

Searching for balance –  
supply security, climate protection  
and economic efficiency

Annual and  
Sustainability Report 2021



## Key figures for the 2021 financial year

### Trianel GmbH Individual financial statement

(in € million)	2021	2020	Changes in %	Absolute changes
Sales	6,450.1	3,186.4	102.4	3,263.7
EBT	14.5	11.0	31.8	3.5
Annual net income	8.9	4.7	89.4	4.2
Equity capital	98.3	94.2	4.4	4.1
Equity ratio	13.0 %	24.1 %	-46.1	-0.1
Balance sheet total	756.7	390.8	93.6	365.9
Investments	6.7	11.3	-40.7	-4.6
Employees	330.0	315.0	4.8	15.0

### Trianel GmbH Consolidated annual financial statements

(in € million)	2021	2020	Changes in %	Absolute changes
Group external sales	6,463.0	3,198.4	102.07	3,264.60
Annual net income	11.8	7.7	53.25	4.10

### Trianel GmbH Three year comparison

(in € million)	2021	2020	2019
Sales	6,450.1	3,186.4	2,321.4
Annual net income	8.9	4.7	5.9
Equity capital	98.3	94.2	93.5

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## Searching for balance – supply security, climate protection and economic efficiency



The transition of our energy system to a largely climate-neutral energy supply has a variety of different effects on the energy industry's goals. This is why the three objectives defined in Section 1 of the Energy Industry Act (EnWG) – cost efficiency (affordability), climate protection (environmental compatibility) and security of supply (technical and geopolitical) – cannot be approached as separate issues. On the contrary, they represent a dynamic system where different factors are permanently at work and emerging imbalances reveal new trade-offs while simultaneously establishing new room for manoeuvre.

The interactions between supply security, climate protection and economic efficiency and the ongoing balancing act of safeguarding these objectives at the same time continually present the energy industry with technical, economic and social challenges.

### Supply security

The technical challenges associated with ensuring supply security at times of high demand and low wind and solar output are increasing as the use of renewable energy sources expands. Hence, the further rapid expansion of renewables must be accompanied by flexible options, such as the dedicated scaling up of the hydrogen economy, smart sector coupling, the adaptation of the grid infrastructure and, last but not least, new storage technologies. Intraday trading already contributes to the cost-effective use of flexible options.

### Climate protection

Renewable energy sources constitute the backbone of any climate-neutral, independent energy supply. Expanding renewables in harmony with species protection is feasible. The quicker bureaucratic obstacles and conflicting goals are overcome, the higher the efficiency of the expansion and the achievement of the objective of a climate-neutral electricity supply by 2035. We must do better in this area in the next 15 years. At the same time, we must take a smart approach to the conversion of cities to a climate-neutral and energy-efficient supply, both in terms of strategy and cost efficiency.

### Cost efficiency

The cost efficiency of a modern energy system is not only a question of balancing supply and demand, it also has a social and economic dimension. Aside from investment incentives and the efficient use of existing infrastructures, the transformation of our energy supply primarily needs a new market design. The further expansion of renewable energies cannot be secured without a market for guaranteed power that prices in technical supply security.

We regard the balancing act between supply security, climate protection and economic efficiency as an opportunity and part of our social responsibility on the path to the climate-neutral, secure and affordable energy supply of tomorrow.

## From the company



## “Our position in the current volatile situation is sound.”

Interview with Sven Becker and Dr Oliver Runte

**Trianel reported excellent business figures for 2020. How did the company perform in 2021?**

**Sven Becker:** Our earnings before taxes of € 14.5 million in the 2021 financial year build on the positive development of the last five years and represent the best result in the company's history so far. After deduction of taxes, our net income for the year amounted to a record € 8.9 million. The entire net income for the year will be distributed to our shareholders. Our result shows firstly that our income position in the current volatile situation is sound. And secondly that our shareholders not only benefit from added value gained through procurement cost advantages and the optimisation of generation systems, but also enjoy a dividend of almost 10 percent on our equity capital.

Thanks to the outstanding result of the last financial year, we can continue to follow prudent businessman standards and have created a risk provision of € 11.7 million in 2021. In specific, we have established risk provisions for our shares in the Trianel coal-fired power station in Lünen and in the Epe gas storage facility. Given the

volatility of the markets, we have also stepped up our general risk provision for the trading business, and our wholly owned subsidiary Trianel Energieprojekte has retained a portion of its net income.

Our earnings before taxes significantly exceed the projected € 4.5 million by € 10 million, and we look back on an outstanding, albeit intensive, year with great satisfaction. This result also confirms the direction our business field strategy is taking with its focus on the trading business including related services and on our successful project development activities.

**2021 was a tumultuous trading year, with price levels reaching historically high and very volatile levels. How does Trianel handle these challenges?**

**Dr Oliver Runte:** The 2021 trading year was indeed very challenging and taxing for the staff on the trading floor. Our excellent overall result in the Midstream segment and especially in the trading business can therefore not be taken for granted. It validates both our trading strategy and our strategic focus on the marketing of flexible



options and services for municipal utilities and third parties.

Last year, our main problems were rising CO<sub>2</sub> and gas prices which had a direct impact on electricity prices, pushing them up to new record highs, in the negative sense, at the end of the year. While we benefited from the volatility on the one hand, expenditure for marketing and demands on liquidity requirements and on our business processes all increased on the other hand.

In the portfolio management and delivery products areas, we look back on a successful year in which we achieved excellent results for our customers. We are delighted to be able to “repay” the great trust our customers place in us with these results. Especially now that volatility and uncertainty are on the rise, we are experiencing a renaissance of procurement portfolio management and risk management activities. Generation portfolio management is also gaining momentum, contributing significantly to cost-effective plant optimisation and supply security. We also had a successful year in terms of the commercial management of the Trianel coal-fired power station in Lünen and the Trianel gas-fired power station in Hamm. Given considerable uncertainty about the future role of hard coal-fired power plants, our excellent Midstream result allowed us to further build up the risk provision for the Trianel coal-fired power plant in Lünen and

extend the provisioning period from four to six years. As a result of the exceptional volatility and extraordinary price levels, we also benefited from higher demand for risk management services and market advisory services in the portfolio management segment. All in all, we managed to harness the momentum on the market for the benefit of our customers.

Last year’s high price levels are also reflected in our 102 percent increase in sales to around € 6.5 billion. Although, due to our procurement and marketing activities for third parties, it is still impossible to draw any significant conclusions from the sales figures, they do highlight the massive price hikes of the past year which went hand in hand with lower trading volumes. The fact that we can easily handle these price increases on the basis of our own funds underlines our sound liquidity situation.

**Trianel has recorded a very positive trend in the field of project development for renewable energy sources in 2021. Will you continue to focus on growth in this area?**

**Sven Becker:** Project development remains an essential mainstay for Trianel. Once again, the segment made a substantial contribution to the positive overall result in 2021 and exceeded our expectations just as much as the trading business. On the one hand, we benefit from the





“The fact that we can easily handle these price increases on the basis of our own funds underlines our sound liquidity situation.”

Dr Oliver Runte, Managing Director, Trianel GmbH

excellent results of our subsidiary Trianel Energieprojekte and from project development services for Trianel Erneuerbare Energien. Among other factors, the excellent result was driven by the development of 80 MW of solar and their successful sale. In the wind sector, we once again reaped the benefits of winning award rounds. In 2021, the establishment of Trianel Wind & Solar GmbH & Co. KG (TWS) also paved the way for further successful project development activities in the municipal environment. 22 municipal utilities are making a contribution to the success of the energy transition by raising over € 100 million in equity capital to invest in the further expansion of onshore wind and solar over the next few years.

The establishment of the new “Flexibility & Decarbonisation” business is also proceeding well. For one thing, we are addressing the growing need for greater flexibility in the energy system resulting from the expansion of renewable energy. Set up at the end of 2020, the FlexStore network brings together 38 municipal utilities who have joined forces with us to investigate the trends surrounding greater flexibility and storage. On top of this, decarbonisation strategies are playing an increasingly important role. As an agent for municipalities, Trianel is helping scores of municipal utilities throughout Germany to achieve climate neutrality.

The establishment of the Hamm Hydrogen Centre underscores Trianel’s commitment in the field of hydrogen. What expectations do you have with regard to hydrogen? What are the options for municipal utilities?

**Sven Becker:** We believe that hydrogen is an important building block on the path to a climate-neutral economy. Hydrogen also represents an important flexibility instrument that will be essential if we are to meet the climate targets in heavy goods transport and industry. At the same time, hydrogen can also contribute to the long-term decarbonisation of the country’s heat supply.

Our establishment of the Wasserstoffzentrum Hamm GmbH & Co. KG project company is the first step in the implementation of a municipal hydrogen project. This represents a milestone in the realisation of a climate-neutral hydrogen generation system at our power station site in Hamm-Uentrop in collaboration with the city of Hamm and the municipal utilities of Hamm. To start with, the system will supply hydrogen for 30 new hydrogen buses operated by the Hamm municipal utilities and up to 20 waste collection vehicles operated by the Hamm waste management and municipal cleaning company (ASH). To this end, we are planning to build an electrolysis plant of up to 20 MW at the Uentrop power station site. The project is flanked by a study that will explore local value creation. The Hamm Hydrogen Centre is part of a com-



“Our earnings before taxes of € 14.5 million in the 2021 financial year build on the positive development of the last five years and represent the best result in the company’s history so far.”

Sven Becker,  
Spokesman of the Management Board, Trianel GmbH

prehensive strategy pursued by local and regional stakeholders to strengthen Hamm as a business location and advance local climate protection. For municipal utilities in particular, the project thus serves as a showcase for the development of hydrogen as a local and regional factor and for its integration into their strategies aiming to reach a climate-neutral energy supply. There is still a long way to go, but we are also good at handling marathons.

**A new federal government was elected in 2021. What are your expectations of the government, especially in light of the historical turning point triggered by the war in Ukraine?**

**Sven Becker:** Our biggest hope regarding Germany’s first ‘traffic light coalition’ is for the removal of obstacles to the expansion of renewables and the creation of general conditions that will facilitate the necessary restructuring of our economy towards climate neutrality. Furthermore, to be able to manage the transformation, the government must address issues such as a new electricity market design. The nuclear and coal phase-out is closely bound up with the introduction of alternative forms of back-up capacity.

The federal government’s ‘Easter package’ already clears the first hurdles for the expansion of renewables, and the

stipulation of greenhouse gas neutrality in the electricity sector by 2035 is sending a clear signal. Scaling up the expansion trajectories is a logical step in this regard. Major milestones are being set specifically in the PV sector, although there have been no changes to date when it comes to the crucial expansion of onshore wind. Obstacles such as land availability, approval procedures and inconsistent species protection are still standing in the way. These issues will be addressed in the announced summer package in a separate Wind Land Requirements Act and a revision of the Federal Nature Conservation Act. It is our hope that the amendment of the legal situation will remove major obstacles to the expansion of renewables.

Due to the Ukraine war, both politics and the economy, especially the energy industry, are facing a host of challenges which demonstrate just how sensitive our energy system is. The expansion of renewables is certainly an instrument that can decouple supply security from fossil energy sources in the long term, while at the same time constituting an absolute imperative in terms of climate protection. As a result of the shifting geopolitical situation, hydrogen will have to be scaled up more quickly and natural gas will have to be re-evaluated as a bridging technology, along with the technical and economic consequences this entails. The ongoing war in the heart of Europe is upsetting the energy balance between supply





security, economic efficiency and climate protection, both in the short and the medium term. While the primacy of supply security is once again returning to the forefront, the issue of climate protection and economic efficiency must nevertheless be given due consideration. There are no easy answers at the moment. What is certain, though, is that the energy triangle must be rebalanced.

**Dr Oliver Runte:** The market jitters caused by the Ukraine war are also reflected in the development of market prices and pose major financial challenges. As a trader, we must manage these challenges, not least in the interest of our customers. Of course, while tackling the acute crisis, we must avoid creating regulations that destroy functioning markets. Gas, oil and coal supply chains will permanently shift as a result of the sanctions, and prices will follow suit. Having witnessed growing price volatility on the short-term markets in recent years due to the substantial expansion of renewables, we are also seeing more turbulence in price trends on the long-term markets, triggered in particular by higher price volatility on the commodity markets.

Looking ahead, what do you believe will be the biggest challenges in 2022? Is Trianel still committed to growth?

**Sven Becker:** Due to the ongoing war, it is currently even more difficult than usual to make any projections regarding the market development. Nevertheless, we assume that we will be in a position to contribute to the expansion of renewable energy sources and will continue to focus on growth, particularly in the project development and flexibility areas. Especially in light of the war, expanding renewables is increasingly urgent, and we are well prepared thanks to a sound project pipeline of 2,000 MW. How quickly we can implement the projects hinges on the further development of the legal framework, but also on issues such as the availability of skilled labour and supply chains.

**Dr Oliver Runte:** As regards energy trading and trading-related services, we will continue to focus on improving our performance and supporting municipal utilities in the areas of procurement and generation portfolio optimisation. In this area, we are committed to growth in terms of the further development of our processes and IT systems and the development of new products for our customers. We had a good start to the new year. Of course, since 24 February, we had to respond with greater flexibility and speed to the volatility on the markets.

Annual and Management Report  
of Trianel GmbH  
for the financial year from  
1 January 2021 to 31 December 2021



# Summary Management Report for the individual and consolidated financial statements of Trianel GmbH for the 2021 financial year

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## A. Company situation

### I. Business model

#### 1. Legal corporate structure

In the 2021 reporting year, Trianel GmbH's shareholder structure did not change compared with the previous year. Trianel GmbH has 57 shareholders. In the reporting year, it holds own shares transferred to it by Trianel Suisse AG in 2019. One shareholder's name has changed: Following its merger with Stadtwerke Weserbergland GmbH, GWS Stadtwerke Hameln GmbH was renamed Stadtwerke Hameln Weserbergland GmbH.

As of 31 December 2021, the company's share capital remains unchanged at € 20,152,575.

Taking into account the annual net income of € 8,881 thousand for the 2021 financial year, Trianel GmbH has equity of € 98,312 thousand on the balance sheet date.

On the reporting date of 31 December 2021, Trianel GmbH had direct shares in 14 subsidiaries and participating interests, as shown in the following overview.

#### Trianel GmbH shareholdings

Trianel Energieprojekte GmbH & Co. KG	100 %	
Trianel Energie B.V.	100 %	
Trianel Gasspeicher Epe GmbH & Co. KG	7.60 %	Trianel Gasspeicher Epe Verwaltungs GmbH 100 %
Trianel Kohlekraftwerk Lünen GmbH & Co. KG	6.34 %	Trianel Kohlekraftwerk Lünen Verwaltungs GmbH 100 %
Trianel Gaskraftwerk Hamm GmbH & Co. KG	6.12 %	Trianel Gaskraftwerk Hamm Verwaltungs GmbH 100 %
Trianel Onshore Windkraftwerke GmbH & Co. KG	5.35 %	
Trianel Erneuerbare Energien GmbH & Co. KG	5.00 %	
Trianel Windkraftwerk Borkum GmbH & Co. KG	2.69 %	Trianel Windkraftwerk Borkum Verwaltungs GmbH 100 %
Trianel Wind und Solar GmbH & Co. KG	2.09 %	
Trianel Windkraftwerk Borkum II GmbH & Co. KG	2.00 %	

Trianel Gaskraftwerk Hamm GmbH & Co. KG (TGH), domiciled in Aachen, has operated the first municipal gas and steam turbine power plant with a capacity of 840 MW since 2008 in Hamm-Uentrop (North Rhine-Westphalia). Trianel Gasspeicher Epe GmbH & Co. KG (TGE), domiciled in Aachen, manages a natural gas storage facility located in Epe in the district of Borken (North Rhine-Westphalia) since 2009/2010. Trianel Kohlekraftwerk Lünen GmbH & Co. KG (TKL), domiciled in Lünen, has been operating a modern, highly efficient 750 MW hard coal-fired power station in Lünen (North Rhine-Westphalia) since 2013. Trianel Windkraftwerk Borkum GmbH & Co. KG (TWB I), with a registered office in Aachen, is the operator of the first expansion stage of 200 MW of the total 400 MW project Trianel Windpark Borkum (formerly Borkum-West II) roughly 40 kilometres off the coast of the North Sea island of Borkum (Lower Saxony). Commercial regular operation commenced there in 2015. In 2020, Trianel Windkraftwerk Borkum II GmbH & Co. KG (TWB II) completed the second expansion stage comprising a further 200 MW, and commissioned the last of 32 wind turbines in the summer.

The personally liable companies Trianel Gaskraftwerk Hamm Verwaltungs GmbH, Trianel Gasspeicher Epe Verwaltungs GmbH, Trianel Kohlekraftwerk Lünen Verwaltungs GmbH, as well as Trianel Windkraftwerk Borkum Verwaltungs GmbH assume the management for the above limited partnerships as the general partners.

All companies are domiciled in Aachen.

Trianel Onshore Windkraftwerke GmbH & Co. KG (TOW), domiciled in Aachen and founded in 2013 as a standard limited partnership (Einheits-KG), plans, builds and operates systems for generating electricity from renewable sources. It is also responsible for participating interests in companies domiciled in Germany that operate systems for generating electricity from renewable sources. Trianel Erneuerbare Energien GmbH & Co. KG (TEE) was founded in the 2015 calendar year, also as a standard limited partnership (Einheits-KG) domiciled in Aachen, with the same business purpose as TOW. Continuing the renewable energy sources project companies, Trianel Wind und Solar GmbH & Co. KG (TWS) was founded in 2020, also as a standard limited partnership (Einheits-KG) domiciled in Aachen. The business purpose is also to develop, build and operate renewable generation and storage plants in Germany, and to hold participating interests in companies with this purpose or objective.

Trianel Energieprojekte GmbH & Co. KG (TEP) pools the project activities of Trianel GmbH, initially in the onshore and photovoltaic (PV) sectors, and is a wholly owned subsidiary of Trianel GmbH domiciled in Aachen.

The Dutch sales and distribution company Trianel Energie B.V. domiciled in Maastricht was forced to apply for insolvency at the end of 2012 due to customer default. The insolvency proceedings are still ongoing.

## 2. Business fields

The business activities of Trianel GmbH focus on accelerating the expansion of renewable energy sources and improving the integration of renewables into the market. The aim is to enhance the competitiveness and independence of autonomous municipal utilities. As the largest European municipal utilities cooperation, Trianel GmbH utilises the potential of liberalised energy markets by pooling shared interests from the municipal environment. For example, this opens up business fields which would not be economically viable for individual municipal utilities.

Trianel's core business consists of the development of new renewable energy generation projects – organised in the 'Project Development' profit centre – and the trading, procurement and supply of energy – organised in the 'Midstream' profit centre.

Trianel purchases energy on wholesale markets for redistributors and municipal utilities, providing easy market access and optimising procurement for customers via its services. In this way, Trianel helps municipal utilities supply their end customers. In addition, Trianel optimises energy industry management of conventional and renewable energy generation systems for municipal utilities and industrial customers. For renewable assets and major electricity generation and gas storage facilities, Trianel takes on the energy business and commercial management and optimisation of the systems.

In the field of project development for renewable energy sources (onshore wind, photovoltaic systems), Trianel identifies and secures potential sites and readies them for construction, finances them and passes them on to the investor in the case of PV projects. In the wind segment, Trianel works for the two asset companies TEE and TWS. To ensure the capacity required to operate in this field, Trianel has founded the subsidiary TEP. Trianel develops projects in this segment by taking its own opportunities and risks.

The further expansion of renewable energy sources, the increasing decentralisation and decarbonisation of the energy industry and the innovation potential due to digitalisation and automation continue to dominate all business fields of Trianel.

All activities of Trianel GmbH are developed in close coordination with the business aims of the shareholder companies and tailored to their needs and circumstances.

### 3. Important products and services, business processes and projects

Trianel GmbH is active in many trading markets for electricity and gas products, both as a trading partner for bilateral transactions (OTC market) and as a participant in the most important energy exchanges. Activities in the

electricity sector include the German, Dutch, Belgian, Austrian, Swiss and French market areas as well as Spain and the Nordic countries (Nordpool). In the gas sector, Trianel covers the German market areas, for H-gas and L-gas, as well as the liquid TTF market. CO<sub>2</sub> certificates and coal (API2) are also traded. Many sales products in the delivery sector are based on activities on the market that allow Trianel's customers to purchase trade products. The electricity trading volume in 2021 totalled 151 TWh (previous year: 244 TWh), while the gas trading volume was 80 TWh (previous year: 134 TWh).

#### Energy business products and services

In 2021, portfolio management on the procurement and generation side continued to form a main pillar of the energy business activities. It consists of optimised electricity and gas procurement, marketing and securing electricity from own generation plants and management of storage facilities for our customers. In addition, consulting activities in the area of sales portfolio management, delivering key processes and value chain steps through a sales and distribution company, played a more important role.

In the fields of portfolio management, trading and energy sales, Trianel offers new options to digitally manage portfolios via the digital platform Trianel DESK, generating

efficiency gains and process excellence for both Trianel and its customers. With Trianel DESK, Trianel is expanding its energy industry services to IT-managed services. Accordingly, Trianel can provide services like licence, application and infrastructure management for municipal utilities.

Trianel continues to act as a comprehensive service provider for the revenue-optimised marketing of all types of generation plants. In 2021, Trianel managed roughly 2,500 MW of conventional power station capacity. Additional reporting and consulting services were also provided. Via marketing activities in the spot, intraday and balancing energy markets, additional contribution margins of € 8.2 million were earned in the management of the Lünen coal-fired power station. On top of this, € 1.9 million was saved as part of shortfall management compared with the failure reserve contract. The 28 shareholders in TKL benefit directly from the above contribution margins. Trianel also benefits as part of the contractually defined variable remuneration of these results achieved.

For Gaskraftwerk Hamm, the marketing strategy agreed with the TGH shareholders generated a net income of roughly € 53.4 million. Trianel receives a share in this profit via performance-related compensation. For 2022, almost all of the valuable hours on the futures market



were marketed at a very good spread level. The marketing level for 2023 is roughly 54 percent.

The business field of direct marketing of electricity from plants under the Renewable Energy Sources Act (EEG) was further optimised in 2021 to reduce marketing risks and cut marketing costs. As of 1 January 2022, the direct marketing portfolio contains plants with a capacity of approx. 2,600 MW. Most of the direct marketing portfolio consists of wind energy.

#### Municipal utilities support services

Trianel helps municipal utilities harness opportunities and overcome the challenges arising from digitalisation, operation of modern municipal infrastructures and implementation of municipal climate action projects. To this end, Trianel identifies and evaluates trends and suitable solutions in the trend scouting context and pilots them in the Trianel Digital Lab (digital innovations) and the FlexStore (innovations relating to energy industry flexibilities).

#### Business processes

Both the number of short-term transactions and price volatility are rising significantly on the energy trading markets. At the same time, products, country markets and regulatory requirements are becoming increasingly differentiated. This calls for an IT landscape that executes

processes in a highly automated, fast and cost-effective as well as transparent manner, ensuring a consistently high quality level. At the same time, considerable flexibility is required to integrate new processes, products and markets at any time with limited effort and at great speed. Trianel has therefore modernised its outdated landscape with more than 200 applications and is building a new IT landscape to further optimise its trading and customer processes.

#### Project development and projects

Trianel GmbH's project development business now focuses entirely on renewable energy projects.

Since 2019, the subsidiary TEP has already established itself successfully on the market by participating successfully in tenders via project companies founded for the purpose (winning 32 contracts), as well as with cooperation models and transactions. By the end of 2021, TEP had 20 subsidiaries, each implementing one or more PV projects. 16 of the subsidiaries have won contracts as part of the tenders under the German Renewable Energy Sources Act (EEG). In 2021, TAP Windprojekte GmbH & Co. KG, a joint subsidiary of TEP and TEE, received approval for five wind turbines. White space development was expanded in preparation for the planned business activities of TWS and site acquisitions were concluded. We provide services for the offshore wind farms TWB I and TWB II.

#### 4. Management and control

In addition to Sven Becker as Management Spokesman, Dr Oliver Runte has been appointed as Managing Director of Trianel GmbH. The Trianel Shareholders' Committee and the twelve-strong Supervisory Board are among the other corporate bodies.

## II. Strategy and management of the company

### 1. Corporate strategy

#### Current orientation

Trianel is building on its role as a hub between generation and consumption for the increasingly digital and renewable energy worlds. To achieve this goal, Trianel offers municipal utilities and other customers solutions for a renewable, decentralised and flexible energy industry in a market that continues to be dominated by rising volatility. Trianel is increasingly dovetailing the services in the various business fields, harnessing synergies.

Expansion and market integration of renewable energy sources, management of energy industry portfolios and assets, amalgamating a wide range of data from generation and consumption and testing and implementing digital solutions to support operations of modern municipal infrastructures are key fields for the future alignment of the company.

Via trend scouting, Trianel and its shareholders pursue the goal of identifying and evaluating business opportunities resulting from the changing general conditions at an early stage. In addition, based on trend scouting activities, ideas are trialled jointly in pilot projects by the

Trianel Digital Lab and the Trianel FlexStore and are developed further if they show sufficient potential.

#### Products and services

Trianel is continuously adapting its range of products and services to the latest general conditions. The adaptations are made on the basis of an in-house market appraisal and energy industry expert know-how taking strategic focuses into consideration.

#### Customers

Trianel is supported exclusively by municipal utilities and considers itself as an independent company that in turn supports the interests of municipal utilities, which are also independent.

#### Employees

Trianel GmbH's employees are among the company's most important assets. Trianel relies on expert and dedicated teams to gain an advantage in innovation, product depth and maturity, as well as market penetration, over competitors in a tough environment. With the aim of supporting this goal, the mission statement we developed together with our staff was backed up with concrete measures in the year under review. Our further strategic

direction focuses on cultural and organisational development and on the optimisation of the remuneration system.

#### Society and the environment

Trianel GmbH was established as a result of the liberalisation of the energy markets. It is therefore wholly dedicated to competition, and strives to promote it. With its shareholders, Trianel pursues the common goal of ensuring sustainable, decentralised citizen- and customer-oriented energy supply.

Trianel is expressly committed to the targets of the Paris climate agreement of 12 December 2015, which prescribes a restriction of anthropogenic global warming to significantly less than two degrees compared with pre-industrial values. To achieve this, Trianel and its shareholders are investing in expanding renewable energy sources and modernising the German power generation mix. In the last 16 years, Trianel and the municipal utility companies made investment decisions totalling roughly € 5.5 billion. Over 50 percent of the invested funds went towards renewable energy sources. Trianel has focused exclusively on renewable energy sources for several years.

## 2. Internal corporate control system

The management board uses a variety of systems and processes to control and monitor the company and to analyse and document the company's risks and opportunities. The control system focuses on the development of profit and liquidity of the company and monitoring risks. To measure these developments, profit contributions, structure costs, result figures and liquidity stocks, among others, are calculated.

By determining the need for risk capital for the relevant risk types and continuous measurement of the current need for risk capital, Trianel ensures that risks and opportunities are dealt with appropriately. Extreme value considerations provide findings on events not covered by standard processes (see also Risk report, C. III). Auditors commissioned by the shareholder companies confirm compliance with the risk guideline on a quarterly basis.

