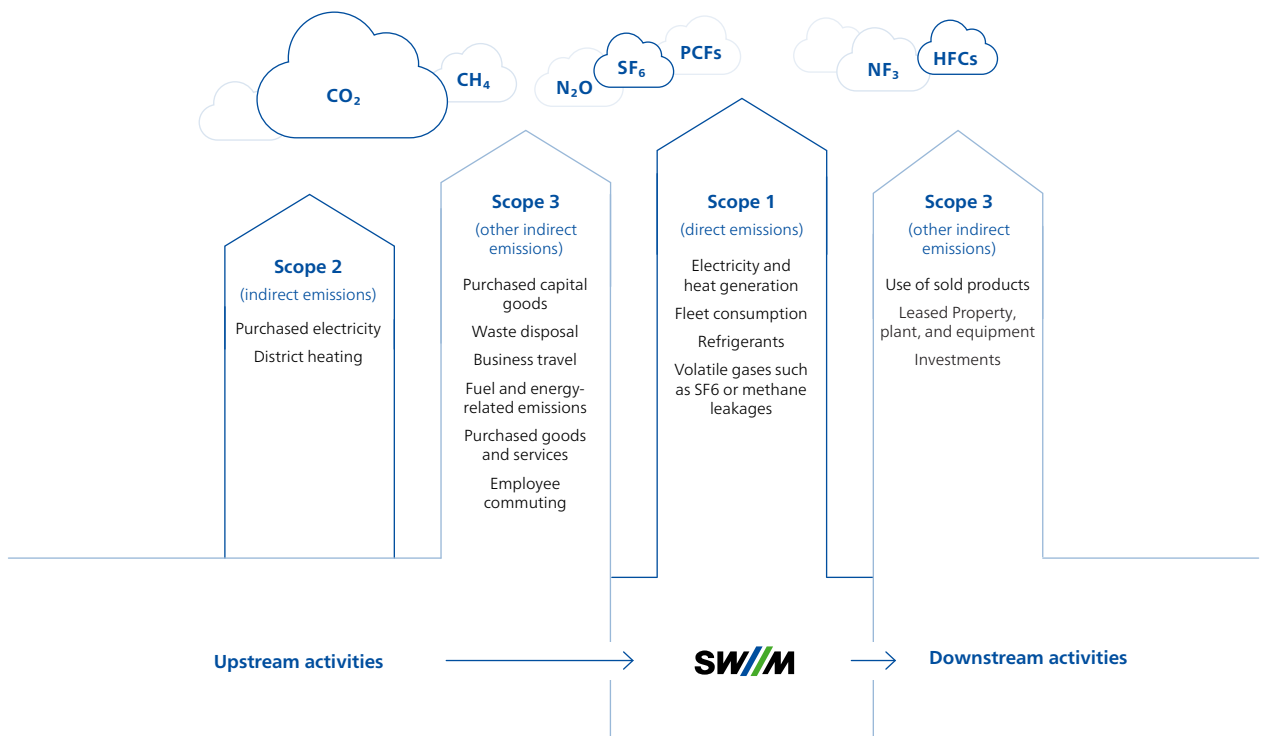
In addition to the categories already mentioned, we ultimately also included emissions from purchased goods and services (Scope 3.1), from capital goods (Scope 3.2), fuel and energy-related activities (Scope 3.3), waste generated in operations (Scope 3.5), business travel (Scope 3.6), employee commuting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

In the underlying emission factors, we continue to base our calculations on the factors defined by the German Federal Environmental Protection Agency

(Umweltbundesamt; UBA) and the ecoinvent data base. In the calculation of Scope 3.1 und 3.2, we also use the EXIOBASE data base.

All emission levels shown below refer to SWM Group as a whole, calculated in accordance with the operational control approach. As in 2022 and 2023, the levels of SWM Group include the emission levels of the major shareholdings of SWM. These are primarily the emissions of Bayerngas GmbH, Energie Südbayern GmbH, and Spirit Energy Limited.

The Scope 1 emissions reflect positive effects resulting from the conversion of the coal-fired Block 2 of the "Nord" combined heat and power plant to gas-based operation (see page 43). At slightly under 1.9 million tonnes CO<sub>2</sub>e in 2024, the emissions of the materials used – waste, gas, and coal – reached their lowest level since the start of GHG inventory preparation in 2019. Compared to the figure recorded in 2019 – a good 3.0 million tonnes CO<sub>2</sub>e –, emissions were reduced by 39%. This success is due to the fact that we exited from coal-based electricity generation in 2024 – significantly earlier than the due date of 2038 set by the German federal government. Compared to a figure of slightly under 2.3 million tonnes CO<sub>2</sub>e in the previous year, the reduction still comes to as much as 19%.



### Emissions Scope 1, Scope 2, and Scope 3 based on the equity share approach<sup>1)</sup>

in tonnes	2022		2023		2024	
	Core Group	Core Group	Entire Group	Core Group	Entire Group	
<b>Scope 1</b>						
CO <sub>2</sub> equivalents (global warming potential) <sup>2)</sup>	2,356,701	2,349,703	2,510,446	1,893,118	2,023,045	
Thereof						
Gas	929,760	630,094	781,907	1,090,015	1,197,811	
Coal	1,161,614	1,455,449	1,455,449	542,792	542,792	
Waste	224,129	204,159	204,159	212,148	212,150	
<b>Scope 2<sup>3)</sup></b>						
CO <sub>2</sub> equivalents (global warming potential)	9,249	8,417	63,121	1,577	31,097	
Consisting of third-party consumption of electricity and district heating						
<b>Scope 3</b>						
CO <sub>2</sub> equivalents (global warming potential)	2,914,714	2,149,354	7,962,505	1,932,575	6,911,456	
Thereof						
Fuel and energy-related emissions of electricity	908,299	113,203	831,985	116,499	616,500	
Use of sold products (natural gas)	1,494,259	1,222,093	5,958,109	1,139,601	5,119,991	
Fuel and energy-related emissions of natural gas	336,139	234,437	719,515	282,210	627,736	
<b>Biogenic emissions</b>						
CO <sub>2</sub>	642	96	406	0.3	244	

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

in tonnes	2023		2024	
	Core Group	Entire Group	Core Group	Entire Group
<b>Scope 1</b>				
CO <sub>2</sub> equivalents (global warming potential) <sup>2)</sup>	2,349,703	2,367,480	1,893,118	1,919,395
Thereof				
Gas	630,094	647,785	1,090,015	1,102,451
Coal	1,455,449	1,455,449	542,792	542,792
Waste	204,159	204,159	212,148	212,153
<b>Scope 2<sup>3)</sup></b>				
CO <sub>2</sub> equivalents (global warming potential)	8,417	81,242	1,577	25,943
Consisting of third-party consumption of electricity and district heating				
<b>Scope 3</b>				
CO <sub>2</sub> equivalents (global warming potential)	2,149,354	9,220,466	1,932,575	8,246,921
Thereof				
Fuel and energy-related emissions of electricity	113,203	190,230	116,499	118,013
Use of sold products (natural gas)	1,222,093	4,844,331	1,139,601	3,662,350
Fuel and energy-related emissions of natural gas	234,437	694,265	282,210	603,405
Investments		2,849,937		3,399,824
<b>Biogenic emissions</b>				
CO <sub>2</sub>	96	331	0.3	0.3

<sup>1)</sup> The system perimeter that had been expanded in 2023 was kept unchanged in 2024.

<sup>2)</sup> Recalculation of the emissions of the SWM fleet was only partially possible in 2024. For Mobility, we had to rely on the previous year's figures.

<sup>3)</sup> Scope 2 emissions are calculated in accordance with the market-based approach.

A look at the Scope 3 emissions shows that the emission volume from use of sold products (natural gas) decreased significantly in 2024 compared to the previous year. Alongside another mild winter and continued energy savings, the conversion of the business model of Bayerngas GmbH, in which SWM holds a stake, contributed to this trend. The discontinuation of the traditional fossil business segment in the area of natural gas (trade and sales) envisaged for the end of 2025 already resulted in both decreasing gas sales and correspondingly lower emission levels in 2024. What is important to note is that the emissions shown refer to the volume of sold natural gas. The perimeter of our greenhouse gas inventory does not include natural gas volumes that are merely transported.

As in the previous years, biogenic emissions and Scope 2 emissions hardly played any role. To some extent, the significant decrease in Scope 2 emissions is also due to a methodological change, which leads to electricity consumption of our own power plants being shown only in Scope 1 and no longer in Scope 2.

The ultimate result is a pleasing development, as the total of all three scopes shows a reduction of nearly 1.5 million tonnes CO<sub>2</sub>e or slightly over 13% versus the previous year's level.

### Expansion of green electricity generation

We launched our renewable energies expansion campaign as far back as in 2009 – and thus earlier than many other energy utilities. At the time, we set ourselves the ambitious goal to generate sufficient green

electricity in our own plants to cover all of Munich's power consumption from 2025 onwards. And we have indeed reached this goal: nominally, we are able to generate as much as 6.7 terawatt-hours of green electricity in 2025. As wind speeds were lower than normal in the first half of the year, the actual generation of green electricity will presumably come to approximately 6.3 terawatt-hours in 2025. With this, we would still reach the target, however. Given the prospect of a further significant increase in electricity demand in the years that follow due to Munich's growing number of inhabitants, the expansion of electromobility, and the increased use of heat pumps, we will continue to drive our renewable energies expansion forward, both at the regional and supraregional levels. In these efforts, we will tap the potential of a diverse range of sustainable energy sources (such as wind, solar energy, and water), attaching a strong priority to projects in Munich and the surrounding region. As we are currently not able to generate as much green electricity as needed regionally, we make use of shareholdings to engage in activities in Germany and Europe that go beyond the Munich metropolitan region.

Wind energy is still the most productive as well as the most profitable technology for the generation of green electricity from renewable sources. Accordingly, wind parks in Germany and Europe are a focal point of our investments. The largest generators are the two German offshore wind parks of DanTysk Sandbank Offshore Wind GmbH & Co. KG (SWM stake: 49%) and the Norwegian onshore wind parks of Midgard Vind Holding AS



Since 2022, an in-house SWM maintenance team has taken care of the SWM Havelland wind park.

## THE EUROPEAN "POWER LAKE" MODEL

Electricity is generated at various sites in Europe and fed into what is known as the "integrated European electrical grid". From a physical point of view, this electricity is a combination of the output from all nuclear, coal-fired, and gas-fired power stations as well as green electricity generation plants and is thereby made available to customers in this blended form. The image of a huge lake can be used to describe the integrated European electrical grid. All electricity generators feed this "power lake", and all electricity consumers take something out of it. Every kilowatt-hour of electricity generated from renewable energies makes this European lake cleaner. Participations in climate-friendly energy generation plants outside Munich thus make just as much sense as our regional efforts.

(SWM stake: 70%). Their generation capacity exceeds the mark of 1 billion kilowatt-hours (SWM share) each. The capacity of the wind parks held by our wpd europe GmbH shareholding (SWM stake: 33%) in its own portfolio stood at 1,184 megawatts in the year under review.

In our regional projects, we use solar power, hydroelectric power, and biomass as energy sources for green electricity generation. We are putting particular emphasis on driving the expansion of photovoltaics forward. The City of Munich has set itself the goal of covering shares of approximately 10% and 20% to 25% of

municipal electricity consumption by 2035 and 2050, respectively, with the help of green electricity generated within the Munich city limits. To achieve this goal, a photovoltaics expansion plan has been drawn up, which will lead to PV electricity generation capacities of ca. 800 million kilowatt-hours by 2035 and ca. 2 billion kilowatt-hours by 2050. This corresponds to approximately 11% (2035) and 24% (2050), respectively, of the projected direct electricity consumption in Munich.

SWM is supporting the City of Munich and is driving the expansion of roof-top PV plants forward: wherever possible, we are installing PV plants on the roofs of SWM's own properties – for example on parts of the headquarters of Stadtwerke München, on the roof of the Olympiazentrum bus station, and on our warehouses. Under our M-Solar Plus offer for homeowners, we are installing an average of ten PV plants per week. Our M-Mieterstrom product allows tenants to also benefit from reasonably priced and locally generated electricity. In this model, we lease roof space from building owners, on which we then install solar plants. With this approach, several projects have already been realised in cooperation with partners such as the municipal housing company Münchner Wohnen and with Stadibau, the housing company of the Free State of Bavaria. In 2024, we realised 124 plants with output capacities of 4.17 megawatts peak within the framework of our energy partnership with Münchner Wohnen.

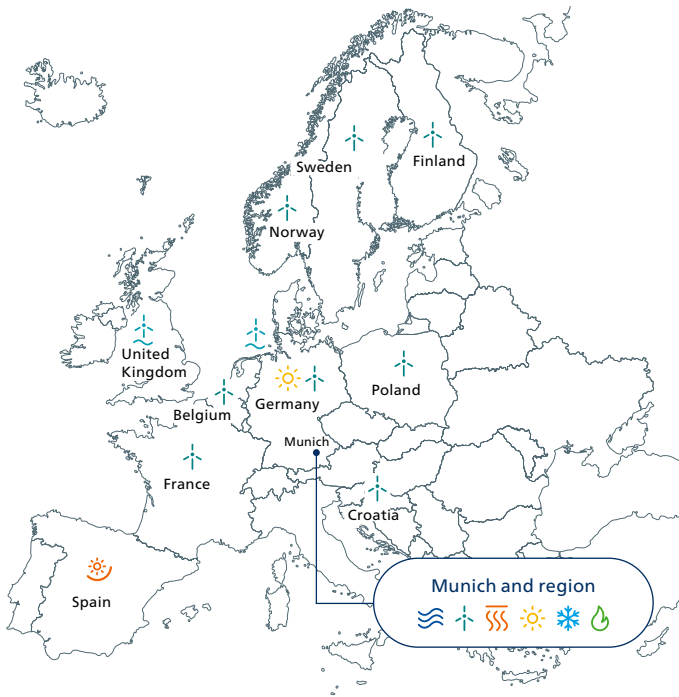
We are also expanding the use of photovoltaics in the metropolitan region. In addition to the use of our own grounds, we are also searching for suitable leased land on which we can install PV plants. On the grounds around our Uppenborn 1 hydroelectric power plant and in Upper Bavaria (Ballersdorf and Niederhummel), we operate ground-mounted photovoltaic plants. Together, these solar plants produce electricity for more than 5,600 households. In Zengermoos near Moosinning, we are building our hitherto largest regional solar farm. Its annual output of 44 gigawatt-hours will correspond to the electricity demand of 17,600 Munich households. In addition to generating climate-friendly energy, solar farms also foster ecological diversity by creating habitats for a rich flora with many different blossoms, insects, and grazing animals.

