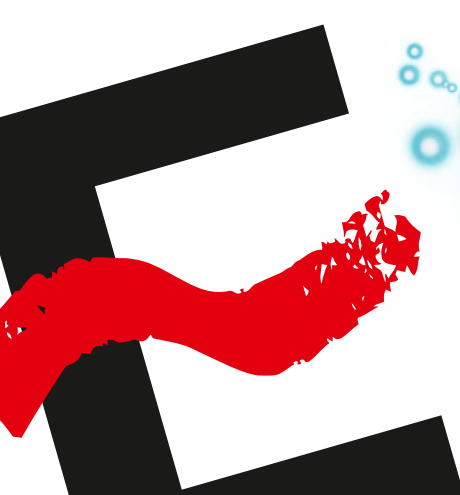


# Annual Financial Report 2020/2021

of Energie AG Oberösterreich



**ENERGIE AG**  
Oberösterreich

We care about tomorrow

# Contents

## GROUP ANNUAL REPORT 2020/2021

5	Group overview
13	Group Management Report
49	Non-financial report
133	Consolidated Financial Statements
228	Audit Certificate
235	Statement by the Management Board

## COMPANY ANNUAL REPORT 2020/2021

238	Company Management Report
270	Audited Company Annual Report
305	Audit Certificate
310	Statement by the Management Board

# Full POWER

[www.energieag.at/annualreport](http://www.energieag.at/annualreport)



**ENERGIE AG**  
Oberösterreich

We care about tomorrow

# Contents

<b>5</b>	<b>GROUP OVERVIEW</b>	<b>49</b>	<b>NON-FINANCIAL REPORT</b>
6	Interview with the Management Board	49	Letter by the Management Board
11	Report by the Supervisory Board	51	About this report
<b>13</b>	<b>GROUP MANAGEMENT REPORT</b>	52	Business model
13	Group	53	Shareholder structure
13	General conditions	53	Group management bodies
16	Business development in the Group	54	Group structure
21	Internal control system	55	Key figures at a glance
22	Risks and opportunities	56	Major sustainability issues
22	Research, development and innovation	73	Economy
24	Key performance indicators	77	Environment
26	Segments	100	Social affairs
27	Energy Segment	111	Employees
33	Grid Segment	120	Compliance
36	Waste Management Segment	126	GRI content index
39	Czech Republic Segment	<b>133</b>	<b>CONSOLIDATED FINANCIAL STATEMENTS</b>
42	Holding & Services Segment	133	Consolidated Statement of Income
46	Outlook	134	Consolidated Statement of Comprehensive Income
		134	Consolidated Statement of Financial Position
		137	Statement of Changes in Equity
		141	Cash Flow Statement
		142	Notes
		228	Audit Certificate
		235	Statement by the Management Board



## EVERYTHING NEW FROM A SINGLE SOURCE.

All contents of this Annual Report are available online with interactive functions at

[www.energieag.at/annualreport](http://www.energieag.at/annualreport)

# Group overview

## ENERGIE AG OBERÖSTERREICH AT A GLANCE

	Unit	2020/2021	Change	2019/2020
<b>Sales revenues</b>				
Energy Segment	EUR mill.	1,339.0	23.8%	1,081.9
Grid Segment	EUR mill.	366.1	4.1%	351.6
Waste Management Segment	EUR mill.	247.0	10.2%	224.1
Czech Republic Segment	EUR mill.	173.1	7.9%	160.4
Holding & Services Segment	EUR mill.	20.0	-22.2%	25.7
<b>Group</b>	<b>EUR mill.</b>	<b>2,145.2</b>	<b>16.4%</b>	<b>1,843.7</b>
<b>Result</b>				
Operating result (EBIT)	EUR mill.	188.4	27.6%	147.7
EBIT margin	%	8.8	10.0%	8.0
Earnings before taxes (EBT)	EUR mill.	168.3	32.5%	127.0
Dividend per share	EUR	0.75	25.0%	0.6
<b>Statement of Financial Position</b>				
Balance sheet total	EUR mill.	3,875.4	25.8%	3,079.7
Equity	EUR mill.	1,535.8	14.4%	1,343.0
Equity ratio	%	39.6	-9.2%	43.6
Net debt <sup>1)</sup>	EUR mill.	450.9	-18.2%	551.3
Net gearing	%	29.4	-28.3%	41.0
<b>Cash flow from operating activities</b>	<b>EUR mill.</b>	<b>378.7</b>	<b>103.8%</b>	<b>185.8</b>
<b>Profitability</b>				
ROCE	%	6.8	15.3%	5.9
<b>Workforce (on average)</b>				
Energy Segment	FTE	464	-1.1%	469
Grid Segment	FTE	535	0.2%	534
Waste Management Segment	FTE	821	-0.8%	828
Czech Republic Segment	FTE	1,718	2.2%	1,681
Holding & Services Segment	FTE	1,055	0.7%	1,048
<b>Group</b>	<b>FTE</b>	<b>4,593</b>	<b>0.7%</b>	<b>4,560</b>

1) Net debt = non-current financial liabilities + current financial liabilities - cash and cash equivalents

## INTERVIEW WITH THE MANAGEMENT BOARD OF ENERGIE AG OBERÖSTERREICH



**Dipl.-Ing. Stefan Stallinger MBA**  
Member of the Management Board

**Chief Executive Officer DDr. Werner Steinecker MBA**  
Chairman of the Management Board

**Dr. Andreas Kolar**  
Member of the Management Board



Video statements of the members of the Management Board are available as part of the online version of the annual report:  
[www.energieag.at/annualreport](http://www.energieag.at/annualreport)

### The past fiscal year was again dominated by the COVID-19 pandemic. Have the challenges arising as a result of the health crisis changed over time?

**Werner Steinecker:** As an operator of critical infrastructure and a company providing essential public services, we have a special responsibility vis-à-vis society. With this in mind and as in the previous fiscal year, action was again taken to protect our interests that went beyond the usual standard of care. Despite all the lessons learned in the course of handling the crisis, the current situation continues to be very challenging, requiring a great deal of discipline and responsibility. This is the only way we can succeed in achieving our overriding goals of ensuring a reliable and uninterrupted supply of energy and water as well as data and waste management services. I would like to take this opportunity to thank each and every employee for their perseverance and their individual efforts to contain the pandemic.

“As an operator of critical infrastructure and a company providing essential public services, we have a special responsibility vis-à-vis society. Despite all the lessons learned in the course of handling the crisis, the current situation continues to be very challenging, requiring a great deal of discipline and responsibility. This is the only way we can succeed in achieving our overriding goals of ensuring a reliable and uninterrupted supply of energy and water as well as data and waste management services.”

**Werner Steinecker**

**The 2020/2021 fiscal year was one of the most successful in the company's history, despite the ongoing COVID-19 pandemic. What would you attribute that to?**

**Andreas Kolar:** We have indeed achieved an exceptionally good Group result, one which was not foreseeable during the budgeting period. The positive financial performance of the company in the 2020/2021 fiscal year is certainly due to the favourable development of electricity, gas and recycling material prices, which led to significant improvements in the results of the Energy and Waste Management Segments. I would also like to mention one-time effects, such as an impairment reversal in respect of the investment in Wels Strom GmbH on the back of a comprehensive strategy project, along with impairment reversals for waste incineration plants. Yet it is undoubtedly also the result of ongoing cost optimisation measures in the recent past, as well as being attributable to our integrated (and thus crisis-resistant) business model. Weather-related effects, such as the lower hydro coefficient of our hydropower plants and higher sales volumes due to cooler temperatures in winter and spring, largely offset each other.

“The positive financial performance of the company in the 2020/2021 fiscal year is certainly due to the favourable development of electricity, gas and recycling material prices, which led to significant improvements in the results of the Energy and Waste Management Segments. Yet it is undoubtedly also the result of ongoing cost optimisation measures in the recent past, as well as being attributable to our integrated business model.”

**Andreas Kolar**

**In July 2021, the National Assembly set the course for a sustainable energy future with its resolution on the legislative package for expanding renewables. How does Energie AG Oberösterreich contribute here?**

**Stefan Stallinger:** The Group's internal generation strategy is our way of outlining a clear path for expansion that underscores our ambitions when it comes to the energy transition. The plan is to provide 630 GWh of additional electricity from renewable energies by 2030, using both new and current, more efficient generation plants. Over half a billion euros is set to be invested in wind power plants, hydropower plants and photovoltaic systems, forming the basis for supplying an additional 180,000 households with regional green electricity while, at the same time, saving around 550,000 tonnes of CO<sub>2</sub> annually. Energie AG Oberösterreich will also be promoting the use of waste, geothermal energy and industrial waste heat in heat production in the coming years – adding yet another way to efforts to achieve a future characterised by renewables. In addition to these measures, what is also required to fundamentally transform the energy system is that the grid infrastructure is expanded at all voltage levels, that additional storage capacity is created and that the gas grid is coupled with this sector and correspondingly integrated.

**The pandemic has triggered a veritable boom in digitalisation – with all its advantages and disadvantages. Was Energie AG Oberösterreich prepared for this?**

**Andreas Kolar:** Energie AG Oberösterreich committed to a digitalisation strategy several years ago, which has since gone on to form the basis for technological and process-related enhancements throughout the entire company. In our position as a broad-based service provider, it is important to have the highest possible standards of IT security for critical infrastructure and to be properly equipped to handle the dynamic market environment seen in many other areas of the company with the aid of flexible and, above all, effective IT systems. This is something that we already achieved well in the past through having a high degree of automation and it was also a crucial factor in our systems and staff being fully functional at all times during the COVID-19 pandemic.

**Werner Steinecker:** The fact that there was an early focus on digital customer solutions is reflected in our fibre-to-the-home (FTTH) activities. It has since become plain to see that our decision to focus on the promising area of fibre-optic technology was a good one. The growing demand for high data availability to meet the needs of home-schooling and working from home as well as for streaming and gaming services has led to a significant increase in active users – not least also due to the pandemic. Energie AG Oberösterreich already has a central role in the FTTH sector as the second-largest market player in Austria, a role which will certainly grow in the future by joining forces with the Province of Upper Austria to expand FTTH, the aim of which being to create optimal conditions for the comprehensive roll-out of fibre optics in Upper Austria.



“The Group’s internal generation strategy is our way of outlining a clear path for expansion that underscores our ambitions when it comes to the energy transition. The plan is to provide 630 GWh of additional electricity from renewable energies by 2030, using both new and current, more efficient generation plants.”