The product development strategy is characterised by careful observation of customer requirements and the latest market developments as well as the evaluation of the resulting future developments. Important investment decisions are made on the basis of discounted cashflow models. The Management Board regularly checks the progress of the main projects and monitors compliance with project plans and targets. The management and control mechanisms are adapted to the growing company

structures on an ongoing basis. The Supervisory Board is regularly informed of all major economic developments at Trianel GmbH.

The internal audit tasks are performed by an employee of Trianel GmbH and external service providers who each report directly to the Management Board.

### Financial targets

Trianel GmbH's business model is aimed at contributing to creating value for its customers with its services. Trianel strives to earn pre-tax profits which reflect an appropriate return on equity. Boosting the equity basis is another important financial target, in order to finance the investments required to implement the energy transition and put development projects into practice.

### Non-financial targets

Shareholder and customer satisfaction is Trianel's main non-financial target. For this purpose, Trianel aims to anticipate the needs of its customers as early and well as possible. Trianel continuously and intensively observes and analyses market and industry developments together with its shareholders. With a rapid development of potential business fields and products to market maturity, Trianel also strives to keep its shareholders and customers

one step ahead of its competitors, both in terms of time and technology. A further aim is the support and shaping of the relevant energy policy topics in the interest of independent municipal energy supply.

Trianel's workforce plays an essential part in achieving our goals. Their high level of qualifications and far above-average commitment make successful business activity possible. Trianel has set itself the goal of putting in place conditions that optimally empower and enable its employees while ensuring high employee satisfaction.

## 3. Innovation management

Innovation management at Trianel is part of trend scouting, the Trianel Digital Lab and the FlexStore, and involves the shareholders of Trianel GmbH specifically in market and trend monitoring as well as pilot projects. In a multi-stage process, new trends are identified, evaluated and piloted systematically using agile working methods. Examples of these new approaches include in particular the now regular 'Innovation Days' (bringing start-ups and municipal utilities together), 'Smart City Days' (developments in modernisation of municipal infrastructure), 'Lab Days' (experience in piloting digital solutions) and various FlexStore workshops (experience in piloting energy industry flexibilities).

## B. Business report

### I. General conditions

In 2021, energy consumption in Germany has picked up again, although it remains considerably below the level of the pre-Corona period. Primary energy consumption increased by 2.6 percent compared with the previous year. According to AG Energiebilanzen (AGEB), the economic recovery and cooler weather compared to the previous year resulted in increased consumption in 2021. AGEB notes that the last quarter of the year saw little impetus from economic development on energy consumption as supply bottlenecks, a weakening construction sector and the expiry of catch-up effects led to a stagnation of the economic recovery. Adjusted for the weather effect, energy consumption rose by no more than 0.6 percent.

According to AGEB, the gross power generation increased from 566.7 billion kWh to 582.2 billion kWh. The balance of the electricity exchange with other countries was –20.4 billion kWh. The share of renewables in German gross power generation declined slightly by 4.7 percent to 40.9 percent in 2021. That is equivalent to 238.0 billion kWh. Renewable energy sources remain the most important source of energy despite the slight decline. Of the renewables, wind energy accounted for the highest percentage of gross power generation at roughly 20.1 percent and 117.3 billion despite the windless

weather in 2021. This was followed by photovoltaics at 51.2 billion kWh, which corresponds to a share of 8.8 percent.

The gross power generation from natural gas dropped slightly from 94.6 billion kWh to 89.0 billion kWh, and thus to a share of 15.3 percent. Power generation from hard coal and lignite increased significantly, rising from 134.5 billion kWh to 162.6 billion kWh. With a share of 27.9 percent of the total electricity mix, hard coal and lignite remain an important element in the energy supply. The gross power generation from nuclear energy rose slightly from 64.4 billion kWh to 69.0 billion kWh, holding a stable share of 11.9 percent.

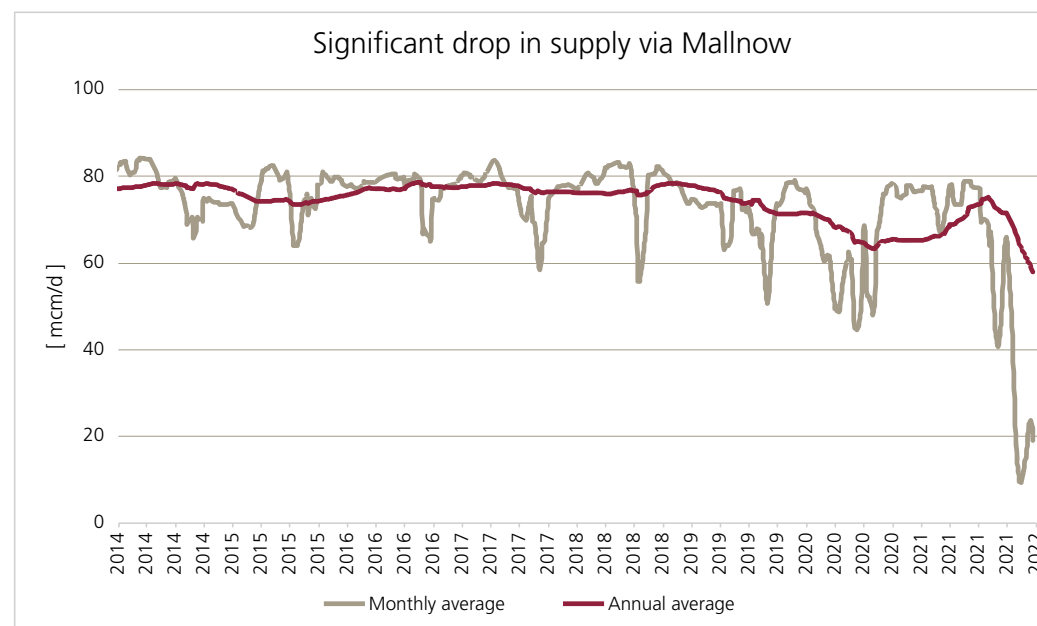
The decline in electricity generation from wind energy and the simultaneous increase in electricity demand due to the favourable economic development after the pandemic-related downturn resulted in the production of higher electricity volumes from non-renewable energy sources in 2021.

## 1. Trends on the electricity and gas markets

In 2021, the European electricity and gas markets were shaped by exceptional price developments. The causes for this development are manifold. Initially, the markets rallied in 2020 in response to central bank and policy responses to the global Corona crisis, with the Asian economy making an early and significant recovery involving increased demand for energy. As a result, LNG deliveries shifted to Asia and the oversupply on the European gas market was eliminated in 2020. A cold winter in East Asia pushed up gas demand in the Asian region and further increased the price of LNG, with the result that European storage levels in north-western Europe were only gradually filled up in May 2021. At the same time, north-western Europe also had a cold late winter followed by a cold spring, extending the European heating season beyond the norm until the end of May and keeping gas storage at a low level until June.

In the summer of 2021, global demand for gas increased further. A very dry summer in South America caused a decline at existing hydropower plants and an increase in the use of gas-fired power stations. Pressure on gas prices and availability increased, and European storage continued to be topped up at low levels. At the same time, LNG imports to the Iberian Peninsula were higher than usual for the season and gas and crude oil prices in the USA went up. The price for TTF gas at the front end of the forward curve rose from just under 25 €/MWh in late May 2021 to 50 €/MWh in late August 2021.

Russian gas supply via pipeline dropped significantly from September 2021 onwards, resulting in a first exponential rise in TTF gas prices as of early September. At its peak, the front-month contract rose as high as € 160/MWh. The fact that Norwegian imports and Russian imports via Nordstream 1 were almost at their capacity limit was irrelevant for the market. Critically, this latest disruption hit a market that was already extremely anxious due to low gas storage stocks. Prices did not stop rising until 6 October 2021, when Russia raised hopes of increasing exports to north-western Europe and a part of the Nordstream 2 pipeline was filled with gas for test purposes.



After 6 October, the market's main daily data point was based on the observation of gas supplies via the Mallnow compressor station (Yamal pipeline), which, however, did not rise substantially. At various times and through various channels, Russia maintained that this was due to a lack of demand and that Russia was fulfilling all its supply commitments. At the same time, the market increasingly speculated that the Nordstream 2 pipeline could become operational in the winter of 2021/2022. As a result, prices at the front end of the TTF gas forward curve fluctuated around € 80/MWh until mid-November. The announcement by the German Federal Network Agency that the approval process for Nordstream 2 would be suspended for the time being due to non-compliance with unbundling regulations triggered another exponential gas price increase in mid-November 2021. This coincided with onset of the winter period and the outage of French nuclear power plant availabilities, which further exacerbated price pressure on the gas and electricity markets. However, around Christmas the markets settled down to some extent and higher LNG quantities were once again delivered to Europe. The gas situation in Europe remained tense until the end of the year and deteriorated when Russian troops deployed on the Ukrainian border. The invasion of Russian troops on 24 February 2022 presents a further challenge to the global energy market in respect of all commodities.

## 2. Energy policy developments

Following the SPD's election victory over the CDU/CSU in the federal elections in September 2021, it quickly became clear that the respective parties were ready to form the first 'traffic light coalition' at the federal level. As set out in the election manifestos, climate protection and the energy transition played a decisive role in both the exploratory talks and the coalition agreement. The traffic light coalition is driven and determined to accelerate the energy transition on the path to climate neutrality: Among the government's aims are the expansion of renewable energy sources with ambitious expansion targets in the public interest, reducing the duration of planning and approval procedures by at least half, not limiting the use of hydrogen to individual sectors, and developing a new electricity market design. The government also aims to 'ideally' move the coal phase-out forward to 2030 and evaluate progress as early as 2022. The new Federal Minister for Economic Affairs and Climate Robert Habeck (Bündnis 90/Die Grünen) has already announced that these plans will take concrete shape in 2022.

The Bundestag and Bundesrat passed the amended German Renewable Energy Sources Act (EEG 2021) in December 2020. The aim of ensuring that all electricity used in Germany from 2050 on is greenhouse gas-neutral is

anchored in the law. The intermediate goal for 2030 is to meet 65 percent of the electricity demand from renewable energy sources. However, this is a missed opportunity to increase the technology-specific tender quantities. The electricity consumption forecast underlying the act was not adapted to the higher demand from electromobility, heat pumps and hydrogen production as part of sector coupling, and the more ambitious EU climate target for 2030 was not incorporated. Nevertheless, the amendment contains minor progress towards achieving the 2030 target: the specification of follow-on regulations for wind and solar energy systems, which lose their eligibility for support under the EEG after 20 years, significant improvements in tenant electricity and municipal participation in wind farms and an additional reference level for onshore wind energy.

In adopting the 2021 EEG, the Bundestag also passed a resolution proposal comprising 16 items. It is to be implemented in the current legislation period. One of the most pressing tasks for the Federal Government is to reformulate the expansion roadmaps based on the European climate targets for 2030. In early 2022, the new federal government elected in September 2021 already initiated an amendment to the EEG in the form of the 'Easter Package'.



The 'Fit for 55' package sets the course for energy policy at the European level: Adopted on 14 July 2021, the package fleshes out the EU Commission's Green Deal, which aims to deliver Europe's climate targets (55 percent GHG reduction by 2030 compared to 1990 and climate neutrality by 2050). In this context, the energy industry has a key role to play. Among other measures, the 12 legislative proposals provide for an adjustment of the current EU Emissions Trading Scheme, a CO<sub>2</sub> pricing system in the buildings and transport sectors and the revision of the Renewable Energy Directive (RED II) and the Energy Efficiency Directive (EED).

The new Climate Protection Act already entered into force in August 2021. Key elements of the amended law are the increase of GHG reduction targets from 55 to 65 percent by 2030, tougher sector targets by 2030 and earlier GHG neutrality by 2045. This represents a significant tightening of the European climate protection targets. Now the new federal government has to underpin the new national climate protection targets with further measures.

## II. Business development

The pre-tax result of € 14.5 million earned in the 2021 financial year significantly exceeded the projected result of € 4.5 million by around € 10 million. Due to the inadequate marketing prices, significant losses were incurred from the management of our long-term energy supply segments in the Lünen coal-fired power station and the storage bundle of the Epe natural gas storage facility.

These losses were clearly more than compensated, in particular by the continued great success of our trading and optimisation business, renewable project development and power station activities, comprehensive services, some of which also include considerable performance-dependent remuneration components, as well as other operating expenses that were lower than planned in 2021.

As a precaution, the provisions for anticipated losses from marketing the long-term energy supply segment in the Lünen coal-fired power station and marketing the storage bundle at Epe natural gas storage were increased further by adjusting the period under review (€ 6.7 million in total). In addition, the general risk provision was raised by € 2.0 million. At 13 percent, the equity ratio is lower than in the previous year due to the significant increase in total assets (up by around 94 percent compared to the previous year). As in previous years, the balance sheet total is also characterised by the high level of accounts receivable with simultaneously high liabilities, which have risen sharply

due to the massive price rises on the energy trading markets. Both reflect the established process in energy wholesale trade of invoicing energy accounts on a monthly basis. This means that at the end of the year, the accounts receivable and payable from deliveries in December – one of the months with the highest turnover – must be stated regularly. Given this background, we continue to consider the equity base as sound and conservative.

In the 2021 financial year, we had sufficient financial scope and were adequately resourced both for exchange transactions and for unforeseen developments. Compared to the reporting date in the previous year, the company's liquidity increased by € 26.1 million to € 67.7 million, which was essentially due to our successful business activities.

### III. Company situation

#### 1. Earnings situation

With earnings before tax of € 14.5 million, Trianel GmbH once again achieved a positive result that significantly exceeds even the excellent previous year's total (€ 11.0 million). Without the risk provision effects described above, earnings before tax of roughly € 32.0 million would have been achieved.

Sales proceeds amounted to € 6,450 million in the 2021 financial year (previous year: € 3,186 million) and thus increased by 102 percent compared with the previous year. Fundamentally, due to procurement and third-party marketing as well as price-related effects, the absolute turnover total and the associated total material expenditures do not allow any significant conclusions to be drawn on the economic success of the company. In order to increase clarity, the turnover from proprietary trading was balanced with the corresponding material expenditures in the reporting year, totalling € 2,860 million (previous year: € 3,168 million). At 99.3 percent, the material expenditure ratio is slightly higher than in the previous year (98.0 percent). Personnel expenses rose from € 35,085 thousand to € 38,917 thousand in particular as a result of provisions for bonuses.

The result from participating interests, at € 11,714 thousand (previous year: € 9,764 thousand), increased compared with the previous year owing to higher dividends paid by associated companies. The non-adjusted financial result amounted to € 10,359 thousand (previous year: € -6,137 thousand). Adjusted for the neutral effects in particular from discounting and compounding accounts receivable and payable totalling € 727 thousand (previous year: € -1,799 thousand) and profits received in the same period amounting to € 7,612 thousand (previous year: € 5,404 thousand), the adjusted financial result amounts to € 2,020 thousand (previous year: € -9,742 thousand).

Tax on income accrued in the amount of € 5,603 thousand (previous year: € 6,200 thousand) and other taxes amounted to € 49 thousand (previous year: € 49 thousand), resulting in an overall annual net income of € 8,881 thousand (previous year: € 4,719 thousand).

#### 2. Financial situation

Compared to the previous year, the year 2021 was significantly less affected by the Covid-19 pandemic in terms of liquidity. On the contrary, the experiences gained in 2020 confirm that Trianel faces no significant negative financial impact from the pandemic. Market price developments in 2021, however, proved to be an increasingly relevant variable impacting our liquidity.

Starting in the fourth quarter of 2021, volatility and price levels increased significantly for the commodities electricity, gas and EUA. Especially in the second half of December, margin requirements for the exchange business rose sharply, which led to the occasional use of parts of our credit lines. As early as the turn of the year, our liquidity situation was back to a very adequate level. The drawing of our credit lines in the amount of € 25 million beyond the turn of the year reflects our provisioning for comparatively high energy price levels that go hand in hand with high volatility.

The concept we had prepared in the previous years of expanding our surety and credit lines as a precaution was proved right by the following developments. However, the exceptional situation also showed us that our surety and credit line facilities, which have so far been considered conservative, require a prospective expansion in a market framework characterised by high price levels and volatility. On one hand, our efforts are intended to increase our resilience to unpredicted liquidity-intensive events, while on the other, they enable us to take further opportunities at short notice by using liquidity or lines that can subsequently be substituted with long-term financing if necessary.

Aside from credit lines, sureties also play an important role for us, as we can use them as a liquidity surrogate for margin requirements with our clearing bank for the exchange business. A line that was previously only used for

the variation margins has since become much more expensive, preventing us from extending this line at the end of 2021 as planned. We managed to substitute it with two other credit institutions, allowing us to continue to use the instrument of sureties to cover variation margins in the future.

In the reporting year, the operating cashflow of Trianel GmbH was € 31,281 thousand, up from € 11,303 thousand in the previous year. The change in cashflow was influenced by a significantly positive development in trade business in the amount of € 11,714 thousand. The cashflow from investment activities totalling € 4,793 thousand (previous year: € 893 thousand) primarily related to investments in intangible fixed assets and the received disbursement of the 2020 annual net income from TEP of € 5,404 thousand in 2021. In addition to the drawing of credit lines in the amount of € 25,000 thousand, the cashflow from investment activities totalling € -10,171 thousand (previous year: € 2,179 thousand) includes a drop of € 26,968 thousand in the margins deposited with our clearing bank in the form of sureties as well as distributions to our shareholders (€ 4,719 thousand) and interest payments (€ 2,085 thousand). Overall, the total financial resources increased to € 67,744 thousand (previous year: € 41,683 thousand). The overall financial situation in the 2021 financial year was adequate at all times.

### 3. Asset situation

Compared with the previous year, the balance sheet total increased substantially by € 390,790 thousand to € 756,661 thousand due to the market price-related increase in receivables and margins (consolidated balance sheet total: € 764,606 thousand). On the assets side, receivables and other assets in the amount of € 550,946 thousand made a major contribution (previous year: € 237,649 thousand), as well as the corresponding liabilities, which increased from € 225,407 thousand to € 554,256 thousand in the course of the year. Other assets include € 113,232 thousand in initial margins paid (previous year: € 18,212 thousand) which are matched by the variation margins included in the other liabilities in the amount of € 85,118 thousand (previous year: € 0 thousand). The liquid funds increased by € 26,062 thousand from € 41,683 thousand to € 67,744 thousand, largely due to incoming funds from the successful trade business.

In the financial year, the significant market price-induced increase of the balance sheet total reduced Trianel GmbH's equity ratio to 13.0 percent (previous year: 24.1 percent). The equity ratio for the Group dropped to 13.6 percent. In absolute figures, the equity rose by € 4.162 thousand to € 98,312 thousand. This change is the result of the annual net income for 2021 of

€ 8,881 thousand (consolidated annual net income for 2021: € 11,813 thousand) and the dividend payout of € 4,719 thousand made in 2021.

## C. Forecast, Opportunity and Risk report

### I. Forecast report

#### 1. Direction of Trianel GmbH

In the next few years, Trianel GmbH's business activities will be affected by the following factors:

- Advancing expansion of renewable energy sources
- Continuing increase of the importance of climate protection and sustainability
- Expansion of European energy trading
- Further increase in volatility on energy markets
- Increasing flexibility in demand and supply
- Further advances in decentralisation
- Digitalisation of energy industry processes and services

This creates opportunities for Trianel to continuously expand renewable energy sources and integrate them in the market, as well as to expand energy trading. It is becoming increasingly difficult to synchronise supply and demand, adding yet another challenge for energy industry services and energy trading. Digital processes are the basis both for optimising processes in municipal utilities

and interaction of municipal utilities with their customer and to implement future (detailed and decentralised) business models. Trianel enables municipal utilities to digitalise energy industry processes and harness economies of scale by using interfaces between the system architectures via software-as-a-service solutions like Trianel DESK as a central platform.

As in the previous years, the consolidation of the price level for direct marketing based on the market bonus model continued in 2021. As before, the obligatory direct marketing continues to create good preconditions for the development of this business sector. Even if market models in the renewables sector change, such as Power Purchase Agreements (PPA) or continued operation of plants whose eligibility for support under the Renewable Energy Sources Act (EEG) has expired, short-term marketing remains a decisive success factor.

In future, Trianel expects high demand from municipal utilities for renewable generation capacities. At the moment, new tasks are emerging in the field of operational management; after the expiry of the substantial EEG payments, for instance, it is increasingly important for TWB to have their own technical operational management and to market the generated energy volumes.

Work is underway to ensure that TEE's mature wind projects can be built soon. To advance white space development for TWS, a second office was established in

Kassel in 2021. The aims for PV in 2022 are to drive efforts to secure new locations. The plan is to prepare approx. 200 MWp for construction, to build more substations and to establish other projects around them. Roughly 60 MW of new PV projects are to be built and commissioned in 2022. Trianel will participate in additional tender rounds in both the wind and PV segments in 2022.

## 2. Anticipated earnings situation

Trianel continues to implement the "Trianel 2025" strategy in the context of the economic plan for the years 2022 to 2026 that has been adopted by the Shareholders' Meeting. At the heart of this strategy is the continued

- focus on our project development and trading activities and their expansion, as reviewed and confirmed in the strategy review conducted in collaboration with a consultant,
- as well as the elimination of unprofitable peripheral activities and the addressing of balance sheet risks over the next 5 years
- while at the same time generating an appropriate return on equity and a consistent distribution to the shareholders.

For 2022, earnings before taxes (EBT) of € 7.8 million were budgeted, which is significantly higher than the estimate stated in the 2022 business planning from the previous year's plan (€ 4.8 million). The planning for 2022 is dominated by projects within our 'Project Development' profit centre that have been largely defined, as well as valuable pending 2022 trading positions and ambitious targets for sales-relevant products. The improvement in the budgeted results compared to the previous year is a positive development, especially in light of the implementation of the decision to fully phase out the basic remuneration by the end of 2024.

The key performance figures which guide Trianel's business indicate a gross margin (revenues less cost of materials) of roughly € 55.7 million, earnings before taxes of roughly € 7.8 million, investments of roughly € 2.9 million for the 2022 budget year. The budgeted staff level was around 374 employees: converted to full time equivalents (FTE) and taking dates of joining into account, the FTE value is 324.7.

## 3. Anticipated financial situation

For 2022, Trianel expects inflows of financial assets totaling roughly € 1.0 million which mainly include deferrals under loans to TWB I, TWB II and TGH as well as € 0.2 million in investments in TWS.

The short-term liquidity developments in connection with the trading activities are largely dependent on the price developments on the energy markets and therefore cannot be budgeted reliably. In order to cover liquidity fluctuations in this area, we maintain credit line and respective surety facilities, which we intend to expand accordingly in light of the expected high price levels and volatilities in 2022. Accordingly, our short-term financing instruments will also offer sufficient scope in future to cope as required with volatility in trading activities.

In summary, at present Trianel is sufficiently resourced with lines and facilities which will be expanded accordingly in order to adequately reflect the future uncertainties described above. On this basis, we consider the liquidity situation positive and adequate for the years to come.

## II. Opportunity report

The energy transition requires municipal utilities to expand their capacities in the field of renewable energy generation and step up their current energy asset procurement and management activities. They must take into account topics like integration of renewables in the energy market and distribution grids, substantial price volatility, stricter climate protection requirements and implementation of local climate protection programmes, rising flexibility in demand and supply, ever stricter requirements for synchronisation of generation and consumption and digitalisation of internal and external processes. Trianel considers these developments as good opportunities to support municipal utilities in these challenges over the coming years with attractive services and products.

Increasing digitisation in the energy sector offers Trianel GmbH opportunities to help municipal utilities realign internal processes, the interface to end customers and advanced data analyses in the IoT environment as close to real time as possible. Our energy industry services are increasingly digitalised thanks to the new IT landscape and the digital customer interface Trianel DESK, allowing our customers to tap further efficiency potential. As a result, Trianel expects to expand its market share in the saturated market of energy services with continued high margin pressure, and increase its profitability. Trianel will also expand the IT consulting for municipal utilities business field.

The Midstream area will benefit from various opportunities to support municipal utilities and other customers in the integration of electricity made from renewable energy sources. This includes, for instance, the development and implementation of concepts designed to manage fluctuating generation from own projects or from PPAs in the procurement portfolio at optimum risk. The same applies to the marketing or price hedging of generation from assets, given the anticipated higher electricity prices in the market premium model and in the other direct marketing fields.

Trianel continues to expand activities and processes in the rapidly growing intraday trading segment. These activities focus not only on delivery up to five minutes before physical fulfilment, but also on the further development and provision of optimisation options to harness further potential in Trianel's own positions and in customers' positions on energy markets which are becoming increasingly volatile.

For 2022, we see opportunities to consolidate the good business development from 2020 and 2021 in energy trading, and project development for PV and onshore wind. Subject to strict risk management, the anticipated energy price development offers opportunities for the Midstream business area. We can win additional contracts from the existing PV project pipeline and potential revenue can be earned from further sales. The mature TEE projects were also prepared for construction, adding

more value by building them. The founding of TWS enhances our activities in in-house development of white spaces.

The envisaged decarbonisation in Germany and Europe will result in a strong increase in demand for new energy carriers such as green hydrogen and green heat. We believe there is great potential in the coming years for Trianel to use its expertise for the benefit of its shareholders and for the company itself, and to generate additional revenues.

Due to the energy policy developments triggered by the Ukraine crisis, which aim to reduce dependence on Russia as quickly as possible, the integration of renewable energy will gain in importance more quickly than previously envisaged. On the one hand, this creates opportunities for our business model, which is based on the combination of Midstream activities and renewable energy. On the other hand, the anticipated higher energy price level should have a positive impact on our project development business and our participating interests in generation companies. In combination with increasing volatility, it should also give fresh impetus to the trading business.



### III. Risk report

The business activity of Trianel GmbH demands that risks are consciously entered into in order to achieve the company's financial goals. According to Trianel's definition, and therefore also for this risk report, risks are viewed as negative unexpected deviations from the projected result.

#### 1. Risk management system

Trianel GmbH's risk-bearing capacity forms the framework for the risk management system. This is aligned with the equity capital and liquid funds available. Trianel's risk-bearing capacity is defined as the maximum extent of risk that Trianel can bear without jeopardising its status as a going concern.

#### Risk management organisation

In order to enable effective risk management, there is an organisational separation between those areas, posts and functions that enter into risks in the course of their activities and those that monitor the risks entered into and limit and report them where necessary.

Risk management is responsible for the creation, development and implementation of guidelines, methods and processes in the context of assessing, managing and monitoring the main risk classes, and for reporting on the

risk situation. Central risk management also monitors compliance with risk guidelines and defined risk limits. With the risk inventory tools, Trianel pursues the goal of attaining a comprehensive overview of all significant risks to the company at least once a year.

Central risk management at Trianel GmbH is supplemented with the compliance function. The compliance management system (CMS) implemented at Trianel pursues the goal of identifying compliance risks in good time and ensuring that employees are aware of these risks. In addition, this is intended to prevent violations of rules. Should violations of rules nevertheless occur, the incident will be handled by the Compliance Department. Regular exchanges by all Compliance Officers and monitoring of the effectiveness and systematic development of the CMS are guaranteed by the Compliance Committee. To limit tax risks, the existing CMS was supplemented in with a tax-specific internal control system ("Tax ICS").

As a rule, the Trianel GmbH Risk Committee meets once a month to discuss the implementation of and need for changes to the risk management system. The suitability and functionality of the risk management system are monitored by internal audit, currently performed by two audit service providers, as well as by the external auditors commissioned by the shareholders.