A further regional milestone in the renewable energies expansion campaign: we won the contract for a wind park in the Eichstätt district in 2024. By 2030, we will build six wind energy turbines there, which will contribute to supplying the region with sustainable energy.



## SWM renewable energy generation plants

### Throughout Europe



Including shares; as of 01/2025

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

The locations and the number of PV plants shown serve the purpose of illustration.

### Munich and region

- 13 hydropower plants
- 2 wind power plants
- 7 geothermal power plants<sup>1)</sup>
- 221 photovoltaic plants, 4 solar farms<sup>1)</sup>
- 12 cooling plants/ground-water cooling systems<sup>1)</sup>
- 1 biomass power plant

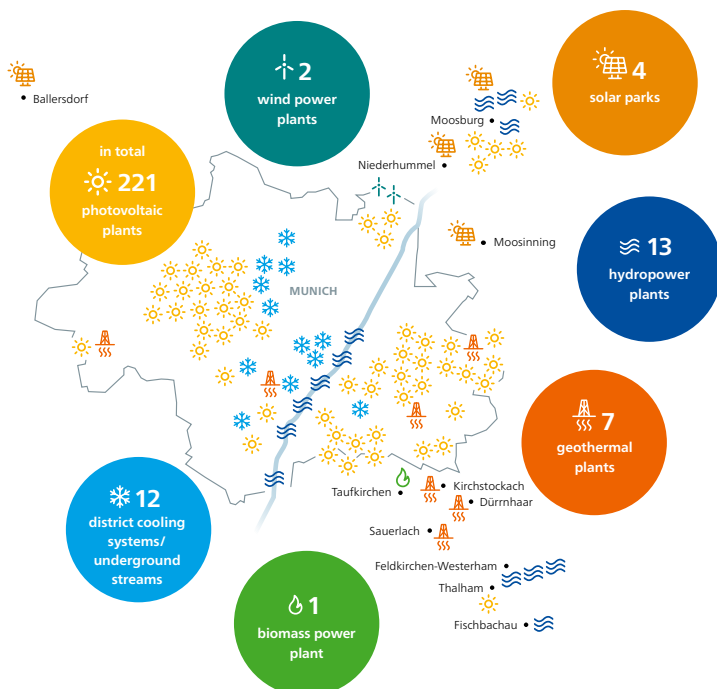
### Germany

- 3 offshore wind parks (North Sea)
- Onshore wind parks (Brandenburg, North Rhine-Westphalia, Rhineland-Palatinate, and Saxony-Anhalt)
- 2 solar power plants (Bavaria and Saxony)

### Europe

- 1 offshore wind park (United Kingdom)
- Onshore wind parks (Belgium, Croatia, Finland, France, Norway, Poland and Sweden)
- Parabolic trough power plant (Spain)

### Munich and region



- Isarwerke 1, 2 and 3, Maxwerk, Stadtbachstufe, Praterkraftwerk (Munich); Leitzachwerke 1, 2 and 3 (Feldkirchen-Westerham); Uppenbornwerk 1 and 2, Sempt (near Moosburg); Hammer (near Fischbachau)

- Fröttmaning, Freimann (Munich)

- Heat: Riem, Freiham, "Süd" energy location, Michaelibad<sup>1)</sup>  
Heat and electricity: Kirchstockach, Sauerlach  
Electricity: Dürnhaas

- Munich and region

- Niederhummel, Ballersdorf, Moosburg, Zengeremoos bei Moosinning (im Bau)

- Stachus, Odeonsplatz, Herzogspitalstraße, BMW FIZ, SWM headquarters, Moosach, Dessauer Straße, Oberwiesenfeld, Laim, Sendling-Westpark, Balanstraße, "Süd" energy location<sup>1)</sup>

- BioEnergie Taufkirchen

As of 01/2025

The locations and the number of PV plants shown serve the purpose of illustration.



SWM's Sauerlach geothermal plant generates both heat and electricity.

plants: one plant is to be constructed in the northwestern part of Munich, at Pasinger Heuweg in the Untermenzing neighbourhood. A further geothermal plant is to be built on the "Virginia Depot" former military compound on Schleissheimer Strasse in the northern part of Munich. In addition, we are enhancing the output of our existing geothermal sites by drilling additional wells. Among other things, our plans also include tapping geothermal potentials in the Munich metropolitan region with partners, also through cooperations with other municipalities. For example, we are planning the "Zukunftswärme M West" geothermal venture together with the towns of Germering and Puchheim.

### **SWM heating campaign**

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

We have used geothermal energy from the earth's interior for generating district heating for more than 20 years. At present, we are operating six geothermal plants in Munich and adjacent municipalities, including what is currently Germany's most powerful geothermal plant at our "Süd" energy location. This makes us Germany's largest operator of geothermal energy. We are investing sums running into the high triple-digit million range in the expansion of this successful technology. One important funding pillar for our path is the EUR 58 million subsidy we have been allotted from the federal subsidisation of efficient heating grids (BEW programme) for the construction of our next geothermal plant and the expansion of district heating in the Northeast grid section. This amount will cover 40% of the eligible costs we have calculated for these projects.

The ground-breaking ceremony for our seventh geothermal plant took place in 2024. The plant is being built on the periphery of the grounds housing the Michaelibad public pool and is to supply heating to more than 75,000 Munich citizens. Together with the City of Munich, we are scouting out locations for further downtown

### **THE "GIGA-M" RESEARCH PROJECT**

---

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

---

The increasing use of deep geothermal energy also has an impact on our district heating grid that is approximately 1,000 kilometres long – specifically on the section that we are still running as steam-operated grid. The reason: the water heated to temperatures of up to 120°C by geothermal energy cannot be fed into the existing steam-operated grid for technical reasons. This means that some 90 kilometres of piping and associated technical plants will gradually have to be converted to hot-water operation. We started the conversion process in 2022 and will presumably complete it in 2034. In 2024, we converted additional sections of the district heating grid in the Au-Haidhausen neighbourhood from steam to hot water. In addition, we plan to solidify and expand the district heating grid, growing it by a good 600 kilometres by 2040. For areas not covered by our district heating grid, we offer M-Nahwärme local heating infrastructure and M-Wärmepumpen heat pumps. It goes without saying that we will continue to reliably supply natural gas to our customers for the entire duration of the transformation to climate-neutral heating systems.

### Expansion of resource-saving district cooling

A further component of our climate management is the expansion of district cooling as a more efficient and environmentally benign alternative to conventional air conditioning systems. Compared to individual cooling, the district cooling process reduces electricity consumption by 50% to 70%. In this process, we use the subterranean urban stream in downtown Munich, for example, for chilling central cooling facilities. Cold water is then transported from these stations to buildings to cool them. Since district cooling is a closed system, there is no far-reaching intervention in the natural water resources.

At several locations in Munich, we moreover use cold ground water to cool buildings, including at our electric-bus depot in Moosach. Here, district cooling from ground water is used for cooling the charging infrastructure for the electric buses and the server rooms. We use the resulting heat for a multitude of applications. First, we power an open-space heating system that keeps the entrance and exit driveways of the depot's bus hangars free of ice in winter. This allows us to save large quantities of electricity and/or de-icing salt. Second, the residual energy is fed into the return pipe of the district cooling grid and can then be used elsewhere. For example, the 114 new company flats at Postillonstrasse are heated with a heat pump that uses ground water for heating and achieves high efficiency through the warm return water. The latter is cooled to an extent that makes it possible to return it to the aquifer at a temperature that is very close to its original one. This energy circuit with a water-cooled charging infrastructure and waste heat recovery makes SWM a trail blazer in Europe.

Demand for our M-Fernkälte district cooling service is growing. At our "Süd" energy location, we are therefore constructing a large district cooling centre. Alongside cold water from the Isarwerkkanal conduit, absorption cooling machines will allow us to use the energy from the geothermal and combined heat and power (CHP) plants located at this site for the operation of the cooling facility in the future. The cooling facility will be connected to downtown Munich via a new, approximately six-kilometre-long pipe. After its completion, the "Süd" energy location will have a cooling capacity of approximately 36 megawatts. This means that the plant will cover the district cooling customer demand that is forecast for downtown Munich for the coming years. Given the growing importance of district cooling for sustainable urban development, we are furthermore pursuing the target of expanding the grid to a capacity of at least 165 megawatts of energy-efficient district cooling by 2030.

### ENERGY MANAGER OF THE YEAR

---

At the E&M Energy Manager Conference, SWM's Chief Executive Officer, Dr Florian Bieberbach, was selected as "Energy Manager of the Year" in 2024, honouring his leading role in the advancement of renewable energies. A jury of scientists, journalists, and energy experts from all over Germany select the annual awardee. Special mention was made of the early expansion of renewable energies and deep geothermal energy at SWM as prerequisites for the energy transition in Munich.

---

### Exit from coal-based power

Russia's war of aggression against Ukraine slowed down our exit from coal-based energy, which had been scheduled for 2022. In 2024, we succeeded in switching the hard-coal-fired block of our "Nord" combined heat and power station, which is considered to be systemically important, to natural gas as scheduled. For this conversion, we used the overhaul period in summer to optimise the existing plants for the change in fuel. Just in time for the 2024/2025 heating season, gas-fired electricity and district-heating generation commenced operation to reliably cover the heating demand during the winter months. In warmer months, the use of this plant will be reduced significantly, because electricity and district-heating demand can be satisfied by more efficient plants during this time.

### Emission-free mobility

Electromobility has been used in Munich for more than 130 years. It all began with Munich's first electrically operated tram route. Today, MVG trams and underground trains are already powered exclusively by green electricity. As a third key pillar of local public transport, we intend to also fully electrify bus transport in Munich. Consequently, electric buses will be deployed on more and more lines. With a further 30 electric buses commencing operation, the MVG bus fleet will grow to approximately 100 vehicles.

Our approximately 90 hybrid buses also help reduce fuel consumption and emissions. They store energy while braking, which can then be used again for acceleration. Since 2022, we have moreover pursued a pilot project that involves deployment of a special MVG bus with trailer in regular operations. Its trailer has a PV plant manufactured by the Sono Motors start-up on its roof, which generates electricity for the operation of the air conditioning system. To test whether we can use this solution in an economically viable manner, we put three additional bus/trailer combos with a reduced number of modules from various manufacturers into operation in 2024.

In addition, MVG and the City of Munich are also jointly rolling out environmentally friendly and interlinked shared-mobility offers throughout the city. The MVGO mobility app brings the various transport modes together, ensuring multimodal mobility: local public transport and sharing offers are pooled in this app.

Beyond local public transport, we are also committed to promoting electromobility in a clearly targeted manner. At present, we are operating approximately 1,400 public charging stations for users of electric cars – making Munich a trail blazer in Germany. For the further expansion of the public charging infrastructure on land owned by the City of Munich, a tender is taking place. To make charging possible for the highest number of people, we also bank on public charging infrastructure on private land, e.g. at leisure facilities. We are also operating a steadily growing number of charging points in the private and commercial segments – currently more than 3,600.

### Realisation of further energy saving and emission reduction potentials

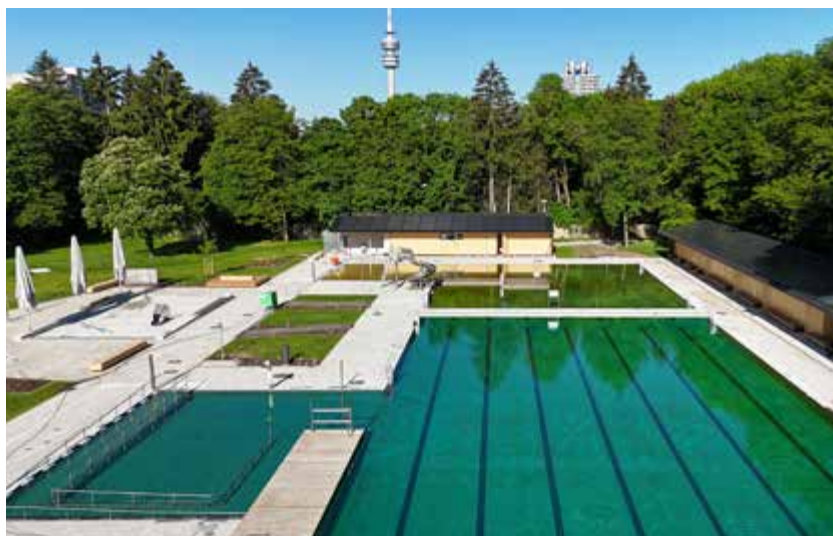
We deliberately reduce and limit the emission of greenhouse gases in our other business activities, too. For example, we plan to convert our vehicle fleet to electromobility by 2035. For the passenger cars in our fleet, we have already reached an electrification rate of 75%. For business trips, we check whether the use of local and long-distance public transport is cost-effective before we consider flights as an alternative. Short-haul flights are to be avoided wherever possible. In addition, e-bikes and electric vehicles are increasingly used for work-related trips between technical facilities where possible and compliant with occupational safety regulations. We use electricity generated from renewable energies in our real estate properties. Since we also rent out properties and tenants can freely choose their electricity provider, we cannot guarantee this for all properties.

We intend to switch our public pools to completely CO<sub>2</sub>-neutral<sup>1)</sup> operation by 2040, focusing on measures that are necessary from an economic and technical perspective. In the year under review, we updated our

greenhouse gas reduction plan and defined further target-achievement measures. Our strategy relies not only on step-by-step modernisation of the structures, but also on changes in the energy supply, for example the use of geothermal energy or heat pumps. The power supply of all M-Bäder public pools is based on green electricity and local power generation in photovoltaic plants. In addition, we plan to use electric vehicles for groundskeeping in all public pools. The roof renovation of the Westbad public pool includes plans for the installation of a roof-top PV plant, which is to commence operation in 2025. At the Schyrenbad outdoor pool, heat generation will be converted completely to district heating. We began to draw up the plans for this project in 2024, and implementation can be expected in 2025/2026. The conversion will help us avoid approximately 281 tonnes of CO<sub>2</sub>e in the future.