**Stefan Stallinger**

**The E-Fairteiler app is another innovative tool created to enable customers to share solar power. How does this application work?**

**Werner Steinecker:** Our innovation unit, Wertstatt 8 GmbH, together with Energie AG Oberösterreich Vertrieb GmbH, has developed a platform for sharing photovoltaic electricity by means of a very customer-oriented innovation process, making solar power accessible to everyone in a personal, transparent, flexible and, above all, regional way. The E-Fairteiler app allows owners of photovoltaic systems to sell, donate or exchange the locally generated photovoltaic electricity to customers without photovoltaic systems. On the other hand, every electricity consumer can purchase regional, renewable electricity, prioritise their local suppliers according to their individual needs and enter into price agreements with them. Energie AG customers were actively involved in its development and the prototype was successfully tested in a pilot region. The “Ökostrom E-Fairteiler” electricity product now available does not require any additional hardware, as it uses the data from the smart meter electricity meters.

**In the past fiscal year, the preliminary project to construct the pumped-storage power plant in Ebensee was resumed. What were the primary reasons for this?**

**Stefan Stallinger:** The Ebensee site basically offers a range of significant advantages given its topography, the associated high degree of efficiency and the existing grid connection, yet, due to the economic environment for the energy sector, the project’s economic viability has not been demonstrated up to now. Europe’s Green Deal, Germany’s plans to phase out coal and nuclear power, and Austria’s ambitious climate and energy strategy all mean that there is now a growing need for more high-performance storage capacities and flexible solutions. The current preliminary project involves preparing a detailed analysis of all economic and technical parameters, which will subsequently serve as a basis for any decision on whether to proceed with construction work.

**There were frequent media reports last year of delivery delays and noticeable price increases due to a shortage of raw materials. To what extent were the technical organisational units affected?**

**Stefan Stallinger:** The current situation comes with both advantages and disadvantages: On the one hand, the overheated market translates into higher prices for recyclables, a situation which our Waste Management Segment, for example, clearly benefited from, enabling it to achieve its best ever result. On the other hand, we are currently seeing high levels of operational pressure in current construction projects (due among other things to the noticeable increase in prices for various building materials), which we are only able to manage thanks to the excellent work of our employees. Overall, our integrated business model and the trend towards becoming a broadly diversified service company mean that

financial market risks faced by the Group are significantly lower than in other similar companies. The high degree of regional value creation means that Energie AG Oberösterreich is less affected by technical-related supply difficulties than other industrial companies.

**What challenges will this spell for the 2021/2022 fiscal year?**

**Andreas Kolar:** The Group's financial stability has proven resilient in the recent months, despite the protracted nature of the COVID-19 pandemic. Nevertheless, various uncertainties await us in the coming year, ones which certainly come with some not insignificant potential risks, specifically the impact of any further increase in inflation rates, high volatility in commodity price markets and a potential increase in bad debts as the government suspends COVID-19 support programmes. It is also important to be able to meet the high demand for human, material and financial resources in order to meet energy policy objectives and statutory requirements – while at the same time safeguarding the stability of the company's development and the Group's credit rating over the long term. We are confident of our ability to continue successfully mastering such challenges in the future.

## REPORT BY THE SUPERVISORY BOARD PURSUANT TO § 96 OF THE STOCK CORPORATION ACT [AKTIENGESETZ (AKTG)]

During the 2020/2021 fiscal year, the Management Board informed the Supervisory Board and the Supervisory Board Audit Committee about the activities of the Group and its subsidiaries in writing and orally on a regular basis, and it discussed all important business events with these bodies. A total of four periodical ordinary meetings of the Group Supervisory Board were held in fiscal year 2020/2021 along with two ordinary meetings of the Audit Committee. The management bodies gave their approval to all business events, which is mandatory in specific cases. No objections were raised in the course of the general supervisory activities or the audit.

The Annual Financial Statements of Energie AG Oberösterreich for the 2020/2021 fiscal year, from 1 October 2020 to 30 September 2021, drawn up according to the Austrian accounting regulations, together with the accounts and the Management Report, were audited by Deloitte Audit Wirtschaftsprüfungs GmbH, Chartered Accountants. The auditor submitted a written report on his audit findings and assessed that the Annual Financial Statements comply with the statutory requirements, give a true and fair view of the assets, liabilities, financial position and profit or loss, and that the Management Report complies with the legal requirements and reconciles with the Annual Financial Statements. The auditor therefore issued its unqualified audit certificate.

The Supervisory Board examined the Annual Financial Statements as of 30 September 2021, together with the Notes and the Management Report, as well as the proposal for the appropriation of the profit. It drew up a written report and recommended that the Supervisory Board approve the auditor's report, together with the auditor's unqualified certificate, as well as the present Annual Financial Statements as of 30 September 2021, together with the Notes and the Management Report, so as to thus adopt the Annual Financial Statements as of 30 September 2021. The Audit Committee also recommended that the Supervisory Board adopt the proposal by the Management Board for the appropriation of the profit. The Supervisory Board noted with approval the outcome of the review conducted by the Audit Committee and of the audit conducted by the auditor, and established that the Supervisory Board, in turn, has no objections regarding the statements. The Supervisory Board states that it is in agreement with the Management Report, presented in accordance with § 96 of the Austrian Stock Corporation Act, and with the proposal for the appropriation of the profit, and that it adopts the Annual Financial Statements as of 30 September 2021, which is thus established.

The Consolidated Financial Statements for the 2020/2021 fiscal year from 1 October 2020 to 30 September 2021 drawn up in accordance with the International Financial Reporting Standards (IFRS), were also audited by Deloitte Audit Wirtschaftsprüfungs GmbH. The Group auditor submitted a written report on his audit findings and assessed that the Consolidated Financial Statements comply with the statutory requirements, give a true and fair view of the assets, liabilities, financial position and profit or loss as well as the Group's cash flows, and that the Management Report complies with the legal requirements and reconciles with the Consolidated Financial Statements. The Group auditor therefore issued its unqualified audit certificate. The Supervisory Board examined the Consolidated Financial Statements and the Group Management Report in detail. The Audit Committee also examined the Consolidated Financial Statements and the Group Management Report in detail. It drew up a written report and recommended that the Supervisory Board approve the auditor's report, together with the auditor's unqualified audit certificate, as well as the present Consolidated Financial

Statements as of 30 September 2021, together with the Notes and Management Report. The Supervisory Board noted with approval the outcome of the review conducted by the Audit Committee and of the audit conducted by the Group auditor, and established that the Supervisory Board, in turn, has no objections regarding the statements.

By drawing up the Consolidated Financial Statements in accordance with the IFRS, the company is released from its obligation to prepare Consolidated Financial Statements in accordance with Austrian commercial law provisions.

The consolidated Non-financial Report, which is compulsory under § 267a of the Austrian Commercial Code (UGB) and is published as a separate part of the Group Annual Report, was prepared by the Management Board in compliance with the statutory requirements. The internal audit unit of Energie AG Oberösterreich has reviewed the Non-financial Report on behalf of the Supervisory Board and formed the opinion that the Non-Financial report was prepared in compliance with the statutory requirements. The Supervisory Board agrees with the findings of the review conducted by the internal audit unit and confirmed that it holds no objections against them. It was established that – in accordance with § 243b of the Austrian Commercial Code (Unternehmensgesetzbuch, or UGB) – there is no obligation to prepare a corporate governance report, and that in accordance with § 243c UGB, there is also no obligation to prepare a report on payments to government agencies.

The Supervisory Board would like to express its thanks to the Management Board and all company staff members for their successful work during the 2020/2021 fiscal year.

Linz, 17 December 2021

On behalf of the Supervisory Board

The Chairman of the Supervisory Board



Provincial Counsellor Markus Achleitner

# Group Management Report 2020/2021

## for Energie AG Oberösterreich <sup>1), 2)</sup>

### GROUP

#### | GENERAL CONDITIONS

##### Economic environment <sup>3)</sup>

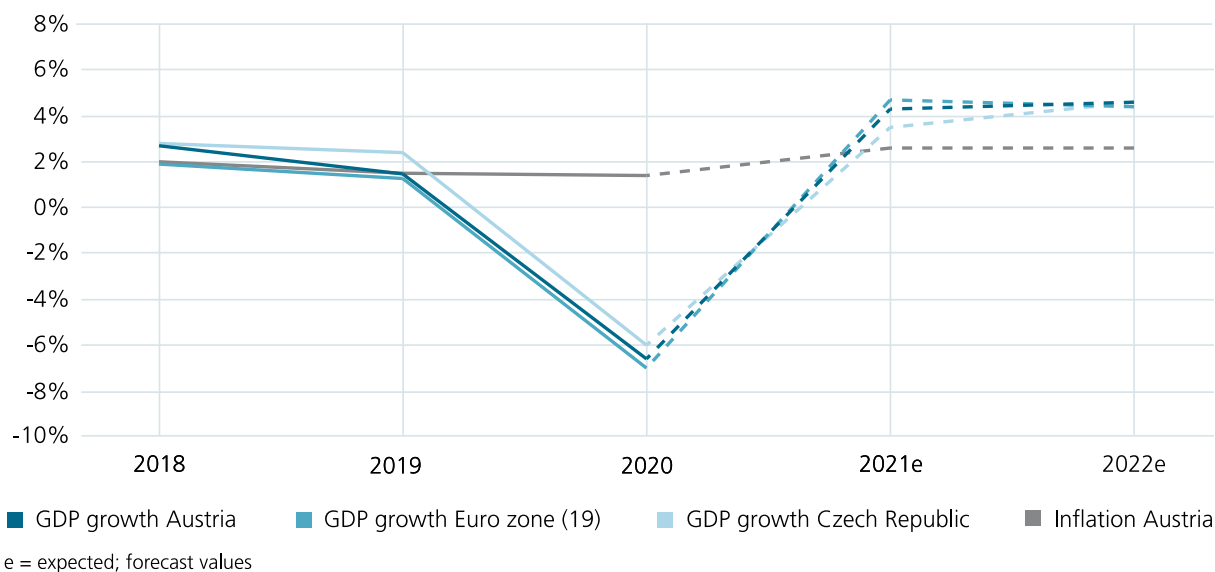
The 2020/2021 fiscal year (1 October 2020 to 30 September 2021) at Energie AG Oberösterreich (Energie AG) was again fraught by the COVID-19 pandemic, however, this was accompanied by a strong economic recovery, especially from the second quarter of the 2021 calendar year onwards.

Despite continued high COVID-19 infection rates in many countries, the **global economy** exhibited positive development, although at very different regional levels.

##### Economic growth and inflation

YoY real change (in %)

Sources: IHS, IMF, WIFO



After the marked economic slump in 2020, the Institute for Advanced Studies (IHS), the Institute of Economic Research (WIFO) and the International Monetary Fund (IMF) forecast an economic growth for the **euro zone** of between +4.3% and +5.0% and thus revised upward their projections for 2021. Values between +4.3% and +4.5% are forecast for 2022.

<sup>1)</sup> The Group Management Report presented here was prepared in accordance with the requirements of § 267 of the Austrian Commercial Code (UGB) and refers to the IFRS consolidated financial statements of Energie AG Oberösterreich in terms of § 245a UGB.