The project, started in 2019 to further expand the (focused on market price, credit and operative risk) risk management to an enterprise risk management system, was continued consistently in 2021 and resulted organisationally in the founding of a new department 'Enterprise Risk and Participating Interest management' within the Risk Management division. A company-wide risk aggregation model was also introduced to determine the need for risk capital based on a Monte Carlo simulation, and provision was made for consistent, verifiable consideration of risks in decision-making.

#### Risk management process

Risk control comprises all measures and tools used for avoiding, reducing or shifting detected risks, as well as consciously entering into certain (residual) risks. In order to evaluate the effectiveness of the risk control measures which have been put in place, the target and actual risk situations are regularly compared as part of risk monitoring.

Internal and external addressees are informed on a regular basis of the current results, liquidity and risk situation, as well as concerning the accounting precautions taken. The frequency, type and scope of the reporting vary according to the type and the significance of the risk. During the Covid-19 pandemic, monitoring of credit, market and liquidity risks, as well as additional operative risks was intensified.

## 2. Risk areas and individual risks

Risks are managed at Trianel via Trianel GmbH's risk-bearing capacity and the provision of risk capital derived from this. The risk capital approved by the Shareholders' Meeting represents the upper limit of the overall risk accepted. The Supervisory Board and the shareholders' meeting also receive reports on the risk capital requirement of the major risk classes market, project, credit, participating interests and operational and other risks.

### Market risks

Market risks can significantly influence the results situation at Trianel GmbH in the form of market price fluctuations, market liquidity changes and quantity deviations.

The trading activities of Trianel GmbH are monitored each working day for compliance with the value-at-risk limit and supplementary limits. In addition, the risk resulting from the entire portfolio of Trianel GmbH is determined every quarter and compared with the approved market risk capital as part of the overall risk.

Market price changes lead to fluctuations in the company's short-term cashflow in the exchange business and via margining agreements. At Trianel GmbH, the associated liquidity risk is monitored each working day and taken into account as part of liquidity control.

### Credit risks

Unlike exchange transactions, with non-exchange energy trading transactions (OTC), Trianel GmbH is exposed to the risk that trading partners do not fulfil their contractual duties to deliver or pay for a commodity, or do so late.

In order to limit these credit risks, every potential trading partner of Trianel GmbH is subjected to a multi-stage credit standing evaluation process. The credit standing evaluation of the trading partners is reviewed once a year. Depending on this credibility evaluation, an individual credit limit is granted to every trade partner.

Compliance with the credit limits granted is monitored and reported on every working day by calculating the credit risks and the remaining flexibility for each business partner. In addition, the risk resulting from the entire loan portfolio of Trianel GmbH is simulated once every quarter and compared with the risk capital available as part of the overall risk.

### Participation risks

Participation risks arise in particular as a result of possible deviations from the budget for affiliated companies and/or the development of asset projects. Trianel holds minority participating interests in the key operating project companies and is regularly informed about the

development and the risk situation of the companies via the project company boards. In the year under review, particular attention was paid on our participating interest in TWB I as well as our long-term energy supply segment in TKL.

The risks of participating interests are mapped individually in the company-wide risk aggregation model and thus part of the Monte Carlo simulation to determine the risk capital requirement. A separate value for risks from participating interests is also reported.

### Operational and other risks

Risks arising from the legal and personnel areas as well as risks associated with processes and systems are generally referred to as operational and other risks.

Legal risks are defined as the risk that contracts entered into do not include the legal items that Trianel GmbH requires. Trianel GmbH counteracts these risks for example by early involvement of its own Legal Department and the Commercial Department in all relevant procedures, through a mandatory market and product clearance process, and by the use of standardised contracts wherever possible. Regulatory risks in energy trading are monitored and controlled by the Compliance Department. The electronic monitoring of trading activities, required under the European Market Abuse Regulation, and related guidelines play a key role in this.

Risks of damage due to changes in legal or regulatory general conditions are also attributed to operative risks.

Communication and information systems are of key importance for the business processes at Trianel GmbH. In particular the IT security, data security and data protection aspects have to be taken into account in this respect. An IT Security and Data Privacy Officer has been appointed. Employees are regularly made aware of IT security issues on training courses and via the Intranet. Regulations on this issue are also an integral part of the corporate guidelines. There are also risks from further changes and developments in the IT environment (especially the trade-related systems) and the loss of expertise and/or high achieving employees.

Since spring 2020, the spread of SARS-CoV-2 must be considered a global danger. Trianel took all possible precautions to protect its employees in good time. The staff working in-house was in each case adapted to the hazard situation and reduced to a skeleton crew over long periods of time to ensure that operation could continue even in the event of potential illnesses. For this purpose, the employees were extensively provided with equipment to work from home, so that all activities and trade-related processes could be continued without significant restrictions. At the highest level of risk assessment, meetings are only held via video conference and business travel activities are put on hold.

For Trianel, the global spread of SARS-CoV-2 and the measures taken by the German national and state governments did not have any significant negative economic impact. The corporate Controlling Department tracks and reports on potential commercial effects.

To analyse the overall risk situation for Trianel GmbH, a possible interaction of risk classes is calculated with a confidence level of 99 percent and compared with the approved risk capital. Based on this analysis, it is assessed that the company's overall risk situation does not represent a going concern risk. Precautions were taken in the balance sheet for risks that are likely to occur.

### 3. The use of financial instruments

The financial instruments include original and derivative financial instruments. The original financial instruments on the assets side fundamentally include accounts receivable, liquid funds and financial assets. On the liabilities side, the original financial instruments fundamentally include the accounts payable valued at the amount repayable. The level of the financial assets in the balance sheet indicates the maximum default risk for the items mentioned. When default risks exist, they are taken into account by value adjustments. Trianel GmbH uses derivative financial instruments to hedge against market risks, for optimisation and proprietary trading. These include financial swaps, options and energy- or emission certificate-related futures.

### 4. Impact of the Ukraine crisis

Trianel GmbH is exposed to considerable risks as a result of its extensive business activities on the energy trading markets and the current steep price movements caused by the war in Ukraine. The main risks are associated with

- a ban on gas-fired power generation, for instance in the event of a total loss of gas supplies from Russia and the simultaneous continuation of electricity supply commitments arising from power plant futures marketing,
- the looming default of wholesale partners whose credit risk positions (exposures) are unusually high in the wake of market price increases, and
- (impending) pre-financing effects arising from power station and municipal utilities transactions in the event of unscheduled power station shutdowns or gas storage filling requirements (liquidity risks).

Furthermore, according to the current assessment by the German Federal Office for Information Security (BSI), cyber risks have increased noticeably for us in the context of the war in Ukraine. Risks for our project development business may also arise from disrupted supply chains and price hikes.

The measures introduced to manage the risks arising from the war in Ukraine include, among others:

- regular special meetings of the Risk Committee dealing with the risk situation resulting from the Ukraine crisis on an ongoing basis and identifying respective measures,
- instant blocking of trading partners to limit credit risk,
- introduction of measures to limit liquidity risks and appropriate expansion of our funding facility, and
- energy policy activities aimed at promoting our company's interests and improving our evaluation of upcoming developments.

All in all, we are confident that, as long as Russian gas supplies are not cut off, we will be able to either absorb the above risks on our own or manage them through suitable countermeasures, such as transferring risks to our business partners. The effects of a suspension of Russian gas supplies, on the other hand, depend to a large extent on the associated changes in the energy market design, future regulatory interventions and political support measures, making it impossible for us to come to a reliable assessment of such a scenario from today's perspective. In the same way that we anticipate significant regulatory intervention (e.g. a ban on gas-fired power generation), we

also expect the government to provide corresponding assistance in such a case to prevent a collapse of the market. Depending on the projected scenario, it is currently not possible to rule out risks that could jeopardise the company's status as a going concern unless countermeasures are taken.

**D. Reporting pursuant to Section 108 (3) No. 2 of the North Rhine-Westphalian Local Government Ordinance (GO NRW)**

The purpose of the company is national and international energy trading, with the objective of improving local energy supply. The company may undertake the following tasks to implement this objective:

1. Trading in
  - a) Energy (electricity, gas, oil, coal)
  - b) Energy derivatives and energy-related financial derivatives (pursuant to the German Banking Act (KWG): proprietary trading)
  - c) Financial products relating to energy supply, such as weather derivatives and emission certificates (pursuant to the German Banking Act (KWG): proprietary trading)
2. Energy sales
3. Provision of consulting and other fee-based services directly related to energy supply

The company is entitled to conduct all measures and business transactions through which the purpose of the company can directly or indirectly be promoted. It may, in order to fulfil its tasks, operate other companies, participate in them or establish, acquire and lease such companies as well as auxiliary and ancillary companies, furthermore it may enter into joint ventures and establish subsidiary branches.


The comments and data in the Notes and the Management Report illustrate that we have conformed fully to the public purpose based on our terms of reference as per the Articles of Association.

Aachen, Germany, 27 April 2022

Trianel GmbH



Sven Becker



Dr Oliver Runte

Management Board of Trianel GmbH

## Report of the Supervisory Board



Dietmar Spohn  
Chairman of the Supervisory Board

The 2021 financial year was defined by rising prices on the global wholesale markets for electricity, gas and CO<sub>2</sub> certificates. From a political perspective, the year was dominated by the 2021 federal elections and the formation of a new government coalition of SPD, Bündnis 90/Die Grünen and FDP.

Trianel's strategic direction was determined by the expansion of the trading business and the development of renewable energy projects, which were actively pursued in 2021 and reviewed and fine-tuned in collaboration with an external consultant. The pandemic situation in 2021 did not adversely affect Trianel commercially. The organisation was swiftly and consistently transitioned to mobile working in accordance with the respective requirements.

In the 2021 financial year, the Supervisory Board focused routinely and intensively on the company's situation and development and discussed the consequences of the changes in the general conditions. We fulfilled all tasks and obligations required of us by law, articles of association and rules of procedure, comprehensively and diligently.

In accordance with the Articles of Association, we continuously monitored the Management Board of Trianel GmbH in its management of the company. We also advised the general meeting on resolutions and recommended resolutions. We were directly involved in

decisions by the General Meeting that were of significant importance for the company, and regularly discussed the current strategic concerns of the company with the Management Board.

The Management Board reported regularly and in a timely manner to the Supervisory Board both in writing and orally on all key aspects of business development. The Supervisory Board convened for four ordinary Supervisory Board meetings on 5 February, 21 May, 29 September and 18 November 2021. Due to the pandemic, the first and second sessions were held in the form of videoconferences. The September and November meetings were held as hybrid meetings involving both the physical attendance and the digital participation of Supervisory Board members. The Supervisory Board was informed of the current operative development of the company, the primary business transactions, the development of the financial figures and relevant pending decisions at all times.

The Supervisory Board reached a quorum at every meeting of the Supervisory Board. The Management Board informed the Supervisory Board in writing and orally on important occasions and also between the meetings.

The Supervisory Board was involved in all main decision-making processes. The main priorities were the supervision of the company's entrepreneurial development and



measures to increase efficiency, risk management and the further development of strategies for onshore project development and the wholly-owned subsidiary Trianel Energieprojekte GmbH & Co. KG, as well as the establishment of Trianel Energiebeteiligungs GmbH & Co. KG and Trianel Beteiligungs Verwaltungs GmbH as general partner GmbH. On top of this, the Board discussed the acquisition of the limited partner shares in Trianel Gaskraftwerk Hamm GmbH & Co. KG from Cogas/Ons and a further financing option for Trianel Energieprojekte GmbH & Co. KG. The Supervisory Board also concentrated on the realignment of the Digital Energy Solutions unit as well as any remaining questions concerning the phase-out of the basic remuneration. Other topics covered at the Supervisory Board meeting on 29 June 2021 included the presentation of the results of the strategy review and, in November, the extension of the managing director's employment contract with Dr Oliver Runte. In view of the exceptionally dynamic price movements in the electricity and gas sectors, regular information and debate also focused on measures to mitigate balance sheet and financial risks.

The Supervisory Board assessed the 2020 annual financial statements, the management of the company's trading activities and the business plan for the period 2022 to 2026.

The twelve members of the Supervisory Board reflect the diversity of the group of partners. Dietmar Spohn, Management Spokesman of Stadtwerke Bochum Holding GmbH, is Chairman of the Supervisory Board. Michael Lucke, Managing Director of Allgäuer Überlandwerk GmbH, holds the office of Deputy Chairman. The other members of the Supervisory Board in the reporting year are Dr Christian Becker (Stadtwerke Aachen AG), Martin Heun (RhönEnergie Fulda GmbH), Ulrich Koch (Stadtwerke Herne AG), Dr Jens Meier (Stadtwerke Lübeck Holding GmbH) and Marco Westphal (Stadtwerke Bonn GmbH) as Supervisory Board members delegated by the shareholders, and Dr Achim Grunenberg (Stadtwerke Lünen GmbH), Christian Meyer-Hammerström (Osterholzer Stadtwerke GmbH & Co. KG), Dr Leonhard Schitter (Salzburg AG für Energie, Verkehr und Telekommunikation), Prof. Dr Rudolf Irmischer (Stadtwerke Heidelberg GmbH) and Dr Branka Rogulic (Stadtwerke Tuttlingen GmbH) as elected members of the Supervisory Board.

The annual financial statements and consolidated financial statements of Trianel GmbH for the year ending 31 December 2021, as well as the Management Report, were audited by PKF FASSELT Partnerschaft mbB Auditing, Tax Consulting and Law Firm, Duisburg, and received an unqualified Auditor's Certificate.

On behalf of the entire Supervisory Board, I would like to thank all Trianel employees who worked so energetically and loyally again to ensure the company's future success in a busy and productive year that was particularly challenging as a result of the COVID-19 pandemic. The fact that 2021 was highly profitable proves that the company is well positioned. For the current financial year, I wish the company every success in continuing to overcome the challenges of the market and political environment, especially the effects of the Ukraine war.

Bochum, April 2022



Dietmar Spohn, Chairman

## Annual financial statements

Separate financial statements of Trianel GmbH for the financial year  
from 1 January 2021 to 31 December 2021

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# Balance sheet as of 31 December 2021

Assets side	31/12/2021 €	31/12/2020 €	Liabilities side	31/12/2021 €	31/12/2020 €
<b>A. Fixed assets</b>			<b>A. Equity</b>		
I. Intangible assets			I. Capital stock	20,152,575.00	20,152,575.00
1. Internally generated intangible assets	2,979,068.68	2,020,565.63	Nominal value of own shares	-237,400.00	-237,400.00
2. Purchased rights of use and similar rights	420,447.50	200,000.50		19,915,175.00	19,915,175.00
3. Down payments made	18,949.61	136,039.11	II. Capital reserves	26,129,469.24	26,129,469.24
	3,418,465.79	2,356,605.24	III. Earnings reserves		
II. Tangible assets			1. Reserve for shares	237,399.00	237,399.00
1. Real estate, rights equivalent to real estate and including buildings on third-party real estate	15,232,690.00	15,853,946.00	2. Other earnings reserves	43,148,895.00	43,148,894.12
2. Technical plant and machinery	26,697.00	2,967.00		43,386,294.00	43,386,293.12
3. Furniture and fixtures	895,087.00	1,070,768.00	IV. Annual net income	8,881,475.77	4,719,419.37
4. Down payments made and assets under construction	0.00	1,406.01		98,312,414.01	94,150,356.73
	16,154,474.00	16,929,087.01	<b>B. Provisions</b>		
III. Financial assets			1. Provisions for taxes	103,774.46	6,980,588.37
1. Shares in affiliated companies	15,100,000.00	15,100,000.00	2. Other provisions	103,975,953.71	64,252,475.68
2. Participating interests	23,791,241.90	23,016,241.90		104,079,728.17	71,233,064.05
3. Loans to companies in which a participating interest exists	48,283,523.07	45,265,095.46	<b>C. Liabilities</b>		
	87,174,764.97	83,381,337.36	1. Amounts due to credit institutions	48,437,732.87	51,804,888.88
	106,747,704.76	102,667,029.61	2. Trade accounts payable	195,818,916.70	96,764,140.85
<b>B. Current assets</b>			3. Accounts payable to affiliated companies	965,546.47	284,124.36
I. Inventories			4. Accounts payable to shareholders	65,469,187.85	10,144,972.62
1. Work in progress	710,347.98	1,025,066.63	5. Accounts payable to companies in which a participating interest exists	27,556,531.96	41,337,214.40
2. Merchandise	27,599,537.27	7,060,484.74	6. Other accounts payable	216,007,645.80	25,071,542.59
	28,309,885.25	8,085,551.37		554,255,561.65	225,406,883.70
II. Accounts receivable and other assets			<b>D. Accruals and deferrals</b>	13,000.00	0.00
1. Trade receivables	196,752,971.04	105,887,416.30		756,660,703.83	390,790,304.48
2. Accounts receivable from affiliated companies	11,062,203.16	6,416,095.42			
3. Accounts receivable from shareholders	44,899,656.20	20,674,914.72			
4. Accounts receivable from companies in which a participating interest exists	52,953,242.87	57,280,194.40			
5. Other assets	245,277,910.18	47,390,418.49			
	550,945,983.45	237,649,039.33			
III. Cash in hand, cash at credit institutions	67,744,069.98	41,682,545.24			
	646,999,938.68	287,417,135.94			
<b>C. Accruals and deferrals</b>	2,913,060.39	706,138.93			
	756,660,703.83	390,790,304.48			

# Income statement for the financial year from 1 January 2021 to 31 December 2021

	2021 €	2020 €
1. Sales proceeds	6,450,118,354.05	3,186,367,864.39
2. Decrease/increase in stocks of finished and semi-finished products	-314,718.65	174,134.64
3. Other internally produced and capitalised assets	35,674.33	65,533.46
4. Other operating income	15,215,088.35	2,842,816.20
– of which from currency conversion	312,761.94	360,215.51
5. Cost of materials Expenditure on goods purchased	6,406,157,705.32	3,121,560,244.89
6. Personnel expenditures		
a) Wages and salaries	34,590,931.42	31,097,341.96
b) Social contributions and expenditure on pension provision and support	4,326,479.73	3,988,062.06
	38,917,411.15	35,085,404.02
7. Depreciation on intangible assets and fixed assets	1,887,677.47	2,315,833.18
8. Other operating expenditure	13,917,526.33	13,383,110.63
– of which from currency conversion	290,530.71	439,464.58
	4,174,077.81	17,105,755.97
9. Revenue from participating interests	7,743,943.86	5,714,989.63
10. Revenue from loans of financial assets	3,970,054.47	4,049,135.95
11. Other interest and similar income	1,601,270.62	332,156.20
– of which from discounting	1,599,228.51	329,852.03
12. Depreciation on financial assets	0.00	11,793,554.69
13. Interest and similar expenditure	2,956,293.90	4,439,698.20
– of which from compounding	669,850.92	1,979,715.39
	10,358,975.05	-6,136,971.11
14. Tax on income	5,603,033.80	6,200,486.20
15. Earnings after tax	8,930,019.06	4,768,298.66
16. Other taxes	48,543.29	48,879.29
17. Annual net income	8,881,475.77	4,719,419.37

## Notes for the 2021 financial year

### 1 Form and presentation of the annual financial statements

Trianel GmbH is domiciled in Aachen and entered in Commercial Register B of Aachen District Court under number HRB 7729.

The annual financial statements have been prepared in accordance with the regulations of the German Commercial Code (HGB) for large incorporated companies in conjunction with the supplementary provisions of the German Limited Liability Companies Act (GmbH-Gesetz).

To improve the clarity of the presentation we have provided details on affiliations to other items in the balance sheet in the Notes.

The income statement is structured according to the expenditure format.

Separate explanatory notes have been provided in respect of the main items in the balance sheet and the income statement.

For better presentation of the earnings situation, the sales proceeds and costs of materials for proprietary business transactions are balanced against one another for reporting.

## 2 Accounting and valuation methods

The accounting and valuation were performed based on the assumption that company activities would be continued.

The intangible assets and tangible fixed assets were valued at acquisition cost less depreciation.

Depreciation was scheduled on a straight-line method of depreciation based on the normal useful life of the capital assets.

The financial assets are evaluated at acquisition cost, taking account of repayment, depreciation and write-ups. Interest receivables which have not been subjected to interest with a residual term of more than one year are discounted using a market interest rate adequate for the residual term. The evaluation of the value retention of the participation book value and the shareholder loans of Trianel Windkraftwerk Borkum GmbH & Co. KG was made in summarised form due to the close contractual link of the participating interests and loans.

Inventories are valued at acquisition cost using the lower of cost or market principle for depreciation.

Accounts receivable and other assets are shown in the balance sheet at their nominal value; necessary value adjustments were taken into account. In the 2021

financial year, creditors with debit balances were reclassified from trade receivables to other assets for the first time.

Accounts receivable and payable in foreign currencies are converted at the applicable exchange rate on the posting date unless a fixed exchange rate for the Euro exists. Profits and losses incurred due to exchange rate movements up to the balance sheet date are taken into account per Section 256a of the German Commercial Code (HGB).

Liquid funds are stated at nominal value in the balance sheet.

The option of capitalising deferred taxes was not exercised.

The subscribed capital is included at nominal value.

In the net income use resolution made on 25 June 2021, a decision was made to fully distribute the annual net income totalling € 4,719,419.37 to the participating interests entitled to dividends for the 2020 financial year proportionally based on the ratio of their nominal values.

The provisions are reported at the settlement value necessary according to prudent commercial assessment. Provisions took into account all identifiable risks and contingent liabilities. Provisions with a residual term of over one year were discounted at the average market interest

rate of the last seven financial years in accordance with their residual term as per the German Bundesbank's provision discounting regulations.

Accounts payable are stated at the settlement value.

In order to evaluate the trade transactions, the posted and pending transactions and gas inventories are always combined in an annual consideration with the corresponding financial transactions to the eight portfolios Asset Electricity, Asset Gas, Trade and Market Access, Electricity Supply Management, Gas Supply Management, Origination, Commission Business and Commercial Management, i.e. in the event of the use of the option to form an accounting valuation unit. In addition, micro-hedges consisting of pairs of contracts are managed in the sleeves mandate.

Derivative financial instruments were used to secure bank loans, which form a valuation unit together with the debt item.

The freezing method was used to represent the effective parts of all formed valuation units in the accounts.

### 3 Notes to the balance sheet

#### 3.1 Fixed assets

The development of fixed assets and depreciation during the financial year under review is shown in the fixed-asset movement schedule, which is enclosed as a separate document with the Notes.

Internally generated intangible assets are capitalised as fixed assets. These assets include eLearning modules from the Trianel Academy as well as energy management systems and Trianel DESK.

There is a payout block per Section 268 (8) of the German Commercial Code (HGB) to a total of the current book value of € 2,979 thousand; however there is sufficient freely available equity.

Shares to the amount of € 15,100 thousand are held in the following affiliated companies:

Company	Registered office	Level of participation %	Participation book value €	Equity* €	Annual result* €
Trianel Gaskraftwerk Hamm Verwaltungs GmbH	Aachen	100.0	25,000	26,053	1,053
Trianel Gasspeicher Epe Verwaltungs GmbH	Aachen	100.0	25,000	48,570	23,570
Trianel Kohlekraftwerk Lünen Verwaltungs GmbH	Aachen	100.0	25,000	26,052	1,052
Trianel Windkraftwerk Borkum Verwaltungs GmbH	Aachen	100.0	25,000	37,627	12,627
Trianel Energieprojekte GmbH & Co. KG	Aachen	100.0	15,000,000	28,611,922	10,611,922

\* The Shareholders' Meeting has not yet adopted the annual financial statements for the financial year ending 31/12/2021.



Shares to the amount of 23,791 thousand (previous year: € 23,016 thousand) are held in the following participating interests:

Company	Registered office	Level of participation %	Participation book value €	Equity €	Annual net income/deficit €
Trianel Gaskraftwerk Hamm GmbH & Co. KG	Aachen	6.1	3,258,353	7,787,483	42,433,585
Trianel Gasspeicher Epe GmbH & Co. KG	Aachen	7.6	788,186	29,743,178	5,399,543
Trianel Kohlekraftwerk Lünen GmbH & Co. KG	Lünen	6.3	9,373,445	-189,777,454	-10,070,332
Trianel Windkraftwerk Borkum GmbH & Co. KG	Aachen	2.7	0	291,524,771	-16,997,759
Trianel Windkraftwerk Borkum II GmbH & Co. KG	Oldenburg	2.0	1,803,269	37,169,658	-4,771,014
Trianel Onshore Windkraftwerke GmbH & Co. KG	Aachen	5.4	2,389,374	46,601,785*	1,243,447*
Trianel Erneuerbare Energien GmbH & Co. KG	Aachen	5.0	5,907,447	106,827,914*	3,176,440*
Trianel Wind und Solar GmbH & Co. KG	Aachen	2.0	271,167	13,252,369	-550,298
Trianel Energie B.V.**	Maastricht, NL	100	1	- **	- **

\* Status: 31/12/2020.

\*\* Trianel Energie B.V. applied for insolvency on 27 December 2012 and therefore did not prepare annual financial statements for 31 December 2021. As such, the participation book value was written down to a reminder value of € 1.

Financial assets were capitalised at acquisition cost less unscheduled depreciation, taking account of write-ups.

In the financial year, a payment of € 775 thousand was made into capital account II at Trianel Erneuerbare Energien GmbH & Co. KG, Aachen.

### 3.2 Current assets

Inventories comprise stored quantities of gas in the amount of € 11,842 thousand (previous year: € 3,627 thousand), CO<sub>2</sub> emission rights amounting to € 15,758 thousand (previous year: € 3,434 thousand) and work in progress in the amount of € 710 thousand (previous year: € 1,025 thousand) as a result of performances for project developments and rights.

Trade receivables mainly consist of outstanding payments for electricity and gas supplies, which were offset against similar liabilities to the value of € 203,111 thousand (previous year: € 249,497 thousand).

Of the accounts receivable from affiliated companies, € 3,450 thousand (previous year: 933 thousand) are trade receivables and a dividend from Trianel Energieprojekte GmbH & Co. KG in the amount of € 7,612 thousand (previous year: € 5,404 thousand).

Of the accounts receivable from shareholders, € 44,537 thousand (previous year: € 20,576 thousand) are trade accounts receivable. Similar accounts payable totalling € 6,268 thousand (previous year: € 2,805 thousand) were offset against accounts receivable.

In addition to trade receivables from energy supplies and service provision, the accounts receivable from affiliated companies include receivables from the insolvent Trianel

Energie B.V. (TEBV) totalling € 13,851 thousand, which have been adjusted individually at € 9,946 thousand.

The other assets mainly include initial margins provided totalling € 113,232 thousand (previous year: € 18,211 thousand), value-added tax receivables amounting to € 104,536 thousand (previous year: € 7,717 thousand) and option bonuses of € 13,662 thousand (previous year: € 11,766 thousand). In the 2021 financial year, creditors with debit balances totalling € 2,206 thousand (previous year: € 3,088 thousand) were reclassified from trade receivables to other assets for the first time.

All receivables and other assets are due within one year. Due to time-consuming proceedings, the claims against TEBV and from EinsMan are outstanding indefinitely. The indefinite term was taken into account by means of value adjustments.

### 3.3 Provisions

The other provisions totalling € 103,976 thousand (previous year: € 64,252 thousand) include provisions for contingent liabilities of € 45,860 thousand (previous year: € 18,194 thousand). They primarily concern provisions for bonuses for personnel amounting to € 15,458 thousand (previous year: € 12,588 thousand). Provisions were also formed for open invoices totalling € 27,173 thousand (previous year: € 2,137 thousand).