### A BARRIER-FREE NATURAL POOL

In late 2022, we began to convert the Georgenschwaige outdoor pool into a natural pool. In this project, our main focus is on energetic refurbishment. A dedicated photovoltaic plant is to generate electricity for the circulation pumps and a heat pump and keep the water temperature in the pool at a constant 22°C. Water treatment will be handled naturally by large ground filters. In addition, we use wood as a construction material and a modular design that makes it easy to dismantle structures, facilitating reuse of the materials. Furthermore, the pool will get a completely barrier-free design – for both our guests and our staff. Among other things, the pools will be equipped with a new ramp for wheelchairs and a “beach entry”. The pool was reopened for the 2025 outdoor bathing season.



<sup>1)</sup> See the chapter “About this report”, page 74 for a definition of the term “climate neutrality”.



15x

**less energy** Energy consumption of **end-to-end fibre-optic networks** compared to copper-based transmission technologies.

We have also ushered in the energy transition with the expansion of our fibre-optic network: as fibre-optic technology transmits data via light pulses and there is no conversion into electric pulses, electricity-intensive components such as amplifiers and converters are no longer necessary. End-to-end fibre-optic networks therefore need up to 15 times less energy than copper-based transmission technologies. Our expansion strategy provides for routing fibre-optic lines directly into users' flats in the future, closing the fibre-optic gap from the basement to the flat.

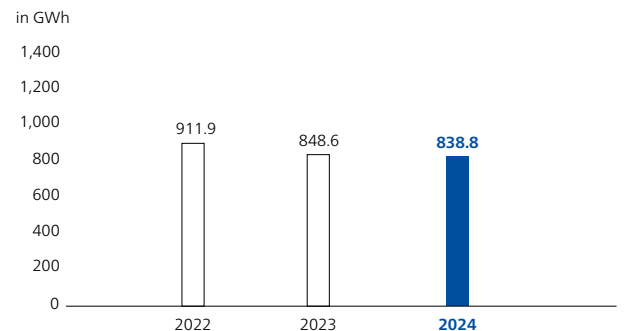
A further positive effect: when the entire city is equipped with fibre-optic cables, conventional mobile communications rooftop antennas with high radiation output can be replaced by much smaller 5G antennas with an output of less than 10 watts, which would significantly reduce local residents' radiation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

We also involve our employees in the efforts to enhance energy efficiency and reduce emissions. For example, we publish our Technology and Regional Energy Transition divisions' Environmental Statement, prepare intranet messages on the topics of energy and sustainability, and regularly address this topic in divisional meetings and training workshops. All employees of Stadtwerke München GmbH, SWM Versorgungs GmbH, and SWM Infrastruktur GmbH & Co. KG are required to complete a mandatory training session entitled "Energy management concerns us all!". In this session, participants are familiarised with basic information on the energy

management system pursuant to DIN EN ISO 50001 and learn what statutory obligations must be fulfilled by German companies and what contribution SWM makes to the conservation of energy and resources. In addition, they receive advice on how they themselves can contribute to an efficient use of energy. The training session must be repeated every three years and is also open for attendance by interested colleagues from other group companies. In addition, we offer financial incentives for the submission of energy saving ideas. All employees and external service providers of SWM can make suggestions for improvements and submit ideas through the established company suggestion scheme.

The so-called "CO<sub>2</sub> Expert Panel" was SWM's permanent information and exchange platform for decarbonisation approaches from late 2020 onwards. This panel wrapped up its activities in 2024 because the relevant topics it initiated are now addressed professionally in the new Sustainability organisation. This dedicated function is responsible for the group-wide compilation of the greenhouse gas inventory, the sustainability strategy, and the decarbonisation path, thus pooling SWM's sustainability activities in a more efficient manner.

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



<sup>1)</sup> Energy consumption – electricity, heating, and cooling – (Scope 2 under the equity share approach) of the SWM core group and its major shareholdings. For this report, data capture was harmonised retroactively from 2022 onwards. Comparisons with the figures from last year's report are thus not possible.

### Protection of water as a valuable resource

Munich’s drinking water, which we extract from our three catchment areas – the Mangfall valley, the Loisach valley, and an area of moraine deposits east of Munich known as the “Schotterebene” – is left in its natural state and already has such a high quality that no complex treatment is necessary. Our “ecoFarmer” initiative has been making a special contribution here. Through this programme, we have promoted organic farming in drinking water extraction areas for more than 30 years, protecting the ground water in the process. We provide funding to farms, the goal being to offset the losses they incur through the conversion from conventional to organic agriculture. Back in 1993, 23 farms were the first to sign a cooperation agreement with SWM. In the meantime, more than 185 farms in the Mangfall valley and five farms in the “Schotterebene” area have converted their farms to agricultural methods that protect soil and water as well as organic livestock husbandry. This has allowed us to reliably reach our self-imposed quality target of an average of less than 10 milligrams of nitrate per litre, which is significantly stricter than the statutory limits laid down in the German Drinking Water Ordinance (TrinkwV). Together, the organic farmers are cultivating an area of approximately 4,600 hectares, with the Mangfall valley being one of the largest contiguous organically farmed regions in Germany.

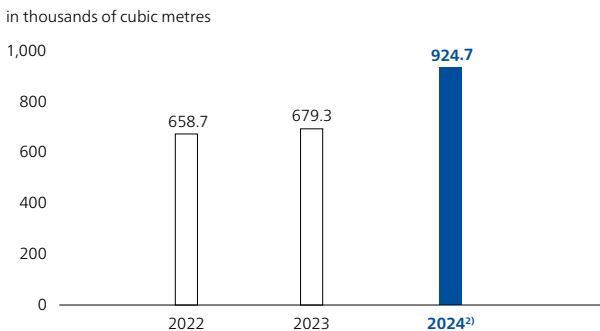
The former pilot project has now become a role model for the whole of Germany: SWM is closely collaborating with associations promoting organic farming such as Naturland, Bioland, Biokreis, and Demeter in order to support farmers in water extraction areas in their switch from conventional to organic farming. The project received an award from the Bavarian state government within the framework of its “30 for 30” initiative, which promotes 30 beacon projects that provide a boost to organic, regional food in Bavaria. The goal of this initiative is organic farming on 30% of the agricultural land in Bavaria by 2030.

Another element ensuring high drinking water quality in the Munich metropolitan region is the water protection forest totalling more than 1,800 hectares, which is owned by SWM. This structurally rich mixed forest helps regulate the water balance. Its humus-creating soil provides a particularly good filtration function for precipitated air pollutants, with active organisms in the soil decomposing organic contaminants. Thanks to this natural rejuvenation, the soil remains moist and is an ideal water reservoir. The forest manager is a member of Naturland-Verband and complies with this organic association’s ecological guidelines. Because the foothills of the Bavarian Alps are a region with above-average rainfall, drought periods have not yet had any noteworthy effect on drinking water

extraction to date. Irrespective thereof, we continuously monitor the water levels at numerous ground water monitoring wells. So far, the data collected has not indicated any changes in ground water levels.

We moreover devote great attention to minimising pipe-induced water losses. For this purpose, we use intelligent solutions that enable us to quickly identify and repair leaks in the pipework system. For example, the use of LoRa transmitters (long-range radio transmitters) in the water supply system facilitates early detection of such water losses.

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



<sup>1)</sup> Up until the 2023 Sustainability Report, the drinking water consumption of the SWM headquarters was shown. Starting with this report, we show the consumption of the entire core group (retroactively from 2022 onwards).

<sup>2)</sup> Refurbishing and maintenance work at the public pools led to increased consumption in 2024.

About

80,000 m<sup>2</sup>

The area we want to convert into flower meadows – this corresponds to **20% of the greenspace of our public pools.**



**Preservation of biodiversity**

In all business segments, we consider the potential impact of our business activities on biodiversity. In many instances, our activities have positive effects. For instance, our water protection areas are simultaneously important retreats for numerous endangered animal species such as bats. Our utility-scale photovoltaic plants also offer sanctuaries for ground-nesting birds. When we plan new plants, we use the requirements referenced in the “Good practices in the planning of ground-mounted photovoltaic plants” guidelines as our yardstick.

In addition, we strongly support bees in many ways. The number of bee colonies that have found a home at Taubenberg hill in our Mangfall valley water catchment area has now grown to approximately 30. The forest manager makes sure that every bee colony has its own territory and finds sufficient food for itself and its own hive. At the Deisenhofen overhead reservoir and the Deisenhofen and Gleissental ecological compensation areas, we have also put up hives for honey and wild bees.

In the greenspace of our public pools, we also help promote biodiversity. By 2023, we had converted more than 8,000 square metres into flower meadows, which are showing a promising development when it comes to biodiversity. In addition, we are planting more trees on the grounds of our public pools. In 2023, we developed a biodiversity approach in cooperation with an external service provider. With the help of a geographic information system, a comprehensive analysis of all available data on biological biodiversity was carried out at the public pool locations and in their immediate surroundings. From this, an assessment of the current and potential biodiversity position was derived for every site. The results were summarised in a comprehensive biodiversity strategy, which provides for near-term implementation of small-scale measures such as insect hotels, bat boxes, or greenspace creation. In addition, an analysis is being performed to determine what measures can be realised over a medium-term horizon and, above all, in new construction projects. Possibilities include the installation of photovoltaic plants or façade greening.

**Use of environmentally benign supplies**

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

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

In our wide range of construction projects – e.g. company flats, offices, or workshops –, we bank on sustainable, life-cycle-oriented, climate-friendly, and recycling-friendly construction. In these efforts, we comply with concrete guidelines and measures. For example, we consistently use renewable energies, increasingly rely on wood construction and secondary components and materials, and ensure the climate resilience of outdoor areas by applying the sponge city principle. In addition, we make every effort to conserve our building stock and avoid demolition. Furthermore, our Real Estate unit has defined its own sustainability strategy with a view to harmonising our requirements for new construction, refurbishing, the existing building stock, and neighbourhood development. In the future, our yardstick will be specific key performance indicators (KPIs) with ambitious targets from today until 2040. Among other things, we want to ensure that 100% of the energy supply to our company flat portfolio comes from renewable sources by 2040 and refurbish our flats in a manner that upgrades them at least to energy efficiency class D. In addition, residential space is to be limited to 20% below the German national average, and office space is to be limited to a maximum of ten square metres per person. We have asked the German Sustainable Building Council (Deutsche Gesellschaft für Nachhaltiges Bauen; DGNB), in which we have been a member since 2022, to certify two new commercial construction projects under the latest Gold Standard.



Employees

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

### Stadtwerke München as an attractive employer

Most of our employees work in Munich. We are faced with competition in the local labour market: DAX-listed corporations, innovative medium-sized enterprises, start-ups, and other entities also offer enticing jobs. By offering a comprehensive package, we want to position ourselves visibly and credibly as an attractive employer:

- ▶ Attractive remuneration and employee benefits
- ▶ Varied and meaningful work content
- ▶ Individual opportunities and development options
- ▶ Demanding and encouraging leadership
- ▶ Fair and appreciative treatment, congenial collaboration among colleagues
- ▶ Work/life balance
- ▶ Flexible work options
- ▶ Reliability and security
- ▶ Strong commitment to company-flat construction

- ▶ Promotion of diversity and equal opportunities
- ▶ Many-faceted range of training and internship positions, opportunities for dual study programmes, and a trainee programme

### SWM employer branding

After more than 13 years, we have comprehensively revised our employer branding – a necessary step at the right time. The shortage of skilled specialists is becoming increasingly acute, making a clear positioning of SWM as an attractive employer more and more important. Internally, our task is to enhance employee retention and reduce turnover rates by making our strengths as an employer more visible and encourage a stronger sense of unity. Externally, the revision is to help convince suitable new colleagues to join SWM.

### Human resources strategy

As a company, we are shaping the energy and heating transition and the mobility of tomorrow and are simultaneously facing challenges such as digitalisation and sociodemographic change. The goal is to deploy the right employees at the right place and time. In the future, we will provide more intensive support in transformation processes, address succession planning earlier, and place a special focus on needs-geared qualification and human resources development.



#### diverse and promising

A broad range of activities, varied professional fields and tasks, individual opportunities and development options for high-performers, and diversity and equal opportunities as everyday practices make Stadtwerke München a diverse and promising employer.



#### personal and humane

A clear focus on our employees' wellbeing, a good work/life balance and flexibility, a family-friendly approach and congenial collaboration among colleagues make Stadtwerke München a personal and humane employer.



#### reliable and secure

Location security, a regional orientation, business consistency over many decades, and reliability for customers and employees make Stadtwerke München a reliable and secure employer.



#### sustainable and meaningful

Engagement for Munich and the metropolitan region with innovations and sustainable contributions to the energy and heating transition, the mobility of the future, and jobs with a tangible sense of purpose make Stadtwerke München a sustainable and meaningful employer.

The HR teams work jointly on the implementation of the SWM human resources strategy, which is basically derived from the group strategy. Our strategic HR topics are subdivided into four action areas:

**Action areas and topics in HR for the period until 2025**

☆ **Attractive Employer**

- \_\_\_\_\_ Diversity and Equal Opportunities
- \_\_\_\_\_ New Way of Working
- \_\_\_\_\_ Healthy Company
- \_\_\_\_\_ Strategic Recruiting and Employer Branding
- \_\_\_\_\_ Benefits

🎓 **Development and Perspectives**

- \_\_\_\_\_ Talent Management
- \_\_\_\_\_ Advancement and Development
- \_\_\_\_\_ "Fortbildung 4.0" Initiative
- \_\_\_\_\_ Knowledge Exchange and Networking

👤 **Excellent Leadership**

- \_\_\_\_\_ Adjustment of leadership development offers and further development for Work Environment 4.0

🌐 **Change and Reputation HR**

- \_\_\_\_\_ Automation and Digitalisation
- \_\_\_\_\_ (Digital) Transformation
- \_\_\_\_\_ Position Management
- \_\_\_\_\_ Strategic HR Planning

The human resources strategy pursues the vision and group goal of becoming one of the five most attractive employers in the highly competitive Munich region by 2025. We measure the result regularly via the employer ranking compiled by the Trendence agency, which is based on a survey of three labour market groups – students, academic professionals, and non-academic professionals – and, since the year under review, on a survey among pupils. The survey comprises more than 20 questions in the following categories: work environment, terms and conditions, company, and culture. In late 2020 we were already in 6th place. In 2023, we maintained this position in the overall ranking, but already reached ranks 5 and 4 in the evaluations by academic and non-academic professionals, respectively. A new survey will be conducted in 2025.