<sup>2)</sup> In conformity with EU Directive 2014/95/EU on the disclosure of non-financial information and diversity information and its implementation in the Austrian Sustainability and Diversity Improvement Act (NaDiVeG 2017), Energie AG prepares the Group Management Report 2020/2021 at the same time as the consolidated report on non-financial information (Non-Financial Report) 2020/2021, which is published as part of the Group Annual Report 2020/2021 and online at [Non-financial report › Page 49](#)

<sup>3)</sup> Sources: IHS (Institute for Advanced Studies): Forecast of the Austrian Economy, 2021 – 2022, 8 October 2021. IMF (International Monetary Fund): [World Economic Outlook Database: October 2021](#), 21 October 2021. WIFO (Austrian Institute of Economic Research): Forecast for 2021 and 2022, 13 October 2021.

Dynamic growth was also recorded for the **Austrian economy** in the reporting period, prompting domestic institutes to expect GDP growth of between +4.4% and +4.5% for 2021. The IMF is somewhat less optimistic at +3.9%. For 2022, economic growth is expected in a range between +4.5% and +4.8%. This recovery will be accompanied by a significant rise in the inflation rate in the range of +2.6% to +2.8% for 2021.

For the **Czech Republic** market relevant to Energie AG, an increase in the gross domestic product of between +3.3% and +3.8% is anticipated for the calendar year 2021. The year 2022 is expected to bring positive economic impetus in the range of +4.4% to +4.8% in the Czech Republic.

The global economic upswing is partly accompanied by supply chain problems and price increases, especially in the raw materials sector. The increased inflation rates reflect this development and – like the continuing COVID-19 pandemic – limit the reliability of forecasts on the future development of the economic situation.

## Energy and climate policy environment

On 11 December 2020, the European Council agreed on the European Commission's proposal to raise the EU's greenhouse gas reduction target for 2030 to -55% compared to 1990. The more ambitious climate target, which is to be understood as an intermediate step on the way to the realisation of the Green Deal by 2050, was legally anchored in the **European climate targets** on 21 April 2021. This enabled the Austrian Climate Act to enter into force by the end of June 2021, before the first specific legislative proposals associated with the "Fit for 55" package.

As part of the "**Fit for 55**" package, the European Commission presented a total of twelve legislative proposals on 14 July 2021, which are intended to fundamentally revise the EU's climate and energy policy legal framework by 2030 and align it with the new climate targets. The central projects which are highly relevant for the energy economy are the revision of the EU Emissions Trading Scheme and the Effort Sharing Regulation for sectors not covered by emissions trading. In addition, there are plans to introduce a second, separate trading system for buildings and transport, which will be launched in two steps from 2025. Further relevant proposals concern measures to increase the share of renewable energy and improve energy efficiency. In this context, a significant increase in the respective targets and level of ambition in the revised guidelines can be expected. This will ultimately push up the CO<sub>2</sub> price and intensify investments in energy efficiency and the expansion of renewable energies. The package will therefore set the central course for the coming years not only for the European, but also for national energy policy. The legislative procedures for the individual legal acts of the package are not expected to be completed until the second half of 2022 at the earliest.

The European Commission launched a public consultation on 11 January 2021 to develop legally binding EU targets for biodiversity restoration and species conservation. A proposal for a regulation to implement the **biodiversity targets** is expected to be presented by the European Commission in the last quarter of 2021.

On 21 April 2021 and 6 July 2021, the European Commission published delegated acts for the **Taxonomy Regulation** with the technical screening criteria for the environmental objectives "climate change mitigation" and "climate change adaptation" and with detailed requirements on the financial reporting obligations for companies. In the future, they will be decisive in determining which criteria certain economic activities must fulfil in order to be considered ecologically sustainable.

In line with a political agreement between the EU Council and the European Parliament on 12 July 2021, civil society's rights of action in relation to EU environmental law will be

significantly strengthened and extended to individuals in future through an **amendment to the Aarhus Regulation** .

The **Fuel Emissions Trading Act** came into force in **Germany** on 1 January 2021. According to this law, the price for suppliers of diesel, petrol, heating oil or natural gas is EUR 25 per tonne of CO<sub>2</sub> emitted by these energy sources. By 2025, the price will increase gradually to EUR 55/t CO<sub>2</sub> . A price corridor of at least EUR 55/t CO<sub>2</sub> and at most EUR 65/t CO<sub>2</sub> will then apply for 2026.

Due to the urgent need for action on the topic of **“electricity grid reserve management”** , a separate, pre-emptive legislative resolution on the Renewable Energy Expansion Act package was initiated in Austria. The corresponding regulations, which improve planning security for operators of thermal power plants, and contribute to ensuring the secure operation of the grid and sufficient electricity supply in Austria, were published on 7 January 2021 in the Federal Law Gazette and formally approved by the European Commission under EU state aid rules on 28 June 2021.

Large parts of the Austrian **Renewable Energy Expansion Act package** have been in force since 28 July 2021. However, one of the most important provisions, the new regulation of green electricity funding with market premiums, still requires the approval of the European Commission under state aid law; this is expected to happen after the end of the reporting period. In addition to the Renewable Energy Expansion Act, the key elements of the Renewable Energy Expansion Act package are a revision of the Electricity Industry and Organisation Act (ElWOG) 2010, the Gas Industry Act (GWG) 2011, as well as the Heating and Refrigeration Pipeline Development Act and the High Voltage Power Lines Act. This list of topics already shows that the Renewable Energy Expansion Act package will have far-reaching effects on the energy sector in Austria. In addition to funding regulations for plants that generate energy from renewable sources, the structural changes to the energy market through the possibility for new players (energy communities) to participate will also be of significant importance. The Renewable Energy Expansion Act package means that a first milestone has been reached in the implementation of the EU's “Clean Energy Package”. However, many other points of the “Clean Energy Package” still require domestic implementation. This is why preparations are already underway for the revision of the Federal Energy Efficiency Act and, with regard to a revised electricity market design, a fundamental adaptation of the ElWOG.

## | BUSINESS DEVELOPMENT IN THE GROUP

Assets, liabilities, financial position and profit or loss <sup>1)</sup>

### Group overview

	Unit	2020/2021	2019/2020	Change
Sales revenues	EUR mill.	2,145.2	1,843.7	16.4%
Operating result (EBIT)	EUR mill.	188.4	147.7	27.6%
EBIT margin	%	8.8	8.0	10.0%
Financial result	EUR mill.	-20.1	-20.7	2.9%
Earnings before taxes	EUR mill.	168.3	127.0	32.5%
Balance sheet total	EUR mill.	3,875.4	3,079.7	25.8%
Equity	EUR mill.	1,535.8	1,343.0	14.4%
Equity ratio	%	39.6	43.6	-9.2%
Net debt <sup>1)</sup>	EUR mill.	450.9	551.3	-18.2%
Net gearing <sup>2)</sup>	%	29.4	41.0	-28.3%
Investments in property, plant and equipment and intangible assets	EUR mill.	215.1	197.2	9.1%
Cash flow from operating activities	EUR mill.	378.7	185.8	103.8%
Cash flow from investing activities	EUR mill.	-215.2	-181.5	-18.6%
Cash flow from financing activities	EUR mill.	9.2	12.7	-27.6%
ROCE	%	6.8	5.9	15.3%
WACC	%	4.0	4.2	-4.8%

1) The key figure net debt represents the net financial liabilities and is calculated as follows: Net debt = non-current financial liabilities + current financial liabilities - cash and cash equivalents.

2) The key figure net gearing was developed from the key figure debt-equity ratio. While the key figure debt-equity ratio measures the ratio between debt capital and equity, the key figure gearing juxtaposes the net debt (current and non-current financial liabilities less cash and cash equivalents) against the equity.

The 2020/2021 fiscal year was shaped by the global COVID-19 pandemic, economic recovery and rising energy prices. Sales revenues of EUR 2,145.2 million (previous year: EUR 1,843.7 million) and an operating result of EUR 188.4 million (previous year: EUR 147.7 million) were generated in the reporting period.

The increase in sales revenues was mainly due to the higher level of wholesale prices for electricity and gas, which led to higher revenue in the management of power plants and electricity procurement rights, in energy trading and in sales. In addition to the Energy Segment, increases in turnover were also achieved in all other segments.

The balance sheet total increased by EUR 795.7 million from EUR 3,079.7 million to EUR 3,875.4 million. The increase is mainly due to higher fair values of derivative financial instruments. In addition, there is a higher amount of cash and cash equivalents and emission certificates as of 30 September 2021.

The EBIT in the Energy Segment amounted to EUR 82.4 million in the reporting period (previous year: EUR 59.5 million). The increase included higher earnings contributions from the Generation unit. Reversals of impairment were recognised for the Timelkam CCGT power

<sup>1)</sup> With regard to the derivation of the financial performance indicators and the calculation methods, please refer, in addition to the explanations in the [Consolidated Financial Statements](#) > Page 133



plant and for the planned construction of the Ebensee pumped-storage power plant, and a provision was recognised for onerous contracts in the context of the 7Fields gas reservoir.

In the Grid Segment, the operative result was EUR 37.2 million; it was therefore at about the same level as in the previous year (EUR 36.9 million).

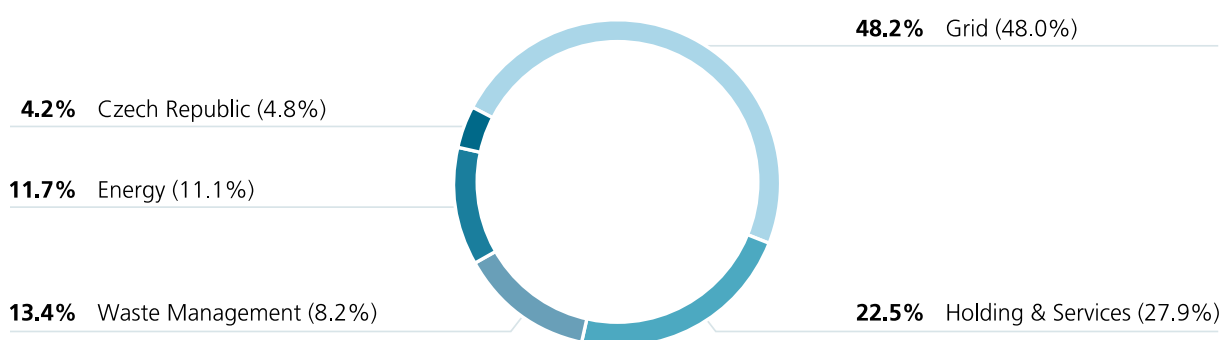
The Waste Management Segment generated an EBIT of EUR 29.6 million (previous year: EUR 27.1 million). The operating result was positively impacted by price increases for recycling materials (paper and metals) as well as a higher electricity price and market effects. In the 2020/2021 fiscal year, reversals of impairment for waste incineration plants amounting to some EUR 4.7 million were also made.

