

E.ON SE Group's UK Consolidated Segmental Statement

For the year ended 31 December 2025

e.on

Contents

In accordance with the Electricity Supply and Gas Supply Licence Condition 19A - Financial Information Reporting (the "Licence Conditions"), the E.ON companies (the "Relevant Licensees") listed below on page 3 have prepared this Consolidated Segmental Statement for the year ended 31 December 2025. This Consolidated Segmental Statement has four sections:

Section	Description
1	E.ON SE Group's UK suppliers , which lists E.ON's Relevant Licensees;
2	The Consolidated Segmental Statement (the "CSS") as defined in the Licence Conditions and which comprises: <ul style="list-style-type: none">• E.ON SE Group's UK CSS for the year ended 31 December 2025, which provides information relating to the revenues, costs and profits of the Relevant Licensees' activities in the supply of electricity and gas to any premises;• The Notes to the E.ON SE Group's UK CSS and basis of preparation, which provide an explanation of how the Relevant Licensees define the terms: revenues, costs and profits used in E.ON SE Group's UK CSS;
3	Reconciliation of the E.ON SE Group's UK CSS to the financial statements of the relevant licensees , which comprises: <ul style="list-style-type: none">• Reconciliation and;• Notes to the Reconciliation and basis of preparation, which provide an explanation of the definitions used and reconciling items in the Reconciliation.
4	Hedging policy

1. E.ON SE Group's UK suppliers

The Relevant Licensees

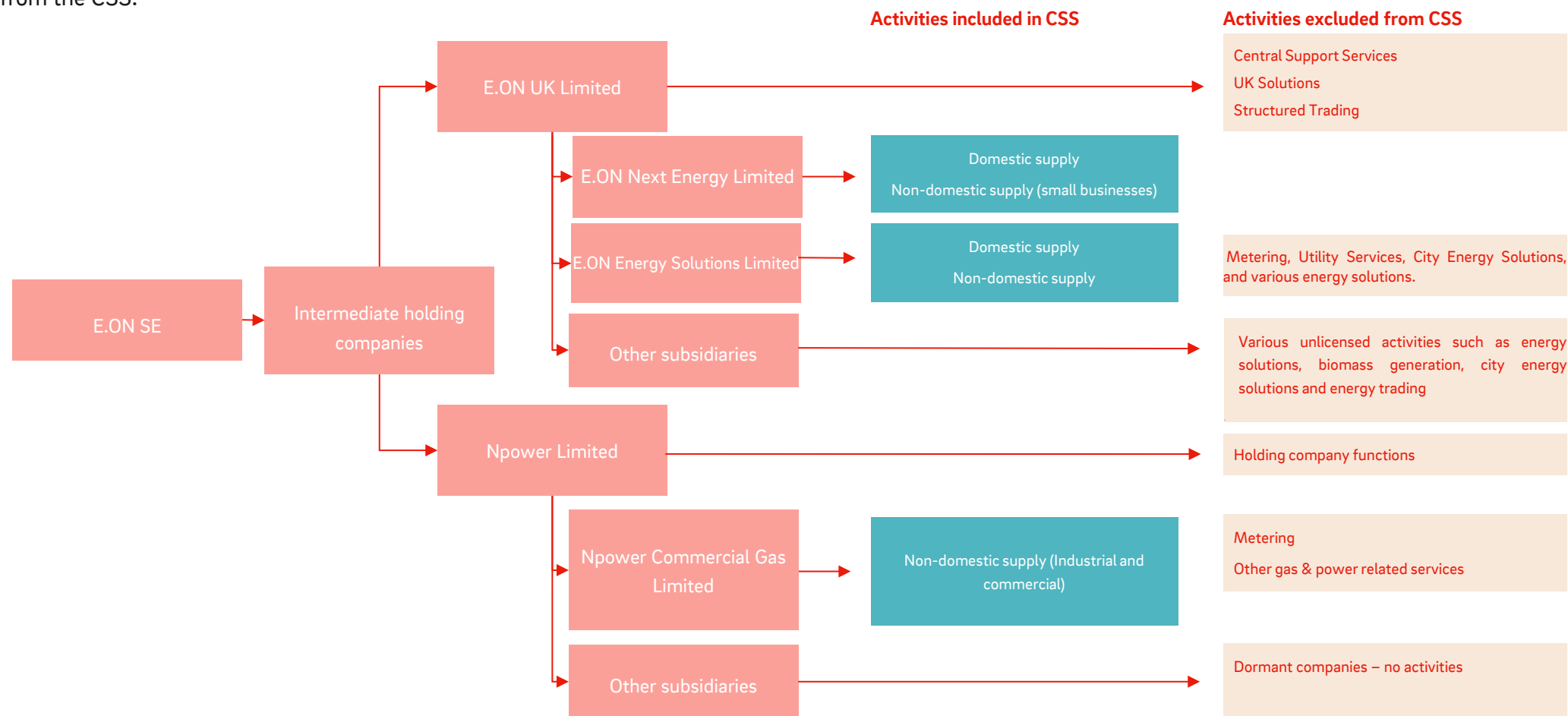
A list of all legal entities which held an electricity or gas supply licence during 2025 is provided below:

Company name	Company number	Electricity Supply Licence	Gas Supply Licence
Active companies:			
E.ON Energy Solutions Limited	03407430	x	
E.ON Next Energy Limited	03782443	x	x
E.ON UK Limited (formerly E.ON UK plc)	02366970	x	
Npower Limited ¹	03653277	x	
Npower Commercial Gas Limited	03768856	x	x

¹Electricity supply licence revoked 1 August 2025.

1. E.ON SE Group's UK suppliers (continued)

The Relevant Licensees carry out a variety of licensed and unlicensed activities, below is a summary of the legal structure of the Relevant Licensees and activities included or excluded from the CSS.



All customers were migrated prior to 2023 from Npower Limited, E.ON Energy Solutions Limited and E.ON UK Limited to E.ON Next Energy Limited and Npower Commercial Gas Limited. Npower Limited's electricity supply licence was revoked on 1 August 2025.

2. The CSS - E.ON SE Group's UK Consolidated Segmental Statement for the year ended 31 December 2025

#ID		Unit	Electricity supply		Gas supply		Aggregate supply business
			Domestic	Non Domestic	Domestic	Non Domestic	
1	Total revenue	£'M	4,208.1	4,418.2	2,216.8	353.6	11,196.7
1.1	Revenue from sale of electricity and gas	£'M	4,208.1	4,418.2	2,216.8	353.6	11,196.7
1.2	Other revenues	£'M	0.0	0.0	0.0	0.0	0.0
2	Total operating costs	£'M	4,161.7	4,137.5	2,203.6	329.6	10,832.4
2.1	Direct fuel costs	£'M	1,527.1	1,792.4	1,180.7	219.2	4,719.4
	Direct costs:	£'M	2,157.3	2,125.9	692.1	75.3	5,050.6
2.2	Transportation costs	£'M	998.3	1,082.4	509.5	53.7	2,643.9
2.3	Environmental and social obligations costs	£'M	1,082.5	977.3	118.6	0.2	2,178.6
2.4	Other direct costs	£'M	76.5	66.2	64.0	21.4	228.1
2.5	Indirect costs	£'M	477.3	219.2	330.8	35.1	1,062.4
3	EBITDA	£'M	46.4	280.7	13.2	24.0	364.3
3.1	Depreciation and amortisation	£'M	1.0	6.2	0.7	0.4	8.3
3.2	EBIT	£'M	45.4	274.5	12.5	23.6	356.0
4	Volume	TWh, m therms	14.5	19.0	1,094.4	201.3	
5	WACO E/G	£/MWh, p/th	105.3	94.3	107.9	108.9	
6	Meter Points	000s	4,678	453	3,187	69	

Notes to E.ON SE Group's UK Consolidated Segmental Statement and basis of preparation