We regularly conduct internal employee surveys. The insights gained help us align requirements and working environments and reduce or guard against potential barriers (see page 55). Most recently, our efforts to increase employer attractiveness focused to a greater degree on the working conditions for technical/commercial employees. In Mobility, for instance, we developed a segment-specific strategy and approved approximately 100 measures aimed at enhancing employee satisfaction and reduce the turnover rate. In addition, dialogues with employees were organised in select departments with a view to initiating targeted improvements. Here, too, more than 50 measures were identified and are currently being implemented.

With our HR strategy, we moreover strengthen our sustainability strategy, especially the "Social" pillar, which includes the topics of diversity, inclusion, employee retention, and staff development. The implementation of action areas and the achievement of strategic goals are evaluated in quarterly reviews. Further potential measures are discussed on this basis.

**SWM IS A TOP COMPANY**

In 2024, Kununu awarded Stadtwerke München its "Top Company" label for the third time in succession. The score assigned by this employer rating platform is derived from independent ratings submitted by former and current employees as well as applicants. We received special praise for the way we deal with older colleagues, our environmental and social awareness, and our professional management of applications. This assessment underscores SWM's continuous efforts to further a congenial work environment among colleagues.





The hitherto pursued HR strategy focused on the year 2025, which is the reason why we are revising it in alignment with our targets for 2030. In late 2024, we started developing a vision for the future of our HR function in 2030, supplemented by guideposts serving as strategic framework for all our actions. This process was recently completed. In the next step, we will derive action areas, strategic goals, and concrete measures that will contribute to implementing our new direction.

Our aspiration is to become one of the

# TOP 5

employers in Munich by 2025.

### Recruiting staff members

To win new employees, we are already active in the stage when potential new colleagues gather information about future career choices. In 2024, we again attended numerous job fairs and career guidance days and also internally organised many career guidance days of our own such as information events on dual-study courses, the “Azubis machen Schule” format, and our Girls Day. In our social-media channels, we provide authentic and digital information on training opportunities and job profiles at SWM. Some 130 pupils got to know our company through internships in 2024.

In the keenly contested Munich labour market, we rely on target-group-focused formats that allow prospective candidates to get better acquainted with SWM and its employees in a relaxed environment and through personal exchanges. This approach has already brought us considerable success: thanks to these efforts, we were able to increase the number of applications to more than 40,000 in 2024. One example of this approach is our “SWM on Site” event series, for which we organised several recruiting afternoons for technical professions at various SWM sites (e.g. at the tram workshop, the “Nord” combined heat and power plant, and our corporate headquarters). Our job application trams and buses were likewise again successfully out and about in 2024.

Universities also play an important role for our personnel recruitment strategy. Through lectures, excursions, and recruiting days, we established contacts to graduates and students. We are pleased to report that numerous student deployments ultimately resulted in employment relationships or inclusion in our trainee programme.

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

	2022		2023		2024	
	Female	Male	Female	Male	Female	Male
<b>Total number of employees</b>	<b>2,196</b>	<b>7,710</b>	<b>2,338</b>	<b>7,911</b>	<b>2,628</b>	<b>8,457</b>
Thereof under 30 in %	22.6	15.4	20.3	14.1	20.5	14.8
Thereof 30 to 50 in %	46.6	45.6	51.1	47.9	52.6	48.8
Thereof over 50 in %	30.8	38.9	28.6	37.9	26.8	36.4

### Employees by type of contract

	2022			2023			2024		
	Total (number of employees)	Female (in %)	Male (in %)	Total (number of employees)	Female (in %)	Male (in %)	Total (number of employees)	Female (in %)	Male (in %)
Full-time <sup>1)</sup>	8,745	17.9	82.1	9,035	18.5	81.5	9,759	19.4	80.6
Part-time	1,161	54.6	45.4	1,214	54.8	45.2	1,326	55.1	44.9
Permanent	9,526	21.6	78.4	9,837	22.2	77.8	10,580	23.2	76.8
Temporary	380	37.6	62.4	412	37.6	62.4	505	34.7	65.3

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



International recruiting is a new element in our staff recruitment efforts. We have been able to successfully win new colleagues for SWM from countries such as Spain, Albania, and Bosnia. We have mainly hired drivers, but also commercial/technical employees. This is important as the shortage of skilled specialists will become more acute in the years to come. One key success factor in these endeavours is a welcoming culture that emphasises customised onboarding and proactively shapes the integration of new colleagues. In our personnel recruitment, we also assume our social responsibility. For example, we have been engaged in “Stadtwerkeprojekt” for more than 30 years. Every year, this project makes it possible for at least four young adults who find it difficult to get their careers off the ground to go through professional training including associated off-the-job support and assistance by qualified social education workers. In 2024, a total of 24 young people were supported by social education workers from “Stadtwerkeprojekt”, and 18 of them have started traineeships organised in cooperation with SWM. To retain our existing employees and attract new staff members, we offer not only meaningful tasks and attractive remuneration, but also many additional benefits. We create a healthy work/life balance, [see page 56](#), offer company flats, [see page 57](#), and health services, [see page 61](#), as well as an environment in which our employees can enhance their skills and have incentives to make their own contributions, [see page 54](#).

### Training and professional development

On average, at any given time some 400 young people in our organisation go through commercial or vocational/technical traineeships or dual study programmes combining academic studies with vocational training in a company setting. We are thus one of the largest workplace training organisations in Munich. We now offer 17 different vocational professions and six dual study programmes. In 2024, 146 (previous year: 150) young people started their professional career in our organisation, of which 25 were women. In 2024, we offered approximately 84% of our trainees employment after completion of their training programme (previous year: 71%).

In addition, 51 dual study programme participants (33 male and 18 female) worked for us at the end of 2024, of which 19 students (12 male and 7 female) commenced their dual studies in autumn 2024. The share of women in our dual study programme is currently 35%. In 2024, we added industrial engineering and mechatronics to the range of dual study programmes we offer.

### A LOT OF SPACE FOR GOOD IDEAS

---

2024 saw the opening of two important new buildings on the grounds of the SWM headquarters: the SWM Training Centre and the automobile workshop were assigned new rooms that they can use flexibly. The Training Centre offers a modern learning environment with state-of-the-art IT equipment, 3D printers, robotics workstations, VR and AR technology, and much more. The premises of our SWM Academy, where we offer advanced training courses to our employees, are right next door. Furthermore, the SWM Innovation Lab has moved into this building. This lab is to enhance cooperation with industry and science in creative and workshop spaces. The move of our training programmes and our automotive workshop has vacated space at Hans-Preissinger-Strasse und Hessesstraße. We plan to convert it into additional company flats.

---

Digitalisation and technological change require the ability to identify new possibilities, understand them, and use them in the best possible manner. In our annual “SWM Dialogue”, employees can discuss and agree to their individual development opportunities with their managers. Options we promote include leadership, technical, and methodological training, development counselling, as well as coaching and training workshops to strengthen personal and social competencies. The focus is on ensuring content transfer to our daily business, enhancing employees’ ability to learn, and

strengthening their willingness to learn (lifelong learning). At the same time, we encourage mutual networking through various forums, events, or learning workshops. In the year under review, our employees attended a total of 16,345 professional development days (previous year: 12,672 days).

In leadership development, too, we greatly value the importance of a high level of practical relevance. With "Excellent Leadership", we have defined a holistic aspiration that describes what we expect of our leaders and is the foundation of our various development offers. In addition to technical and methodological content, the focus is on reflexion and feedback. In 2024, several programmes were on our agenda. Under the heading "lifelong learning", we offer a qualification programme for all experienced managers. Within the framework of our "M/Up" programme, all leaders were strengthened in their roles. In total, all managers of the three top leadership levels attended mandatory training sessions. After a revision of the "M/Up" approach, a further approximately 600 managers were trained in a convention format in 2024. We completed this programme in February 2025.

Managers who have been newly appointed to their first leadership role attend our Management Development Programme (MEP). This programme teaches them, among other things, leadership in critical situations, the overall impact of leadership, critical discussion techniques, conflict management, and change management. Strengthening leaders' customer orientation is another focus of the programme. When managers take on new positions, they always undergo "Leadership Onboarding", which consists of consulting and information offers as well as mentoring and team development processes. In the 2024 reporting year, our managers completed a total of 3,360 professional development days (previous year: 2,147 days).

To enable business units to convert their own content into e-learning modules, we implemented a user-generated content process. This resulted in an increase in the number of target-group-specific e-learning modules from the business units in the year under review. Business units can make their e-learning modules available to a certain group of participants.

Since autumn 2024, we have hosted our training workshops at the newly created SWM Academy. The close interconnection with the new SWM Training Centre (see page 52) and the SWM Innovation Lab allows us to offer our programmes in an even more transparent and centralised setting. The trainings conducted in 2024 included workshops supporting employees in their development of proficiency in German and extensive training programmes for the Mobility business segment. In addition, the educational programme has been expanded to include training offers in the thematic field of "future skills", including training in the application of AI, learning journeys to dynamic competencies, learning strategies in complex times, leadership during transformation, and resilience training. We have also intensified our promotion of the project manager career at different hierarchical levels. For this purpose, we have created a wide range of qualification offers, supplemented by development measures such as coaching and mentoring for prospective project managers.

For the fourth time in a row, demand for training offers within the framework of our open-education programme increased strongly (+21 %), to 10,550 participant days. Among other things, this was due to the high number of new recruits. Similarly, the number of participant days in target-group-specific training offers increased by 46 %, to 5,845 days. Internal trainers accounted for 790 out of a total of 1,859 trainer days.

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

	2023		2024	
	Number of seminars (type of training)	Participants (heads)	Number of seminars (type of training)	Participants (heads)
In-person training	179	6,014	206	7,070
Virtual training	118	2,197	107	2,476
E-learning	113	51,453	122	56,765
<b>Total</b>	<b>410</b>	<b>59,664</b>	<b>435</b>	<b>66,311</b>

### Employee involvement and participation

With a registration rate of 97.8% and a total of 11,495 registered users, our “SWM connect” intranet has established itself as a platform for knowledge exchange and employee involvement. What is particularly pleasing is the fact that 96.5% of all employees are active there at least once a month, while 40.6% use the intranet daily. A significant share – 22% of all accesses – uses mobile terminal devices, highlighting the importance of flexible access possibilities.

Our corporate news, which registered approximately 1.4 million clicks in 2024, show a 13% increase compared to previous year, illustrating the increased interest in and the relevance of the information provided. This continuous improvement in mobile accessibility is solidifying our position as a company that takes the integration of non-desktop colleagues seriously. Improvements in mobile intranet use will remain a key focus in the coming year, too, the goal being to offer all employees access to information and participation options. Our efforts are geared to creating an inclusive work environment that involves all employees, irrespective of their place of work or their technological options.

We encourage all our employees to cast unbiased and critical eyes on their own work environment and play an active role in its continuous improvement. Our idea management programme allows them to suggest

improvements for the processes and procedures in the organisation. Following an internal evaluation process, some of these ideas are selected for financial rewards. At an annual celebration of ideas, the company executives thank all people who have submitted suggestions. In 2024, 86 out of a total of 419 ideas submitted were realised. They resulted in an economic benefit of EUR 1.6 million (previous year: EUR 1.2 million).

Beyond traditional idea management, we are also striving to inspire our employees’ passion for innovation and motivate them to play active roles in change processes. For example, we are carrying out an idea campaign aimed at reducing waste on the basis of what is known as “mudas”. The term from the Japanese Kaizen philosophy means “waste” and describes activities or processes that consume resources such as time, money or materials without creating added value. The best proposals and ideas are awarded special prizes. In addition, an interdisciplinary employee community focusing on innovation was established under the name of “PulsMacher” (pulse makers). In 2024, this community expanded the range of topics it covers to include the topic of sustainability as innovation and sustainable action are inextricably linked. The aim of the PulsMacher community is to support employees in the development of process improvements via a network for colleagues interested in innovations, while simultaneously enhancing their methodological skills.





### Responsibility as an employer

As an employer, we stand for congenial cooperation among colleagues, sustainability, a wealth of opportunities, and reliability aimed at ensuring a high quality of life ([see the chart on page 49](#)). Our employees' working conditions must also reflect these values.

With flexible time accounts, various part-time models, personalised deployment and work scheduling, and mobile work options, we offer our employees numerous variations of working time arrangements. In 2024, the regulations for sabbaticals that previously already applied to some units were rolled out on a group-wide basis. In areas in which remote working from home and

mobile working are not possible, we are also striving for high flexibility, especially with respect to working time arrangements. In the area of rotating shifts, a new shift model with significantly more possibilities for compensatory time-off was moreover negotiated in 2024.

To ensure that our offerings address our employees' needs, we conduct employee surveys on various topics every four years. Aspects covered by these surveys include sustainability, health, leadership, and corporate culture. In autumn 2024, another company-wide employee survey took place that also – like its 2020 predecessor – took a look at the risk assessment of psychological stresses. Roughly 50% of our employees participated in the survey, providing valuable insights. Overall, participants' satisfaction with their employment relationships with SWM was at a comparably high level as in 2020. Their job activities and the corporate culture are the biggest drivers of their overall satisfaction. Furthermore, the survey showed that identification with the company is still very high. In the period until the next scheduled interim check in 2026, leaders have been tasked with using the survey results to derive measures aimed at a clearly targeted further optimisation of working conditions.