In the Czech Republic Segment, sales revenues of EUR 173.2 million (previous year: EUR 160.5 million) and an operating result in the amount of EUR 11.1 million (previous year: EUR 9.8 million) were generated in the reporting period.

The operating result of the Holding & Services Segment was EUR 28.1 million in the reporting period (previous year: EUR 14.4 million), an increase of EUR 13.7 million on the previous year. In the 2020/2021 fiscal year, an impairment reversal of EUR 15.4 million was recorded for Wels Strom GmbH, which is valued at equity.

#### Investments in intangible assets and property, plant and equipment by Segments

2020/2021; previous year's figures in brackets



In the 2020/2021 fiscal year, investments in intangible assets and property, plant and equipment amounted to EUR 215.1 million, and were thus EUR 17.9 million or 9.1% above the previous year's level. With a share of 48.2%, the Grid Segment accounted for the largest part. Investments in the Holding & Services Segment include expanding the fibre-optic cable network.

Net debt (non-current and current financial liabilities minus cash and cash equivalents) fell by EUR 100.4 million year-on-year from EUR 551.3 million to EUR 450.9 million. This decrease is mainly due to an improved liquidity situation.

Cash flow from operating activities in the 2020/2021 fiscal year was EUR 378.7 million, compared with EUR 185.8 million in the previous year.

The financial result improved from EUR -20.7 million in the previous year to EUR -20.1 million in the 2020/2021 fiscal year. The higher interest expenses compared to the previous year were more than compensated for by earnings from investments and securities.

## Funding and investment strategy

In the 2020/2021 fiscal year, the COVID-19 pandemic continued to dominate events on the financial and capital markets. The global economic upswing that set in from the middle of the year led in part to massive supply bottlenecks and price increases for raw materials of all kinds. This development is reflected in the higher inflation rates in the USA and the Euro zone. The reaction of central banks and market players will depend on how sustainable inflation rates turn out to be in the coming months. The conservative approach to Energie AG's funding and investment policy again proved its value in the past fiscal year.

### External rating confirms resilience to crises

In March 2021, the international rating agency Standard & Poor's (S&P) again confirmed the creditworthiness of Energie AG with an excellent rating of "A with a stable outlook". For more than 20 years, the Company has had a credit rating by external experts and has held an excellent position both among Austrian energy suppliers as well as in an international comparison. The rating award underlines Energie AG's strong performance and crisis resilience during the COVID-19 pandemic. Energie AG therefore continues to secure unimpeded and cost-optimised access to the financial and capital markets.

### Ensuring high, sustainable financial flexibility

Energie AG successfully placed bonds with institutional investors in May 2021 for long-term corporate financing. A total volume of EUR 75.0 million was issued in several tranches with maturities of 20, 25 and 30 years at very attractive conditions. The proceeds are used for the funding of sustainable infrastructure projects, predominantly for investments into the expansion and renewal of hydroelectric power plants and photovoltaic systems, as well as the expansion of the electricity grid in Upper Austria.

Financial liabilities increased from EUR 597.6 million as of 30 September 2020 to EUR 670.1 million as of 30 September 2021 due to issuing registered bonds. The Group's repayment profile is characterised by bullet loans. As of the reporting date, Energie AG had high liquidity reserves. These resulted primarily from the very good operating performance in the past fiscal year and from high liquidity additions (margin payments) in connection with hedging transactions in the commodity area. As of 30 September 2021, cash and cash equivalents in the form of account balances, time deposits and short-term investments totalling EUR 325.0 million were available (previous year: EUR 156.1 million).

The sound liquidity reserves and the excellent credit rating guarantee the strong financial flexibility of the Energie AG Group in the long term.

### Central Group-internal financial management

Group-internal funding is managed centrally by Energie AG Group Treasury GmbH. In the scope of cash pooling throughout the Group, short-term liquidity management was secured between the 27 Austrian Group companies in the period under review (figures valid as of 30 September 2021).

## Value-based corporate management and capital costs

Energie AG's value management strategy is an instrument for measuring and controlling the economic success of the Group's business activities. It serves to assess the attractiveness of investing activities and secures the company value as well as generating a capital market-oriented return for the owners. Along with the operating result, the weighted average cost of

capital (WACC) is of essential importance. The WACC value serves as the basis for determining the minimum yield requirements for Group management and is therefore used as a yardstick for value generation in the Company.

Energie AG calculates the cost of capital as the weighted average of equity and borrowing costs. The cost of equity is determined using the capital asset pricing model (CAPM). Calculations take into account the risk-free interest rate, a country risk premium, a market risk premium and a beta factor. Borrowing costs are composed of the risk-free interest rate, a country risk premium and the credit spreads of the peer group. The parameters specified by the regulatory authority are used for the regulated business units. The capital costs of the business units with activities on non-regulated markets are determined using the reporting-date principle and based on market conditions. In a further step, the bottom-up method is used to weigh these costs up unto the Segment and Group capital costs.

This WACC method is subjected to on-going evaluation taking current publications and expert opinions into consideration. Adaptations are made as needed. Moreover, the costs of capital are continuously monitored against the background of a volatile financial market environment. The **consolidated WACC value** for the 2020/2021 fiscal year was 4.0% (previous year: 4.2%).

Along with the operating result, one of the most important key figures for operational Group management during the fiscal year is the ROCE (Return on Capital Employed), which indicates how efficiently and profitably the available capital is utilised. The ROCE is calculated as the quotient of Net Operating Profit After Tax (NOPAT) and average Capital Employed.

The NOPAT key figure denotes the taxed profit from operating activities excluding the at equity result of associated companies. One-time effects such as impairments and market valuations are taken into account and are included in the NOPAT. When calculating taxes, all at equity income is eliminated in the tax base, as the former is already adjusted for taxes.

The capital employed is derived by subtracting the non-productive assets and non-interest-bearing liabilities from the average total assets. It reflects the interest-bearing capital pooled in the company. The average capital employed (Ø CE) is calculated as the average of the total capital employed of the last two fiscal years. Capital employed includes the carrying amount of the investments accounted for using the equity method, excluding the associated strategic investments. For information on Capital Employed, please refer to the [Notes to the Consolidated Financial Statements, section 7. Segment reporting › Page 162](#).

The goal of the Energie AG Group is to generate an ROCE above WACC through consistent value-oriented corporate management and control. The ROCE minus the WACC results in the relative value contribution. The absolute value added is calculated by multiplying it by the capital employed. The higher this value is, the more economically successful the respective activity has been. The value contribution is influenced by various variables. In addition to the development of operating earnings, the level of ROCE and value added specifically depends on the capital employed. The NOPAT key figure corresponds to EBIT less related taxes in the amount of EUR 39.8 million and other items in the amount of EUR 26.1 million.

In the Energie AG Group, in addition to strategic considerations, resources for future capital investments and acquisitions are allocated by prioritising projects exclusively on the basis of the presented value-oriented criteria and methods.

In the 2020/2021 fiscal year, the **ROCE** of the Energie AG Group was 6.8%, 0.9 percentage points above the previous year (5.9%).

## Treasury stocks

By resolution of the Annual General Meeting on 16 December 2020, the share capital of Energie AG Oberösterreich was reduced by EUR 1,742.00 from EUR 88,655,524.00 to EUR 88,653,782.00 by means of a simplified capital reduction by cancellation of 1,742 no-par value registered shares of treasury stock in the form of non-voting preferred shares. As a result, § 4 of the Company's Articles of Association was amended accordingly.

In certain cases, the Energie AG Oberösterreich employee stock option plan provides for the right or the obligation to purchase Energie AG employee shares. In fiscal year 2020/2021, the following changes in treasury stock resulted from this security:

### Treasury stocks

	Treasury stocks	Share in capital stock	Share in capital stock
	Shares	%	EUR 1,000
Treasury stocks as of 30.09.2020	1,742	0.002	1.7
Disposals 2020/2021	-1,742	-0.002	-1.7
Additions 2020/2021	+1,224	+0.001	+1.2
<b>Treasury stocks as of 30.09.2021</b>	<b>1,224</b>	<b>0.001</b>	<b>1.2</b>

## Related party disclosures

For Energie AG's transactions with related parties in the reporting period, please refer to the disclosures in the [Notes to the Annual Consolidated Financial Statements, Section 36](#).

[Related party disclosures › Page 225](#) .

## Changes under corporate law

To conclude the implementation of the new sales structure, the ENAMO Ökostrom Basis operational unit of ENAMO Ökostrom GmbH was spun off to Energie AG Oberösterreich Vertrieb GmbH (Vertrieb GmbH) with retroactive effect as of 31 March 2021.

In addition, OÖ Breitband Infrastruktur GmbH was founded on 16 September 2021 in preparation for bundling Upper Austrian broadband activities.

## Trend in staff levels

In the 2020/2021 fiscal year, the Group's average consolidated workforce stood at 4,593 full time equivalents (FTE), representing an increase of 0.7% over the average of the 2019/2020 fiscal year (4,560 FTE). The increase in the Czech Republic Segment is essentially due to the full consolidation of the staff figures from the former VaK Zápý s.r.o., which have not been taken into account so far.

**Staff levels <sup>1)</sup>**

	Unit	2020/2021	2019/2020	Change
Energy Segment	FTE	464	469	-1.1%
Grid Segment	FTE	535	534	0.2%
Waste Management Segment	FTE	821	828	-0.8%
Czech Republic Segment	FTE	1,718	1,681	2.2%
Holding & Services Segment	FTE	1,055	1,048	0.7%
<b>Group total</b>	<b>FTE</b>	<b>4,593</b>	<b>4,560</b>	<b>0.7%</b>

1) yearly average of the fully-consolidated and proportionately consolidated entities

## I INTERNAL CONTROL SYSTEM

The **internal control system (ICS)** is a process embedded in the work and operating procedures of the Energie AG Group which is being implemented by management and staff in order to identify and control existing risks and to be able to ensure with sufficient certainty that the following general objectives are achieved in the course of fulfilling the tasks of the Group:

- Effectiveness and efficiency of business activities
- Regularity and reliability of internal and external reporting
- Compliance with the internal regulations applicable to the Company and the pertinent legal provisions, in particular for the accounting process

In the Energie AG Group, the roles "Group Treasury", "Group Accounting" and "Controlling and Risk Management" have been established as company holding roles. The "Accounting" department acts as a service provider for the entire Group and is established in scope of Energie AG Oberösterreich Business Services GmbH (Business Services GmbH). The basis for valid financial reporting is a strongly IT-supported process as well as a high degree of standardisation in data acquisition and processing, starting with commercial services, through the preparation of the companies' annual reports, to consolidation in the consolidated financial statements. The above-mentioned functions thus form the core of the **ICS control environment** with regard to the accounting process.