Note	Description
1.1	Revenue from sale of electricity and gas - This means electricity and gas sales by the Relevant Licensees. Revenue for domestic supply is less discounts including dual fuel, customer rewards and Government mandated social tariffs and discounts such as the Warm Home Discount (WHD). Revenues also include income from the government Energy Price Guarantee (EPG), Energy Bill Relief Scheme (EBRS), Energy Bills Discount Scheme (EBDS). Revenues and discounts are as recorded in the company's books of account. Where revenues and discounts are not recorded as fuel specific, they are allocated on the basis of the number of meter points.
1.2	Other revenues - This means other segmental revenues of the licensees not covered in Revenue from sale of electricity and gas. The table only includes licensed supply activity, as all other activities have been adjusted on the reconciliation to the financial statements (section 3).
2.1	Direct fuel costs - This is the aggregate cost of electricity and gas used by the Relevant Licensees' Supply activities. This includes the wholesale energy costs, losses, the cost of securing derivative hedging instruments and balancing and shaping costs.
2.2	Transportation costs - This includes use of system charges including Transmission Network Use of System (TNUoS), Distribution Use of System (DUoS), gas transportation costs, Balancing Services Use of System (BSUoS) and other network costs relating to Supply. Costs are as recorded in the company's books of account and supporting documents.
2.3	Environmental and social obligation costs - The costs directly attributable were Contracts for Difference (CfD) under Electricity Market Reform, Capacity Market (CM), Feed-in Tariff (FIT), Renewable Obligation Certificates (ROCs), the Energy Companies Obligation (ECO), the administration costs for the Warm Home Discount (WHD) scheme, Green Gas Levy (GGL), Nuclear RAB Levy (RAB), Great British Insulation Scheme (GBIS) and the Assistance for Areas with High Electricity Distribution Costs (AAHEDC). CfD, CM, FIT, ROCs, WHD, GGL, RAB and AAHEDC are included as recorded in the company's books of account and supporting documents for Domestic and Non-domestic supply. ECO and GBIS costs are as recorded in the company's books of account and supporting documents for the domestic supply customer group – further split to allocate into electricity and gas using the number of meter points. Using an allocation based on the number of meter points provides a consistent approach for allocating such costs across all meter points.
2.4	Other direct costs - This includes market participation costs, including Elexon/Xoserve administration costs, brokers' costs, intermediaries' sales commissions, Network Charging Compensation (NCC) Scheme for Energy Intensive Industries (EII) and any 'wider' smart metering programme costs such as SMART DCC and Smart Energy GB related costs. £56m of intermediaries' sales commissions have been classified under Other direct costs in line with the Ofgem guidance. Although these costs would appear under Administrative expenses in the statutory accounts, this reclassification has no impact on earnings (EBIT).

Notes to E.ON SE Group's UK Consolidated Segmental Statement and basis of preparation (continued)

Note	Description
2.5	Indirect costs - This means the Relevant Licensees' own internal operating costs including sales and marketing costs, bad debt, costs to serve, IT, staffing costs, head office costs and recharges that are attributable to Supply, billing and all meter costs including smart meter costs (e.g. linked to rollout or asset rental, meter reading but not Smart DCC or Smart Energy GB). Costs are as recorded in the companies' books of account and are allocated where possible as a direct allocation to a particular customer group, i.e. there is an allocation between Domestic and Non-domestic, and then, within each of those two customer groups, between electricity and gas. Unless stated otherwise, where a direct allocation cannot be made to a particular customer group, the allocation between Domestic and Non-domestic and then electricity and gas has been made on a reasonable endeavours basis using the number of meter points or volume in each category. Using an allocation based on the number of meter points or volume provides a consistent approach for allocating such costs across all categories. £307m of metering costs have been classified under Indirect costs in line with the Ofgem guidance. Although these costs would appear under Cost of sales in the statutory accounts, this reclassification has no impact on earnings (EBIT).
3	EBITDA – This means earnings before interest, tax, depreciation and amortisation. EBITDA is Total Revenue less Total operating costs.
3.1	Depreciation and amortisation – This means depreciation and amortisation on fixed assets. Where a direct allocation cannot be made to a particular customer group, the allocation between Domestic and Non-domestic and then electricity and gas has been made on a reasonable endeavours basis using the number of meter points or volume in each category.
3.2	EBIT - This means earnings before interest and tax. EBIT is EBITDA less Depreciation and amortisation. In accordance with the Guidelines to Licence Conditions, the CSS does not include the mark to market adjustment of derivatives. This is the notional profit/loss incurred through changes in valuation of contracts with future delivery dates, due to changes in market price. As these contracts have not been realised in cash terms, they do not form part of the performance measures used by management to make strategic decisions and have therefore been excluded.
4	Volume - This is the volume of electricity, measured in TWh to 1 decimal place, and gas, measured in millions of therms to 1 decimal place, as recorded at the meter point (i.e. supplied under BSC net of losses).
5	WACO E/G – This is the "Direct fuel costs" (Note 2.1 above) divided by the Volume (Note 4 above) and means the weighted average cost of electricity (shown as £/MWh), or gas (shown as p/therm) used by the Relevant Licensee's Supply activities.