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

### Hires and exits

	2022		2023		2024	
	Hires	Exits	Hires	Exits	Hires	Exits
<b>Total (number of employees)</b>	<b>730</b>	<b>543</b>	<b>1,048</b>	<b>534</b>	<b>1,327</b>	<b>559</b>
Female	225	118	298	114	382	111
Male	505	425	750	420	944	448
Below 30	281	128	299	104	391	139
Between 30 and 50	365	211	624	207	763	212
Over 50	84	204	125	223	173	208
Thereof retirement	–	122	–	157	–	126



The average employee tenure is approximately 13 years. At 2.3% of total staff, the share of employees handing in their own resignations in 2024 was lower than in the previous year (2.6%). Employee turnover also decreased slightly in the year under review and came to 5.4% (previous year: 5.5%). In addition, we welcomed a total of 1,327 new employees in 2024 (previous year: 1,048).

### Balancing private and working life

Enabling our employees to balance their professional career with their private life is very important to us. We therefore offer a variety of working time models and time accounts, enable personalised work and deployment scheduling, promote mobile and remote working, and support our employees in finding childcare options. In addition to parent/child offices and the "SWM Kindervilla" crèche with space for 36 children, which was again completely booked out in 2024, we hand out 15 grant vouchers for enrolment in municipal day-care centres for pre-schoolers and an equal number of such vouchers for after-school care facilities. In cooperation with the "awo lifebalance" organisation, we moreover offer counselling regarding regular day-care options, offers for leisure activities, and the search for au pairs.

Our partner, the Amiravita online care portal, offers care-giving relatives counselling by phone and organises an annual online information event on a variety of care

topics. From 2008 until 2024, the non-profit Hertie Foundation awarded us the "berufundfamilie" (work and family) certificate. Since we have now built up in-house expertise in this matter within our own organisation, we will discontinue this audit in the future.

### Use of parental leave by gender

in %	2022	2023	2024
Total number of employees	4.4	4.4	5.1
Female	8.2	7.6	7.8
Male	3.3	3.5	3.6

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

To be able to support and assist employees with children in the best possible way, we have established exchange forums and various events on balancing private and working life. With an information event on the topic of parental leave and the associated Elterngeld and/or ElterngeldPlus parental benefits, we explicitly addressed all colleagues at SWM in order to raise their awareness of the existing opportunities to help make family and working life more compatible. After all, it is still primarily woman who account for the majority of parental leaves. Accordingly, we encourage all our employees to practice more gender equality in this respect.

### Remuneration and financial benefits

In 2024, collective work agreements covered 91.3% of our employees (previous year: 90.6%). As a Group committed to such agreements, we are subject to the collective agreements that fit the respective framework conditions of our various business segments: TV-V (utilities) and TV-N (local public transport). In addition, we have a bonus system for both employees covered and not covered by collective agreements, which gives them a share in the company's profit. In this system, we use the jointly achieved result as our yardstick. Part-time employees receive the same additional remuneration, fringe benefits, etc., as their full-time colleagues, with the relevant percentage being prorated based on their part-time factor.

In addition, we offer various financial benefits, especially for pension schemes. For example, both employees covered or not covered by collective agreements have access to employer-supported pension schemes such as company pensions or direct insurance policies. Furthermore, employees have the option to take additional vacation days against a pay reduction. Individual employees not covered by collective agreements as well as senior executives have agreed monetary bonuses within the framework of their goal-setting reviews. We also offer our employees additional benefits such as gym membership cooperations or discounted electricity or gas supply.

Our remuneration packages also include mobility benefits. At the MVG Rad bike rental service, all SWM employees have free use of bikes for up to 30 minutes per day. Those who prefer to ride a bike geared to their individual wishes can lease a bike or pedelec through our cooperation with the JobRad bike-leasing company. For our trainees and dual-study students, we have funded the full price of the "Bayerische Ermässigungsticket" (a discounted version of the "Deutschlandticket" flat-rate public transport monthly subscription model for university students, trainees, and participants of voluntary work programmes) since September 2024. All other students receive a ticket price allowance corresponding to 50% of the price of the most favourably priced monthly ticket, and all other employees receive a 25% allowance for the Deutschlandticket Job, a version of this subscription model that has been designed specifically for companies and their employees.

Munich's high cost of living is a great challenge for employees in the lower pay brackets. At the same time, it has made it harder for us as a company to recruit new skilled employees, e.g. drivers for MVG. We therefore give our employees some additional financial leeway by

paying a dedicated Munich allowance. This supplementary payment has been introduced for the low and medium pay grades and ranges between EUR 180 and EUR 270 a month, depending on the specific pay bracket. These amounts are offset against collective-bargaining and performance bonuses. From the bonus for the 2024 financial year onwards, which is paid out in 2025, performance bonuses will no longer be offset against the Munich allowance.

In addition, Munich is known for being a city where the number of available flats is much lower than the demand for housing. This is the reason why we launched our company-flat expansion campaign. To date, we have already made approximately 1,400 company flats available to our employees. In the future, we intend to continue to make sizeable investments and, by 2030, increase the portfolio of SWM-owned flats to approximately 3,000, located throughout the city of Munich. Construction of 460 new company flats is slated to commence in 2025.



SWM currently offers approximately 1,400 company flats.



## Diversity and equal opportunities

As a company with employees from approximately 90 nations, we are virtually as diverse as the urban society of the city of Munich. Through diversity, we shape the future. This is the reason why diversity is firmly embedded in our group strategy, our sustainability strategy, our human resources strategy, and our employer branding. We signed the Diversity Charter as far back as in 2007. We want to create the prerequisites necessary for ensuring that all our employees feel safe, comfortable, and integrated into SWM, irrespective of their age, ethnic background or nationality, gender, physical or mental abilities, religion or worldview, sexual orientation and gender identity, and social background. After all, we know that a diverse workforce makes SWM successful and ready for the future.

Our in-house Diversity Management is responsible for designing SWM's structures and processes in a manner ensuring that all employees are appreciated and enabled to contribute their full potential to the organisation. To achieve this, we address all diversity dimensions and levels. This approach has paid off, especially with respect to the shortage of skilled specialists. Great potential can, for instance, be unleashed by recruiting new employees from abroad and integrating older colleagues.

In addition, each Director has appointed a divisional equal opportunities officer. These appointees perform this function in addition to their main activities. In

accordance with the "Partnership-Oriented Conduct" group works agreement, which protects employees against discrimination and unequal treatment at the workplace, these officers are the liaison for all questions revolving around equal treatment and discrimination. In addition, the Diversity Management unit is also available for all questions about this issue. This unit also manages SWM's internal complaint process, which has been aligned with the recommendations of the German Federal Anti-Discrimination Agency.

Our strategic approach refers to the following seven diversity dimensions:

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

Adopting a holistic approach, we develop and implement suitable activities, measures, and instruments. All employees are to be apprised of the seven core dimensions. To achieve this, we already present the topic of diversity and the associated internal networks within the framework of our onboarding programme for new employees. There are now three diversity communities at SWM: the in-house women's network "Die Expertisen", the queer network "Proud@SWM", and the network for barrier-free access "Die Barrierefreien". These communities have been created by the employees themselves. They actively shape these communities in addition to their main professional activities and are in close contact with our Diversity Management, which supports them in their efforts.

Our Management Development Programme (MEP) also addresses the topic of diversity, among others, raising executives' awareness of this issue. In 2024, we placed a special focus on the topic of "unconscious bias" or thought patterns and prejudices we are not aware of. For example, this included the incorporation of content aimed at recognising and avoiding stereotypes into our MEP and M/Up leadership programmes. In addition, a wide variety of communication measures on the individual core dimensions is on our agenda. To highlight the demand for equal pay for women, for example, we, in cooperation with the City of Munich, put the Equal Pay Tram on the tracks for one month in 2024. We are also mindful of diversity in the language we use.

Women’s advancement is a special focus of our commitment to diversity. After all, we definitely need the potential of more excellently qualified women, especially in times in which there is a shortage of skilled professionals. Specifically, we have set ourselves the goal of increasing the share of women in leadership positions to at least 25 % by 2030 at the latest. This is an ambitious goal for a technologically oriented company that is affected to a particularly strong degree by the unequal distribution of women and men in the professional context (inter alia also in traineeships and dual-study programmes, [see page 52](#)). In the year under review, the percentage of female leaders increased to 20.1 % (previous year: 19.8%). In the workforce as a whole, the share of women climbed to 23.7 % (previous year: 22.7 %).

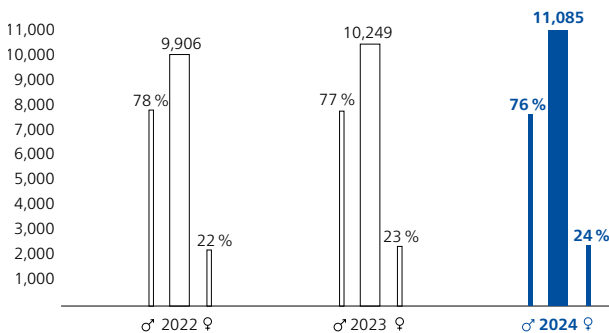
We take this somewhat sluggish development as an incentive for further improvements. The measures we take to support the advancement of women range from cross-mentoring for female managers to continuous demonstration of female role models and participation in the Girls’ Day to general flexibilisation measures and offers ensuring a work/life balance from which all employees at SWM benefit. After all, we are convinced that sustainable diversity and true equal opportunities can only be achieved if we take a holistic look at the system.

In the year under review, 611 employees with physical disabilities worked at SWM (previous year: 622). We make manifold efforts to ensure that the work environment at SWM is as barrier-free as possible. For instance, we closely cooperate with the Disabilities Officer of the Works Council and examined the topic of barrier-free digital access in 2024 by developing internal guidelines together with key stakeholders such as Internal and External Communications. In particular, we take special care that newly developed apps are as barrier-free as possible. In autumn 2024, our employee community “Die Barrierefreien” organised an action day on the topic of mental health. The programme of this Mental Health Day included a specialist lecture on the topic of depression in the professional context. In addition, a panel discussion with occupational healthcare experts and the representatives of our disabled employees provided important impulses and exchange opportunities.

In our view, diversity is not only relevant to our staff, but also to our customers, business partners, and the general public. This is why we are committed to promoting equal opportunities and raising awareness of any form of exclusion and intolerance outside our organisation, too. For example, we are a dedicated partner of the Munich CSD (Christopher Street Day), participate in the pride parade – in 2024 with our own semi-trailer truck and more than 100 colleagues –, and are represented in the street festival with an information booth. Ahead of the 2024 Pride Week, we already put rainbow flags on our buses and trams and some of our public pools. During Pride Week itself, we hosted a Pride Pool Party in the Prinzregenten outdoor pool and a Trans\*Inter\*Bathing Day at the Müller’sche Volksbad indoor pool.

### Number of employees

(breakdown by gender)



### Total number of employees by hierarchical level

	2023		2024	
	Female	Male	Female	Male
Management Board	2	3	2	3
Managerial staff	108	442	120	481
Employees	2,228	7,466	2,506	7,973





## Occupational health and safety

Our employees' health and safety are of paramount importance for us – and relevant to our success. We invest in strengthening their health through preventive measures. In addition, we regularly raise all employees' and managers' awareness of the issue of occupational safety. It goes without saying that our top priority is prevention of (work) accidents.

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

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

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

### Safety instructions and training

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

In addition, our training programme offers a comprehensive range of safety training courses: a total of 539 participants were trained in 52 courses in 2024 (previous year: 52 courses with 434 participants), ranging from fire protection assistance to occupational safety for managers. Most occupational safety trainings take place on site, where they can specifically be geared to the prevailing circumstances and necessary requirements. For the large number of first aid training courses, we can rely on the support of external providers.

If an accident happens despite all precautionary measures, it is reported and analysed centrally based on a specific flow chart. Subsequently, measures are implemented to prevent comparable accidents.

Our occupational healthcare professionals are responsible for ensuring the protection and promotion of employees' health and counselling SWM across all segments in all issues related to this area of expertise. They are not subject to any instructions, and the Chief Medical Officer reports directly to the Management Board.

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

Work accidents	2022	2023	2024
<b>Total</b>	<b>56</b>	<b>75</b>	<b>64</b>
Subject to reporting obligations	37	56	42
Not subject to reporting obligations	19	19	22
Fatal	0	0	0
Subsequent absence days	1,128	1,808	1,587
Accident frequency in %	0.98	0.95	0.66

Commuting accidents	2022	2023	2024
<b>Total</b>	<b>14</b>	<b>30</b>	<b>28</b>
Subject to reporting obligations	10	20	22
Not subject to reporting obligations	4	10	6
Fatal	0	0	0
Subsequent absence days	510	724	576
Accident frequency in %	0.25	0.34	0.35

**Accident statistics for Mobility and MVG**

Work accidents	2022	2023	2024
<b>Total</b>	<b>208</b>	<b>253</b>	<b>368</b>
Subject to reporting obligations	155	179	212
Not subject to reporting obligations	53	74	156
Fatal	0	0	0
Subsequent absence days	7,183	8,396	10,150
Accident frequency in %	4.60	5.41	7.30

Commuting accidents	2022	2023	2024
<b>Total</b>	<b>60</b>	<b>55</b>	<b>60</b>
Subject to reporting obligations	47	38	41
Not subject to reporting obligations	13	17	19
Fatal	0	0	0
Subsequent absence days	2,800	981	1,442
Accident frequency in %	1.33	1.18	1.19

**Health protection: focus on prevention**

The Health staff unit comprises the Occupational Healthcare and Corporate Health Management sub-units, and the latter includes Integration Management and Rehabilitation. Our Chief Medical Officer heads the staff unit; they report directly to the Management Board. Occupational Healthcare is responsible for statutory occupational health services and tasks stipulated by occupational health and safety legislation such as occupational health check-ups and also offers preventive medical services such as flu vaccination, Health Days, or nutritional counselling. In addition, department representatives are involved in the advisory committee for the staff restaurant, the goal being to support healthy staff meals. Corporate Health Management offers a broad range of workplace health promotion services, e.g. the "SWM aktiv" corporate sports programme, and operates our in-house gym. In the area of mental health, the focus is on individual and collective psychosocial counselling and an additional support policy for the Mobility business segment, in some instances in cooperation with external trauma therapists. Integration Management and Rehabilitation supports the company in the execution of operational integration management pursuant to Section 167 of the German Social Code IX (Sozialgesetzbuch – SGB).