The core processes of the above-mentioned departments, as well as the process-inherent **material risks** and the corresponding controls, are recorded in a separate IT tool. Since the 2020/2021 fiscal year, this IT tool links the areas of ICS, Quality assurance and environmental protection (QSE), data protection, risk management and information and communication technology (ICT) risks and has established itself as a valuable information system for managers and employees.

The concrete design of the **controls** is adapted to individual requirements which adequately consider risks and can include both manual and automated components. The dual control principle is strictly applied to approval processes. Conflicts of functional separation are avoided and monitored by compensatory controls.

Continuous monitoring and a cyclical audit of the control design and effectiveness of the controls by Group Internal Audit form the basis of quality validation and **monitoring** for these systems throughout the Group.

Structured, standardised **reporting** to the Management Board and supervisory bodies ensures that the legally prescribed monitoring tasks are performed.

Control awareness is well anchored in the operating units and is sustainably implemented in the business processes. In addition, maintaining and strengthening risk awareness and awareness of the importance of the ethical values laid down in the vision and mission statement is an essential component of the corporate governance culture.

The legal obligation to equal treatment in accordance with ElWOG and GWG are subject to appropriate ICS controls and are monitored by the Equal Treatment Officer.

The ICS thus satisfied the statutory requirements in the year under review.

## | RISKS AND OPPORTUNITIES

Energie AG's risks and opportunities situation is strongly influenced by the challenging general energy policy and political environment and the associated volatile price developments. Additionally, regulatory changes, the climatic conditions and climate policy, and the potential further impact of the COVID-19 pandemic significantly impact business development.

Highest priority is assigned to performing all system-critical tasks, in particular to ensuring the reliable supply of electricity, gas, heat, telecommunications services and water as well as managing waste and waste water.

In order to maintain financial stability, Energie AG relies on targeted strategic and operational measures. They include value-based investment management and measures to increase efficiency as well as new business models and innovations to open up new earnings potential.

Against the backdrop of the ongoing COVID-19 pandemic and numerous energy policy imponderables, medium- and long-term forecasts are currently only reliable to a limited extent. Energie AG's business activities are still exposed to certain risks, but no risks were identified in the fiscal year 2020/2021 that, either individually or collectively, would have the potential to jeopardize the continued existence of the Company.

For more details on the risks and opportunities situation, see the [Notes to the Consolidated Financial Statements, Section 35. Management of risks and opportunities › Page 219](#).

## | RESEARCH, DEVELOPMENT AND INNOVATION

For Energie AG, research, development and innovation is an essential component to being well prepared for meeting future challenges. Despite the changed economic environment caused by the COVID-19 pandemic, work on numerous projects continued successfully in the period under review.

European and Austrian objectives relating to climate targets are leading to increasingly concrete consequences and regulations, resulting in new projects and fields of research. In the 2020/2021 fiscal year, for example, projects on hydrogen technology were prepared and launched in the scope of the "Hydrogen Initiative Showcase Region Austria Power & Gas" (WIVA P&G). A central role in shifting electricity production from renewable sources from summer to winter and in industrial decarbonisation is attributed to hydrogen as an energy carrier.

Aware of its social responsibility for future generations and its responsibility for the secure supply of Upper Austria, Energie AG is also proactive and highly committed in all Group segments to dealing with fields such as electrification, decarbonisation and greening of sectors, increasing energy production from renewable sources, and integrating this into the

existing energy system. Digitalisation and automation play a central role in development and innovation.

Since the 2019/2020 fiscal year, “innovation”, an important issue for the future, has been actively promoted by Wertstatt 8 GmbH, which was founded on 1 October 2019. This wholly owned subsidiary focuses its activities on the development of digital solutions and innovative business models relating to energy and the environment.

Furthermore, Energie AG attaches great importance to good networking and intensive collaboration with cooperation partners from science and industry. This guarantees a successful exchange with valuable mutual benefits.

#### R&D&I key performance indicators

	Unit	2020/2021	2019/2020	Change
Number of R&D&I projects in the Group	Number	128	98	30.6%
Staff in R&D&I projects	FTE	58.9	51.4	14.6%
R&D&I expenses in the Group	EUR mill.	5.5	4.1	34.1%

In fiscal year 2020/2021, research, development and innovation were pursued in the following projects (non-exhaustive list):

#### “Underground Sun Storage 2030”

In the course of WIVA P&G, the “Underground Sun Storage 2030” project is researching large-volume storage of hydrogen in depleted natural gas deposits in cooperation with eleven consortium partners. Surplus electricity from renewable energy sources is converted into hydrogen by means of electrolysis and stored in this form, making it available as an energy carrier for use at a later date. This is of utmost importance for the future energy system, as the strong expansion of photovoltaics, among other things, will lead to surplus electricity available in the summer months but a deficit of electricity in the winter. Energie AG is involved in work packages for the production of green hydrogen from renewable electricity by means of electrolysis and in feeding the stored green hydrogen into the existing Netz Oberösterreich GmbH (Netz OÖ GmbH) gas grid.

#### "HeatHighway"

Two 100-km district heating networks in Upper Austria and Styria are being planned in the "HeatHighway" project as part of the NEFI showcase region ("New Energy for Industry") with partial sections being implemented in practice to the extent possible. Interregional heat transfer networks connecting several industrial waste heat and other sustainable heat sources as well as several district heating networks, industrial process heat sinks and storage facilities are being investigated. In addition to developing an interdisciplinary toolbox for implementing interregional heat transfer networks, the focus is on anticipating the medium-term use of waste heat from innovative processes, developing a cost-effective pipe system and subsequently constructing a "lean pipe prototype". The aim is also to demonstrate the technical controllability of such a system in the form of a "virtual heat transfer network demonstrator" based on 3D simulations.

#### Peer2Peer electricity exchange app “E-Fairteiler” (fair e-distributor)

Together with Vertrieb GmbH, Wertstatt 8 GmbH developed E-Fairteiler in a strongly customer-centric innovation process; E-Fairteiler is an app that enables customers to

exchange, sell, give away or donate self-generated electricity. It allows owners of photovoltaic (PV) systems to supply regionally generated solar electricity to customers without PV systems. Every customer can use the app to obtain local renewable electricity, prioritise their local suppliers in line with their individual needs and come to price agreements with them. Energie AG customers were actively involved in its development and the prototype was successfully tested in a pilot region. The "Ökostrom E-Fairteiler" electricity product now available does not require any additional hardware, as it uses the data from the smart meter electricity meters.

## Ecological research of watercourses with hydroelectric power utilisation

Research focusing on aquatic ecology is being conducted in sub-projects with various partners on topics such as sediment management in watercourses with hydroelectric power utilisation, downstream fish migration and the ecological potential of high-altitude alpine residual flow stretches of watercourses affected by hydropeaking.

## ECOSINT – Energy Community System INTEgration

A suitable architecture for local energy communities is being developed together with partners from the energy industry, automation technology and energy informatics, as well as representatives of the regulatory authority and other grid operators. The intent is to use this for community plants, renewable energy communities or citizens' energy communities and to enable the use of flexibilities such that local energy communities can be integrated into the overall system in a way that benefits the grid and is conducive for the system as a whole.

## Digitalisation and automation initiatives

Energie AG is consistently pushing forward with its digitalisation and automation initiative. This generates direct benefits for internal processes, such as projects in power plant maintenance where a strategy for the predictive maintenance of power plants was launched, a digital dam monitoring system was developed, and a "digital twin" of a dam was created.

In the waste management area, the handling (sampling, emptying, repackaging) of hazardous liquid substances has been made easier and safer for employees by automated processing and industrial robots.

Customers are also benefitting directly from Energie AG's initiatives such as the "Water under Control" pilot project in the scope of which smart water meters were tested in two Upper Austrian communities. The smart water meters offer customers additional features, such as an overview of consumption trends and an alert in the event of unusual consumption developments, for example due to leaks in the building. Municipalities can benefit from simplified meter readings and plan pool fills in a better way.



## KEY PERFORMANCE INDICATORS

### Group overview

	Unit	2020/2021	2019/2020	Change
Electricity procurement	GWh	16,509	15,965	3.4%
Electricity procured from third parties	GWh	13,340	12,511	6.6%
Proprietary electricity procurement <sup>1)</sup>	GWh	3,169	3,454	-8.3%
Thermal power plants	GWh	583	816	-28.6%
Renewable energy	GWh	2,586	2,638	-2.0%
Group's own hydropower plants	GWh	1,096	1,112	-1.4%
Procurement rights from hydroelectric power	GWh	1,285	1,321	-2.7%
Other renewable energy (photovoltaics, wind, biomass)	GWh	205	205	0.0%
Electricity grid distribution volume to end customers	GWh	8,231	7,677	7.2%
Electricity sales volume <sup>2)</sup>	GWh	6,990	7,327	-4.6%
Gas grid distribution volume to end customers	GWh	19,379	19,205	0.9%
Gas sales volume	GWh	6,407	6,113	4.8%
Heat procurement	GWh	1,796	1,685	6.6%
Heat sales volume	GWh	1,663	1,566	6.2%
Total waste volume handled	1,000 t	1,876	1,691	10.9%
Incinerated waste volume	1,000 t	586	624	-6.1%
Invoiced drinking water volume	m <sup>3</sup> mill.	57.2	56.6	1.1%
Invoiced waste water volume	m <sup>3</sup> mill.	45.1	44.3	1.8%
Length of fibre-optic network	km	7,021	6,600	6.4%

1) of which in the fiscal year 2020/2021 3,167 GWh on the domestic market (previous year: 3,451 GWh)

2) of which in the fiscal year 2020/2021 5,265 GWh distribution to consumers on the domestic market (previous year: 5,354 GWh)

Unless otherwise stated, the key performance indicators given in the following segment report always refer to the respective segment.

## SEGMENTS

In accordance with internal reporting and pursuant to IFRS 8 “Operating segments”, the Energy, Grid, Waste Management, Czech Republic and Holding & Services Segments will be reported on in the [Notes to the Annual Consolidated Financial Statements, Section 7. Segment reporting › Page 162](#).