Notes to E.ON SE Group's UK Consolidated Segmental Statement and basis of preparation (continued)

Note	Description
6	Meter points – This means the average number of Domestic and Non-domestic electricity and gas meter points (Meter Point Administration Numbers and Meter Point Reference Numbers) during the reporting year. The average number has been calculated by summing the month end number of meter points and dividing by 12. The meter point numbers are rounded to the nearest 1,000.
7	Domestic – This means supply to Domestic Customers, where Domestic Customers are customers supplied or requiring to be supplied with electricity at Domestic Premises. These are premises at which a supply of electricity is taken wholly or mainly for a domestic purpose except where those premises are Non-Domestic Premises, but excluding such customers insofar as they are supplied or require to be supplied at premises other than Domestic Premises, where Non-Domestic Premises have the meaning given in and are interpreted as in accordance with the Electricity Supply and Gas Supply Standard Licence Conditions 6 (Classification of premises). These columns of the Table form the Domestic supply business segment.
8	Non-Domestic – This means supply to Non-Domestic Customers, being those customers who are not Domestic Customers. These columns of the Table form the Non-Domestic supply business segment.
9	Aggregate supply business - This column sums the horizontal figures of the Electricity Supply and Gas Supply related columns. Electricity Supply and Gas Supply are each divided into two columns to provide a Domestic and Non-Domestic supply market breakdown. Where possible a direct allocation has been made to a particular customer group, i.e. there is an allocation between electricity and gas, and then, within each of those two groups, between Domestic and Non-domestic sales. Unless stated otherwise, where a direct allocation cannot be made to a particular customer group, the allocation between electricity and gas and then between Domestic and Non-Domestic sales has been made on a reasonable endeavours basis using the number of meter points or volumes in each category. Using an allocation based on the number of meter points or volumes provides a consistent approach for allocating such costs across all categories.

3. Reconciliation of the E.ON SE Group's UK CSS to the financial statements of the relevant licensees for the year ended 31 December 2025

	Notes	Unit	E.ON Next Energy Limited £'m	Npower Commercial Gas Limited £'m	E.ON Energy Solutions Limited £'m	E.ON UK Limited £'m	Npower Limited £'m	Total £'m
Turnover/Revenue:								
Turnover reported in financial statements	1	£'M	7,367.0	4,157.0	660.0	2,251.0	0.0	14,435.0
Non-Supply activities	2	£'M	(0.4)	(326.9)	(660.0)	(2,251.0)	0.0	(3,238.3)
Revenue reported in CSS		£'M	7,366.6	3,830.1	0.0	0.0	0.0	11,196.7
Operating profit/EBIT:								
Operating profit/(loss) reported in financial statements	1	£'M	(43.0)	188.0	55.0	(28.0)	9.0	181.0
Non-Supply activities	2	£'M	0.0	8.5	(47.8)	28.0	(9.0)	(20.3)
Other non-operating items excluded from CSS EBIT	3	£'M	7.4	0.0	0.0	0.0	0.0	7.4
Amortisation of assets not relevant for CSS	4	£'M	175.4	12.5	0.0	0.0	0.0	187.9
EBIT reported in CSS			139.8	209.0	7.2	0.0	0.0	356.0

A reconciliation of the CSS Revenue and EBIT to the turnover and operating profit/(loss) reported in the published audited financial statements of the relevant licensees for the year ended 31 December 2025 is included in the table above. The financial statements are prepared on a going concern basis in accordance with Financial Reporting Standard 101 Reduced Disclosure Framework ('FRS 101').