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

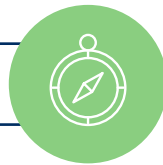
Employees and managers attend trainings that raise their awareness of physical and mental health risks at the workplace. In addition, they receive targeted support in the realisation and evaluation of the risk assessment of psychological stresses. To ensure the high quality of our health services in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

# Corporate governance



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

### Mission Statement



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

SWM Group is made up of the core Group and its (direct and indirect) shareholdings. In the year under review, the core Group comprised Stadtwerke München GmbH as parent company and the following subsidiaries: SWM Services GmbH, SWM Kundenservice GmbH, SWM Versorgungs GmbH, SWM Infrastruktur GmbH & Co. KG, SWM Infrastruktur Verwaltungs GmbH, and Münchner Verkehrsgesellschaft mbH (MVG), [see also the chapter "About this report", page 73.](#)

The parent company is the operational holding company for the subsidiaries and responsible for uniform management. Group regulations define the internal (legal and factual) governance framework for the company. In particular, this framework covers the following important aspects:

- ▶ Binding descriptions of duties
- ▶ Clear regulation of responsibilities
- ▶ Transparent delegation of responsibilities
- ▶ A clear operational chain of command
- ▶ Effective control mechanisms and functional delineation
- ▶ Compliance with the business judgement rule as well as the requirements of corporate law
- ▶ Approval requirements for major decisions

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

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

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

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

In the core Group, the Group Governance and Compliance staff unit – hereinafter also called “Compliance function” – addresses the topic of corporate governance from an overarching perspective. The Management Board’s corporate office supports them in this task. At SWM, various management systems exist for risk, shareholdings, compliance including data protection, information security, and sustainability. The organisation and operation of the Compliance Management System (CMS) is governed by the Guideline on the compliance management system. Our CMS has been aligned with the Principles of Proper Audit of Compliance Management Systems promulgated by the Institute of Public Auditors in Germany (IDW) and covers three levels of action: prevent, identify, and react. Compliance audits or compliance risk analyses are carried out approximately once a year. In addition, Group Internal Audit regularly performs audits. In 2021, an independent accounting firm audited the design, adequacy, implementation, and effectiveness of our CMS for the risk areas of data protection, money laundering, and fraud in accordance with the requirements of the IDW PS 980 standard. The audit resulted in an unqualified positive assessment.

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

## Fairness and compliance at Stadtwerke München

The entire Group and especially the SWM Management Board see this as their responsibility vis-à-vis customers, employees, citizens, the City of Munich in its capacity of our shareholder, and the expert authorities. When it comes to responsibilities, we pursue a top-down approach. The responsibility for compliance has been assigned to the Management Board of Stadtwerke München GmbH and/or the top executives of SWM Group. According to the business distribution plan, the

Chief Executive Officer holds the departmental responsibility for Compliance.

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

In our organisation, compliance covers the following areas of activity

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

We do not tolerate corruption or other unfair competitive practices, we pursue a transparent approach to donations and sponsoring that complies with our internal policies in accordance with Article 5.3 of our Code of Conduct, and we are careful in our handling of personal data. In 2024, no internal corruption incidents were reported at SWM.

The focus of our compliance activities is on preventive measures aimed at preventing any violations. For example, a mandatory e-learning module is to increase all employees’ awareness of compliance issues. In-person workshops supplement these modules, especially in the form of leadership training workshops, training on money laundering and terrorism financing prevention, and deep dives going beyond this content. Internal preventive measures have also been established with respect to the LkSG. Our current compliance training sessions and the compliance e-learning module are progressively being expanded to include human-rights and environment-related issues. Awareness-raising measures such as the Compliance Newsletter and dedicated training sessions serve the purpose of familiarising employees in relevant organisational units with our human-rights strategy, the LkSG rules and regulations, and the associated processes to allow them to subsequently put these concepts into practice. New

employees are informed about the compliance/data protection organisation and regulations, contact persons as well as the goals and content of compliance/data protection within the framework of onboarding sessions. Furthermore, SWM offers training to relevant units on occupational safety and various environmental issues such as waste management or water protection.

We publish all relevant policies, rules of procedure, and application guides on our intranet, along with additional information on training options, newsletters, and guidelines. In addition to pertinent newsletter articles, we issued practical application guides on the LkSG on 1 January 2023. Employees can use these documents to read up on the specific requirements resulting from this law and the way they are being implemented at SWM.

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

Employees are directed by the Code of Conduct to report potential suspicions of compliance violations they note. Apart from speaking to their manager, the Group Governance & Compliance staff unit is available to them as an internal whistle-blower contact. Alternatively, an attorney who has been appointed as an external ombudsperson can be contacted. Compliance violation tips may also be submitted anonymously. In addition, both whistle-blowers and individuals affected by such information are protected and their rights are safeguarded. Since 1 January 2023, our whistle-blower system has also included the complaint procedure stipulated under the LkSG. The individuals responsible, the contact data of the internal whistle-blower contact unit and the ombudsperson as well as the rules of procedure including information on responsibilities and regulations regarding the procedure to be followed in compliance intelligence or compliance investigations are available in German and English on the websites of Stadtwerke München GmbH, SWM Infrastruktur GmbH & Co. KG, and Münchner Verkehrsgesellschaft mbH (MVG).

We pursue all suspicions of which we gain knowledge consistently and without any exceptions. If a conclusiveness check and subsequent compliance analysis or compliance investigation find that internal rules and regulations and/or statutory requirements have indeed been violated, suitable actions will be recommended and are then implemented by the respective business units. Where there is reasonable suspicion that a criminal offence has been committed, we will additionally file an official complaint with the police.

Because changes may occur in the legal environment, case law, and authorities' specific decisions as well as SWM's risk position and structure, we continuously update our CMS. In 2024, we worked on the further development of the processes for the implementation of the German Supply Chain Due Diligence Act (LkSG) and procured a software solution that supplements the whistle-blower system in order to overcome any language barriers on the part of potential whistle-blowers.

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

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

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

The risk analysis regarding human-rights and environment-related risks in SWM's own area of business that was carried out in the year under review covered the core Group and 45 dominantly influenced shareholdings. This analysis identified specific medium and low risks, especially in the following risk categories: "disregard of occupational safety and related health hazards", "unequal treatment in employment", and "causing harmful soil changes, contamination of bodies of water,

harmful noise pollution, and excessive water consumption". To the extent to which adequate risk mitigation arrangements have not yet been adopted and implemented, recommendations for risk-reducing measures were issued.

The Management Board of Stadtwerke München GmbH and the top executives of SWM Group drew up a policy statement on the human-rights strategy of Stadtwerke München GmbH, SWM Services GmbH, and Münchner Verkehrsgesellschaft mbH (MVG) and published this document on 1 January 2023. In this policy statement, we describe the procedures by which we ensure end-to-end respect of human rights in our own area of business and at our suppliers. This policy statement was updated in 2024 with respect to the risks mentioned therein.

### **Business partner compliance**

Not only are the members of our organisation expected to adhere to all applicable laws, but the same holds true for our suppliers and other external business partners. Business partner compliance is an integral part of our CMS and comprises our Business Partner Code of Conduct, which has been published on the SWM website, and the business partner compliance review.

The Business Partner Code of Conduct, which went into effect in 2020 and was updated with effect from 1 January 2023, spells out the most important principles for legally correct, responsible, and ethical behaviour that we require of business partners and see as an essential basis of our cooperation as partners. The Business Partner Code of Conduct contains principles on human rights, employee rights, environmental protection, raw material procurement, the prevention of corruption, child and forced labour, anti-money laundering and anti-terrorist financing, export and import controls, sanctions, conduct in competition and business ethics, and data protection and handling of information. We reserve the right to critically review the business relationship and perform a risk-oriented review of compliance conformity depending on each individual case. All existing and new direct suppliers are informed about our Business Partner Code of Conduct and must confirm that they have taken note of this code. Depending on the identified human-rights and environment-related risks according to the German Supply Chain Due Diligence Act (LkSG), the contribution to these risks, and SWM's ability to influence the party directly responsible for these risks in its role of purchaser, our Business Partner Code of Conduct – or an equivalent code of conduct prepared

by the supplier – will be incorporated as a mandatory element in our contracts and supplemented by LkSG-specific, more concrete contractual obligations such as agreements on passing on these codes. In this context, we demand that direct suppliers comply with the human-rights and environment-related requirements in their own area of business and also duly communicate them to their respective upstream suppliers.

The introduction of a high-level business partner compliance review has established a risk-oriented, software-based business partner assessment process at both the Central Purchasing department and all other relevant business units (e.g. Trade, Sales). The assessments cover both new and already existing contractual and/or business relationships. If we identify any violations of the requirements of our Business Partner Code of Conduct, we launch an examination and define remedial actions. Private end/residential customers are exempt from the business partner review. The entire business partner review process and the assessment of findings are automatically stored in the due diligence software in accordance with the applicable data protection requirements. Details on tasks, processes, and responsibilities are governed by our Business Partner Compliance Policy and our Anti-Money Laundering and Terrorist Financing Policy and the associated rules of procedure.

The annual and event-related LkSG risk analysis of our business partners has been integrated into our existing business partner compliance review. This means that SWM's business segments perform the risk analyses for direct business partners. They satisfy the requirements of the policies for business partner compliance and for money-laundering and terrorism-financing prevention. Prior to entering into business relationships, we conduct a specific, risk-based LkSG audit for potential business partners based on the due diligence software used for the business partners compliance review. Continuous automated monitoring of existing business partners ensures that SWM is also informed about any new LkSG risks emerging during the ongoing business relationship. The following risk factors determine the assessment of a business partner's overall risk (low, medium, or high): country (registered office), industry, and order volume. Indices that have been established on the basis of a best-practice approach are used for the classification in the "country" and "industry" categories.

Further steps of the audit include the use and assessment of a risk-oriented media check (adverse media) and



compliance questionnaires, if required. Depending on the individual case, we will instigate further preventive measures or define remedial protocols. If, for example, an (imminent) violation of human-rights or environment-related obligations is identified, we will urge the supplier to ensure that the breach of duty is prevented, terminated, or at least minimised in the near future. If a breach of duty cannot be stopped in the foreseeable future, we will immediately draw up and implement what is known as a "remedial protocol" (including a timeline) for the termination or minimisation of the breach of duty. This staged approach ensures that we enter into a solution-finding dialogue with the affected supplier in the event of a (potential) breach of duty and are forced to terminate the business relationship only in exceptional cases.

The LkSG risk analysis conducted in the Central Purchasing department in the year under review revealed that the majority of our direct suppliers are exposed to low abstract country risks, which is due to their regional character as defined by their headquarters. In the first step, we used the due diligence software to classify a total of 9,327 suppliers (as of: 31 December 2024) into one of three categories (high, medium, low) depending on the respective country and industry risks based on recognised indices such as the Global Slavery Index. In this process, certain industry risks were corrected again when the company in question had its headquarters in Germany. This exercise resulted in 42 high, 2,078 medium, and 7,207 low risk cases. It should be

noted that country risks were low (0% high, 0.9% medium, and 99.1% low country risk), while industry risks do exist at some of our suppliers despite consideration of the fact that they have their headquarters in Germany (2.9% high, 19.3% medium<sup>1)</sup>, 77.3% low industry risk). The top seven risk industries among our suppliers are: wholesale (excluding motor vehicles), provision of information technology services, manufacture of electrical equipment, mechanical engineering, manufacture of metal products, retail (excluding motor vehicles), and food and feed production.

In the following step, the specific risk analysis covered 20 suppliers. In the final analysis, no new specific risks were identified at our direct suppliers.

In addition to the above-mentioned audit procedures, a deep dive into the manufacturers of the electric buses purchased by SWM was an integral part of the annual LkSG risk analysis in 2024. The background was the fundamental human-rights risk exposure in connection with raw material extraction for battery production. This audit did not identify any concrete risks either.

In 2024, we continued the event-driven risk analyses from 2023 for the suppliers in Central Purchasing.

<sup>1)</sup> Inter alia Croatia, Poland, Bulgaria, Czech Republic, Slovakia

These analyses identified the following concrete risks:

- ▶ The risk of harmful environmental impacts due to illegal waste disposal and the disregard of occupational safety regulations at two suppliers of a corporate group from Germany that is active in the disposal industry. Preventive measures were agreed with both suppliers, and Central Purchasing is monitoring the implementation of these measures.
- ▶ Violations of human-rights obligations were confirmed at one indirect supplier of an automotive manufacturer. Among other things, these violations involved disregard of international employee protection standards and environmental damage through large quantities of toxic arsenic in waste and water collection systems, which have a negative impact on human health. Given the audits performed and remedial measures taken by SWM's direct supplier, the automotive manufacturer, and adequacy considerations (especially the fact that SWM has little influence on the indirect supplier in question), SWM did not take any additional measures.
- ▶ Specific risks regarding non-compliance with the prohibition of forced labour were identified at a manufacturer of solar modules in China, an indirect supplier of SWM. In the period under review, measures were recommended for SWM's direct suppliers.

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

- ▶ Internal analyses
- ▶ Information and evidence collection via questionnaires
- ▶ Agreement on contractual provisions such as a commitment to comply with the Business Partner Code of Conduct of Stadtwerke München by means of a letter of intent. All our potential suppliers are made aware of the Business Partner Code of Conduct as a basic principle. If a supplier does not agree to compliance with our code, there is the possibility to incorporate an equivalent code prepared by the supplier into the contractual arrangement by concluding a recognition agreement.
- ▶ Blocking of risky suppliers in SAP to prevent the placement of orders until the review has been completed and the supplier has been cleared by the Central Purchasing department.

## Competition

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

## Sustainability in the supply chain

Embedding sustainability aspects in the supply chain plays a key role in the compliance with legal regulations and the achievement of SWM Group's strategic sustainability goals. Accordingly, the SWM Group's sustainability strategy defines a dedicated "sustainable supply chain and products" action area. SWM assumes social and environmental responsibility for the supply chain and works on sustainability-promoting and innovative products, services, and technologies. We ensure responsible use of resources throughout the product life cycle and are committed to a functioning circular economy. Suppliers of the SWM Group are expected to also maintain our standards for social and environmental responsibility. We ensure this by contractually embedding our Business Partner Code of Conduct in our agreements with suppliers ([see the chapter "Business partner compliance", page 66 et seqq.](#)).