Segment name	Activities included
Energy	Production, trade and sales of electricity, gas, heat and telecommunications services
Grid	Construction and operation of the electricity and gas grids
Waste Management	Acceptance, sorting, incineration and landfilling of waste
Czech Republic	Supplying drinking water, waste water management, and supplying heat in the Czech Republic
Holding & Services	Telecommunications and metering services, service companies and management functions; associated at-equity companies which are not allocated to other segments

## ENERGY SEGMENT

### Energy Segment overview

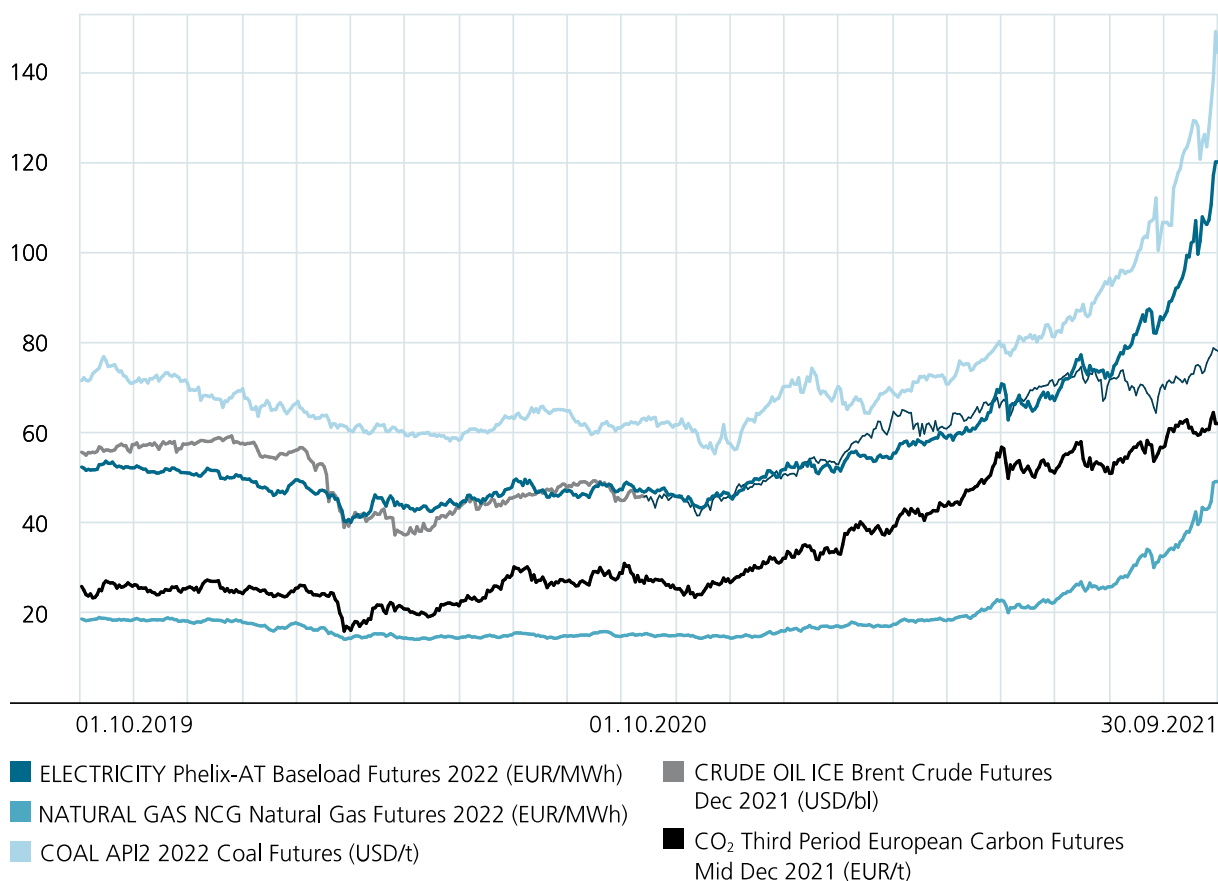
	Unit	2020/2021	2019/2020	Change
Total sales	EUR mill.	1,346.1	1,087.8	23.7%
EBIT	EUR mill.	82.4	59.5	38.5%
Investments in property, plant and equipment and intangible assets	EUR mill.	25.2	22.0	14.5%
Workforce (on average)	FTE	464	469	-1.1%
Electricity procurement <sup>1)</sup>	GWh	16,315	15,759	3.5%
Proprietary electricity procurement	GWh	2,975	3,248	-8.4%
Electricity sales volume	GWh	6,990	7,327	-4.6%
Gas sales volume	GWh	6,407	6,113	4.8%
Heat procurement	GWh	1,355	1,299	4.3%
Heat sales volume	GWh	1,240	1,197	3.6%

1) incl. third-party procurement

## ECONOMIC ENVIRONMENT FOR THE ENERGY SECTOR

### Price development on international energy markets

Sources: EEX, Refinitiv



The forward market prices for **electricity** for delivery in 2022 in Austria showed a clear upward trend in fiscal year 2020/2021. The main influencing factors here were the prices for coal, gas and CO<sub>2</sub> emission allowances as well as the macroeconomic development. After slumping to EUR 43.2/MWh in November 2020, prices moved steeply upwards, especially from summer 2021 onwards. The price for the annual base of 2022 in the price zone Austria reached its highest value on 30 September 2021 at EUR 132.9/MWh. The average price was EUR 63.9/MWh in the 2020/2021 fiscal year. On the spot market, prices rose by around 95% compared with the same period of the previous year. The average European Power Exchange (EPEX) spot price base for delivery in Austria in the reporting period was EUR 64.9/MWh with a volatile development, with prices rising sharply since the summer.

The **oil price** for delivery in December 2021 rose from a low of USD 41.4/barrel of Brent crude oil on 29 October 2020 to peak at USD 78.7/barrel on 27 September 2021. Among other factors, the increase can be explained by the global economic upswing following the slump caused by the COVID-19 pandemic.

A supply shortage in deliveries from Russia, an increased LNG (liquefied natural gas) outflow to Asia and comparatively low storage levels led to a strong increase in prices for **natural gas** in the second half of the reporting period, which resulted in an overall higher risk position for the Group. The NetConnect Germany (NCG) gas price for the front year 2022 rose in the 2020/2021 fiscal year from EUR 14.7/MWh at the beginning of October 2020 to EUR 57.4/MWh at the end of September 2021. **Coal prices** also showed a strong upward trend over the reporting period.

In the fiscal year 2020/2021, prices for **CO<sub>2</sub> emission allowances** fluctuated between EUR 23.2/t and EUR 64.4/t. This continuous increase since October 2020 was mainly triggered by resolutions relating to tightening the EU climate targets.

## | BUSINESS DEVELOPMENT IN THE ENERGY SEGMENT

The Energy Segment generated sales revenues of EUR 1,346.1 million in the reporting period. This represents an increase of 23.7% compared with the previous year's value of EUR 1,087.8 million. The main reason for this is the significant increase in wholesale prices for electricity and gas from the summer of 2021, which led to sales revenue increases in the management of power plants and electricity procurement contracts, in energy trading and in sales.

In fiscal year 2020/2021, the EBIT of the Energy Segment amounted to EUR 82.4 million and was 38.5% up on the previous year's EBIT of EUR 59.5 million. In the generation sector, declines due to the low water level and the reduced use of the Timelkam CCGT power plant were more than compensated for by higher earnings contributions from Cogeneration-Kraftwerke Management Oberösterreich GmbH (CMOÖ GmbH), higher prices on the electricity market and lower maintenance expenses.

In the reporting period, a reversal of impairment in the amount of EUR 2.8 million was made for the Timelkam CCGT power plant due to increased expectations of future earnings contributions; there was also a reversal of impairment in the amount of EUR 4.4 million due to the changed assessment of the feasibility of the Ebensee pumped storage power plant project. The EBIT for the reporting period also includes a provision of EUR 6.8 million for the 7Fields gas reservoir. For more details on this and other value adjustments, see the [Notes to the Consolidated Financial Statements, section 16. Intangible Assets and Property, Plant and Equipment › Page 172](#).

The previous year's EBIT included impairments in the amount of EUR 1.8 million for the Timelkam CCGT power plant, in the amount of EUR 7.0 million for the 7Fields gas reservoir and in the amount of EUR 2.1 million for district heating plants.

## HIGH ELECTRICITY TRADING SALES REVENUES AND LOWER PROPRIETARY ELECTRICITY PROCUREMENT

**Total electricity procurement in the Energy Segment** in the 2020/2021 fiscal year totalled 16,315 GWh and was 3.5% higher than in the previous year (15,759 GWh). This development was mainly caused by the strong increase in the amount of electricity procured from third parties, which was 6.6% higher than the previous year's figure (12,511 GWh) at 13,340 GWh. Proprietary electricity procurement of 2,975 GWh in the reporting period was 8.4% lower than in the previous year (3,248 GWh).

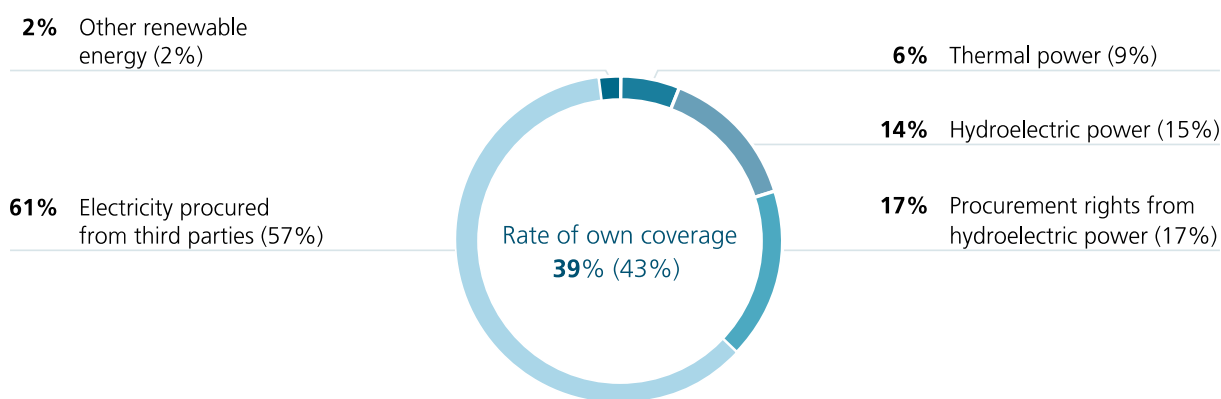
**Electricity production from thermal capacities** in the Energy Segment dropped by 32.4% from the previous year's value of 688 GWh to 465 GWh. This downturn is attributable on the one hand to the lower utilisation of the CCGT power plant Timelkam compared to the previous year. In the reporting period, the CCGT power plant Timelkam was used as a power reserve in the scope of congestion management.

As the water level was 2.5% lower compared with the previous year, **proprietary electricity procurement from hydroelectric power** during the 2020/2021 fiscal year totalled 2,381 GWh, which is 2.1% below the previous year's figure of 2,433 GWh. Compared with the long-term average, river water levels were 6.1% below average in the reporting period. The hydro coefficient of the Group's own power plants and procurement rights was 0.94 during the reporting period (previous year: 0.96).

The electricity procurement structure in the Energy Segment was as follows in the reporting period:

### Electricity procurement structure without electricity trading

2020/2021; previous year's figures in brackets



In connection with the strategic goal of expanding electricity generation from renewable energies, the construction of the replacement hydropower plant Dürnau was completed in the 2020/2021 fiscal year and was successfully commissioned in May 2021.