Notes to the Reconciliation of the E.ON SE Group's UK CSS to the financial statements of the relevant licensees and basis of preparation

Note	Description
1	Turnover/ Operating profit/(loss) reported in financial statements – These are the Turnover and Operating profit/(loss) figures reported in the published audited financial statements of each of the active relevant licensees.
2	Non-Supply activities - This means the turnover and operating profit/(loss) relating to non-licensed activities carried out by the relevant licensees. This includes Corporate centre functions, licence exempt supply and non-licensed Metering Asset Provider (MAP)/Meter Operator Provider (MOP) related activities including installing, owning and operating meters. Costs in relation to metering activities in respect of E.ON customers are recharged to the licensed Domestic and Non-domestic supply businesses and included in Indirect Costs in the CSS as per the guidance. See section 1 for activities excluded from the CSS.
3	Other non-operating items excluded from CSS EBIT - As specified in the guidance on preparation of the CSS, non-operating items such as restructuring costs, profits or losses on disposal and mark to market adjustments have been excluded.
4	Amortisation of assets not relevant for CSS – Amortisation of customer list intangible assets arising from internal transfers of customers between the relevant licensees have been excluded from the CSS.

4. Hedging policy

The Supply business operates with a high degree of control, and under an agreed strategy as signed off by the E.ON UK board and communicated with the ultimate parent company E.ON SE. Risks taken are subject to extensive monitoring and must fall within agreed guardrails in terms of both scale and pricing.

E.ON Next Energy Limited (E.ON Next)

E.ON Next mitigates its pricing risk with regards to commodity sales through the use of forward purchasing of energy. Hedging strategies for all UK businesses are designed to be risk minimal, i.e. hedging Standard Variable Tariff customers in line with price cap methodology, and back-to-back for all fixed products. Hedging strategies are fully documented and are developed and authorised by the UK Risk Committee (and Group Risk Committee where required).

The performance of all hedging strategies is reviewed on a no less than annual basis. Where a review leads to a requirement to modify a hedge, the governance structure outlined above is followed without exception.

Npower Commercial Gas Limited (Npower)

For Npower, given the competitive and complex nature of large Industrial and Commercial relationships, the concept of tariff pricing is not relevant for the vast majority of volume as each contract is individually negotiated within an agreed framework and risk pricing concept. Large energy users often choose to take on some risks themselves through pass-through arrangements. Where the business does agree to take on risk there is a clear risk pricing concept in place to appropriately recover the cost of capital against those risks being taken. Risks are reviewed and accepted with appropriate governance and rigour. Rather than selling tariffs, contracts are sold which are commercially and contractually negotiated in a very complex and competitive market with knowledgeable customers.

The hedging strategy is back-to-back in nature. The business does not seek to take positions in the wholesale markets but rather secures the energy which customers have contracted for as close as possible to the time in which this contract is struck. This is true in the fixed contracts space, where a hedging instruction is generated on the same day as the contract is agreed, and in the flexible purchasing space where a hedging instruction is given instantaneously when a customer chooses to secure a price for some of their volume.

E.ON UK Energy Markets Limited ("EEM") provides E.ON Next and Npower with a route to the wholesale markets. The key strategic aim is to minimise risk exposure through the use of hedging strategies. EEM is equipped with trading and risk management functions which actively track the risks and mitigate them through internal and external hedging activities. The resulting energy is passed to Npower and E.ON Next for supply to customers.

Other active licensees

The other active companies have not sold electricity or gas to customers during the period.