Otherwise, provisions are included for anticipated losses from pending transactions to the amount of € 58,116 thousand (previous year: € 46,059 thousand). As of the balance sheet date, provisions for anticipated losses totalling € 47,620 thousand (previous year: € 40,894 thousand) had been formed for the asset positions.

### 3.4 Accounts payable

The accounts payable to credit institutions include long-term bank loans, short-term overdraft loans and accrued interest. In the previous year, the item also included accounts payable from the provision of initial margins by a credit institution.

Trade accounts payable predominantly result from energy procurement and consulting services.

Accounts payable to shareholders mainly relate to trade accounts payable resulting from energy supplies.

Accounts payable to companies with which a participating interest exists are primarily trade accounts payable. The other accounts payable include value-added tax payables in the amount of € 93,236 thousand (previous year: € 80 thousand), electricity tax of € 412 thousand (previous year: € 25 thousand), wages and church tax totalling € 353 thousand (previous year: € 404 thousand)

and liabilities from social security totalling € 137 thousand (previous year: € 159 thousand). The other accounts payable also include accounts payable from option bonuses in totalling € 26,492 thousand (previous year: € 11,367 thousand), a bonded loan totalling € 10,119 thousand including accrued interest (previous year: € 10,119 thousand) and accounts payable from variation margins amounting to € 85,118 thousand (previous year: other assets).

#### Accounts payable

	Total	31/12/2021			31/12/2020	
		Residual terms			Residual terms	
		Up to 1 year	Over 1 year	Of which over 5 years	Up to 1 year	Over 1 year
€	€	€	€	€	€	€
Accounts payable to credit institutions	48,437,733	27,437,733	31,000,000	6,000,000	30,804,889	21,000,000
Trade payables	195,818,917	195,818,917	0	0	96,764,141	0
Accounts payable to affiliated companies	965,546	965,546	0	0	284,124	0
Accounts payable to shareholders	65,469,188	65,469,188	0	0	10,144,973	0
Accounts payable to companies in which a participating interest exists	27,556,532	27,556,532	0	0	41,337,214	0
Other accounts payable	216,007,646	206,007,646	10,000,000	0	15,071,543	10,000,000
<b>Total accounts payable</b>	<b>554,255,562</b>	<b>523,255,562</b>	<b>41,000,000</b>	<b>6,000,000</b>	<b>194,406,884</b>	<b>31,000,000</b>

Accounts payable to credit institutions of € 11,000 thousand are collateralised by a mortgage.

### 3.5 Deferred taxes

The trade and tax law value assessments of the internally generated intangible assets, the financial assets and other provisions result in differences, which are compensated in subsequent financial years. These differences led to latent tax accruals and deferrals. A tax rate of 32.45 percent is applied when determining the tax accrual.

The calculation results in a surplus of latent tax accruals. The option under Section 274 (1) No. 2 of the German Commercial Code (HGB) is not used, and thus no latent tax accrual is formed.

### 3.6 Valuation units/derivative financial instruments

The option of forming balance sheet valuation units (VU) per Section 254 of the German Commercial Code (HGB) was utilised to the extent stated below. The effectiveness is documented by measuring the physical delivery equivalents or compliance with specified rules, such as VaR limits as part of the existing risk management system.

Trianel GmbH's operative business is managed and controlled in mandates. Control via mandates does not exclude the possibility of individual contract groups being shown and valued separately in partial portfolios within the mandates, to enable more detailed mapping as well as the delegation of partial tasks if necessary. The items in

the electricity asset mandate which cannot be grouped in a VU must be evaluated according to classic rules under balance sheet aspects. Provisions for potential losses were formed for negative valuation balances for the year.

The figures specified on the risks secured via valuation units and losses reported limited via balancing are theoretical, as all individual transactions were evaluated here, while mandate-specific controlling means that open trade items are restricted appropriately at all times.

Individually, the following valuation units existed on the balance sheet date:

#### 3.6.1 VU Electricity asset mandate

This VU combines the existing electricity procurement contracts (PPA) with power station companies with the corresponding hedging transactions as a portfolio hedge. The risk of price changes from market price fluctuations is hedged. Pending transactions and assets are incorporated in the VUs, which are each considered on an annual basis.

The 2022 VU contains base transactions totalling € 3,297 thousand and hedging transactions totalling € 8,242 thousand. The VU hedges risks from an individual transaction perspective to a total of € 57,742 thousand for 2022. A provision was also formed for 2022 for valuation units totalling € 6,347 thousand.

The 2023 VU contains base transactions totalling € 2,731 thousand and hedging transactions totalling € 8,995 thousand. The VU hedges risks from an individual transaction perspective to a total of € 21,387 thousand for 2023. A provision was also formed for 2023 for valuation units totalling € 2,482 thousand. The 2024 VU contains base transactions to a value of € 15,576 thousand. The VU hedges risks from an individual transaction perspective to a total of € 6,575 thousand for 2024. A provision was also formed for 2024 for valuation units totalling € 6,697 thousand. The 2025 VU contains base transactions to a value of € 15,215 thousand. The VU hedges risks from an individual transaction perspective to a total of € 4,513 thousand for 2025. A provision was also formed for 2025 for valuation units totalling € 7,414 thousand. For the years 2026 and 2027, provisions were formed in the amount of € 9,818 thousand and € 9,709 thousand, respectively.

#### 3.6.2 VU Gas asset mandate

This VU combines contractual obligations from storage facility use contracts including gas stocks with the corresponding hedging transactions as a portfolio hedge. The risk of price changes from market price fluctuations is hedged. Pending transactions and assets are incorporated in the VUs, which are each considered on an annual basis. The 2022 VU contains base transactions totalling

€ 2,021 thousand and hedging transactions totalling € 13,877 thousand. The VU hedges risks from an individual transaction perspective to a total of € 2,600 thousand for 2022. The 2023 VU contains base transactions totalling € 2,043 thousand and hedging transactions totalling € 0 thousand. The VU hedges risks from an individual transaction perspective to a total of € 0 thousand for 2023. A provision was also formed for 2023 for valuation units totalling € 1,912 thousand. The 2024 VU contains base transactions totalling € 2,053 thousand and hedging transactions totalling € 0 thousand. The VU hedges risks from an individual transaction perspective to a total of € 0 thousand for 2024. A provision was also formed for 2024 for valuation units totalling € 1,694 thousand. The 2025 VU does not contain any base transactions or hedging transactions. A provision was formed for 2025 totalling € 1,247 thousand. For the years 2026 and 2027, provisions were formed in the amount of € 150 thousand and € 149 thousand, respectively.

### 3.6.3 VU Trade and market access mandate

This VU combines the existing wholesale energy transactions with the corresponding hedging transactions as a portfolio hedge. The risk of price changes from market price fluctuations is hedged. Pending transactions, assets and liabilities are incorporated in the VUs, which are each generally considered on an annual basis. The 2022 VU contains base transactions totalling

€ 6,862,884 thousand and hedging transactions totalling € 6,834,391 thousand. The VU hedges risks from an individual transaction perspective to a total of € 11,902,177 thousand for 2022. The 2023 VU contains base transactions totalling € 1,642,106 thousand and hedging transactions totalling € 1,621,204 thousand. The VU hedges risks from an individual transaction perspective to a total of € 1,69,9614 thousand for 2023. The 2024 VU contains base transactions totalling € 247,604 thousand and hedging transactions totalling € 246,277 thousand. The VU hedges risks from an individual transaction perspective to a total of € 118,348 thousand for 2024. A provision was also formed for 2024 for valuation units totalling € 587 thousand. The 2025 VU does not contain any base transactions or hedging transactions.

### 3.6.4 VU Electricity supply management mandate

This VU combines the existing electricity contracts with customers with the corresponding hedging transactions as a portfolio hedge. The risk of price changes from market price fluctuations is hedged. Pending transactions are incorporated in the VUs, which are each considered on an annual basis.

The VU contains neither base transactions nor hedging transactions. The VU hedges risks from an individual transaction perspective to a total of € 0 thousand for 2022.

The opposing value changes largely offset one another as

a result of the existing hedging relationships in the respective years in question.

### 3.6.5 VU Gas supply management mandate

This VU combines the existing gas contracts with customers with the corresponding hedging transactions as a portfolio hedge. The risk of price changes from market price fluctuations is hedged. Pending transactions are incorporated in the VUs, which are each considered on an annual basis.

The VU contains neither base transactions nor hedging transactions. The VU hedges risks from an individual transaction perspective to a total of € 0 thousand for 2022.

The opposing value changes largely offset one another as a result of the existing hedging relationships in the respective years in question.

### 3.6.6 VU Origination mandate

This VU combines the existing contracts with customers with the corresponding hedging transactions as a portfolio hedge. The risk of price changes from market price fluctuations is hedged. Pending transactions are incorporated in the VUs, which are each considered on an annual basis.

The 2022 VU contains base transactions totalling

€ 99 thousand and hedging transactions totalling € 180 thousand. The VU hedges risks from an individual transaction perspective to a total of € 190 thousand for 2022. A provision was also formed for 2022 for valuation units totalling € 1,125 thousand. The 2023 VU contains base transactions totalling € 23 thousand and hedging transactions totalling € 93 thousand. The VU hedges risks from an individual transaction perspective to a total of € 1 thousand for 2023. The 2024 VU contains base transactions totalling € 11 thousand and hedging transactions totalling € 0 thousand. The VU hedges risks from an individual transaction perspective to a total of € 0 thousand for 2024. The 2025 VU contains base transactions totalling € 8 thousand and hedging transactions totalling € 0 thousand. The VU hedges risks from an individual transaction perspective to a total of € 0 thousand for 2025.

### 3.6.7 VU Commission mandate

This VU combines the existing financial commission business with customers with the corresponding hedging transactions as a portfolio hedge. The risk of price changes from market price fluctuations is hedged. Pending transactions are incorporated in the VUs, which are each considered on an annual basis.

The 2022 VU contains base transactions totalling € 391,001 thousand and hedging transactions totalling € 392,862 thousand. The VU hedges risks from an individual transaction perspective to a total of € 543,972 thousand for 2022. The 2023 VU contains base transactions totalling € 189,284 thousand and hedging transactions totalling € 189,417 thousand. The VU hedges risks from an individual transaction perspective to a total of € 126,217 thousand for 2023. The 2024 VU contains base transactions totalling € 55 thousand and hedging transactions totalling € 55 thousand. The VU hedges risks from an individual transaction perspective to a total of € 28 thousand for 2024. The 2025 VU does not contain any base transactions or hedging transactions.

### 3.6.8 VU Commercial management mandate

This VU combines the existing commercial management contracts with the corresponding hedging transactions as a portfolio hedge. The risk of price changes from market price fluctuations is hedged. Pending transactions are incorporated in the VUs, which are each considered on an annual basis.

The 2022 VU contains base transactions totalling € 310,837 thousand and hedging transactions totalling € 310,831 thousand. The VU hedges risks from an

individual transaction perspective to a total of € 525,139 thousand for 2022. A provision was also formed for 2022 for valuation units totalling € 6 thousand. The 2023 VU contains base transactions totalling € 125,971 thousand and hedging transactions totalling € 125,961 thousand. The VU hedges risks from an individual transaction perspective to a total of € 107,379 thousand for 2023. A provision was also formed for 2023 for valuation units totalling € 10 thousand. The 2024 and 2025 VU contain base transactions totalling € 0 thousand and hedging transactions totalling € 0 thousand. Hence, there is no potential for the formation of provisions.

### 3.6.9 VU Sleeves mandate

For the sleeves, opposing purchase and sales transactions are presented in pairs. Some of the corresponding transactions are combined as micro-hedges to VUs. The base transactions and hedging transactions of the delivery contracts treated as VUs totalled € 103,464 thousand each. The VU hedges risks from an individual transaction perspective to a total of € 231,103 thousand. Where the option of forming valuation units was not used, provisions for impending losses from pending transactions were formed in the amount of € 6,884 thousand.

## 4 Notes on the income statement

### 4.1 Sales proceeds

The gross sales less electricity tax can be broken down into the following areas of activity:

Business field	31/12/2021		31/12/2020	
	Sales in € thousand	Sales in %	Sales in € thousand	Sales in %
Electricity (unbalanced)	6,036,199	64.8 %	4,362,725	68.7 %
Balancing	-1,872,757	65.5 %	-1,998,49	63.1 %
<b>Electricity</b>	<b>4,163,442</b>	<b>64.5 %</b>	<b>2,364,232</b>	<b>74.2 %</b>
Gas (unbalanced)	1,955,827	21.0 %	1,696,394	26.7 %
Balancing	-987,519	34.5 %	-1,169,172	36.9 %
<b>Gas</b>	<b>968,308</b>	<b>15.0 %</b>	<b>527,222</b>	<b>16.5 %</b>
Certificates trading (unbalanced)	1,166,289	12.5 %	213,807	3.4 %
Balancing	0	0.0 %	0	0.0 %
<b>Emissions trading</b>	<b>1,166,289</b>	<b>18.1 %</b>	<b>213,807</b>	<b>6.7 %</b>
Coal (unbalanced)	94,595	1.0 %	40,057	0.6 %
Balancing	0	0.0 %	0	0.0 %
<b>Coal</b>	<b>94,595</b>	<b>1.5 %</b>	<b>40,057</b>	<b>1.2 %</b>
Services (unbalanced)	57,568	0.6 %	41,113	0.6 %
Balancing	0	0.0 %	0	0.0 %
<b>Services</b>	<b>57,568</b>	<b>0.9 %</b>	<b>41,113</b>	<b>1.3 %</b>
Total (unbalanced)	9,312,478	100.0 %	6,354,096	100.0 %
Total (balancing)	-2,860,276	100.0 %	-3,167,665	100.0 %
Total (balanced)	6,450,202	100.0 %	3,186,431	100.0 %

In the financial year, customer discounts of € 84 thousand (previous year: € 64 thousand) were granted.  
These have not been taken into account in the list.

Sales not relating to the period totalled  
€ 21,136 thousand (previous year: € 2,284 thousand).



Like all energy trading companies, Trianel GmbH's sales depend on multiple factors that do not permit direct conclusions to be made on the economic situation of this kind of company.

#### 4.2 Other operating revenue

The other operating revenue largely results from the reversal of provisions to a total of € 14,275 thousand (previous year: € 345 thousand) and from passing on the cost of materials in the amount of € 239 thousand (previous year: € 337 thousand). In addition, the other operating revenue includes income not relating to the period in the amount of € 259 thousand (previous year: € 975 thousand) and revenue from currency conversion in the amount of € 313 thousand (previous year: € 360 thousand).

#### 4.3 Cost of materials

The cost of materials remained at roughly the same level as in the previous year. Non-period cost of materials totalled € 20,923 thousand (previous year: € 2,611 thousand).

#### 4.4 Personnel expenditures

Personnel expenditures were incurred in respect of an average of 325 employees (previous year: 300). Personnel

expenditures totalled € 38,917 thousand (previous year: € 35,085 thousand). The personnel expenditures include expenses for performance bonuses paid to employees in the amount of € 6,086 thousand (previous year: € 3,067 thousand). In addition, personnel expenditures include costs for pension provision to the amount of € 310 thousand (previous year: € 300 thousand).

#### 4.5 Other operating expenditure

Other operating expenditure includes non-period expenditure totalling € 29 thousand (previous year: € 40 thousand) and expenditures from currency conversion to a total of € 291 thousand (previous year: € 439 thousand).

#### 4.6 Revenue from participating interests

Revenues from participating interests primarily comprise partial incorporation of the 2021 annual net income of Trianel Energieprojekte GmbH & Co. KG from affiliated companies in the same period amounting to € 7,612 thousand (previous year: € 5,404 thousand).

#### 4.7 Revenue from loans of financial assets

The revenue from loans of financial assets includes interest from loans to associate companies.

#### 4.8 Depreciation on financial assets

In the financial year, no depreciation was entered due to permanent impairment of financial assets in accordance with Section 253 (3) No. 5 HGB (previous year: € -11,794 thousand).

#### 4.9 Interest revenues

Interest revenues include income from compounded interest on loans to affiliated companies in the amount of € 1,579 thousand (previous year: € 68 thousand).

#### 4.10 Interest expenditures

The interest expenditures totalling € 2,956 thousand (previous year: € 4,440 thousand) include expenditures for compounding provisions or discounting of receivables totalling € 670 thousand (previous year: € 1,980 thousand).

#### 4.11 Tax on income

Tax expenditure for the current financial year totals € 4,819 thousand (previous year: € 6,124 thousand). A total of € 784 thousand (previous year: € 76 thousand) were incurred for corporation tax and the solidarity surcharge for previous years.

## 5 Supplementary report

Russian troops invaded Ukraine on 24 February 2022. The armed conflict continues to this day. In response to the Russian invasion, the European Union member states imposed economic sanctions against Russia on 26 February 2022. Russia reacted with sanctions against European Union member states. The respective sanctions were subsequently stepped up. On 6 April 2022, the EU Commission announced several measures in the energy sector, among them an import embargo on Russian coal which was adopted by the member states soon afterwards. Although the supply of oil and gas from Russia has not yet been affected, in the course of further escalations we can neither rule out a halt of energy supplies from Russia nor embargoes from the West.

Germany is highly dependent on Russian gas supplies. Over 50 percent of the gas imported into Germany comes from Russia, and around 14 percent of this amount is used in electricity generation. At present, Germany's gas storage facilities hold just under 30 percent of their capacity. The Federal Government is actively working to reduce energy-related dependencies on Russia. However, especially in the case of gas, a timely replacement of Russian gas is not yet possible given the technical requirements of the alternative concepts. The capacity requirements for German natural gas storage facilities adopted

by the Bundestag on 25 March 2022 are intended to increase short-term flexibility in the event of a gas supply freeze while ensuring adequate gas reserves for the coming winter.

As a result of the Ukraine war, gas and electricity prices are volatile and are rising sharply. An end to this movement, which has brought about new record highs, is currently not in sight. Given the unstable political situation, it is not possible to make any reliable forecasts regarding future gas availabilities and energy price trends. The risks and opportunities resulting for Trianel GmbH from the above situation are described in the Management Report. No further events of particular relevance occurred after the balance sheet date.

## 6 Other information

### 6.1 Other financial obligations

	€ thousand	€ thousand
Obligations from power purchase agreements	6,134,720	(4,920,195)
– of which to shareholders	318,332	(267,863)
Obligations from gas supply agreements	865,949	(721,064)
– of which to shareholders	13,613	(11,485)
Obligations from emissions certificates	416,466	(286,157)
– of which to shareholders	3,511	(1,740)
Obligations from coal swaps	26,002	(23,242)
– of which to shareholders	5,776	(4,815)
Obligations from certificates	43	(18)
– of which to shareholders	0	(0)
Obligations from lease and rental contracts	1,636	(293)
	( ) = of which due in 2022	

There are granted lines of credit totalling  
€ 33,130 thousand. Of this total, € 28,732 thousand  
was drawn down by contract partners.

### 6.2 Contingencies

As collateral for bank loans to Trianel Kohlekraftwerk  
Lünen GmbH & Co. KG, Trianel Gasspeicher Epe  
GmbH & Co. KG and Trianel Windkraftwerk Borkum II  
GmbH & Co. KG, Trianel GmbH has pledged its shares  
in these companies, and in Trianel Kohlekraftwerk Lünen  
Verwaltungs GmbH, including dividends, to the banks  
concerned.

As a result of the companies' financial situation, it is not  
expected that this loan will be drawn down.

### 6.3 Auditor's fees

In accordance with Section 285 No. 17 of the  
German Commercial Code (HGB), this information  
is provided in the consolidated financial statements of  
Trianel GmbH.

#### 6.4 Supervisory Board

In the 2021 financial year, the Supervisory Board was composed of the following members:

Dietmar Spohn, Bochum,  
Management Spokesman of  
Stadtwerke Bochum Holding GmbH (Chairman)

Michael Lucke, Kempten,  
Managing Director of  
Allgäuer Überlandwerk GmbH (Deputy Chairman)

Dr Christian Becker, Aachen,  
Member of the Management Board of  
Stadtwerke Aachen Aktiengesellschaft

Dr Achim Grunenberg, Lünen,  
Managing Director of Stadtwerke Lünen GmbH

Martin Heun, Fulda,  
Management Spokesman of RhönEnergie Fulda GmbH

Prof. Dr Rudolf Irmscher, Heidelberg,  
Managing Director of Stadtwerke Heidelberg GmbH

Ulrich Koch, Herne,  
Member of the Management Board of  
Stadtwerke Herne AG

Dr Jens Meier, Lübeck,  
Managing Director of  
Stadtwerke Lübeck Holding GmbH

Christian Meyer-Hammerström, Lilienthal,  
Managing Director of  
Osterholzer Stadtwerke GmbH & Co. KG

Dr Branka Rogulic,  
Managing Director of Stadtwerke Tuttlingen GmbH

Dr Leonhard Schitter, Salzburg,  
Member of the Management Board of  
Salzburg AG für Energie, Verkehr und  
Telekommunikation

Marco Westphal, Bonn,  
Managing Director of Stadtwerke Bonn GmbH

Trianel GmbH did not pay any remuneration  
(previous year: € 0 thousand) in the 2021 financial year.

## 6.5 Management Board

As of the balance sheet date 31 December 2021, the Managing Directors of the company were Dipl.-Volkswirt Sven Becker, certified economist (Spokesman) and Dr Oliver Runte (Dipl.-Chemiker, certified chemist).

The total remuneration of the Managing Directors consists in each case of a fixed annual salary, a performance-based bonus, as well as benefits in kind and other benefits. In the financial year, the Managing Directors received total remuneration of € 1,337 thousand (previous year: € 1,346 thousand), broken down as follows:

Name	Fixed salary <sup>1</sup> € thousand	Bonus <sup>2</sup> € thousand	Remuneration in kind and miscellaneous services <sup>1</sup> € thousand	Total € thousand
Sven Becker	330	250	98	678
Dr Oliver Runte	300	300	59	659
Total	630	550	157	1,337

<sup>1</sup> Performance-independent remuneration

<sup>2</sup> Success-related remuneration 2021

## 6.6 Annual financial statements

The annual financial statements are published in the Electronic Federal Bulletin under number HRB 7729.

## 6.7 Appropriation of earnings

The Management Board will recommend the following resolution to the Shareholder Meeting: distributing the annual net income for 2021 totalling € 8,881 thousand to the participating interests entitled to dividends for the 2021 financial year proportionally based on the ratio of their nominal values on 30 June 2022.

Aachen, 27 April 2022

Trianel GmbH



Sven Becker



Dr Oliver Runte

Management Board of Trianel GmbH

## Development of fixed assets for the financial year from 1 January to 31 December 2021

	Acquisition and manufacturing costs					Depreciation				Book values	
	Status 1/1/2021	Additions	Write-ups	Cross entries	Divestitures	Status 31/12/2021	Status 1/1/2021	Additions	Divestitures	Status 31/12/2021	Status 31/12/2021
	€	€	€	€	€	€	€	€	€	€	€
<b>Fixed assets</b>											
<b>I. Intangible assets</b>											
1 Internally generated intangible assets	4,282,962.24	1,705,891.37	0.00	0.00	0.00	5,988,853.61	-2,262,396.61	-747,388.32	0.00	-3,009,784.93	2,979,068.68
2 Purchased rights of use and similar rights	11,622,142.29	208,611.35	0.00	136,039.11	0.00	11,966,792.75	-11,422,141.79	-124,203.46	0.00	-11,546,345.25	420,447.50
3 Down payments made	136,039.11	18,949.61	0.00	-136,039.11	0.00	18,949.61	0.00	0.00	0.00	0.00	18,949.61
	16,041,143.64	1,933,452.33	0.00	0.00	0.00	17,974,595.97	-13,684,538.40	-871,591.78	0.00	-14,556,130.18	3,418,465.79
<b>II. Tangible assets</b>											
1 Real estate, rights equivalent to real estate and buildings including buildings on third-party real estate	19,998,951.32	1,936.00	0.00	0.00	0.00	20,000,887.32	-4,145,005.32	-623,192.00	0.00	-4,768,197.32	15,232,690.00
2 Technical plant and machinery	4,597.27	23,952.33	0.00	1,406.01	0.00	29,955.61	-1,630.27	-1,628.34	0.00	-3,258.61	26,697.00
3 Furniture and fixtures	4,245,778.72	215,584.35	0.00	0.00	-9,601.27	4,451,761.80	-3,175,010.72	-391,265.35	9,601.27	-3,556,674.80	895,087.00
4 Down payments made and assets under construction	1,406.01	0.00	0.00	-1,406.01	0.00	0.00	0.00	0.00	0.00	0.00	1,406.01
	24,250,733.32	241,472.68	0.00	0.00	-9,601.27	24,482,604.73	-7,321,646.31	-1,016,085.69	9,601.27	-8,328,130.73	16,154,474.00
<b>III. Financial assets</b>											
1 Shares in affiliated companies	15,484,030.57	0.00	0.00	0.00	0.00	15,484,030.57	-384,030.57	0.00	0.00	-384,030.57	15,100,000.00
2 Participating interests	31,879,369.80	775,000.00	0.00	0.00	0.00	32,654,369.80	-8,863,127.90	0.00	0.00	-8,863,127.90	23,791,241.90
3 Loans to companies in which a participating interest exists	52,088,650.15	3,737,631.51	1,486,208.13	0.00	-2,205,412.03	55,107,077.76	-6,823,554.69	0.00	0.00	-6,823,554.69	48,283,523.07
	99,452,050.52	4,512,631.51	1,486,208.13	0.00	-2,205,412.03	103,245,478.13	-16,070,713.16	0.00	0.00	-16,070,713.16	87,174,764.97
	139,743,927.48	6,687,556.52	1,486,208.13	0.00	-2,215,013.30	145,702,678.83	-37,076,897.87	-1,887,677.47	9,601.27	-38,954,974.07	106,747,704.76

## Independent Auditor's Certificate

To Trianel GmbH

### Audit opinions

We have audited the annual financial statements of Trianel GmbH – consisting of the balance sheet as of 31 December 2021 and the income statement for the financial year from 1 January 2021 to 31 December 2021, as well as the notes, including the description of the accounting and valuation principles. In addition, we audited the Management Report of Trianel GmbH, for the financial year from 1 January 2021 to 31 December 2021.

In our opinion, based on the information gained in the audit,

- the enclosed annual financial statements are in conformity with the German Commercial Code as applicable for incorporated companies in all material respects and, in compliance with the generally accepted accounting principles, they give a true and fair view of the net assets and financial situation of the company as of 31 December 2021 and of its results of operations for the financial year from 1 January 2021 to 31 December 2021, and
- the enclosed Management Report conveys an accurate representation of the company situation overall. In all material respects, this Management Report tallies with the annual financial statements, complies with the

German statutory requirements and conveys an accurate representation of the opportunities and risks of future developments.

In conformance with Section 322 (3) Sentence 1 of the German Commercial Code (HGB) we declare that our audit did not lead to any objections regarding the regularity of the annual financial statements and the Management Report.