In addition, the preliminary projects for the construction of the new Weissenbach power plant and the replacement power plant Traunfall were pushed forward as part of the preliminary environmental impact assessment (EIA) procedure.

Due to the changing conditions in the energy market, especially the expansion of volatile forms of generation such as wind power and photovoltaics, there is an increasing need for additional, high-performance flexibility and storage capacities. This is why project activities for the Ebensee pumped-storage power plant were resumed in the 2020/2021 fiscal year. The legally binding EIA approval notice for the project was secured as early as in the 2016/2017 fiscal year. The final construction decision will be made after completion of the preliminary project started in the reporting period.

Ennskraftwerke AG, in which Energie AG holds a participating interest of 50%, also reported electricity production below the long-term average in the 2020/2021 fiscal year, with a hydro coefficient of 0.88 (previous year: 0.96). Refurbishment of the St. Pantaleon power plant on the Enns river began in the period under review. Energie AG holds electricity procurement rights to the hydropower plants of Ennskraftwerke AG and Verbund Hydro Power GmbH with a total annual standard production capacity of about 1,410 GWh.

Energie AG's **wind power portfolio** in Austria continues to comprise investments in four wind parks with a pro rata overall performance of nearly 14.7 MW. Generation from wind power in the reporting period was 35 GWh (previous year: 37 GWh). Currently, the Munderfing wind park is being expanded by another system with an output of 3.45 MW, which will start operations in autumn 2022.

Energie AG operates **photovoltaic plants** in Austria and Italy via subsidiaries with a total capacity of 14 MW<sub>p</sub> (previous year: 12 MW<sub>p</sub>). 13 GWh of electricity was generated by PV systems in the 2020/2021 fiscal year (previous year: 12 GWh).

The distribution of **district heating** from the power plant locations in Riedersbach and Timelkam was 257 GWh, an increase of 10.8% compared with the previous year (232 GWh). The basic project Gmunden district heating supply has now been concluded. Investments in the remaining district heating supply networks mainly concern network densification measures.

In Laakirchen, CMOÖ GmbH supplies a key account customer with electricity and process heat through a CCGT power plant, as well as several adjacent companies with district heating. The volume of process heat and district heating distributed to customers during the 2020/2021 fiscal year amounted to 720 GWh and was therefore at the same level as in the previous year (726 GWh).

## A CHALLENGING BUT SUCCESSFUL YEAR FOR THE SALES UNIT OF ENERGIE AG

Despite numerous uncertainties and challenging general energy policy conditions, Vertrieb GmbH can look back on a successful 2020/2021 fiscal year in which several factors had a positive impact on the result.

Contrary to expectations, there was no significant negative impact on customers' purchasing behaviour in the reporting period. The relaxation of COVID-19 measures and the accompanying economic upswing counteracted possible negative effects in a timely manner. The feared losses on receivables did not materialise either – the level of insolvencies was even lower than in previous years.

Due to the colder winter compared to the previous year, higher sales volumes were recorded in all temperature-dependent sectors. The number of heating degree days in Upper Austria in the reporting period increased by 12.1% compared with the previous year, and was 7.9% above the average for the past five years. Improved customer loyalty also had a positive effect on the sales result.

In the 2020/2021 fiscal year, the Supervisory Board gave its approval for the termination of the electricity and gas sales activities in Germany.

## Electricity

At 6,990 GWh, Energie AG's consolidated electricity sales volume in fiscal year 2020/2021 was 337 GWh below the previous year's figure of 7,327 GWh.

In the business and industrial customers sector, the loss of customers was limited despite intense competitive pressure. The volumes in the residential, commercial and municipal customer sector were above the previous year's level; this is attributable on the one hand to the colder winter and on the other to the good business development.

## Gas

At 6,407 GWh, the volume of gas sold by Energie AG in the 2020/2021 fiscal year was 4.8% above the previous year's figure of 6,113 GWh.

Sales were up in the business and industrial customers sector despite challenging general conditions and fierce competition. The volumes in the residential, commercial and municipal customer sector were also above the previous year's level due the colder winter and positive business development.

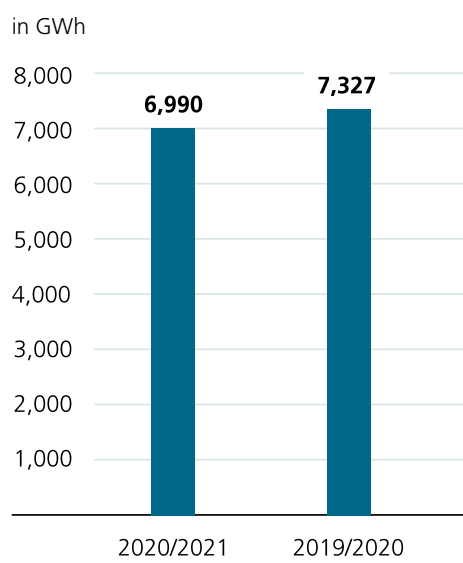
## Heat

The heat sales volume in Austria amounted to 1,240 GWh in the 2020/2021 fiscal year; this was up 3.6% on the previous year's figure of 1,197 GWh due to weather conditions. In addition to the district heating sales volume and the heat sales volume supplied to customers by CMOÖ GmbH, the heat sales volume also includes the energy contracting business area.

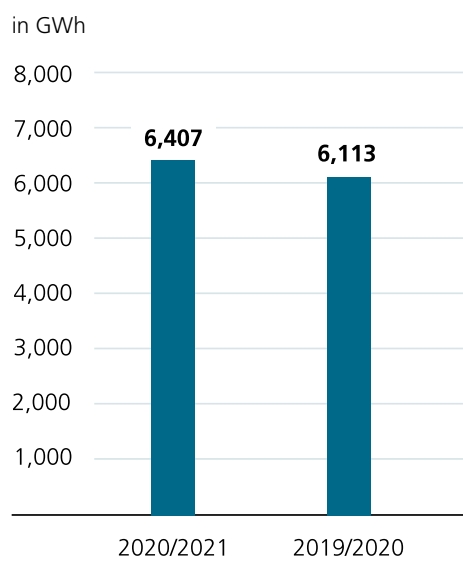
## Telecommunications

In the 2020/2021 fiscal year, a total of 13,000 subscribers was exceeded for the first time, despite limited sales activities due to statutory lockdowns. As at the end of the reporting period, some 13,200 customers were actively using Energie AG's products (previous year: 8,800). Despite the challenging competitive environment, Energie AG was also able to convince more customers in the business customer sector of its product benefits.

### Electricity sales volume



### Gas sales volume



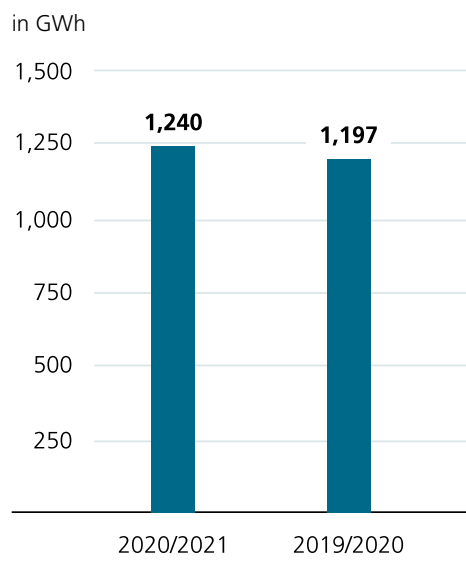
## Photovoltaics

In the 2020/2021 fiscal year, 50 PV contracting systems at customers with an output of around 8.4 MW<sub>p</sub> were operated; contracts for 20 new photovoltaic plants totalling 4.0 MW<sub>p</sub> currently under construction were concluded in the 2020/2021 fiscal year.

## Electromobility

The focus of electromobility activities is currently on charging solutions and the targeted establishment of public charging stations. Energie AG currently operates 128 publicly accessible charging stations and manages a total of over 425 charging points.

### Heat sales volume Austria





## GRID SEGMENT

### Grid Segment overview

	Unit	2020/2021	2019/2020	Change
Total sales	EUR mill.	380.9	366.6	3.9%
EBIT	EUR mill.	37.2	36.9	0.8%
Investments in property, plant and equipment and intangible assets	EUR mill.	103.6	94.6	9.5%
Workforce (on average)	FTE	535	534	0.2%
Electricity grid distribution volume to end customers	GWh	8,231	7,677	7.2%
Gas grid distribution volume to end customers	GWh	19,379	19,205	0.9%

### STATUTORY AND REGULATORY FRAMEWORK IN THE GRID SEGMENT

The Renewable Energies Expansion Act, announced on 27 July 2021, also brought about numerous innovations for the Grid Segment. The required adjustments to processes and tools were therefore initiated during the reporting period.

As an operator of essential services in the sense of the **Austrian Network and Information System Security Act (NISG)**, Netz OÖ GmbH is required to comply with stricter requirements for the information security of its ICT services (network and information systems) and also to demonstrate its compliance. The implementation measures within the Group include the introduction of an information security management system in line with ISO/IEC, taking into account ISO 27019, the NIS fact sheets and the utility minimum standard of the electricity industry. Preparations for certification of Netz OÖ GmbH in line with ISO 27001 are in progress. In the reporting period, a Chief Information Security Officer (CISO) was appointed at Netz OÖ GmbH for this purpose.

The grid utilisation fees in the electricity sector increased by between 0.2% and 1.7% as at 1 January 2021. This increase is a consequence of the necessary investing activities in the grids due to stricter requirements. The **regulatory parameters** established remained stable in the 4th regulatory period.

In the gas sector, the grid usage fees for consumers at grid level 3 fell by 4.3% on 1 January 2021, while those for consumers of grid level 2 increased by 2.9%.

The general economic conditions for gas have been defined for the 3rd regulatory period since 1 January 2018, but the Austrian Federal Economic Chamber and the Federal Chamber of Labour have objected against the stipulations made by the regulatory authority. The decision for 2020 is still pending. A decision for the years 2018 and 2019 was issued by the Federal Administrative Court last year. This decision defined the regulatory framework, which is tantamount to a deterioration for the industry compared to the original decision. The parameters of the 3rd regulatory period remain stable on this reduced basis. The roll-up of fiscal years 2018 and 2019 was reflected in the 2021 rates.

### BUSINESS DEVELOPMENT IN THE GRID SEGMENT

The Grid Segment generated sales revenues of EUR 380.9 million in the reporting period. This represents a moderate increase of 3.9% compared with the previous year's sales revenues. In

fiscal year 2020/2021, the EBIT of the Grid Segment amounted to EUR 37.2 million and was EUR 0.3 million up on the previous year's EBIT of EUR 36.9 million .

In terms of operational activities, the regulatory tariff increase in the electricity sector and volume increases had a positive effect on sales revenues in the reporting period. Higher upstream grid costs and grid losses, as well as increased expenses for maintenance, personnel costs and depreciation, have been offset by higher sales revenues, resulting in a moderate overall improvement in results.