In line with the SWM Group's sustainability strategy, Central Purchasing performed a double materiality analysis for the preparation of a supply chain sustainability strategy in 2023. The following key action areas were identified: climate protection, circular economy as well as working conditions and human rights in the supply chain. In 2024, targets, policies, measures, and KPIs were allocated to the respective action areas.

In addition, we are working on concrete measures for the implementation of our supply chain sustainability strategy.

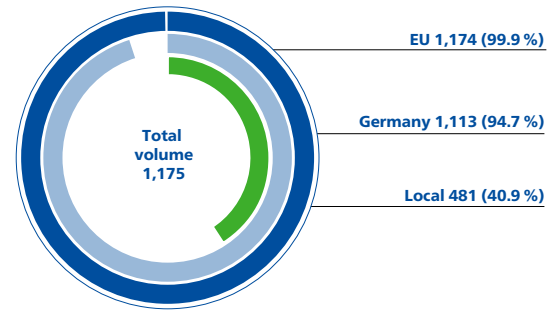
## SWM AS A PURCHASER

In the 2024 financial year, we purchased goods and services with a total value of slightly under EUR 1,175 billion from 5,620 suppliers<sup>1)</sup>. This procurement volume can be broken down as follows: construction and engineering services (37%), vehicles and delivered goods (21%), and IT and services (42%). One important aspect of sustainability in the supply chain is also important for our positioning, namely to foster the local economy as well as small and medium-sized enterprises. Local sourcing, which SWM defines as sourcing in the southern Bavarian region where postal codes start with the number 8, accounts for a volume of EUR 481 million (41%), distributed among 1,971 suppliers.

<sup>1)</sup> Indirect purchasing, excluding energy sources

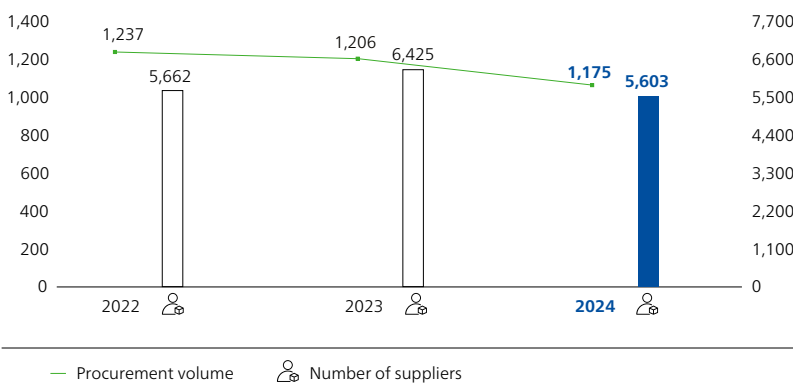
### Procurement volume by regions in 2024

in EUR million



### Procurement volume by year<sup>1)</sup>

in EUR million



<sup>1)</sup> The procurement volume shown refers to the contractually agreed volume in the respective calendar year. It includes only the contracts concluded by Central Purchasing and no trading transactions. This means that this procurement volume is only a subset of the cost of materials shown in the balance sheet.

For instance, various tenders were used as pilots for the consideration of sustainability aspects through corresponding requirements in the performance specification or alternative contract award criteria such as the use of CO<sub>2</sub>-reduced concrete or concrete with a higher share of recycled aggregate. The goal is to roll out this approach across relevant product categories in the next few years.

For the “circular economy” action area, we adjusted our information retrieval process in 2024. For relevant materials, we now ask about the share of recycled secondary materials in the products supplied. In addition, we have tested the “Raw Material Passport” with a select group of suppliers – a tool that will help us improve our data base for the circular economy. In our

view, the “circular economy” action area not only offers high environmental potential (avoid waste, conserve primary resources, reduce energy consumption in production), but also high economic potential (enhance supply chain resilience, reduce costs by skipping production steps, save costs through use of secondary materials, offset price volatilities).

Our work in the “climate protection” area in 2024 focused on improving our data stock on Scope 3 emissions in order to define concrete greenhouse gas emission reduction targets for 2040 in the next few years.

We are convinced that cooperation with our suppliers is an indispensable prerequisite for making our external value creation more sustainable. This is why active

supplier management is a focus of our activities. In 2024, a dialogue with our suppliers thus allowed us to gain insights in additional possibilities to implement our action areas in the supply chain in an even more targeted manner.

## Political engagement

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

The political developments at the European and national levels in 2024 played a key role for Stadtwerke München und its strategic direction. At the European level, the year 2024 was dominated by the European Parliament elections and the adoption of important legislative files. A wide variety of political measures were implemented that had a major impact on both energy policy and transport policy.

In Brussels, important political framework conditions were defined, which form the basis of national transposition steps in the EU member states. Major legislative initiatives such as the reform of the electricity market design, the Net Zero Industry Act, and the AI Act broke important new ground in the areas of energy and decarbonisation, digital transformation, and innovation. These decisions have a direct impact on SWM, especially with respect to the expansion of renewable energies, the decarbonisation of the heating supply, and the resilience of the European Economic Area.

At the German national level, energy policy, the expansion of renewable energies, and measures to strengthen

the resilience of critical infrastructures were at the top of the political agenda. On the one hand, this served the purpose of transposing European measures into national law; on the other, it was a continuing response to the repercussions of the war of aggression against Ukraine. However, the breakup of Germany's ruling "Traffic Light Coalition" prevented the adoption of important laws such as the Act for the Acceleration of Approval Procedures for Geothermal Plants or the Power Plant Security Act, giving rise to substantial challenges for SWM.

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

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

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

## Information security

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



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

The overall responsibility for information processing and information security has been assigned to the executive management within the framework of the role of Chief Information Officer (CIO). Support is provided by a specialised staff unit (CIO function) and group-wide specialised officers as well as decentralised information security specialists in all segments of the company. They simultaneously are multipliers for information security topics and their (decentralised) implementation. Technical security experts, especially in the central IT department and in the operating units for the (control) systems of our critical facilities, are the key pillars of technical IT and OT security. All employees must regularly attend mandatory training sessions, in which they are made aware of the risks arising from attacks in the digital space and of the right conduct.

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

## Data protection

Our business activities regularly involve personal data. We handle these data responsibly and in compliance with the EU General Data Protection Regulation. We actively provide transparent and comprehensible information to our customers on the processing of their

data and their rights. Our Data Protection Notice is available to the public for inspection at [www.swm.de/datenschutz/swm-gmbh](http://www.swm.de/datenschutz/swm-gmbh). If we wish to process personal data for any purpose not listed in this Data Protection Notice, we notify our customers thereon separately in accordance with the statutory requirements. Internally, we address the issue in our Code of Conduct. Similarly, data protection is the topic of a mandatory e-learning module for our employees that is used throughout the Group.

The topic of data protection is organisationally integrated in our Compliance function. In addition, there are decentralised contacts in the form of data protection coordinators and data protection specialists, who support the central Compliance function. Data protection coordinators process and coordinate inquiries by affected parties from the various business segments. Data protection specialists update the processing register, report any data protection incidents, and are the first responders for the business units when it comes to initial data protection reviews.

Our Data Protection unit prioritises the support of internal projects in which data protection plays a major role. One example is the development of digital business models such as M-Login. In addition, Data Protection addresses the implementation of data protection requirements in our organisation, e.g. the projects implementing the EU General Data Protection Regulation, the project aimed at developing Group-wide data deletion and blocking strategies, or the purchase of data protection management software. In this context, the large number of Group projects with data protection relevance is a challenge. This also applies to documentation requirements under the EU General Data Protection Regulation.

Various audits regularly verify whether data protection regulations have been implemented properly in the company. In addition, the Management Board of Stadtwerke München GmbH tasks Group Internal Audit with data protection and IT security audits in its annual internal audit plan. We handled data protection violations recorded during 2024 as stipulated in the rules and regulations, implemented suitable and appropriate remedial actions, and reported them to the competent data protection agency in all cases that were subject to reporting obligations.

# About this report

This is the sixth Sustainability Report published by Stadtwerke München (SWM). It is built on the internationally accepted reporting framework defined by the "Global Reporting Initiative Standards", which we used as a guideline for the materiality analysis we conducted, the description of the management approaches, and the underlying classification of information into general or specific. In addition, we adhered to general reporting principles: accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and auditability. The report has been prepared with reference to the current GRI Standards of 2016, 2018, and 2021, respectively.

The reporting period matches the financial year, which ran from 1 January 2024 to 31 December 2024. We also report on important major developments that occur between the end of this period and the editorial deadline. For this report, the editorial deadline was 30 June 2025. Based on the information currently available, 2027 will be the first financial year for which we will be subject to mandatory reporting in compliance with CSRD rules.

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

## Impact inside/outside the organisation

Key topic	Relevance		Relevant GRI standard
	Inside the organisation	Outside the organisation	
<b>Society</b>			
Social responsibility		x	GRI 201 – Economic Performance 2016 GRI 203 – Indirect Economic Impacts 2016 GRI 413 – Local Communities 2016
<b>Products and services</b>			
Provision of essential services		x	GRI 203 – Indirect Economic Impacts 2016 GRI 301 – Materials 2016 GRI 302 – Energy 2016 GRI 303 – Water and Effluents 2018
Product responsibility		x	GRI 203 – Indirect Economic Impacts 2016 GRI 301 – Materials 2016 GRI 302 – Energy 2016 GRI 305 – Emissions 2016 GRI 416 – Customer Health and Safety 2016
<b>Environment</b>			
Energy	x	x	GRI 302 – Energy 2016
Emissions	x	x	GRI 305 – Emissions 2016
Raw materials and supplies	x		GRI 301 – Materials 2016
Water	x	x	GRI 303 – Water and Effluents 2018

Key topic	Relevance		Relevant GRI standard
	Inside the organisation	Outside the organisation	
<b>Employees</b>			
Working conditions	x		GRI 401 – Employment 2016 GRI 402 – Labour/Management Relations 2016 GRI 405 – Diversity and Equal Opportunity 2016 GRI 406 – Non-discrimination 2016 GRI 407 – Freedom of Association and Collective Bargaining 2016 GRI 408 – Child Labor 2016 GRI 409 – Forced or Compulsory Labour 2016
Training and education	x	x	GRI 404 – Training and Education 2016
Occupational health and safety	x		GRI 403 – Occupational Health and Safety 2018
Diversity and equal opportunity	x	x	GRI 202 – Market Presence 2016 GRI 405 – Diversity and Equal Opportunity 2016
<b>Corporate Governance</b>			
Value creation	x	x	GRI 201 – Economic Performance 2016 GRI 204 – Procurement Practices 2016 GRI 308 – Supplier Environmental Assessment 2016 GRI 408 – Child Labour 2016 GRI 409 – Forced or Compulsory Labour 2016 GRI 414 – Supplier Social Assessment 2016
Compliance	x	x	GRI 205 – Anti-corruption 2016
Data protection	x	x	GRI 418 – Customer Privacy 2016
Competition		x	GRI 206 – Anti-competitive Behaviour 2016
Political contributions	x	x	GRI 415 – Public Policy 2016

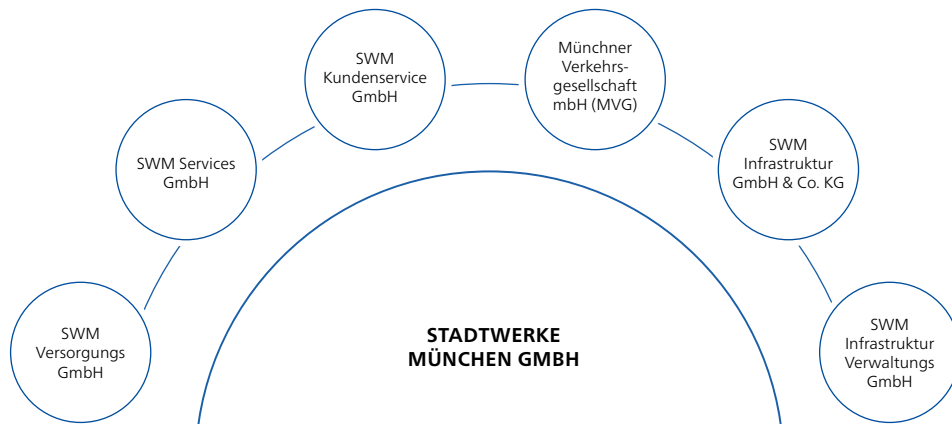
### Data collection and compilation

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

In addition, reference is made to shareholdings in sections as is applicable. The collection period for the data published is 1 January 2024 to 31 December 2024.

Accordingly, the basis of the previous year's data is shifted by one year each. The content is based on a materiality analysis that was performed within the context of initial report preparation in 2019 and has been checked annually since then to determine whether there is any need for adjustment. The material topics identified are presented extensively in the report. All data has been collected carefully, but transmission errors cannot be ruled out.

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



### Editorial notes

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

For the term “climate neutrality”, we use the Net Zero Standard of the Science Based Targets Initiative (SBTi) as our yardstick. At various points in this report, this term is used as a synonym of the SBTi term “net zero”. To achieve climate neutrality by 2024 based on long-term

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

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

## GRI content index

### Statement of use

Stadtwerke München GmbH has reported the information cited in this GRI content index for the period from 1 January 2024 to 31 December 2024 with reference to the GRI Standards.