### Basis for the audit opinions

We conducted our audit of the annual financial statements and Management Report in accordance with Section 317 of the German Commercial Code (HGB) and observing the auditing principles generally accepted in Germany as stipulated by the German Institute of Public Auditors (Institut der Wirtschaftsprüfer, IDW). Our responsibilities in accordance with these requirements and principles are described further in the section "Auditor's responsibility for the audit of the annual financial statements and the Management Report" of our Auditor's Certificate. We are independent of the company in accordance with the German Commercial Code and professional law provisions, and have fulfilled our other professional duties under German law in accordance with these requirements. In our view, the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinions on the annual financial statements and Management Report.

### Responsibility of the legal representatives and Supervisory Board for the annual financial statements and Management Report

The legal representatives are responsible for preparing the annual financial statements which in all material respects are in conformity with the German Commercial Code as applicable for incorporated companies, and for the Management Report in compliance with the generally accepted accounting principles giving a true and fair view of the net assets, financial situation and results of operations of the company. Furthermore, the legal representatives are responsible for the internal controls which they have determined to be necessary in accordance with the German generally accepted accounting principles in order to enable the preparation of annual financial statements that are free from material misstatements, whether intentional or unintentional.

In the preparation of the annual financial statements, the legal representatives are responsible for assessing the company's ability to continue as a going concern. Furthermore, they are responsible for disclosing relevant facts relating to the ability to continue as a going concern. In addition, they are responsible for preparing accounts based on the going concern accounting principle, unless actual or legal circumstances dictate otherwise. Moreover, the legal representatives are responsible for preparing the Management Report that conveys an accurate representation of the situation of the company



overall and tallies with the annual financial statements in all material respects, conforms to the German statutory requirements and conveys an accurate representation of the opportunities and risks of future developments. The legal representatives are also responsible for the precautions and measures (systems) which they have considered necessary in order to enable the preparation of a Management Report in accordance with the applicable German statutory requirements and in order to be able to provide sufficient appropriate evidence for the statements in the Management Report.

The Supervisory Board is responsible for monitoring the company's accounting processes for preparing the annual financial statements and the Management Report.

#### Auditor's responsibility for auditing the annual financial statements and the Management Report

Our objective is to obtain reasonable assurance as to whether the annual financial statements as a whole are free from material misstatements, whether intentional or not, and whether the Management Report as a whole conveys an accurate representation of the situation of the company overall and in all material respects tallies with the annual financial statements, as well as with the information gained in the audit, conforms to the German statutory requirements, and conveys an accurate representation of the opportunities and risks of future developments, and also to issue an Auditor's Certificate

that contains our audit opinions on the annual financial statements and Management Report.

Reasonable assurance is a high degree of certainty but not a guarantee that an audit conducted in accordance with Section 317 of the German Commercial Code and observing the auditing principles generally accepted in Germany as stipulated by the Institute of Public Auditors (IDW) will always discover a material misstatement. Misstatements may result from irregularities or errors and are regarded as material if it could reasonably be expected that individually or together they would influence business decisions taken on the basis of these annual financial statements and this Management Report.

During the audit, we exercise due discretion and maintain professional scepticism. In addition,

- we identify and evaluate the risks of material misstatements, whether intentional or not, in the annual financial statements and Management Report, plan and perform audit procedures in response to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our audit opinions. The risk that material misstatements will not be detected is greater in the case of violations than in the case of inaccuracies, as violations may involve fraudulent interaction, falsification, intentional incompleteness, misrepresentation or the abrogation of internal controls.

- we gain an understanding of the internal control system relevant to the audit of the annual financial statements and the precautions and measures relevant to the audit of the Management Report to plan audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems at the company.

- we evaluate the appropriateness of accounting methods used by the legal representatives and the reasonableness of the estimated values presented and related disclosures made by the legal representatives.

- we draw conclusions about the appropriateness of the going concern accounting principle applied by the legal representatives and, on the basis of the audit evidence obtained, whether there is a material uncertainty in connection with events or circumstances that could cast significant doubt on the company's ability to continue as a going concern. If we conclude that there is a material uncertainty, we are required to draw attention in our Auditor's Certificate to the related disclosures in the annual financial statements and in the Management Report or, if such disclosures are inadequate, to modify our respective audit opinion. Our conclusions are based on the audit evidence obtained up to the date of our Auditor's Certificate. However, future events or circumstances may result in the company no longer being able to continue as a going concern.

▪ we assess the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements represent the underlying transactions and events in such a way that the annual financial statements in compliance with the generally accepted accounting principles give a true and fair view of the net assets, financial situation and results of operations of the company.

▪ we assess the consistency of the Management Report with the annual financial statements, its legal conformity and the representation conveyed by it of the situation of the company.

▪ we perform audit procedures on the forward-looking statements made by the legal representatives in the Management Report. On the basis of sufficient and appropriate audit evidence, we particularly verify the significant assumptions underlying the forward-looking statements made by the legal representatives and assess the proper derivation of the forward-looking statements from these assumptions. We do not express an independent opinion on the forward-looking statements or the underlying assumptions. There is a significant unavoidable risk that future events will differ materially from the forward-looking statements.

We communicate with those responsible for monitoring the audit regarding, among other matters, the planned scope and timing of the audit and significant findings of the audit, including any deficiencies in the internal control system that we identify during our audit.

Duisburg, 23 May 2022



PKF Fasselt  
Partnerschaft mbB  
Auditing  
Tax Consulting and Law Firm

Hüngr

Hesse

German Public  
Auditor

German Public  
Auditor

(The above Auditor's Certificate refers to the annual financial statements as of 31 December 2021 (balance sheet total EUR 756,660,703.83; annual net income EUR 8,881,475.77) and the Management Report of Trianel GmbH, Aachen for the 2021 financial year.)

## Consolidated financial statements of Trianel GmbH 2021 for the financial year from 1 January 2021 to 31 December 2021

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# Consolidated balance sheet as of 31 December 2021

Assets side	31/12/2021 €	31/12/2020 €	Liabilities side	31/12/2021 €	31/12/2020 €
<b>A. Fixed Assets</b>			<b>A. Equity</b>		
I. Intangible assets			I. Capital stock	20,152,575.00	20,152,575.00
1. Internally generated industrial property rights and similar rights and values	2,979,068.68	2,020,565.63	Nominal amount of own shares	-237,400.00	-237,400.00
2. Purchased licenses, industrial Property rights and similar rights and values as well as licences to such rights and values	420,447.50	200,000.50		19,915,175.00	19,915,175.00
3. Down payments made	18,949.61	136,039.11	II. Capital reserves	26,129,469.24	26,129,469.24
	3,418,465.79	2,356,605.24	III. Earnings reserves		
II. Tangible assets			1. Reserve for shares	237,399.00	237,399.00
1. Real estate, rights equivalent to real estate and buildings including buildings on third-party real estate	15,299,968.00	15,853,946.00	2. Other earnings reserves	43,406,258.36	43,367,952.35
2. Technical plant and machinery	1,807,929.00	2,967.00		43,643,657.36	43,605,351.35
3. Other assets, furniture and fixtures	895,087.00	1,070,768.00	IV. Profit/loss carried forward	2,786,059.94	-171,059.31
4. Down payments made and plants under construction	1,793,258.88	169,856.31	V. Group annual net income	11,813,402.28	7,713,338.76
	19,796,242.88	17,097,537.31		104,287,763.82	97,192,275.04
III. Financial assets			<b>B. Difference from capital consolidation</b>	3,099.29	3,099.29
1. Participating interests	23,792,241.90	23,017,241.90	<b>C. Provisions</b>		
2. Loans to companies in which a participating interest exists	51,270,916.31	47,995,604.51	1. Provisions for taxes	437,167.46	6,984,472.37
	75,063,158.21	71,012,846.41	2. Other provisions	104,118,077.99	64,537,890.68
	98,277,866.88	90,466,988.96		104,555,245.45	71,522,363.05
<b>B. Current assets</b>			<b>D. Liabilities</b>		
I. Inventories			1. Amounts due to credit institutions	48,437,945.32	51,805,033.78
1. Work in progress	6,297,094.20	3,551,784.00	2. Down payments received for orders	619,369.44	0.00
2. Merchandise	27,599,537.27	7,060,484.74	3. Trade accounts payable	196,405,596.38	97,009,896.87
3. Down payments made	361,130.30	211,473.80	4. Accounts payable to shareholders	65,469,187.85	10,144,972.62
	34,257,761.77	10,823,742.54	5. Accounts payable to affiliated companies	1,241,778.25	276,718.72
II. Accounts receivable and other assets			6. Accounts payable to companies in which a participating interest exists	27,556,731.90	41,337,317.37
1. Trade receivables	202,589,981.93	115,380,637.83	7. Other accounts payable	216,016,390.52	25,080,623.08
2. Accounts receivable from shareholders	44,899,656.20	20,674,914.72	– of which from taxes € 94,071,736.37 (previous year: € 570,460.30)		
3. Accounts receivable from affiliated companies	2,132,224.13	1,822,030.97	– of which for social security € 137,192.65 (previous year: € 159,356.95)		
4. Accounts receivable from companies in which a participating interest exists	53,042,812.39	57,369,363.15		555,746,999.66	225,654,562.44
5. Other assets	248,384,418.74	50,184,701.53			
	551,049,093.39	245,431,648.20	<b>E. Accruals and deferrals</b>	13,000.00	0.00
III. Securities	70,000.00	37,500.00		764,606,108.22	394,372,299.82
IV. Cash in hand and cash at credit institutions	78,008,506.49	46,906,281.19			
<b>C. Accruals and deferrals</b>	2,942,879.69	706,138.93			
	764,606,108.22	394,372,299.82			

# Group income statement for the financial year from 1 January 2021 to 31 December 2021

	2021 €	2020 €
1. Sales proceeds	6,463,047,036.96	3,198,394,962.38
2. Increase in the stock of finished and semi-finished products	1,877,585.01	915,558.71
3. Other internally produced and capitalised assets	35,674.33	65,533.46
4. Other operating revenue – of which from currency conversion: € 312,761.94 (previous year: € 360,215.51)	15,221,202.93	2,843,570.55
5. Cost of materials Expenditures associated with raw materials and supplies and for purchased goods and services	–6,409,896,884.19	–3,124,254,186.98
6. Personnel expenditures		
a) Wages and salaries	–34,590,931.42	–31,097,341.96
b) Social contributions and expenditure on pension provision and support – of which from pension provision: € 309,960.40 (previous year: € 300,245.14)	–4,326,479.73 –38,917,411.15	–3,988,062.06 –35,085,404.02
7. Depreciation on intangible assets and fixed assets	–1,902,840.75	–2,315,833.18
8. Other operating expenditure – of which from currency conversion: € 290,530.71 (previous year: € 439,464.58)	–14,621,372.78	–15,246,850.06
9. Revenue from participating interests	93,716.97	273,143.74
10. Revenue from loans of financial assets	4,229,685.87	4,228,642.61
11. Other interest and similar revenues – of which from discounting: € 1,599,228.51 (previous year: € 329,852.03)	1,737,285.50	468,399.70
12. Depreciation on financial assets and securities held as financial assets	–18,070.05	–11,874,351.28
13. Interest and similar expenditure – of which from compounding: € 669,850.92 (previous year: € 1,981,537.28)	–3,083,500.87 2,959,117.42	–4,440,602.60 –11,344,767.83
14. Profit from deconsolidation	0.00	0.00
15. Tax on income	–5,940,162.21	–6,210,364.98
16. Earnings after tax	11,861,945.57	7,762,218.05
17. Other taxes	–48,543.29	–48,879.29
18. Group annual net income	11,813,402.28	7,713,338.76

Sustainability Report  
of Trianel GmbH  
for the financial year from  
1 January to 31 December 2021



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# Sustainability – balance between economy, ecology and society

## Sustainability concept

A sustainability concept summarises strategies, aspects and measures. It describes goals and fields of action, measures, key figures and internal processes (due diligence processes). It is thus part of modern risk management.



## Sustainable development goals

In order to meet the needs of present and future generations alike and to enable them to live in dignity, economically efficient, socially balanced and ecologically compatible development is required.



## Guiding principle

Applying sustainable development as a guiding principle in all areas and in all decisions means: **assuming** responsibility, **preserving** natural resources, **strengthening** sustainable economic activity, **maintaining** and **improving** social cohesion, **using** education, science and innovation.

## 1 General: Municipal utilities cooperation Trianel

Trianel, a cooperation of municipal utilities, stands for independence and new approaches. Trianel GmbH (abbreviated to Trianel below) was established by municipal utilities in 1999 with the aim of pooling the interests of municipal utilities and regional energy suppliers and boosting their independence and competitiveness on the energy market.

The concept has found followers among over 100 shareholders and partners in the public utilities sector. All together, the Trianel shareholders supply energy to more than six million people in Germany, the Netherlands, Austria and Switzerland.

Together with the municipal utilities, Trianel has systematically built new business fields with and for municipal utilities in the last 22 years: initially in electricity and gas trading and procurement, followed by joint project development of a gas storage facility and conventional and renewable power generation plants.

On top of this, Trianel also acts as a compass for municipal utilities: With its trend scouting approach, Trianel systematically identifies and analyses market trends with the shareholders. Trianel's Digital Lab studies digital solutions for municipal utilities and implements pilot projects. FlexStore monitors technical innovations that enhance the flexibility of generation and consumption,

helping to integrate the growing supply of energy from renewable sources into the market.

In the same way that the significance of the energy and climate transition led to its joint efforts to build modern and efficient power plants and expand renewables, Trianel also sees significant synergies and economies of scale for municipal utilities in the digitalisation of energy industry processes. Trianel is contributing to advances towards climate neutrality by growing and managing renewable energy sources, through short-term management of portfolios and generation facilities, and through services that build towards a climate-neutral city and more energy efficiency.

As a horizontal cooperation of municipal utilities, our 57 shareholders are more than just holders of stocks in Trianel. They are a strong community of municipal companies with the common goal of building a modern and independent energy industry using entrepreneurial means.

## Overview of Trianel GmbH's 57 shareholders

Stadtwerke Bochum Holding GmbH	Bochum	14.07 %	BeSte Stadtwerke GmbH	Steinheim	0.50 %
Stadtwerke Aachen AG (STAWAG)	Aachen	11.97 %	ENNI Energie & Umwelt Niederrhein GmbH	Moers	0.50 %
RhönEnergie Fulda GmbH	Fulda	7.44 %	Gemeindewerke Steinhagen GmbH	Steinhagen	0.50 %
Stadtwerke Herne AG	Herne	6.86 %	GWS Stadtwerke Hameln GmbH	Hameln	0.50 %
Stadtwerke Bonn GmbH	Bonn	5.81 %	Osterholzer Stadtwerke GmbH & Co. KG	Osterholz-Scharmbeck	0.50 %
Stadtwerke Lübeck Holding GmbH	Lübeck	5.12 %	Schleswiger Stadtwerke GmbH	Schleswig	0.50 %
SWU Energie GmbH	Ulm	4.78 %	Stadtwerke Bad Salzuflen GmbH	Bad Salzuflen	0.50 %
Stadtwerke Witten GmbH	Witten	3.75 %	Stadtwerke Dachau	Dachau	0.50 %
Stadtwerke Energie Jena-Pößneck GmbH	Jena	2.99 %	Stadtwerke Elmshorn	Elmshorn	0.50 %
NEW Niederrhein Energie und Wasser GmbH	Mönchengladbach	2.87 %	Stadtwerke Gronau GmbH	Gronau	0.50 %
N.V. HVC	Alkmaar, Netherlands	2.48 %	Stadtwerke Mosbach GmbH	Mosbach	0.50 %
enwor – energie und wasser vor Ort GmbH	Herzogenrath	2.21 %	Stadtwerke Rüsselsheim GmbH	Rüsselsheim	0.50 %
Salzburg AG für Energie, Verkehr und Telekommunikation	Salzburg, Austria	1.76 %	Stadtwerke Sindelfingen GmbH	Sindelfingen	0.50 %
Allgäuer Überlandwerk GmbH	Kempten im Allgäu	1.74 %	Stadtwerke Tuttlingen	Tuttlingen	0.50 %
Stadtwerke Halle GmbH	Halle an der Saale	1.57 %	Stadtwerke Wedel Beteiligungs GmbH	Wedel	0.50 %
SWT Stadtwerke Trier Versorgungs- GmbH	Trier	1.49 %	T.W.O. Technische Werke Osning GmbH	Halle in Westfalen	0.50 %
Stadtwerke Heidelberg GmbH	Heidelberg	1.24 %	Stadtwerke Bad Pyrmont Beteiligungs und Bäder GmbH	Bad Pyrmont	0.37 %
Nvb Nordhorner Versorgungsbetriebe GmbH	Nordhorn	1.19 %	Stadtwerke Uelzen GmbH	Uelzen	0.37 %
Trianel GmbH	Aachen	1.18 %	Stadtwerke Detmold GmbH	Detmold	0.36 %
Stadtwerke Hamm GmbH	Hamm	1.12 %	Stadtwerke Unna GmbH	Unna	0.33 %
Stadtwerke Solingen GmbH	Solingen	0.99 %	Stadtwerke EVB Huntetal GmbH	Diepholz	0.30 %
Stadtwerke Lindau GmbH & Co. KG	Lindau (Bodensee)	0.97 %	Regio Energie Solothurn	Solothurn, Schweiz	0.30 %
GSW Gemeinschaftsstadtwerke GmbH			Stadtwerke Soest GmbH	Soest	0.29 %
Kamen Bönen Bergkamen	Kamen	0.83 %	Stadtwerke Schwäbisch Hall GmbH	Schwäbisch Hall	0.26 %
Stadtwerke Aalen GmbH	Aalen	0.74 %	Stadtwerke Georgsmarienhütte GmbH	Georgsmarienhütte	0.25 %
Stadtwerke Borken/Westf. GmbH	Borken	0.74 %	Stadtwerke Herford GmbH	Herford	0.25 %
Stadtwerke Lünen GmbH	Lünen	0.66 %	Stadtwerke Lengerich GmbH	Lengerich	0.25 %
Energie- und Wasserversorgung Rheine GmbH	Rheine	0.57 %	Stadtwerke Verden GmbH	Verden	0.25 %
Hertener Energiehandelsgesellschaft mbH	Herten	0.54 %	Teutoburger Energie Netzwerk e.G.	Hagen am Teutoburger Wald	0.25 %
Stadtwerke Fröndenberg Wickede GmbH	Fröndenberg	0.53 %			

On the reporting date of 31 December 2021, Trianel GmbH had direct shares in 14 subsidiaries and participating interests, as shown in the following overview.

#### Participation interests of Trianel GmbH

Trianel Energieprojekte GmbH & Co. KG	100 %		
Trianel Energie B.V.	100 %		
Trianel Gasspeicher Epe GmbH & Co. KG	7.60 %	Trianel Gasspeicher Epe Verwaltungs GmbH	100 %
Trianel Kohlekraftwerk Lünen GmbH & Co. KG	6.34 %	Trianel Kohlekraftwerk Lünen Verwaltungs GmbH	100 %
Trianel Gaskraftwerk Hamm GmbH & Co. KG	6.12 %	Trianel Gaskraftwerk Hamm Verwaltungs GmbH	100 %
Trianel Onshore Windkraftwerke GmbH & Co. KG	5.35 %		
Trianel Erneuerbare Energien GmbH & Co. KG	5.00 %		
Trianel Windkraftwerk Borkum GmbH & Co. KG	2.69 %	Trianel Windkraftwerk Borkum Verwaltungs GmbH	100 %
Trianel Wind und Solar GmbH & Co. KG	2.09 %		
Trianel Windkraftwerk Borkum II GmbH & Co. KG	2.00 %		

Status: 31/12/2021

Together with municipal utilities, Trianel has invested over € 5.5 billion in municipal generation, focusing exclusively on renewable energy sources since 2010, with investments of almost € 3.5 billion. By further expanding renewable energy sources, for example in the most recent founding of Trianel Wind & Solar GmbH & Co. KG, we are going to continue our renewables growth path in the years to come. In addition to this, we want to further reduce Trianel's CO<sub>2</sub> footprint with additional efficiency measures at the Trianel administration building and the small external sites. With our energy efficiency services and our new services helping municipal utilities progress towards climate-neutral cities, we support our customers and shareholders to help them continue to reduce their CO<sub>2</sub> footprint with their customers.

## DNK criteria 1–10

### 2 Our sustainability concept

#### 2.1 Strategy

## DNK criterion 1

### 2.1.1 Strategic analysis and measures

Climate protection, transparency and fairness to our partners, responsible management and the well-being of our employees have guided Trianel's actions from the outset. We aim to consolidate these values by developing a sustainability strategy, and make our commitment more quantifiable and comprehensible.

Trianel backs the energy transition and the decarbonisation required to reach the climate targets. Trianel and its more than 300 employees see the challenges of a dynamic market as an opportunity. They see themselves as designers of a new energy world to meet the requirements of the 21st century.

Trianel is building on its role as a hub between generation and consumption for the increasingly digital and regenerative renewable energy worlds. To achieve this goal, Trianel offers municipal utilities and other customers solutions for a renewable, decentralised and flexible energy industry, one which will continue to become significantly more volatile. Trianel is increasingly dovetailing the services in the various business fields, harnessing synergies.

After an extended phase of strong growth lasting until 2014, and consolidation and restructuring completed successfully in 2018, Trianel now operates in the business fields trading and procurement, project development and digital energy solutions. Expansion and market integration of renewable energy sources, management of energy industry portfolios and assets, amalgamating a wide range of data from generation and consumption and testing and implementing digital solutions to support operations of modern municipal infrastructures are key fields for the future alignment of the company.

Trianel has identified significant prospects in the systematic advancement of these business fields. The aim is to develop solutions for decarbonisation, expansion of renewable energy generation, integration of renewables in the energy markets as well as digitalisation and modernisation of municipal infrastructures together with the municipal utilities.

We view our sustainability strategy as an ongoing and holistic management process to continuously improve our organisation, our products and the capabilities of our employees. We believe that sustainability complements and drives strategic development at Trianel and its affiliated stakeholders.

Trianel endorses the United Nations' Agenda 2030 of 2015 and its 17 global Sustainable Development Goals (SDG). As an energy company, we consider it our responsibility to make the most of our capacity to act sustainably, especially in terms of climate protection and environmental action. In terms of human rights and social affairs, we believe it is our duty to hone our awareness and do what we can as an organisation in a societal context. We back the German Federal Government's sustainability strategy and willingly accept the requirements and recommendations of the German Council for Sustainable Development. Accordingly, we apply the criteria of the German Sustainability Code (DNK) to our Sustainability Report. As a result, we also base the development of our sustainability strategy on the guidelines for social responsibility laid out in standard DIN ISO 26000.

## DNK criterion 2

### 2.1.2 Materiality

As a municipal utilities cooperation active in the business fields of energy trading and project development and as a provider of services to municipal utilities, we operate in an environment that is largely driven by political decisions. The local political interests of our shareholders have just as much of an impact on Trianel as political regulations at federal and state level. Moreover, our activities as an energy trading company and our related room for manoeuvre are also affected by global developments in energy prices. Climate policy requirements, renewable energy expansion targets and regulatory trade guidelines all have a direct impact on us, in addition to which we are anticipating further regulatory changes in the coming years as a result of increased climate protection efforts and the issue of energy security following the war in Ukraine. We expect the European Union to implement further plans regarding the regulation of energy companies, tighten existing regulations and tie up more of our capacities.

Trianel's key stakeholders consist of our shareholders and customers (mostly municipal utilities or municipal companies), trading partners, financial market partners, our employees and, last but not least, our neighbours located at the generation sites operated by Trianel and its affiliated companies. In our capacity as a service company, we cultivate close relations with our suppliers and actively engage in dialogue with political representatives on behalf of our shareholders and customers.

Topics relevant to Trianel and its stakeholders regarding sustainable development today and in the future have been analysed and summarised in a materiality matrix. The term 'material' describes all issues that reflect key economic, environmental and social impacts on Trianel or have a significant influence on the assessments of our stakeholders.

## Materiality matrix

The materiality matrix identifies the following fields of action for Trianel.

1. The following fields of action have a very high degree of external relevance and hence a very high degree of relevance for Trianel:

- Supply security (inside-out and outside-in)
- Long-term economic stability (inside-out and outside-in)
- Climate protection (inside-out and outside-in)

2. The following fields of action have a high degree of external relevance and hence a high degree of relevance for Trianel:

- Trading activities and pricing (inside-out and outside-in)
- Risk management (inside-out and outside-in)
- Compliance (inside-out)

3. The following fields of action have a medium degree of external relevance and hence a medium degree of relevance for Trianel:

- Innovation (inside-out and outside-in)
- Energy efficiency (inside-out and outside-in)
- Environmental protection (inside-out and outside-in)



When making decisions, Trianel takes both its own perspective (inside-out) and the perspective of its stakeholders (outside-in) into account. The fields of action create opportunities for Trianel to develop new business fields. However, risks arise at the same time insofar as the fields of action are subject to impacts that cannot be directly controlled by Trianel and its customers but nevertheless need to be monitored (risk management).

Concurrently, it is also important to make good use of the technical changes taking place in the energy industry. This is just as true for the digitalisation of business

processes as it is for new technical solutions to successful sector coupling. We are therefore continuously adapting our business model to new market requirements and are digitising the model where appropriate.

Hand in hand with increasingly (smart) IT, the challenges associated with the defence against threats to information and data security in the energy sector, which counts as critical infrastructure, are also on the rise; accordingly, we have further refined our relevant security systems and are constantly raising our employees' awareness of this matter.



For Trianel, opportunities arise above all from the growing demand for action on climate protection and supply security. Aside from the expansion of renewable energy and the smart integration of renewable generation into the markets, Trianel continues to focus on innovation projects such as the hydrogen centre in Hamm, which was established in 2021.

Decarbonisation of our energy system, new regulations and changes in work processes as well as new needs are presenting our customers and employees with new tasks. Conventional electricity generation is becoming less important and generating less revenue. At the same time, the expansion, marketing and management of renewable energy sources, as well as flexibility options in trading and optimisation of generation systems result in new opportunities. Digitalisation creates new opportunities by allowing us to systematically tap synergies in trading, procurement and sales. We can also see ways to actively support municipal utilities in providing public services digitally and without adversely impacting the climate.

Key areas of our sustainability strategy are profitability, climate protection and climate neutrality, as well as the responsibility to our employees, which we fulfil through sustainable personnel management. Furthermore, our services and products also serve to support our customers and shareholders on the path to decarbonisation and help them exploit the opportunities presented by energy

trading. As good neighbours, we also want to do what we can to support our home town of Aachen and our various sites, taking social responsibility for public welfare. In the project development context, we place great importance on responsible interaction with local stakeholders and on environmental and species protection.

## DNK criterion 3

### 2.1.3 Objectives

With regard to the UN's 17 Sustainable Development Goals, Trianel's initial analysis identified ten goals we can influence, either directly or indirectly, as a company. In our capacity as energy company, our greatest contribution to sustainable development can be made in the fields of affordable and clean energy (SDG 7), climate protection (SDG 13) and sustainable urban development (SDG 11). In this context, we also aim to maintain a balance between cost efficiency, supply security and environmental compatibility. Within our organisation, we as a company can also take responsibility for the health and well-being of our employees as well as for the areas surrounding our generation and storage facilities (SDG 3), for the further education of our workforce (SDG 4) and for gender equality (SDG 5). Our projects are just as committed to sustainable industrial development and innovation (SDG 9) as they are to life on land and under water-issues we address in the context of our renewable energy project development and our participation in the Trianel Windpark Borkum (SDG 14 and 15). As a municipal utilities cooperation, appreciation of the importance of partnership is an essential part of our strategy (SDG 17).

Sustainable development goals on which Trianel has a direct or indirect bearing:



**Health and well-being** of our employees, which we promote with active health management as well as compliance with and monitoring of health and safety regulations. Of course, the health and well-being of citizens who live near our generation and storage facilities are also close to our heart. Accordingly, compliance with all environmental and safety standards is a major priority for us, and we have taken comprehensive precautions.



We believe in **quality education** as a precondition for innovation and technical and societal advancements. That is why we support further education for our employees and work with universities and colleges.



**Gender equality** is part of our personnel policy and also guides our personnel planning.



**Affordable and clean energy** is a key goal for us as a company in the energy sector. We are already contributing to this goal as a procurement company for municipal utilities. We also invest in renewable energy sources and flexibility options to increase the share of renewable

energy sources and maintain supply security in an increasingly decarbonised energy system.



**Industry, innovation and infrastructure** are major drivers for us to advance sector coupling towards a climate-neutral future. With our shareholders, we want to use the opportunities offered by the hydrogen industry and see further potential for innovation, especially in the digital infrastructures segment.



We believe that **sustainable cities** are the key to making the climate transition a success. As local providers of energy and infrastructure services, municipal utilities can make a valuable contribution. We want to support them in their efforts. We are already developing services today to support cities and municipalities on their way to CO<sub>2</sub> neutrality together with the municipal utilities.



**Climate protection measures** are a key aspect of the company's development. We invest in renewable energy sources and seek to compensate any CO<sub>2</sub> emissions that cannot be avoided based on our climate assessment. Further efforts to bring about energy efficiency are a key element of our climate change mitigation measures.



As holders of shares in the Trianel Windpark Borkum I and II in the North Sea, **life below water** is of particular interest to us. Construction of the Trianel Windpark

Borkum I saw the first sound insulation system installed as standard to protect marine mammals during ramming work. In conjunction with this, Trianel Windpark Borkum is involved in evaluations of sound data being carried out throughout the North Sea to protect harbour porpoises. Alongside other companies operating offshore wind farms, Trianel is supporting research into the effects of offshore wind farms on loons. Studies of the fish and benthos stocks are conducted regularly in our own wind farm area. Due to the complex interactions in the maritime space, Trianel cooperates with other wind farm operators and scientific experts in this context.



**Life on land** is particularly relevant to us as holders of interests in conventional and renewable power stations, and as project developers. We always ensure compliance with all biodiversity conservation and immission control legislation when building and operating plants. Our state-of-the-art conventional plants significantly undercut mandatory legal limits and meet the strictest safety standards. In project development, we also ensure compliance with environmental standards above and beyond the legally mandated levels and aim to further expand our commitment.



As a municipal utilities cooperation, entering into **partnerships** to reach goals is part of Trianel's corporate DNA: we are convinced that you can only achieve great

things together. That is true for us as a company and also for our many projects implemented jointly with municipal utilities. Our strategy involves the creation of effective public, public-private and civil society partnerships and the development of progress measures in the field of sustainable development to complement the gross domestic product and, in particular, public services.

We decided to document and monitor our commitment and understanding of sustainability in a voluntary Sustainability Report from 2019 on in order to honour our employees' impressive commitment to climate protection, technological change and sustainable and social management. A company is always the sum of its employees, who develop and shape it.

#### Trianel takes responsibility

- for protection of our climate and our environment,
- for supply security in an increasingly decarbonised energy world,
- for the development and protection of its employees,
- for credibility vis-à-vis its stakeholders,
- and not least for the stabilisation of its business success as a basis for sustainable development.

Based on this responsibility, Trianel is developing a sustainability strategy that defines specific goals. These goals are based on the UN's Sustainable Development Goals and our capabilities. In the medium term, constant development of our strategy will result in quantifiable targets. However, they cannot be defined until our analysis has been concluded.

Climate protection is a key aspect for us. Trianel in its role as an organisation is focusing on reducing its carbon footprint through energy efficiency and, in the medium term, compensation. Our long-term corporate goal is climate neutrality. As part of our work towards this objective, we produced our first climate assessment in 2020 to analyse our immissions and our environmental consumption. We are going to build our goals around this basis.

However, our primary goal as a company is not only to meet our responsibilities in protecting the climate and environment; we also strive to support our customers with our services and products as they move towards climate neutrality. As we see it, aside from working together to expand renewables and innovation projects, this also includes the integration of renewables into the markets.

Other targets for us include developing our HR management and expanding our social responsibility programme. We will develop a target from our evaluation of the key figures.

#### DNK criterion 4

##### 2.1.4 Depth of the value chain

Trianel's core business is trade in electricity and gas for municipal utilities and services to optimise procurement and generation by municipal utilities.

We also develop renewable energy projects, giving us a presence in another section of the energy industry value chain. There is currently no analysis of the supply chains for construction of wind and solar projects. As plant operators, we are already meeting our responsibilities for dismantling and recycling.

Principally, Trianel is a service company and hence does not operate in the production sector. Accordingly, raw materials procurement and recycling of products are not of direct relevance to us. However, we are going to intensify our monitoring and analysis activities with regard to our value chains and fulfil our resulting responsibility.

managing directors share responsibility for and oversee the sustainability portfolio. They are supported in this by the Sustainability Officer and Sustainability Ambassadors from all departments. The Sustainability Officer draws up the Sustainability Report and develops the sustainability strategy in cooperation with the divisions and Management Board. The Management Board reviews and approves the Sustainability Report.

The shareholders' meeting and the twelve-strong Supervisory Board are among Trianel's other corporate bodies.

The Management Board reports regularly and comprehensively to the Supervisory Board in accordance with legal and internal requirements on the business policy, profitability, business development, relevant transactions and risks. The rules of procedure for the Management Board govern the modalities of decision making and other aspects of the cooperation.

#### DNK criterion 5

##### 2.2 Process management

##### 2.2.1 Responsibilities

As the executive body, the Management Board oversees Trianel's operations, develops and implements the strategic orientation. The Management Board consists of two people: Sven Becker, Management Spokesman, and Dr Oliver Runte, Managing Director. The responsibilities of the two managing directors (distribution-of-business plan) are confirmed by the Shareholder Meeting. Both

The Supervisory Board of Trianel GmbH is not subject to the Co-Determination Act, it is a voluntary controlling body for the company that roots the company's cooperation concept in the decision-making structures. The diversity-related directives of the German Corporate Governance Codex (DCGK) were taken into consideration when determining the composition. The term of the Supervisory Board is five years. The Chairperson of the Supervisory Board and the other current members of the Supervisory Board are representatives of the shareholders.

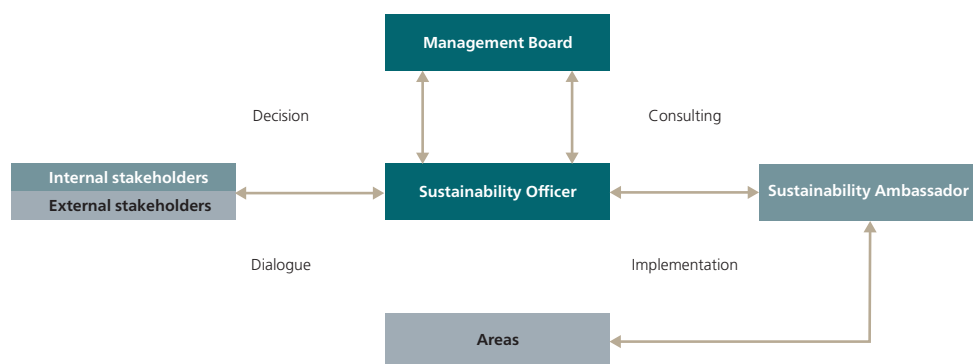
## DNK criterion 6

### 2.2.2 Rules and processes

Trianel views the development of the sustainability strategy as a continuous improvement process. With many internal standards, rules and processes already part of the company's sustainability management, Trianel focuses on and may develop other processes for the areas that are not covered yet or have to be adapted for sustainability reasons.

Both managing directors share responsibility for and oversee the sustainability portfolio. In this task, they are supported by the Sustainability Officers and the Sustainability Ambassadors across all departments. The Sustainability Officer draws up the Sustainability Report and develops the sustainability strategy in cooperation with the divisions and Management Board.

Sustainability management is anchored in Trianel's organisation as shown below.



Trianel has already put in place many internal rules and processes with a direct impact on the topic, e.g. for compliance, employee health and safety (energy audit to DIN-EN 16247-1). The specialist departments in question will retain the existing processes and responsibilities. If required, the development of sustainability management will entail implementing any additional standards and processes together with the responsible divisions and, where appropriate, with the Works Council.

### 2.2.3 Control

The present report refers to the 2021 business year from 1 January to 31 December, and is Trianel's third Sustainability Report. This report is a voluntary commitment on the part of Trianel, which is not legally obliged to submit a Sustainability Report.

We are using the German Sustainability Code (DNK) and the international GRI standards it contains as a guideline. We have not yet identified all indicators that are relevant for Trianel and can be implemented for a small organisation. However, we have already decided to use a climate assessment as an initial indicator and we will also introduce other key figures in HR. We do not have any clear indicators yet, as we are still developing the status quo. We want to establish reliability and comparability by publishing the report annually and incorporating recognised indicators. In addition to this, we also base our actions on the guidelines for social responsibility laid out in standard DIN ISO 26000.

## DNK criterion 7

Performance indicator  
GRI SRS-102-16

Our values

Through its technology transition to renewable energy sources, the increasing importance of digital processes and the regulatory framework, the energy industry is undergoing a fundamental transformation. These external change processes are necessary to enable our industry and us as a company to respond to the challenges of protecting the climate and environment. We are convinced that the energy industry and Trianel as a part of this industry are meeting their responsibility today and will continue to do so in the future.

The external changes in recent years have also changed the company. Accordingly, we implemented a comprehensive vision finding process with the employees in 2020 to analyse the company's value system and adapt it to the new requirements.

As part of the vision finding process, Trianel defined its mission and the values and standards for our working relationship.

Our mission

We are a compass guiding municipal utilities on the way to the energy world of tomorrow.

We stand for climate-friendly energy and point our partners in the right direction.

We are the platform for innovations and we drive them forward with passion and foresight as a high-performance team.

Our vision

We add value.

- We understand our customers and markets, enabling us to develop future-proof solutions.
- We are shaping the digital energy transition and taking the opportunities offered to us.
- We pool our expertise in the Trianel network and share it with our customers.
- We take on new challenges all the time and get better every day.

We break new ground.

- We act boldly and responsibly in a dynamic environment.
- We think outside the box and are always learning.
- We invest in sustainability and factor resources into our decisions.
- We deal openly and constructively with mistakes and grow in this way.

We all practice and influence Trianel's culture.

- We treat each other with respect and as equal partners at all levels.
- We are reliable and keep our promises.
- We define goals together and give each other scope to take personal responsibility and achieve personal development.
- We promote open dialogue to make the best possible decisions.
- We practice a culture of diversity and respect individual needs.

## DNK criterion 8

### 2.2.4 Incentive systems

#### Performance-dependent remuneration

Target agreement is a key management instrument for Trianel. Taking into account individual strengths and weaknesses, the managers agree challenging goals with the employees for every business year and thus promote motivation and employee development. Target agreements define the relevant priorities and responsibilities in the business year, creating clear expectations and a guiding framework.

Based on the agreed targets, constructive feedback and appropriate performance appraisal is ensured. Everyone receives individual targets tailored for their responsibilities and team, as well as a share of the corporate goals. Agreement of targets is mainstreamed at Trianel as the foundation for additional variable remuneration components.

Achievement of sustainability targets is not mainstreamed in the remuneration system.

#### Collective agreements

All employees at Trianel are subject to collective agreements in the shape of company agreements developed with the Works Council. Trianel is not subject to collective wage agreements.

### Company pension provision

Our company pension as a direct insurance policy with our partner, Swiss Life, has been an important cornerstone of our provision of financial security for our employees after retirement for many years. We conclude a direct insurance policy for every employee after completion of their probation period, and contribute € 600 per annum. This greatly exceeds the legal requirements. In addition, we also contribute, in line with the statutory requirements, to direct insurance policies taken out by employees themselves, with what is known as deferred compensation.

#### Remuneration policy

##### *Remuneration policy for controlling body, managers and employees*

The Members of the Supervisory Board, as Trianel's superior controlling body, take on this duty on a voluntary basis, and do not receive annual remuneration or attendance fees. Trianel reimburses appropriate expenses.

The total remuneration of the Managing Directors consists in each case of a fixed annual salary, a performance-based bonus as well as benefits in kind and other benefits. The management emoluments are published each year in Trianel GmbH's annual report.

Performance indicator  
GRI SRS-102-35

Trianel's managers and employees are paid based on the various job descriptions and the capabilities of the holder of the position, and on the remuneration system developed by Trianel with the Works Council.

#### *Performance-dependent remuneration*

Besides a bonus system for the individual targets, employees also indirectly participate in achievement of the corporate targets via the company bonus. In recent years, Trianel has always been able to pay the company bonus as a result of the positive business development.

Agreement of targets is also mainstreamed at Trianel as the foundation for additional variable remuneration components.

#### *Pension provision*

Trianel does not provide any dedicated retirement benefits for managers. Trianel relies on the same direct insurance-based company pension provision for its entire workforce. Our expenditures for company pension provision amount to roughly € 180,000 annually.

#### *Performance criteria for the remuneration policy in relation to the targets for the superior controlling body and management*

Trianel's remuneration policy is based on achievement of economic targets. There are no generally binding

performance criteria for achievement of social or ecological indicators. However, performance criteria of this kind could form part of individual performance evaluation, if they are achievable for the employees as part of their work.

#### 2.2.5 Stakeholder engagement

Entirely in line with its cooperative concept, Trianel stands for an open and transparent dialogue with all stakeholder groups. We always attempt to live up to the requirements and expectations of our stakeholders. We rely on dialogue, to achieve more together, fairly and openly. This ambition raises the topic of sustainability for incorporation of the stakeholder groups, too.

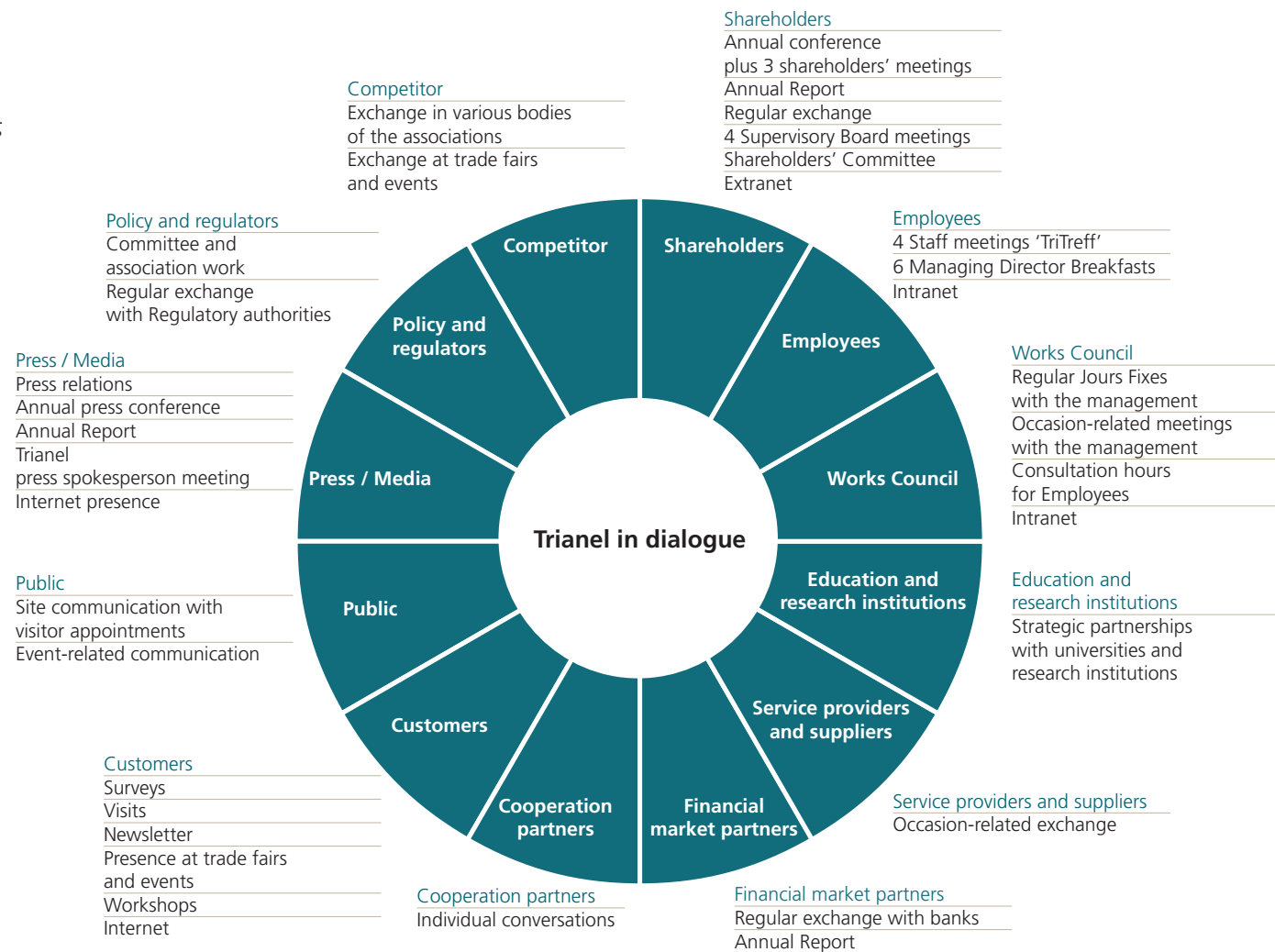
Identifying stakeholders is the responsibility of Corporate Communications, and such stakeholders are assessed together with the Management Board. This is based on environment analysis to identify stakeholders who Trianel impacts on or who Trianel is impacted by. As Trianel does not operate in the B2C sector, Trianel's communication does not target the broader public or end customers, focusing instead on municipal utilities, politicians, trade partners and financial market partners. In addition to this, we also maintain an open dialogue at the power plant locations and the administrative headquarters in Aachen, and throughout project development.

#### DNK criterion 9



## Trianel in dialogue

Constructive and continuous exchange with relevant internal and external stakeholders and corresponding forms of dialogue of Trianel GmbH:



Performance indicator  
GRI SRS-102-44

Key topics and concerns

In 2021, the dominating topics were the prospects for the 2021 federal election and the amendment of the German Renewable Energy Sources Act (EEG). From mid-2021 onwards, price rises on the international energy markets and their impact on prices in Germany came to the fore. As an energy trader, Trianel was in particular demand, engaging in close dialogue with its customers, as well as with banks and financial market partners.

In its role as a project developer, Trianel sought to enter into dialogue with politicians in 2021 to discuss barriers to the expansion of renewable energy sources. In this area too, Trianel answered questions from the media.

When developing our renewables projects, we always reach out to the responsible local stakeholders (mayors, municipal committees) as well as the affected local residents to enable us to implement our projects in line with local interests.

DNK criterion 10

2.2.6 Innovation and product management

As an innovative service company, Trianel views the changes as a result of the implementation of the energy transition and the development of the energy markets as an entrepreneurial opportunity. Trianel considers it important to continually bolster the trust of our shareholders and customers with sustainable and modern services.

The good relationship between Trianel and its customers is also based on close cooperation in the early phase of product development. We strive to stay one step ahead of the competition at all times with the market-oriented and customised solutions we develop. Based on our special market knowledge when it comes to innovative services, Trianel assists the STADTWERKE AWARD, among other things, in the annual selection of innovation projects from the municipal utilities landscape.

Innovation management at Trianel is part of trend scouting, the Trianel Digital Lab and the Trianel FlexStore and involves the shareholders of Trianel GmbH specifically in market and trend monitoring as well as pilot projects. In a multi-stage process, new trends are identified, evaluated and piloted systematically using agile working methods. Examples of such new priorities are the 'Innovation Days' (bringing together start-ups and municipal utilities), which now take place on a regular basis, the 'Smart City Days' (trends in the modernisation of municipal infrastructure) and the 'Lab Days' (lessons in piloting digital solutions) as well as various FlexStore workshops (lessons in piloting flexible energy management).

All Trianel employees are called upon to contribute good ideas to the trend scouting process. Suggestions can simply be sent to the trend scouts, who will review them and develop them with their colleagues where appropriate.

# Sustainability – balance between economy, ecology and society

## Sustainability concept

A sustainability concept summarises strategies, aspects and measures. It describes goals and fields of action, measures, key figures and internal processes (due diligence processes). It is thus part of modern risk management.



## Sustainable development goals

In order to meet the needs of present and future generations alike and to enable them to live in dignity, economically efficient, socially balanced and ecologically compatible development is required.



## Guiding principle

Applying sustainable development as a guiding principle in all areas and in all decisions means: **assuming** responsibility, **preserving** natural resources, **strengthening** sustainable economic activity, **maintaining** and **improving** social cohesion, **using** education, science and innovation.

DNK criteria 11–20

3 Our sustainability aspects

3.1 Environment

Handling energy in a responsible manner that conserves resources both in economic and ecological terms constitutes the basis of our business model and is at the heart of all business fields. Trianel trades in electricity and gas, supplying municipal utilities and industrial customers with energy. The company develops wind farms and solar parks, generates electricity at conventional and renewable power plants, manages generation facilities and offers energy efficiency services. In addition to this, Trianel offers services to help our customers and shareholders move towards a climate-neutral future.

The energy efficiency business field operates and supports energy efficiency services on behalf of municipal utilities. In 2021, this area was expanded to include the production of climate assessments and climate strategies for municipal utilities as an additional service.

Trianel also consumes energy itself to offer its services. We strive to manage our own energy consumption actively, to reduce both costs and our own CO<sub>2</sub> emissions. In the medium term, we also aim to compensate the CO<sub>2</sub> emissions that we cannot currently avoid.

Overview of the environmental indicators reported:

		2020	2021
Performance indicator GRI SRS-302-1	<b>Energy consumption</b>		
	Total consumption, of which	1,800,908 kWh	2,135,801 kWh
	– Fuels	156,207 kWh	261,406 kWh
	– Electricity consumption	908,080 kWh	867,849 kWh
	– Electricity consumption, PV	48,621 kWh	71,546 kWh
	– Heating energy consumption	677,000 kWh	924,000 kWh
	– Heating energy consumption, geothermal energy (estimate)	11,000 kWh	11,000 kWh
	Percentage change	/	18.60 %
Performance indicator GRI SRS-303-3	<b>Water use</b>		
	Total water use, of which	1.541 MI	1.642 MI
	– Drinking water, sourced from third parties	1.541 MI	1.642 MI
	Percentage change	/	6.60 %
Performance indicator GRI SRS-306-4/4/5	<b>Waste</b>		
	Total volume of waste, of which	130.1 t	30.2 t
	– Paper, cardboard, waste paper	70.4 t	8.6 t
	– Plastic waste	1.1 t	15.7 t
	– Residual refuse	53.9 t	4.9 t
	– Organic waste	3.6 t	0.7 t
	– Electronic waste	1.1 t	0.3 t
	Total volume of diverted waste, of which	55.8 t	14.4 t
	– Preparation for recycling of paper, cardboard, waste paper	54.9 t	6.8 t
	– Recycling of plastic waste	0.5 t	7.4 t
	– Recycling of electronic waste	0.4 t	0.2 t
	Overall volume of waste forwarded for burning with energy recovery, of which	74.3 t	15.8 t
	– Paper, cardboard, waste paper	15.5 t	1.8 t
	– Plastic waste	0.6 t	8.3 t
	– Residual refuse	53.9 t	4.9 t
	– Organic waste	3.6 t	0.7 t
	– Electronic waste	0.7 t	0.1 t
	Percentage change	/	-76.90 %
Performance indicator GRI SRS-305-1	<b>GHG emissions scope 1</b>		
	Total volume	40.53 tCO <sub>2</sub> -eq	70.78 tCO <sub>2</sub> -eq
	Percentage change	/	74.60 %
Performance indicator GRI SRS-305-2	<b>GHG emissions scope 2</b>		
	Total volume	293.07 tCO <sub>2</sub> -eq	55.44 tCO <sub>2</sub> -eq
	Percentage change	/	-81.10 %
Performance indicator GRI SRS-305-3	<b>GHG emissions scope 3</b>		
	Total volume	13,933,697.45 tCO <sub>2</sub> -eq	15,734,855.90 tCO <sub>2</sub> -eq
	Percentage change	/	12.90 %

## DNK criterion 11

### 3.1.1 Use of natural resources

As a service company, Trianel does not have any production processes that directly use natural resources. When providing the employees in our administrative headquarters with the conditions they need to work, we prioritise energy efficiency and a responsible use of waste that occurs or water consumption.

Via its energy industry value chain, Trianel is indirectly involved in production processes of wind and PV plants through its project development activities, and uses land to build these plants. We are committed to complying with strictest environmental standards above and beyond the usual approval processes in these areas. As part of our sustainability efforts, we will in future continue to look for new solutions to avoid interference with nature as far as possible, or compensate what cannot be avoided.

Our influence on the current electricity mix in the trading business is limited due to our engagement in expanding renewable energy sources, in which we are investing actively.

Our influence on fuel procurement for the power plants in Hamm and Lünen is minimal, as the cost-effectiveness of these plants is guaranteed by optimising procurement on the respective wholesale markets. Sustainability criteria are taken into consideration when procuring coal for Trianel's coal-fired power station in Lünen.

### 3.1.2 Resource management

Our goal is to continuously reduce, avoid where possible, or compensate the negative effects of our business operations on the environment. We can only reduce our ecological footprint if we systematically document and analyse our environmental impact. To this end, we drew up Trianel's first climate assessment for the 2020 financial year. Due to the COVID-19 pandemic, it is unclear how meaningful the data collected in it for the first time is. However, it remains a key step for us as we move towards climate neutrality.

Thanks to the 2021 climate assessment, we are now in a position to compare figures with the previous year for the first time. However, energy consumption by the Trianel administration was still limited in 2021 due to measures such as compulsory work from home and continued restrictions on public events and business trips.

To increase our resource efficiency, we not only want to gradually increase the efficiency of our business operations, we also want to focus on expanding renewables and develop new business models to foster climate protection.

As a first step, our efforts will be directed at obtaining an overview of our resource consumption through the climate assessment and, on this basis, formulating concrete further reduction targets. Our long-term goal is to achieve climate neutrality and to help municipal utilities

## DNK criterion 12

reach their climate targets with our services and products. In 2019, we started using our roof surface to build a PV plant, to meet our own consumption from electricity generated in-house. Together with our shareholder STAWAG, we commissioned a PV plant on the roof of the Trianel premises in 2020. With a peak capacity of roughly 100 kW and 840 hours of sunshine on average, the solar roof will produce roughly 84,000 kWh of environmentally friendly electricity every year in future. 100 percent of this will be used for internal supply, covering roughly 7 percent of the building's total energy consumption. In 2020, the decision was taken to switch Trianel's administration in Aachen to green electricity. With Trianel purchasing certified green electricity since 2021, electricity consumption at the head office has already reached climate neutrality.

Besides the specific measures to optimise our direct business operations, Trianel also continues to invest in expanding renewable energy sources. To achieve this, another company, Trianel Wind und Solar GmbH & Co. KG, was founded in 2020 to advance municipal expansion of renewable energy sources with municipal utilities.