### GRI Standard used

GRI 1: Foundation 2021

GRI Standard	Disclosures	Page	Comments/omissions
<b>General Disclosures</b>			
<b>GRI 2: General Disclosures 2021</b>			
<b>Organisational Profile and Reporting Practice</b>			
GRI 2-1	Organisational details	4–5	Stadtwerke München GmbH Emmy-Noether-Straße 2 80992 Munich Germany
GRI 2-2	Entities included in the organisation’s sustainability reporting	73–74	
GRI 2-3	Reporting period, frequency, and contact point	72	The reporting period is January 2024 to December 2024. Reports are prepared annually.  Contact for questions on this report: Natascha Lung, Marketing and Communication Matthias Pöverlein, Sustainability and Digitalisation
GRI 2-4	Restatements of information		New definitions, calculation methods, or scopes considered are, if necessary, described in footnotes to the respective indicators or in the text of this report.
GRI 2-5	External assurance		No external review has been performed.
<b>Activities and Employees</b>			
GRI 2-6	Activities, value chain, and other business relationships	4 et seq. and 17–31	See Annual Report, pp. 4–21, p. 27 et seq., pp. 32–36
GRI 2-7	Employees	49–61	
GRI 2-8	Workers who are not employees	50 et seq., 56 and 66 et seq.	
<b>Governance</b>			
GRI 2-9	Governance structure and composition	9	See Annual Report, p. 74 et seq.
GRI 2-11	Chair of the highest governance body		See Annual Report, p. 74
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	9 and 63–64	
GRI 2-13	Delegation of responsibility for managing impacts	9 and 63–64	
GRI 2-14	Role of the highest governance body in sustainability reporting	9	
GRI 2-19	Remuneration policies		See Annual Report, p. 67

GRI Standard	Disclosures	Page	Comments/omissions
<b>Strategy, Policies, and Practices</b>			
GRI 2-22	Statement on sustainable development strategy	2–3	
GRI 2-24	Embedding policy commitments	17 et seq. and 68–71	
GRI 2-25	Processes to remediate negative impacts	58 and 63–71	
GRI 2-26	Mechanisms for seeking advice and raising concerns	58 and 63–71	
GRI 2-27	Compliance with laws and regulations		We are not aware of any incidences of non-compliance with environmental laws and/or regulations. Similarly, we are not aware of any incidences of non-compliance of laws and regulations in the social or economic realm.
GRI 2-28	Membership associations		<p>Selection:</p> <ul style="list-style-type: none"> <li>– 8KU   A cooperation of eight energy companies</li> <li>– AGFW   Energy Efficiency Association for Heating, Cooling, and CHP</li> <li>– Bitkom e.V.   German Association of the Information and Telecommunication, and New Media Industries</li> <li>– BDEW   German Association of the Energy and Water Industries</li> <li>– BREKO   German Broadband Association</li> <li>– BWO   German Association of Offshore Wind Energy Operators</li> <li>– BVG   German Geothermal Association</li> <li>– BUGLAS   German Fibre-optic Association</li> <li>– DVGW   German Association of the Gas and Water Industries</li> <li>– EU DSO Entity</li> <li>– Euroheat&amp;Power</li> <li>– German Chamber of Industry and Commerce</li> <li>– UITP   The International Association of Public Transport</li> <li>– VDV   Association of German Transport Companies</li> <li>– VKU   German Association of Local Public Utilities</li> <li>– WBU   Economic Advisory Council of the Union</li> <li>– Business Association of the German Social Democratic Party</li> <li>– Business Association of the German Green Party</li> </ul>
<b>Stakeholder Engagement</b>			
GRI 2-29	Approach to stakeholder engagement	12–13	
GRI 2-30	Collective bargaining agreements	57	

GRI Standard	Disclosures	Page	Comments/omissions
<b>GRI 3: Material Topics 2021</b>			
GRI 3-1	Process to determine material topics	10–12	
GRI 3-2	<p><b>List of material topics:</b></p> <p><b>Society:</b> Social responsibility</p> <p><b>Products and services:</b> Provision of essential services Product responsibility</p> <p><b>Environment:</b> Energy Emissions Raw materials and supplies Water</p> <p><b>Employees:</b> Working conditions Training and education Occupational health and safety Diversity and equal opportunities</p> <p><b>Corporate Governance:</b> Value creation Compliance Data protection Competition Political engagement</p>		
<b>Economic Performance</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	17–31	See Annual Report, pp. 57–67
GRI 201: Economic Performance 2016	GRI 201-1 Direct economic value generated and distributed		See Annual Report, pp. 57–67
	GRI 201-2 Financial implications and other risks and opportunities due to climate change	29–30	See Annual Report, pp. 57–67
	GRI 201-3 Defined benefit plan obligations and other retirement plans		See Annual Report, pp. 57–67
<b>Market Presence</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	54–59	
GRI 202: Market Presence 2016	GRI 202-1 Ratios of standard entry level wage by gender compared to local minimum wage		We pay our employees in accordance with various collective bargaining agreements – and they receive at least the statutory minimum wage.
<b>Indirect Economic Impacts</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	14–15 and 17–18	
GRI 203: Indirect Economic Impacts 2016	GRI 203-1 Infrastructure investments and services supported	4–6, 14–15, 17–31, 36 and 44	
<b>Procurement Practices</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	66–71	
GRI 204: Procurement Practices 2016	GRI 204-1 Proportion of spending on local suppliers	68–69	

GRI Standard	Disclosures	Page	Comments/omissions
<b>Anti-corruption</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	63–68	
GRI 205: Anti-corruption 2016	GRI 205-1 Operations assessed for risks related to corruption	64–68	
	GRI 205-2 Communication and training about anticorruption policies and procedures	64–68	
	GRI 205-3 Confirmed incidents of corruption and actions taken	64–68	No incidents of corruption were reported at SWM in 2024.
<b>Anti-competitive Behaviour</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	64–68	
GRI 206: Anti-competitive Behaviour 2016	GRI 206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		SWM was not involved as a party in any legal actions for anti-competitive behaviour, anti-trust, and monopoly practices.
<b>Materials</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	18–19 and 69	
GRI 301: Materials 2016	GRI 301-1 Materials used by weight or volume		For information on this matter, please see the Consolidated Environmental Statement of the Technology division of Stadtwerke München.
<b>Energy</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	14–15 and 33–36	
GRI 302: Energy 2016	GRI 302-1 Energy consumption within the organisation	36–38, 45	
	GRI 302-2 Energy consumption outside of the organisation	36–38	
<b>Water and Effluents</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	9, 14–15, 17, 23–24 and 33	
GRI 303: Water and Effluents 2018	GRI 303-1 Interactions with water as a shared resource	23–24, 46 et seq.	
	GRI 303-2 Management of water discharge-related impacts		Sewage management is not handled by SWM, but by Münchner Stadtentwässerung, another public-sector company owned by the City of Munich.
	GRI 303-3 Water withdrawal	5, 23–24 and 46	
	GRI 303-5 Water consumption	46	

GRI Standard	Disclosures	Page	Comments/omissions
<b>Emissions</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	9 and 33–34	
GRI 305: Emissions 2016	GRI 305-1 Direct (Scope 1) GHG emissions	37–38	
	GRI 305-2 Energy indirect (Scope 2) GHG emissions	37–38	
	GRI 305-3 Other indirect (Scope 3) GHG emissions	37–38	
	GRI 305-5 Reduction of GHG emissions	35 et seq.	
<b>Supplier Environmental Assessment</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	64–70	
GRI 308: Supplier Environmental Assessment 2016	GRI 308-1 New suppliers that were screened using environmental criteria	64–70	
	GRI 308-2 Negative environmental impacts in the supply chain and actions taken	64–70	
<b>Employment</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	14–15 and 49–61	
GRI 401: Employment 2016	GRI 401-1 New employee hires and employee turnover	54–55	
	GRI 401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	56–58	Company benefits are provided to all employees of SWM – including temporary employees to the extent to which Articles 12 and 8 of the German Temporary Employment Act (Arbeitnehmerüberlassungsgesetz, AÜG) are applicable and implemented by the labour leasing company.
	GRI 401-3 Parental leave	56	
<b>Labour/Management Relations</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	49–50 and 54–55	
GRI 402: Labour/Management Relations 2016	GRI 402-1 Minimum notice periods regarding operational changes		We inform our employees as timely as possible regarding organisational changes.
<b>Occupational Health and Safety</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	60	

GRI Standard	Disclosures	Page	Comments/omissions
GRI 403: Occupational health and safety 2018	GRI 403-1 Occupational health and safety management system	60–61	
	GRI 403-2 Hazard identification, risk assessment, and incident investigation	60–61	
	GRI 403-3 Occupational health services	60–61	
	GRI 403-4 Worker participation, consultation, and communication on occupational health and safety	60–61	
	GRI 403-5 Worker training on occupational health and safety	60–61	
	GRI 403-6 Promotion of worker health	61	
	GRI 403-8 Workers covered by an occupational health and safety management system	60–61	
	GRI 403-9 Work-related injuries	60–61	
	<b>Training and Education</b>		
GRI 3: Material Topics 2021	3-3 Management of material topics	49 et seq.	
GRI 404: Training and Education 2016	GRI 404-1 Average hours of training per year per employee	53	
	GRI 404-2 Programs for upgrading employee skills and transition assistance programs	52–53	
<b>Diversity and Equal Opportunity</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	58 et seq.	
GRI 405: Diversity and Equal Opportunity 2016	GRI 405-1 Diversity of governance bodies and employees	51 and 59	
	GRI 405-2 Ratio of basic salary and remuneration of women to men		We pay our employees in accordance with various collective bargaining agreements – and they receive at least the statutory minimum wage. No distinction between men and women is made in this respect.
<b>Non-discrimination</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	58 et seq.	
GRI 406: Non-discrimination 2016	GRI 406-1 Incidents of discrimination and corrective actions taken		Equal opportunity officers responsible for this issue have been appointed in all divisions. Isolated discrimination incidents were reported in the year under review. They were reviewed, and the necessary measures were implemented.
<b>Freedom of Association and Collective Bargaining</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	54 et seq.	
GRI 407: Freedom of Association and Collective Bargaining 2016	GRI 407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk		We are not aware of any operations and suppliers in which the right to freedom of association and collective bargaining may be at risk.

GRI Standard	Disclosures	Page	Comments/omissions
<b>Child Labour</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	66–69	Business Partner Code of Conduct Code of Conduct
GRI 408: Child Labour 2016	GRI 408-1 Operations and suppliers at significant risk for incidents of child labour	68	We are not aware of any operations and suppliers where an increased risk of child labour exists.
<b>Forced or Compulsory Labour</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	66–69	Business Partner Code of Conduct
GRI 409: Forced or Compulsory Labour 2016	GRI 409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	68	
<b>Local Communities</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	14–15, 17 et seq.	
GRI 413: Local Communities 2016	GRI 413-1 Operations with local community engagement, impact assessments, and development programs	14–15, 17 et seq.	
<b>Supplier Social Assessment</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	64–69	Business Partner Code of Conduct
GRI 414: Supplier Social Assessment 2016	GRI 414-1 New suppliers that were screened using social criteria	66–69	
	GRI 414-2 Negative social impacts in the supply chain and actions taken	66	
<b>Public Policy</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	70	
GRI 415: Public Policy 2016	GRI 415-1 Political contributions		Political parties do not receive any contributions from SWM.
<b>Customer Health and Safety</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	17, 22–23, 26–27 and 71	
GRI 416: Customer Health and Safety 2016	GRI 416-1 Assessment of the health and safety impacts of product and service categories	22–23	
	GRI 416-2 Incidents of non-compliance concerning the health and safety impacts of products and services		We are not aware of any violations regarding health and safety impacts of products and services.
<b>Customer Privacy</b>			
GRI 3: Material Topics 2021	3-3 Management of material topics	71	
GRI 418: Customer Privacy 2016	GRI 418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	71	

## Contact and imprint

### Publisher

Stadtwerke München GmbH  
Emmy-Noether-Strasse 2  
80992 Munich, Germany

Phone: +49 (0) 800 796 796 0  
E-Mail: info@swm.de  
www.swm.de/english

### Editors:

SWM,  
Kirchhoff Consult GmbH,  
Hamburg, Germany

### Consulting, design and implementation:

Kirchhoff Consult GmbH,  
Hamburg, Germany

## Picture credits

### Cover

Background: Androlia/stock.adobe.com  
Park bench (Munich): Denis Feldmann/stock.adobe.com  
Munich aerial view: Luftaufnahme Bayern/Getty Images  
Energy generation (PV/wind energy): jamesteohart/stock.adobe.com  
"Süd" energy location (SWM employees): Manuel Übler  
M-Bäder (outdoor swimming pool): Andreas Leder  
M-Bäder: Koji Aoki/Getty Images  
M-Wasser (faucet): Nico De Pasquale Photography/Getty Images  
Mobility (bus driver): Jan Saurer  
Mobility (tram): MVG/Robert Haas  
Electricity (little girl): Catherine Falls Commercial/Getty Images  
Geothermal energy (Sauerlach): Andyilmberger/stock.adobe.com

### Inside pages

U2 allessuper\_1979/stock.adobe.com  
p. 03 Stefanie Aumiller  
p. 04 Top picture: engel.ac/stock.adobe.com  
Energy picture: Jan Schmiedel  
Drinking water picture: alter\_photo/stock.adobe.com  
Mobility picture: MVG  
Telecommunications picture: Paul Bradbury/Getty Images  
Public pool picture: Koji Aoki/Getty Images  
p. 07 Alexey Fedorenko/stock.adobe.com  
p. 08 no\_limit\_pictures/istockphoto.com  
p. 10 alexsl/istockphoto.com  
p. 16 Manuel Übler  
p. 19 Jan Saurer  
p. 21 lovelyday12/stock.adobe.com  
p. 22 Manuel Übler  
p. 23 Igor/stock.adobe.com  
p. 24 Bild oben: MVG, Bild unten: SWM  
p. 25 MVG  
p. 30 gorodenkoff/istockphoto.com  
p. 34 Steffen Leiprecht  
p. 35 Andreas Leder  
p. 36 Marcus Schlaf  
p. 39 Claudia Leifert  
p. 40 Marcus Schlaf  
p. 42 Stefan Obermeier  
p. 44 Andreas Leder  
p. 46 Andreas Leder  
p. 48 Jan Saurer  
p. 50 Marcus Schlaf  
p. 52 Marcus Schlaf  
p. 55 Jan Saurer  
p. 56 Yurii Maslak/stock.adobe.com  
p. 57 Oliver Heissner  
p. 60 Jan Saurer  
p. 62 Stefan Obermeier  
p. 67 Yaroslav Astakhov/stock.adobe.com  
p. 70 Symbiot/stock.adobe.com



Stadtwerke München GmbH  
Emmy-Noether-Strasse 2  
80992 Munich  
Germany  
Phone: +49 (0) 800 796 796 0  
E-Mail: [info@swm.de](mailto:info@swm.de)  
[www.swm.de/english](http://www.swm.de/english)