Trianel has been focusing on expanding renewables since 2008. In the Trianel Windpark Borkum, Trianel and several municipal utilities built the first municipal offshore wind farm roughly 40 km off the coast of the North Sea island of Borkum. 200 MW were installed in the first expansion phase. The second expansion phase, with a

further 200 MW, was commissioned in 2020. Trianel has also been driving expansion of renewable energy sources on land since 2013. Together with Trianel Onshore Windkraftwerke GmbH & Co. KG and Trianel Erneuerbare Energien GmbH & Co. KG, over 400 MW had been built by the end of 2020. Established in 2020, the company Trianel Wind und Solar GmbH & Co. KG continues along this path.

Trianel has prepared climate assessments since 2020.

In 2021, we made further progress on the topic of electromobility for the Trianel administration. As early as 2020, we resolved to equip the Trianel building with two charging stations, thereby incentivising the gradual transition of Trianel's small fleet of company cars to electric vehicles. In order to facilitate the private use of electromobility for our staff, we are delighted that the car park rented for Trianel employees is set to receive charging facilities that will be accessible to our employees in 2022.

Our climate assessment considers resource and ecosystem risks arising from our business operations. As a service provider, we have no plans for a further consideration in terms of ecosystems.

Performance indicator  
GRI SRS 301-1

Materials used

Trianel does not manufacture products by processing materials. Our employees provide our services personally, without requiring any packaging. The materials used to send information in print form are minimal. With the energy trading business and the provision of services becoming increasingly reliant on IT, we have also integrated the use of online computing services in the 2021 climate assessment.

water, ventilation technology, cooling/air conditioning technology and lighting. Operational workflows (IT equipment, canteen, office equipment) account for a significantly smaller share.

Since 1 January 2021, our electricity contracts have been converted to certified green electricity. Electricity as energy source no longer causes any direct emissions since 2021, reducing overall emissions by 252 tCO<sub>2</sub>.

Performance indicator  
GRI SRS 302-1

Energy consumption

In 2021, Trianel's energy consumption totalled 2,135,801 kWh (previous year: 1,800,908 kWh). This represents an increase of 18.6 percent. Our higher use of energy primarily results from increases in fuel consumption for business and work travel. All energy is consumed at Trianel GmbH's administrative headquarters, including its fleet. Energy sources used include diesel, petrol, electricity from the grid and our PV plant, district heating and geothermal energy. 100 percent of the energy generated by the PV system (100 kWp) is used for internal consumption. In 2021, renewable energy sources accounted for 3.86 percent of the total energy procurement (previous year: 3.31 percent).

Electricity and heating energy consumption makes up the largest part. The lion's share of our energy consumption is attributable to the technical building equipment, with roughly equal shares used for heating technology/hot

Heating energy is consumed for use of district heating and geothermal energy for room heating. Fuel is consumed by the total of 27 passenger cars in the company fleet. 23 of these vehicles run on diesel, the other four are plug-in hybrids that run on both electricity and petrol.

Energy consumption

	2020	2021	Increase/decrease in %
Total consumption, of which	1,800,908 kWh	2,135,801 kWh	18.60 %
Fuels	156,207 kWh	261,406 kWh	67.30 %
Electricity consumption	908,080 kWh	867,849 kWh	-4.40 %
Electricity consumption, PV	48,621 kWh	71,546 kWh	47.10 %
Heating energy consumption	677,000 kWh	924,000 kWh	36.50 %
Heating energy consumption, geothermal energy (estimate)	11,000 kWh	11,000 kWh	0.00 %

Information on standards, data sources and  
emission factors

The data is prepared and analysed based on a dedicated calculation tool. The energy consumptions are calculated in accordance with the principles of DIN EN 16247-1.



Performance indicator  
GRI SRS-303-3

Water use

Water is used in the kitchenettes and canteen to meet water needs, for drinking water taps and hot drink vending machines. Water is also used for general cleaning work and to water green spaces.

To reduce the drinking water consumption, the building is equipped with a rainwater system used to flush the toilets. However, due to a defect, the system was out of service until 17 March 2021.

Trianel does not extract any further water, either from endangered watercourses or lakes, or from endangered groundwater areas. The fresh water used by the company is fed into the public sewage system for reprocessing.

A total of 1.642 MI were consumed in the Trianel building in 2021.

Water use	2020	2021
Total water use, of which	1.541 MI	1.642 MI
Drinking water, sourced from third parties	1.541 MI	1.642 MI
Percentage change	/	6.60 %

Waste

Waste is exclusively generated as a result of administrative activities at Trianel's site. No waste is generated in connection with the manufacture of products or the provision of services. All waste types are disposed of by external service providers and are therefore in the 'off-site disposal' category.

The different types of waste are composed as follows:

Waste category	Composition
Paper, cardboard, waste paper	Packaging, graphic paper (printed matter, office and administrative paper)
Plastic waste	Packaging
Residual waste	Other waste
Organic waste	Kitchen waste
Electronic waste	Notebooks, PCs, screens, docking stations, etc.

Of the overall waste, only electronic waste is classified as hazardous waste. Compared to 2020, the total waste quantities show a decline of more than 75 percent. Since the weight of the plastic waste is not established at the time of collection, the collection is based on full bins. Due to a higher collection frequency of plastic waste in 2021, the waste volume is higher.

Among other factors, the decline in total waste quantities can be attributed to Corona-related minimal operation (work from home) and the associated lower volume of waste. In addition, the menu options in the canteen were narrowed down and the frequency of waste pick-ups was adjusted. As another important factor, the IT and communication landscape was modernised in 2020, resulting in more electronic waste. In addition, minimal operation at the Trianel GmbH site meant that less individual waste was produced.

Performance indicators  
GRI SRS306-3/4/5

Waste	2020	2021
Total volume of waste, of which	130.1 t	30.2 t
Paper, cardboard, waste paper	70.4 t	8.6 t
Plastic waste	1.1 t	15.7 t
Residual waste	53.9 t	4.9 t
Organic waste	3.6 t	0.7 t
Electronic waste	1.1 t	0.3 t
Total volume of diverted waste, of which	55.8 t	14.4 t
Preparation for recycling of paper, cardboard, waste paper	54.9 t	6.8 t
Recycling of plastic waste	0.5 t	7.4 t
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Paper, cardboard, waste paper	15.5 t	1.8 t
Plastic waste	0.6 t	8.3 t
Residual waste	53.9 t	4.9 t
Organic waste	3.6 t	0.7 t
Electronic waste	0.7 t	0.1 t
Percentage change	/	-76.90 %

## DNK criterion 13

## 3.1.3 Climate-relevant emissions

Performance indicator  
GRI SRS 305-1 to -3

## GHG emissions

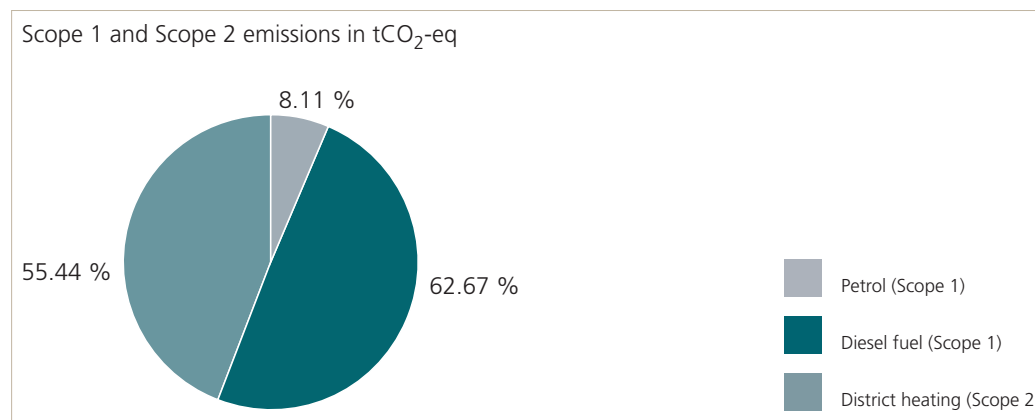
In 2020, Trianel prepared a basic assessment which serves as a reference for the trend in emissions. Hence, the assessment for calendar year 2021 is the first report that provides comparative figures.

The assessment incorporates the greenhouse gas emissions of all companies over which Trianel has 100-percent financial control. That includes Trianel's wholly-owned subsidiaries (see Section 1), which are all located in Aachen.

The assessment was produced in line with the principles of the Greenhouse Gas Protocol. Besides Scope 1 and Scope 2, the assessment also includes the Scope 3 categories 3 (Fuel and energy-related emissions), 5 (Waste) and 6 (Business travel) as well as category 15 (Investments).

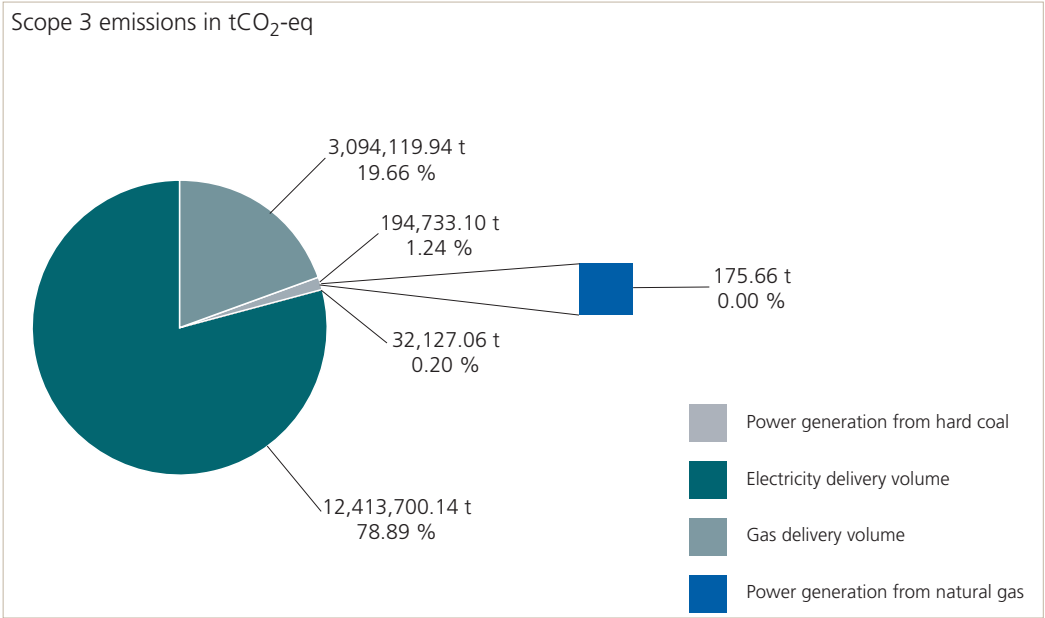
Categories 3 and 15 are particularly relevant:

- Category 3 includes the emissions from the energy (electricity and gas) delivered to customers to meet their demand as part of Trianel's energy trading activities.
- Category 15 includes the emissions from energy generated or stored by Trianel GmbH's minority interests (see Section 1) in proportion with the respective participating interests.



Energy source	Total CO <sub>2</sub> equivalents	
Electricity (Scope 2)	0 tCO <sub>2</sub> -eq	0.00 %
District heating (Scope 2)	55.44 tCO <sub>2</sub> -eq	43.92 %
Petrol (Scope 1)	8.11 tCO <sub>2</sub> -eq	6.43 %
Diesel fuel (Scope 1)	62.67 tCO <sub>2</sub> -eq	49.65 %
<b>GHG emissions [tCO<sub>2</sub>-eq]</b>	<b>126.22 tCO<sub>2</sub>-eq</b>	<b>100.00 %</b>

The full Scope 1 and Scope 2 emissions totalling 126.22 tCO<sub>2</sub> are attributable to the use of fuels by Trianel's fleet of 27 passenger cars and to district heating in the administration building.



Energy source	Total CO <sub>2</sub> equivalents [t]	Total CO <sub>2</sub> equivalents [%]
Electricity delivery volume	12,413,700.14 t	78.89 %
Gas delivery volume	3,094,119.94 t	19.66 %
Power generation from hard coal	194,733.10 t	1.24 %
Power generation from natural gas	32,127.06 t	0.20 %
Others	175.66 t	0.00 %
Total CO <sub>2</sub>	15,734,855.90 t	100.00 %

Category 1 (Purchased goods and services) also includes online computing services. Online computing services are a key input for Trianel's business activities, especially in its trading and general administrative activities. Furthermore, they are considered significant both in terms of cost and controllability. Although no further goods and services were recorded in this category, they may be taken into account in the course of the next assessment.

The indirect emissions from Scope 3 total 15,734,855.90 t. 98.5 percent of these emissions derive from electricity and natural gas delivered to customers to meet their demand. Accordingly, these totals map the emissions from the energy consumed by supplying all

commercial and private end customers. Specific CO<sub>2</sub> emissions were optimised in the field of electricity. Primarily, the new emission level was reached by raising the share of electricity generated from gas while reducing the share generated from coal.

Another approx. 1.4 percent of the indirect Scope 3 emissions is caused by Trianel's share of energy generation in the Hamm and Lünen power plants.

(Note: As the power stations in Hamm and Lünen ran for different numbers of hours in the different years, the emission levels also fluctuate.)

Power-generating system (CO <sub>2</sub> -eq)	Energy generated [MWh] total asset	Emissions [tCO <sub>2</sub> -eq] total asset	Energy generated [MWh] Trianel's share	Emissions [tCO <sub>2</sub> -eq] Trianel's share
Trianel gas-fired power station Hamm (373.5 g/kWh)	1,405,488	524,952	86,016	32,127
Trianel coal-fired power station Lünen (736.57 g/kWh)	4,170,000	3,071,500	264,378	194,733
Trianel gas storage facility Epe (0.35 g/kWh)	3,787,000	1,324	287,812	101
<b>Total</b>	<b>9,362,488</b>	<b>3,597,776</b>	<b>638,206</b>	<b>226,961</b>

All in all, the 'Other' emissions account for approx. 0.001 percent of Scope 3 emissions. They include:

- Waste at 42.12 tCO<sub>2</sub>
- Rental cars at 18.36 tCO<sub>2</sub>
- External information and communication service providers at 9.23 tCO<sub>2</sub>
- Air travel at 5.34 tCO<sub>2</sub>

#### Annual year-on-year comparison of total GHG emissions

Compared to the 2020 climate assessment, GHG emissions show the following trend:

Year	Scope 1	Scope 2	Scope 3	Total emissions
2020	40.5 tCO <sub>2</sub>	293.1 tCO <sub>2</sub>	13,933,697.5	13,934,031.1 tCO <sub>2</sub>
2021	70.8 tCO <sub>2</sub>	55.4 tCO <sub>2</sub>	15,734.855.9	15,734,982.1 tCO <sub>2</sub>
Increase/decrease in %	+74.6 %	-81.1 %	+12.9 %	+12.9 %

In 2021, emissions in Scope 1 increased due to the easing of the pandemic and the resulting increase in business travel. Emissions in Scope 2 declined as a result of the switch to the green electricity tariff; the remaining emissions are attributable to district heating. In total, Trianel created 126 tCO<sub>2</sub> in Scope 1 and Scope 2 (previous year: 333.00 tCO<sub>2</sub>). This amounts to a reduction of approx. 62 percent or 206.8 tCO<sub>2</sub>. Scope 1 and Scope 2 emissions accounted for less than 0.01 percent of total emissions in 2021.

The most significant emissions are recorded in Scope 3 and are primarily driven by the total electricity and natural gas quantities supplied in the energy trading context. Compared to 2020, sales volumes increased by about 20 percent, while emissions only rose by 12.9 percent thanks to the share of renewables in the electricity mix. Another approx. 1.4 percent of the indirect Scope 3 emissions is caused by Trianel's share of energy generation in the Hamm and Lünen power plants.

Trianel also holds interests in renewables sector investments. The plants generate energy for third parties without direct emissions. Compared with the overall German electricity mix, total emissions of 703,086 t were avoided in 2021 by the generation facilities in which Trianel has participating interests.

Compared to the nationwide electricity mix, the following direct emission quantities are avoided:

Power-generating system	Energy generated [MWh] total asset	Emissions avoided [tCO <sub>2</sub> -eq] Total asset	Energy generated [MWh] Trianel's share	Emissions avoided [tCO <sub>2</sub> -eq] Trianel's share
Trianel Windkraftwerk Borkum GmbH & Co. KG	630,000	230,580	16,947	6,203
Trianel Windkraftwerk Borkum II GmbH & Co. KG	687,000	251,442	13,740	5,029
Trianel Onshore Windkraftwerke GmbH & Co. KG	209,000	76,494	11,182	4,092
Trianel Erneuerbare Energien GmbH & Co. KG	383,000	140,178	19,150	7,009
Trianel Energieprojekte GmbH & Co. KG	12,000	4,392	12,000	4,392
<b>Total</b>	<b>1,921,000</b>	<b>703,086</b>	<b>73,019</b>	<b>26,725</b>

## Information on standards, data sources and emission factors

The data is prepared and analysed based on a dedicated calculation tool. Energy consumption is calculated in accordance with the principles of DIN EN 16247-1, greenhouse gases in accordance with the Green House Gas Protocol.

As a rule, the greenhouse gas assessment exclusively records direct emissions without upstream chains and was furthermore limited to CO<sub>2</sub>. The only exception is the waste category where the upstream chains and other greenhouse gases were included.

For reasons of relevance and materiality, the assessment of Scope 3 category 15 (Investments) only measured emissions resulting from power generation. Other emissions (for example arising from administrative activities) were not included.

In Scope 3 category 1 (Purchased goods and services), only external service providers in the field of information and communication technologies were included.

## Sources and values of the conversion and emission factors used

Emission source	Emission factor	Unit	Source	Consumption volume
Petrol	271.13	gCO <sub>2</sub> -eq/kWh	German Environment Agency (UBA): Balance of Emissions Avoided by Renewable Energy Sources (71/2021)	Petrol card statements
Petrol	9.02	kWh/l	BAFA: Leaflet on calculating overall energy consumption	Petrol card statements
Diesel	270.73	gCO <sub>2</sub> -eq/kWh	German Environment Agency (UBA): Balance of Emissions Avoided by Renewable Energy Sources (71/2021)	Petrol card statements
Diesel	9.96	kWh/l	BAFA: Leaflet on calculating overall energy consumption	Petrol card statements
Electricity	0	gCO <sub>2</sub> -eq/kWh	STAWAG green electricity categorisation	Meter reading according to year-end statement
District heating	60	gCO <sub>2</sub> -eq/kWh	STAWAG district heating categorisation	Meter reading according to year-end statement
Geothermal energy	0	gCO <sub>2</sub> -eq/kWh	Energy audit	Estimate
Water	Not part of the GHG assessment	–	–	Wastewater fees
Paper, cardboard, wastepaper	34.8	gCO <sub>2</sub> -eq/kWh	German Environment Agency (UBA): Paper, cardboard, wastepaper – EU mix	Statement, recycling quotas according to UBA
Residual waste	529	gCO <sub>2</sub> -eq/kWh	EcoInvent 3.6	Statement, recycling quotas according to NABU
Plastic waste	2,370.00	gCO <sub>2</sub> -eq/kWh	EcoInvent 3.6	Statement, recycling quotas according to UBA
Kitchen waste (fossil emissions)	9	gCO <sub>2</sub> -eq/kWh	EcoInvent 3.6	Statement, recycling quotas according to ReFood
Electronic waste	1,634.00	gCO <sub>2</sub> -eq/kWh	EcoInvent 3.6	Calculation based on the number of appliances disposed of recycling rates according to the Electronic Waste Guide
Rail travel	0	gCO <sub>2</sub> -eq/kWh	Deutsche Bahn Business customers	Papendick travel agency
Air travel, national	310.79	gCO <sub>2</sub> -eq/kWh	Calculation by Papendick travel agency	Papendick travel agency
Air travel, international	248.18	gCO <sub>2</sub> -eq/kWh	Calculation by Papendick travel agency	Papendick travel agency
Petrol, rental cars Sixt	131.4	gCO <sub>2</sub> /vkm	Sixt vehicle analysis	Sixt report
Diesel, rental cars Sixt	118.43	gCO <sub>2</sub> /vkm	Sixt vehicle analysis	Sixt report
Rental cars Europcar (various fuels, average)	135.9	gCO <sub>2</sub> /vkm	Europcar vehicle analysis	Europcar report
Trianel gas-fired power station Hamm	373.5	gCO <sub>2</sub> -eq/kWh	Own calculation	Emission report, emission quantities
Trianel coal-fired power station Lünen	736.57	gCO <sub>2</sub> -eq/kWh	Own calculation	Emission report, emission quantities
Natural gas Trianel Epe	0.35	gCO <sub>2</sub> -eq/kWh	Own calculation	Emission report, input and output quantities
Electricity supply volumes	559	gCO <sub>2</sub> -eq/kWh	Trianel electricity categorisation	Trianel trading system
Natural gas supply volumes	182	gCO <sub>2</sub> -eq/kWh	German Environment Agency (UBA): Carbon dioxide emission factors for German reporting of atmospheric emissions, 15 March 2020; emission factor related to calorific quantity	Trianel trading system
Electricity, Germany mix	366	gCO <sub>2</sub> -eq/kWh	German Environment Agency (UBA): Trend in specific carbon dioxide emissions of the German electricity mix in the years 1990–2020, May 2021	Renewable energy generation quantities used for the calculation of avoided emissions



Performance indicator  
GRI SRS 305-5

Reduction of GHG emissions

Our goal is to continuously reduce and even avoid the negative effects of our business operations on the environment, like emissions of climate-damaging gases. We can only reduce our ecological footprint if we systematically document our environmental impact. By compiling a climate assessment, we are creating a suitable data basis for this purpose. Based on this, we plan to derive further objectives and measures.

We are already contributing to climate protection in electricity generation by operating our own and our customers' long-term energy supply segment efficiently. We are also expanding our investments in renewable energy sources and new business models for better climate protection.

Avoidance of emissions at our own premises

On one hand, we cause direct and indirect emissions along our value chain through our business operations. On the other hand, we avoid emissions by investing in renewable energy sources and through our services to optimise generation facilities or energy efficiency.

We are progressively transitioning our lighting to LEDs to increase the efficiency of our administrative premises

in Aachen. To date, the eastern and western stairwells, and the Trade department have been retrofitted. That results in annual savings of roughly 62 MWh, equivalent to emissions avoidance of roughly 17 tCO<sub>2</sub>.

In spring 2020, a PV plant was commissioned on the roof of the Trianel building. The plant has a peak capacity of 100 kW, and is used exclusively for internal consumption. Compared to the nationwide electricity mix, use of our PV system allows us to avoid around 26 tCO<sub>2</sub>.

Our electricity contracts with STAWAG were also switched to certified green electricity on 1 January 2021. As a result, no direct emissions will be produced for electricity consumption from 2021 onwards. For Trianel's administration, this will significantly reduce the emissions incurred by electricity as an energy source.

We identified mobility as another area where we can reduce our direct emissions. To reduce emissions in our small fleet of vehicles, we installed two charging stations at Trianel's administrative headquarters in 2021 to further incentivise employees eligible for company cars to gradually convert their vehicles to climate-friendly drives.

The aim is to further reduce the direct and indirect energy emissions incurred in Scope 1 and Scope 2 and compensate emissions that cannot be avoided to ensure

## DNK criterion 14

that the administration operates on a climate-neutral basis. We have no direct control over our Scope 3 emissions. Our investments in renewable energy sources contribute to the progression of the German electricity mix towards renewables and hence to the gradual reduction of emissions in our trading and procurement business.

### 3.2 Society

#### 3.2.1 Employee rights

Full compliance with employee rights is a matter of principle for Trianel. As Trianel operates exclusively in Germany, the company aligns itself with its requirements under German legislation, complying with all relevant laws.

Trianel has established a Works Council to safeguard employee rights and a committee to review and guarantee occupational health and safety.

#### Dialogue as the basis for a high-performance organisation

It is very important to us that employees feel at home at Trianel. This is why Trianel promotes family-friendly policies and relies on dialogue and participation.

Trianel views dialogue with and among the workforce as the basis for a high-performance and liveable

organisation. Dialogue between the Management Board and employees, as well as between the managers and their departments and divisions is considered an important management tool for us. Fixed and agile structures in the form of committees and events, as well as communication channels across all levels not only guarantee the flow of information, but also promote social cohesion.

The workforce comes together four times a year for 'Tri-Treff', and the Management Board hosts a breakfast six times a year. Trianel also holds a big company event, its annual New Year's party. Trianel's biennial summer party is a traditional event aimed primarily at staff families. A large-scale offsite is held every second summer (alternating with the summer party). In 2021, these events were held in digital or hybrid formats on account of the Corona pandemic.

The so-called 'OE Team' also contributes to an open and vibrant corporate culture. It is a diverse team taken from all hierarchy levels and departments dedicated to developing the culture at Trianel.

#### Freedom of association and right to collective bargaining

We view it as a matter of course that employees can get together and join interest groups. We protect these rights and continuously review our company agreements and corresponding processes for any potential discrimination. Trianel's workforce is represented by a Works Council.

### Incorporation of employees in sustainability management

We are focusing on sustainability in the organisation based on requests by many employees. Workforce participation is a key foundation of sustainability management. All areas of Trianel have nominated one or more colleagues as Sustainability Ambassadors to advance aspects of sustainability in the company. They submit and discuss their initiatives and ideas with the Management Board. Implementation of individual topics is the responsibility of the respective specialist departments, and is supervised by the Sustainability Officer.

### Risks for employee rights arising from business operations

The needs of employees and their employee rights are very important to Trianel. There are no risks to workers' rights arising from the company's business operations.

2021 presented further challenges for the organisation in protecting employee health in the shape of the Covid-19 pandemic. When the pandemic broke out in March 2020, a 'Corona' working group was established, which discussed the latest developments three times a week during the year, and implemented comprehensive hygiene standards and health and safety measures. We quickly succeeded in enabling many employees to work from home, minimising direct contacts. A core team continued to work on-site in the administrative headquarters to ensure that the necessary IT infrastructure, business operations and facility management were maintained. Strict hygiene standards were introduced for the administrative headquarters, such as requiring masks, ventilation instructions, spacing requirements and occupancy restrictions for conference rooms and open-plan offices. An official audit in 2020 confirmed our high standards.

We implemented all Covid regulations decreed by the Federal Government and the state government of North Rhine-Westphalia. We always interpreted the rules very conservatively to maximise safety. The measures also included coordinating closely with the company physician. In response to the special psychological requirements of employees due to the pandemic and the double strains of work and family life, Trianel commissioned 'Viva FamilienService' to promote the well-being of its employees. In this way, Trianel offers its employees consultation services to prevent burnout, help with psychological challenges,

DNK criterion 14

### 3.2.2 Employee health

Performance indicator  
GRI SRS-403-9

### Work-related injuries

The safety of our employees and protection of their health are valuable assets for Trianel. That applies across the board for all employees, irrespective of the legal obligations on which occupational health and safety regulations are based. Our aim is to minimise risks for our workforce and Trianel.

family conflicts, as well as support in caring for children and older family members or looking for school holiday programmes for children.

Beyond the pandemic situation, occupational health and safety of the workforce were ensured with a range of measures. Risk assessments were drawn up for all jobs and regularly updated. All risks are determined systematically, and the required measures are also implemented. Almost all jobs at Trianel are computer-based, which is why we pay such close attention to the ergonomic design of the workstation and also cater to specific needs of employees. This includes adjustable desks, ergonomic office chairs, multi-monitor set-ups or provision of special screen eyeglasses.

Trianel supports flexible working with comprehensive mobile work options and a modern, adaptable working time model. The average contractual working hours of full-time employees is 40 hours per week. Trianel offers full-time employees 30 days of leave, as well as full days off on Christmas Eve, New Year's Eve and Carnival Monday. Working time is recorded using a trust-based system at Trianel. Compliance with the working time is ensured via a digital timekeeping form.

Trianel meets the need for instruction and training in health and safety with a dedicated e-learning application. Occupational health and safety instructions are mandatory for all employees.

Trianel is advised and supported by internal and external occupational safety specialists. In cooperation with the company physician, they take care of all aspects of occupational health and safety. In line with the legal provisions, safety officers, first aiders and evacuation assistants support occupational safety workflows. For rapid assistance in emergencies, all sites where more than 20 employees are present at all times are equipped with an automated external defibrillator (AED).

In 2021, Trianel reported two commuting accidents that were subject to mandatory reporting.

No work-related injuries occurred in 2021. No deaths were reported as a result of work-related illnesses. To the present day, there have been no indications for specific recording of work-related illnesses, and none have occurred in Trianel's relatively small workforce to date.

#### Work-related illnesses

The safety of our employees and protection of their health are valuable assets for Trianel. That applies across the board for all employees, irrespective of the legal obligations on which occupational health and safety regulations are based.

Trianel is not aware of any work-related fatalities or documented work-related illnesses.

Performance indicator  
GRI SRS-403-10

Performance indicator  
GRI SRS-403-4

Employee involvement in occupational health and safety

In accordance with the Occupational Health and Safety Act, the Trianel Health and Safety Committee (Arbeitsschutzausschuss, ASA) consists of a representative of the Management Board, two representatives of the Works Council, the company physician, one external and one internal specialist for occupational health and safety, and the Safety Officer. Where necessary, the Committee is supported by colleagues from the specialist departments or property management.

The ASA meets on a quarterly basis to discuss all aspects of occupational health and safety. Their responsibilities include developing proposals for outstanding health and safety measures and analysing and evaluating the accidents occurring in the company.

Planning and coordination of recurring incidents like auditing equipment subject to mandatory audits or conducting annual instructions and/or training courses are initiated and monitored here. The ASA is also responsible for discussing the results and measures of hazard assessments and coordinating the planning and implementation of medical check-ups, health days and evacuation drills. Specific measures are developed and documented and tracked as an activity plan.

Formal agreements

At Trianel, occupational health and safety are not documented in a separate company agreement.

3.2.3 Equal opportunities

We follow the European Union's general equal treatment requirement and comply with the fundamental rights rooted in the German constitution. Treating all employees and business partners equally is part of our self-image.

We protect the rights of our employees, avoid and prohibit any form of discrimination. Those are the values we practice, as defined in our Code of Conduct. We promote diversity and a culture of mutual understanding.

Our professional culture is based on mutual respect and esteem for every individual. All vacancies are advertised to persons of all genders, the severely disabled and persons treated as such are preferred where applicants have the same qualification and capabilities. We expect the same from our business partners.

We were not aware of any violations of guaranteed rights and the prohibition of discrimination by Trianel in the reporting year.

DNK criterion 15

Development of equal opportunities and diversity is a matter of principle for Trianel, and is implemented in close cooperation with the Works Council. Work-life balance is a key aspect of Trianel's corporate philosophy. Ensuring the health of our employees is another important concern of ours. We not only ensure compliance with occupational health and safety requirements, we also provide additional health services for employees, such as a fitness room, back-strengthening exercise and yoga, a company physician and ergonomic workstations.

### Diversity

We respect equal opportunities. As an employer, we avoid discrimination of all kinds based on gender, sexual identity, religion or ideology, ethnic or national origin, disability or age. If there is any misconduct in spite of this, we will correct it, and managers or the HR department can be consulted at any time.

At Trianel, equal opportunities are an important precondition in order to future-proof the company. Only balanced teams, in which personalities from both genders, as well as different cultural and social backgrounds and different age groups work together on key topics can develop creative ideas for the future.

### Workforce structure

Women accounted for 32 percent of the staff, with five women in management functions. The average age of employees in 2021 was 41 years old.

### Development of the ratio of women

	2019	2020	2021
Percentage of women 1st level	0	0	0
Percentage of women 2nd level	0	0	0
Percentage of women 3rd level	2	2	2
Percentage of women 4th level	3	3	3
Overall number of women at	5	5	5
Percentage of women overall	33 %	32 %	32 %

### Workforce structure by age

Women	2019	2020	2021
<30 years	9	14	14
30 to 50 years	73	72	69
>50 years	12	17	22

Men	2019	2020	2021
<30 years	10	14	23
30 to 50 years	164	162	157
>50 years	28	36	45

### Workforce structure by hierarchy level

	2019	2020	2021
Management Board	2	2	2
2nd level / division heads	13	13	13
3rd level / team and department heads	38	43	43
Employees	296	315	330

Performance indicator  
GRI SRS-406-1

DNK criterion 16

Wage equality

Gender equality is important to Trianel, and is also promoted in the Works Council. We will continue to develop this area specifically in the years to come.

Cases of discrimination

We were not aware of any violations of guaranteed rights and the prohibition of discrimination by Trianel in the reporting year.

3.2.4 Qualifications

The working environment is changing. Digitalisation is having a strong impact on what we do, how we do it and our work processes. Trianel is facing up to these challenges and tackling them proactively.

Further education is a key tool to prepare our employees for the requirements of this new, increasingly complex and dynamic working environment. The key question is which abilities and skills do our employees need to remain successful for the company in future? Further education promotes both the personal and professional development of our employees. Even if the working environment is currently changing very quickly for the Trianel workforce, we do not presently see any risks that the job descriptions will change so completely that employees will no longer be able to work for the company.

The HR department is responsible for the conceptual design and organisation of continuing professional development measures. For personnel development, Trianel continued to focus on active communication between employees and managers, and deriving individual offers for employees on this basis. There is a central annual budget for our employees' continuing professional development (CPD) activities. That enables us to offer tailored CPD measures to all employees.

Since 2020, the focus has also shifted back to internal training formats.

As job descriptions at Trianel are very specific, there are no uniform targets for all employees. In future, further education requirements and further education opportunities are to be identified and implemented to a greater degree.

Another focus for personnel development is on fostering development of managers. Trianel offers an internal executive programme, via which third- and fourth-level junior staff are specifically schooled and trained in management methods.

An important element in further education at Trianel, with which we are also following our requirements for digital change, is continuous training of our employees using our e-learning services and the corresponding platform. We make use of internal specialists' expertise and

technical opportunities by establishing a dedicated modular digital learning system. This harnesses synergies from both the external and the internal focus of the specialist departments that provide the contents. At present, the system is largely used to instruct employees, for example in compliance, data protection and occupational health and safety, as well as for IT security, which has become significantly more important.

#### Promotion of young talent

Trianel trains junior lawyers as part of their legal studies, but does not offer any other forms of vocational training. In spite of this, encouraging junior staff is very important for us. We also foster students who support Trianel in all areas of the company and gain first insights into the world of work. We involve our undergraduate assistants actively in processes. They are integral parts in their departments. They enjoy many of the same benefits as the permanent staff, for example using the in-house gym, participation in employee events or free use of the car park.

Our engagement for students is regularly recognised with the 'Fair Company' award. Fair Company is Germany's largest and best-known employer initiative that sustainably promotes a fair working environment. The Fair Company initiative specifically targets career starters and young professionals and recognises businesses that offer young people fair working conditions and development prospects.

### 3.2.5 Human rights

#### Foundations and principles

We are committed to the general foundations and catalogue of principles for responsible investment in Germany. Compliance with human rights is a matter of principle for Trianel. Agreements we make with our business partners comply with the laws applicable in the respective countries. Our key investment agreements were concluded with contract partners located in Germany and other European countries. The venue for investment agreements is generally Germany and other European countries. Human rights are protected by law in these countries.

As a service company, we do not have supply chains like a producing company. When buying products and services for Trianel, we pay close attention to their supply chains, where possible. We do not see any particular risks for the company due to this situation.

#### Child, forced and compulsory labour

Trianel guarantees that its activities do not entail any forced, compulsory or child labour. We expect the same from our suppliers.

DNK criterion 17



## Procurement

We can only be sustainable if our procurement chain is, too. Most of the ecological and social effects of our business operations come from the supply chain. Sustainability in procurement is therefore a subject that is becoming more and more important in public on one hand, and, on the other hand, represents a reasonable, commercial calculation on grounds of risk alone. We take responsibility within our supply chain, by expecting our suppliers to ensure that their supply chain complies with human and employee rights, environmental protection and occupational safety and anti-corruption regulations and to promote and intensify the relationships to regionally located suppliers. We have not developed targeted principles of conduct for our suppliers, but they are taken into account as part of compliance when commissioning vendors.

As we are just starting to develop our sustainability management systems, we cannot at present provide any further details on human rights, even though they are a factor we always consider when making investment decisions and when working with partners. Trianel only works in Germany, and cooperates only with German and European partners, so we do not see any risks for the company due to failure to observe human rights. However, this topic will be considered along with compliance as part of sustainability management.

## Investment agreements assessed for human rights aspects

As Trianel's investment agreements are generally made with and for municipal utilities, compliance with human rights is a matter of principle for all of our investment decisions.

We define our participating interests as significant investment agreements (see the overview in Section 1).

## Premises assessed for human rights aspects

Trianel has offices in Aachen, Hamburg, Kassel and Berlin and does not have any premises outside Germany. Accordingly, Germany's high human rights standards apply in all premises, and compliance is ensured.

## New vendors assessed for human rights aspects

As Trianel is not a producing company, our only suppliers are of office equipment. When commissioning suppliers, we must observe compliance regulations, including auditing vendors for integrity and incorruptibility with regard to legal and ethical obligations.

## Social impacts in the supply chain

This reporting item is not particularly relevant for Trianel as a non-producing company. However, we will continue to analyse this item as part of sustainability management.

Performance indicator  
GRI SRS-412-3

Performance indicator  
GRI SRS-412-1

Performance indicator  
GRI SRS-414-1

Performance indicator  
GRI SRS-414-2

## DNK criterion 18

### 3.2.6 Corporate citizenship

#### Sustainable business

We view the energy transition and digitalisation as an opportunity. At the same time, decarbonisation of our energy system, new regulations and changing work processes, as well as the new needs of our customers and employees, present new challenges. Conventional electricity generation is becoming less important and generating less revenue. At the same time, the expansion, marketing and management of renewable energy sources, as well as flexibility options in trading and optimisation of generation systems, result in new opportunities. Digitalisation creates new opportunities by allowing us to systematically tap synergies in trading, procurement and sales.

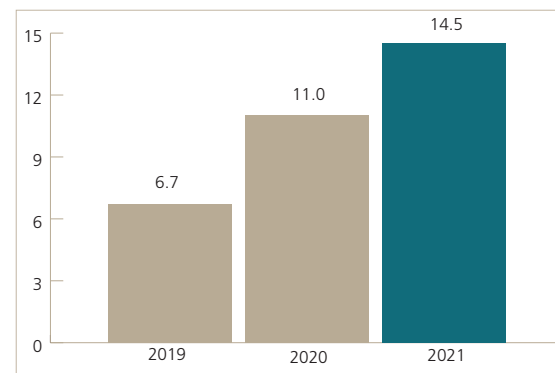
What counts for Trianel are the commercial performance of the financial year and the long-term economic stability. The company's commercial management is primarily based on two key figures:

- Earnings before tax (EBT)
- Equity ratio

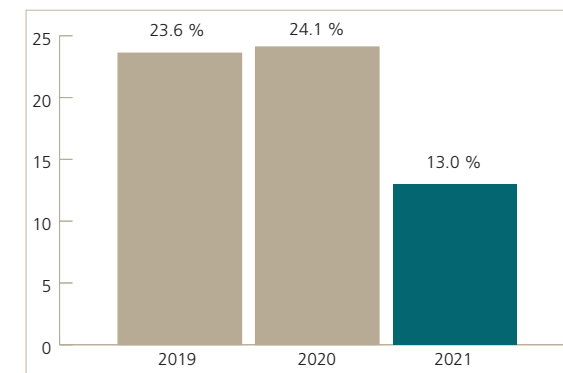
They are used for internal management and form the basis for evaluation of our economic stability by our shareholders, rating agencies and financial market partners. They also influence the satisfaction of our customers and shareholders, the employees and other stakeholders.

We base our strategic and operative planning, right up to internal reporting, on the above key figures. Any deviations are identified and analysed to introduce appropriate measures. This process is conducted in a regular exchange with corporate controlling, the financial department, company development and the responsible persons in the respective departments and the Management Board. We focus on reliable planning in operative business combined with an early warning system for developments that do not appear in the balance sheet and the income statement yet.

Development of EBT in € million  
over the past three years



Equity ratio development  
over the past three years



With earnings before tax of € 14,533 thousand, Trianel achieved a positive net income that significantly exceeds both the target and the previous year's value. At € 14.5 million, the 32 percent year-on-year rise in EBT was significant.

The equity ratio has declined since the energy price hikes in 2021 have significantly increased receivables and payables on the balance sheet as well as the margins that must be submitted to the stock exchange. Similar effects can be observed in other energy sector companies that are active in comparable business fields.

The 57 municipal shareholders benefit from the operative strength via distributed profits.

Trianel contributes to the local community in Aachen as an employer and via minor donations to charities based in Aachen.

Performance indicator  
GRI SRS-201-1

Direct economic value generated and distributed

Creation of added value

In 2021, Trianel generated an overall income (sales proceeds, changes in inventories and other company-produced and capitalised activities) of € 6,450 million (previous year: € 3,187 million). Owing to the trend in energy prices, the sales proceeds increased by 102 percent compared with the previous year. In 2021, the cost of

materials also rose to € 6,406 million (previous year: € 3,122 million). Other operating income went up by € 12 million to € 15 million (previous year: € 3 million). At 99.3 percent, the material expenditure ratio is slightly higher than the previous year's figure (98.0 percent).

Added value created in € thousand	2019	2020	2021
Overall income	2,322,036	3,186,608	6,449,839
Other revenues	2,749	2,843	15,215
Cost of materials	2,275,808	3,121,560	6,406,158
Depreciation incl. depreciation on financial assets	6,057	14,109	1,888
Other expenditures	14,540	13,383	13,918

Use of value added

Personnel expenses rose from € 35,085 thousand to € 38,917 thousand, primarily as a result of bonus payments associated with the successful development of the company's business.

At the same time, the number of employees increased from 315 to 330 as of 31 December 2021 (+4.8 percent). This change is largely due to the structure of the workforce in the core business fields of energy trading and project development. Other operating expenditures totalled € 13,918 thousand, up from € 13,383 thousand in the previous year.

The non-adjusted financial result amounted to € 10,359 thousand (previous year: € –6,137 thousand). Adjusted for the neutral effects in particular from discounting and compounding accounts receivable and accounts payable totalling € 727 thousand (previous year: € –1,799 thousand) as well as profits incorporated in the same period totalling € 7,612 thousand (previous year: € 5,404 thousand), the adjusted financial result amounts to € 2,020 thousand (previous year: € –9,742 thousand). The result from participating interests, at € 11,714 thousand (previous year: € 9,764 thousand), increased compared with the previous year owing to higher dividends paid by associated companies.

Use of value added in € thousand	2019	2020	2021
To employees (wages, salaries, social security)*	31,522	35,085	38,917
To lenders (interest expenditure)*	2,039	2,460	2,286
To the government (taxes and charges)*	810	6,249	5,652
Consolidated net income	6,024	7,713	11,813

\* For individual financial statements of Trianel GmbH

## Public-sector subsidies

In 2021, Trianel did not receive any public sector subsidies.

## Ensuring public service and the competitiveness of municipal utilities

Via our services for municipal utilities in purchasing and trading electricity and gas, we support municipal utilities in providing electricity and gas supply services locally and economically. Our service provision enables municipal utilities to use the advantages of joint procurement of electricity and gas via the exchanges, thus enabling them to offer competitive prices to customers. The electricity trading volume in 2021 totalled 151 TWh (previous year: 244 TWh), while the gas trading volume was 80 TWh (previous year: 134 TWh).

## Trianel as a reliable municipal project developer

Our technical expertise in building and operating generation facilities is the basis for driving the expansion of renewable energy sources with the municipal utilities.

To the best of our knowledge, no-one was relocated against their will due to our investments in renewable and conventional power stations made with municipal utilities, and operation of these facilities, nor did anyone

have to move due to our investment measures. We also strive to protect biodiversity above and beyond the legal requirements.

### Procurement

We believe that sustainable action includes our procurement chains. As a service company, our procurement structure is primarily aimed at securing the infrastructure for our administration building. We also depend on service providers to supply our services. We procure electricity and gas for our customers and shareholders on the wholesale markets, and our procurement corresponds to the respective electricity or gas mix.

Trianel also takes responsibility within its supply chains. We already rely on local suppliers and service providers to operate the administration building where this is possible.

As a service company, raw materials and input products play a very minor role in our economic output. Our furnitures and fixtures are purchased centrally. Our Hamburg, Kassel and Berlin subsidiaries are free to source the fixtures locally. Where necessitated by the legal framework conditions, orders are tendered throughout Europe. The Trianel commissioning guideline, which enters into force for order volumes of € 25,000 and higher, applies when commissioning service providers and consultants. The aim of the commissioning guidelines is to avoid corruption in particular and ensure a high level of transparency when

commissioning third parties. The Compliance Team and the Internal Auditing department monitor compliance with the commissioning guidelines.

As an electricity and gas wholesaler and service provider for procurement and marketing of electricity and gas, we focus on the electricity and gas wholesale markets when procuring electricity and gas for our customers. On our customer's behalf, we are active on the European energy exchanges and in the OTC segment.

### 3.3 Compliance

Trianel is represented in the following associations and institutions and is active in many committees:

#### DNK criterion 19

#### 3.3.1 Political influence

##### Failure to comply with laws and other regulations

In the reporting year, no fines or non-monetary penalties for non-compliance with laws (e.g. environmental laws and regulations, legal provisions with regard to providing and using products and services), as well as labelling regulations and voluntary rules of conduct with regard to advertising (including print ads, sales promotion and sponsorship) were imposed against Trianel.

##### External principles and committees

Trianel is committed to transparency and bases its actions and reporting on the regulatory requirements.

Trianel is involved in multiple associations dedicated to climate protection and the energy transition. We are in close contact with scientific institutions like the Institute of Energy Economics at the University of Cologne (EWI), and accompany and support the ZO.RRO – Zero Carbon Cross Energy System: Transformation of the energy system with Thuringia as a model research project, or the Foundation 2° (Stiftung Zwei Grad). We are also closely affiliated with the Aachen Technical University (RWTH Aachen) and Hochschule Weser-bergland (HSW).

Network of Wind Energy Industries	(Branchenverband der Windenergiewirtschaft e.V., WAB)
Association of Energy Market Innovators	(Bundesverband Neue Energiewirtschaft, bne)
German Association of Energy and Water Industries	(Bundesverband der Energie- und Wasserwirtschaft e.V., BDEW)
Federal Association of Wind Farm Operators Offshore	(Bundesverband der Offshore-Windparkbetreiber e.V., BWO)
German Wind Energy Association	(Bundesverband Windenergie e. V., BWE)
DialogGesellschaft 2021	
European Federation of Energy Traders	(EFET)
German Biogas Association	(Fachverband Biogas e.V.)
Forum for Future Energies	(Forum Zukunftsenergien e.V.)
Green Economic Dialogue Association	(Grüner Wirtschaftsdialog e.V.)
International Energy Credit Association	(IECA)
Power to X Allianz	
SGI Europe	
VGB PowerTech e.V.	
Association for Local Public Utilities	(Verband kommunaler Unternehmen e. V., VKU)

Trianel is represented on the national board and state boards for North Rhine-Westphalia of BDEW and VKU. The Management Spokesman, Sven Becker, is currently also Chairman of the NRW State Board of BDEW and on the Board of Trustees of the Forum for Future Energies.

### Political activities

The energy industry is highly dependent on regulatory requirements. In 2021, Trianel was particularly active in the VKU and BDEW committees, pushing for the expansion of the renewables sector and influencing the further organisation of the coal phase-out process. In addition to this, Trianel has assisted political initiatives related to the hydrogen strategy.

Trianel also works on energy policy topics on behalf of its 57 shareholders and pools the interests of municipal utilities.

One major aim of Trianel's work is to make the energy transition an economic, social and ecological success. Trianel also raises in particular the interests of small and medium-sized municipal utility companies in the debates. Furthermore, Trianel represents the perspectives of the energy trading sector and advocates for competition and diversity in the energy industry.

### Performance indicator GRI SRS-415-1

### Party donations

We promote neither political parties nor individuals, interest groups, religious movements or projects with elevated risks for humans and the environment. Every charitable campaign is subjected to an in-depth assessment as to whether the supported measure is compatible with our orientation as a sustainable company. The use of

funds must be transparent. Our commitment does not necessarily have to be publicly visible. Trianel does not have sponsorship guidelines, as sponsorship is primarily left up to the local municipal utilities.

In the reporting year, we did not make any donations to parties or politicians.

### 3.3.2 Conduct that complies with the law and policy

### DNK criterion 20

### Conflicts of interests

German law, the German Corporate Governance Codex (DCGK) applied by Trianel and the rules of procedure for the Supervisory Board contain regulations designed to avoid conflicts of interests among members of the Supervisory Board. Moreover, Section 5.5 of DCGK covers conflicts of interests among members of the Supervisory Board. Any deviations from the DCGK are disclosed in the annual compliance declaration. In practice, this means that any conflicts of interests in the Supervisory Board are disclosed and resolved via a committee depending on the intensity. The Supervisory Board reports on conflicts of interest in its meetings.

The Code of Conduct and the 'Dealing with Conflicts of Interest' guideline contain detailed rules that apply to both management and employees regarding the handling and resolution of potential conflicts of interest.

## Our aim

Compliance with laws and regulations as well as fundamental ethical principles is a matter of course for Trianel. We consider it our duty to continually review our own actions. In order to comply with all rules in internal and external relationships, vis-à-vis employees, customers, business partners and other stakeholders, and to avoid violations of rules, Trianel has established a comprehensive compliance management system and a Compliance Department in recent years.

To ensure compliance with taxation obligations, an additional tax compliance management system (IKS Steuern) was implemented. The ethical bases for the actions of all Trianel employees are defined in the Code of Conduct available to employees on the Intranet.

The Trianel compliance management system defines the rules for conduct towards business partners and government bodies. Numerous internal guidelines provide detailed instructions on the topics specified there. For instance, the guidelines regulate the handling of invitations and gifts, the commissioning of external companies, the prevention of money laundering, the handling of conflicts of interest and the prevention of insider trading and market abuse.

We assume that all employees at Trianel strive to obey the rules. The compliance management system serves to

support employees in ethically complex situations and help them when in doubt. The Compliance Team is constantly developing this system and regularly conducts training events.

All Trianel employees can consult the three-strong Compliance Team at any time and on all matters of compliant behaviour. If necessary, the Compliance Officer can also conduct internal investigations on potential infringements. The Compliance Team regularly reports to the Management Board.

Besides the anti-corruption, money laundering prevention and avoidance of market abuse managed by the Compliance Team, there are other compliance areas like data protection, IT security, HR compliance, energy law compliance and tax compliance, which have been transferred to Compliance delegates in the respective specialist departments.

The Compliance delegates and the Compliance Team come together twice a year for Compliance Committee meetings with the Management Board and guests from other areas. It is used to discuss current matters and incidents. Any steps necessary are taken. In the run-up to a meeting of the Compliance Committee, a risk assessment is conducted with all Compliance delegates to identify and evaluate compliance risks at Trianel. This risk assessment forms the basis for all additional compliance measures at Trianel.

The Compliance Officer reports annually to the Management Board on the full range of activities of the Compliance department, as well as on important developments, future projects and key incidents.

## Training

All employees are obliged to take part in compliance training courses. These courses teach the contents of the Code of Conduct, dealing with gratuities, commissioning and preventing money laundering in theory and based on practical examples.

In the 2021 reporting year, all employees took part at least in an online training course on compliance and corruption risks. In addition to this, all new hires took part in a classroom training course on Trianel's compliance rules, which gave them an opportunity to get to know the Compliance Team personally. Due to the COVID-19 pandemic, the majority of events could only be held as video conferences.

In addition to this, employees and business partners receive continuous information at specific times on compliance topics that are relevant to their work.

Regular training courses are held for all employees involved in energy trading. In special events, they learn about the regulatory general conditions to prevent market abuse and insider trading.



Performance indicator  
GRI SRS-205-1

Compliance in dialogue

All employees must base their actions on the Code of Conduct and its annexes with numerous examples of compliant behaviour. In addition, the Compliance Team provides regular updates on recurring examples from everyday business practice. The team is available to all employees personally, by telephone and by e-mail for questions and consultations.

No significant violations of the Code of Conduct or individual guidelines have been identified in the 2021 reporting year.

Combating corruption

One focal point of the compliance work is preventing corruption. Trianel's prevention system distinguishes between guidelines that apply for internal employees, and protection against corruption from business relationships with third parties.

The Gratuities guideline defines for all employees the extent to which invitations and gifts may be accepted and given. Clear stipulations and an approval process for uncertain cases are designed to avoid even the appearance of dishonest conduct. In particular with regard to working with public officials, proper behaviour of all employees is of utmost importance.

The commissioning guidelines are intended to help avoid corruption when employees commission third companies, by stipulating a clearly structured approval and documentation process, that also includes appraisal of the third company for indications of a lack of reliability and susceptibility to corruption.

Trianel has established a comprehensive Know-Your-Customer process ('KYC'). All potential business partners have to pass it once, and existing business partners are subjected to it periodically. It entails collecting comprehensive information and evaluation via a scoring model. Only business partners whose integrity has been reviewed to the best of our knowledge and in good conscience are accepted for energy trading with Trianel.

As Trianel only has one permanent establishment, in Aachen, all corruption risks were reviewed at the Aachen location.

Cases of corruption

There were no incidents of corruption in the company during the reporting year, nor was any legal action taken against Trianel or individual employees due to corruption.

Performance indicator  
GRI SRS-205-3

Performance indicator  
GRI SRS-419-1

Non-compliance with statutory requirements

In the reporting year, no fines or non-monetary penalties for non-compliance with laws (e.g. environmental laws and regulations, legal provisions with regard to providing and using products and services), as well as labelling regulations and voluntary rules of conduct with regard to advertising (including print ads, sales promotion and sponsorship) were imposed against Trianel.

4 Report profile

The present report refers to the 2021 business year from 1 January to 31 December and is Trianel's third Sustainability Report. It is a voluntary commitment on the part of Trianel, which is not legally obliged to submit a Sustainability Report.

The contact for the Trianel Sustainability Report is the Sustainability Officer, Dr Nadja Thomas (n.thomas@trianel.com).

This report was produced largely in accordance with the standards of the German Sustainability Code (DNK) and the GRI SRS set of performance indicators defined therein. Our sustainability strategy is aligned with the recommendations of the German Sustainability Code (DNK) and the guidelines for social responsibility laid out in standard DIN ISO 26000.

## Legal notice

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