## ELECTRICITY AND GAS GRID AS THE BACKBONE OF THE UPPER AUSTRIAN SUPPLY INFRASTRUCTURE

In the 2020/2021 fiscal year, 8,231 GWh of electricity was distributed to end users from the **electricity grid** (previous year: 7,677 GWh). This represents an increase of 554 GWh (+7.2%) compared with the previous year. The volume increase mainly resulted from the industrial and commercial customer sector, which has recovered slightly from the COVID-related declines in the previous year. As of 30 September 2021, Netz OÖ GmbH supplied approx. 517,000 active customer installations.

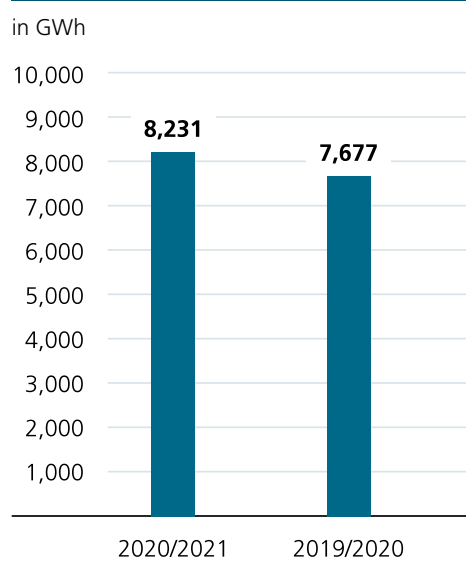
A series of summer thunderstorms with hail and heavy rain in June, July and August 2021 posed a challenge for grid operations. What was unusual here was not the individual events themselves, but the number of consecutive events in a short period of time. In this situation, the 110 kV high-voltage grid once again proved to be the strong and reliable backbone of the Upper Austrian electricity supply.

In the 2020/2021 fiscal year, the activities focused on the consistent implementation of the "Electricity Grid Master Plan Upper Austria 2028" (Stromnetz-Masterplan Oberösterreich 2028) in addition to regular grid upgrade and expansion measures. After delays in previous years due to the extremely difficult project environment, the "Alm- und Kremstal electricity supply" line was commissioned at the end of June 2021. In the "Pramtal south electricity supply" project, more than 50% of the line construction work was completed. The detailed routing in the preferred corridor is available for the "Mühlviertel electricity supply" project; an expert dialogue between the project applicants and the IG Landschaftsschutz Mühlviertel (IGLM; environmental protection action group) has not yet been concluded. The environmental impact submission (EIS) for the "completeness check" in the "Central Region Upper Austria Electricity Supply" joint project was submitted to the appropriate authorities under the leadership of Austrian Power Grid AG with the participation of LINZ NETZ GmbH; the submission for the EIA procedure is planned for December 2021. In October 2020, work began on the construction of a new substation in Hörsching while work started on the Ohlsdorf substation in August 2021.

The programme to replace overhead medium-voltage lines that are particularly susceptible to disruption with underground cable proceeded in the year under review. A further 7 kilometres of overhead power lines were replaced by underground cables.

Due to the increased integration of local electricity generation facilities, ensuring voltage quality for grid customers on the low-voltage grid remains a big challenge. The installed capacity from photovoltaics is already around 396 MW (previous year: 283 MW) with around 30,100 connected systems (previous year: 24,100 systems). Lessons learned from research and development projects are being successfully adopted for efficient grid integration.

**Electricity grid distribution volume to end customers**



The **gas volume** transported for end customers in the Group's own grid increased by 0.9% to 19,379 GWh year-on-year in the 2020/2021 fiscal year (previous year 19,205 GWh). In the high-pressure area, gas volumes dropped, primarily due to lower proprietary electricity generation by industrial operations and power plants. In contrast, the volumes in the household and commercial sector were significantly above the previous year's level due to the higher demand for heating, resulting from the lower average temperature in the heating period of the reporting period.

In addition to the standard grid expansion and grid connections for larger business customers, extensive upgrades were carried out at the RS185 Heitzing, RS119 Lindach and RS441 Schärding reduction stations in the past fiscal year.

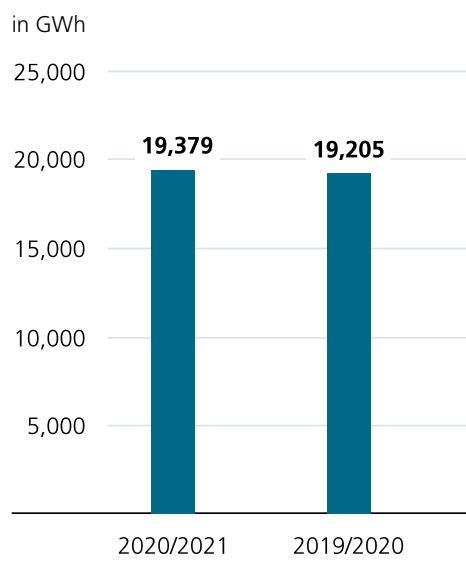
Three high-pressure natural gas pipelines over a total length of 79.8 km were investigated using intelligent pigging. Various repairs to high-pressure pipelines were carried out, and four pig locks were replaced or retrofitted.

In the Grid Segment, the implementation of a workforce management system, "DigiWork", continued during the reporting period, with the aim of implementing further digitalisation steps. Following completion of the smart meter roll-out in the Netz OÖ GmbH concession area in the 2019/2020 fiscal year, a smart meter upgrade project was launched in the reporting period in order to continue to successfully support new market models such as energy communities.

At the beginning of the 2021/2022 fiscal year, the "Metering" department entrusted with this project was transferred from Energie AG Oberösterreich Telekom GmbH (Telekom GmbH) to Netz OÖ GmbH. The organisational unit mainly handles metering tasks in line with ElWOG, in particular the smart electricity meters for Netz OÖ GmbH, and directly performs one of the tasks assigned to the regulated grid operator. The metering tasks for the Gas Segment have been in the Netz OÖ GmbH scope since the 2015/2016 fiscal year. To avoid an organisational change interfering with the demanding smart meter roll-out process, the metering tasks for the electricity sector were transferred after the roll-out had been completed at the turn of the 2021/2022 fiscal year. This means that these billing-relevant activities for electricity and gas have been united under the umbrella of the grid operator.

The first "Technical Safety Management in the Electricity Grid" certification and the first "Corporate Social Responsibility (CSR)" certification in line with ONR 192500 were successfully completed in the past fiscal year. The audits for the existing certifications in line with EN ISO 9001 and ÖVGW QS GNB 200 were also successfully completed.

#### Gas grid distribution volume to end customers



## WASTE MANAGEMENT SEGMENT

### Waste Management Segment overview

	Unit	2020/2021	2019/2020	Change
Total sales	EUR mill.	256.2	232.7	10.1%
EBIT	EUR mill.	29.6	27.1	9.2%
Investments in property, plant and equipment and intangible assets	EUR mill.	28.9	16.1	79.5%
Workforce (on average)	FTE	821	828	-0.8%
Total waste volume handled	1,000 t	1,876	1,691	10.9%
Incinerated waste volume	1,000 t	586	624	-6.1%

### ECONOMIC ENVIRONMENT FOR THE WASTE MANAGEMENT SECTOR

In contrary to what initially were unfavourable forecasts due to the preceding COVID-19 lockdowns, very good economic conditions prevailed in the 2020/2021 fiscal year.

Both nationally and internationally, the issue of the circular economy continues to be the focus of attention. In order to close the gap between waste management and production, the legislator is planning mandatory requirements for reusable or recyclable product designs, including the use of secondary raw materials. Corresponding targets defined at European level in the form of the Circular Economy Package pose major challenges for the actors involved, for example, in the establishment of new collection and sorting channels.

Plastic packaging is a particular focus: in order to reach the EU target of a 50% recycling rate in 2025, recycling must be doubled from 75,000 tonnes to 150,000 tonnes in the next five years. In addition, a new independent quota for separate collection of PET beverage bottles becomes mandatory as of 2025. In order to be able to achieve these high targets, the current draft amendment to the Waste Management Act envisages the mandatory, staggered introduction of reusable packaging quotas in the food industry as well as a commitment on the part of the beverage industry to charge a deposit on PET and aluminium containers as of 1 January 2025.

The import ban on various recyclable material fractions imposed by the Chinese Ministry of the Environment on 1 January 2018 and subsequently by other Asian countries continues to exert a strong influence on the entire waste management sector, resulting in shifts in global volume flows all told. The resulting high volumes of lower quality plastic waste ensured that all waste incineration plants across Europe continued to operate at high capacity in the reporting period. From today's perspective, this development can be considered to be sustainable, since, the statutory environment for exporting these waste fractions abroad has been tightened.

In contrast to the previous year, there was a clear reversal in the trend for recycling materials. The previously low paper prices due to market oversaturation – caused by the import restrictions discussed above and other factors – led to market concentration in the packaging industry. Due to the pandemic, the demand for mail-order products rose sharply, meaning that important production capacities were now lacking; this in turn resulted in a significant price increase, which was intensified by the increase in economic growth. While the Wiesbaden index for paper and cardboard packaging was still at 66.2 at the end of the

2019/2020 fiscal year, it rose steadily to 195.5 by the end of September 2021. The development of the prices for scrap metals was similarly dynamic; as a result of the global shortage of industrial and precious metals, prices have risen continuously, and in some cases sharply, since the beginning of the reporting period. The reason for this is the current high level of productivity in the construction industry, for which numerous economic stimuli were placed by the public sector in the past fiscal year.

## BUSINESS DEVELOPMENT IN THE WASTE MANAGEMENT SEGMENT

In the 2020/2021 fiscal year, sales revenues in the Waste Management Segment amounted to EUR 256.2 million. Compared to the previous year, this represents an increase of EUR 232.7 million or 10.1%. EBIT increased by EUR 2.5 million to EUR 29.6 million compared with the previous year (EUR 27.1 million).

The increase in sales revenues was primarily due to the dynamic price development for recyclable materials such as paper/cardboard and scrap metal. This was accompanied by record sales revenue growth for these fractions in the 2020/2021 fiscal year, after prices had reached historic lows the year before. Sales revenues also grew in commercial and industrial waste, hazardous waste and the services offered.

While the previous year's result was positively influenced by the insurance payments made after the fire at the sorting plant in Hörsching, the following positive one-time effects occurred in the past 2020/2021 fiscal year: in the 2020/2021 fiscal year, reversals of impairment totalling EUR 4.7 million were made for waste incineration plants due to increased earnings expectations in the district heating supply sector and the now sustainable assessment of the positive market developments that have prevailed for some time.

Despite the lower throughputs at the two waste incineration plants, operational results improved due to the positive price development for recycling materials and higher profit contributions from classic waste management services.

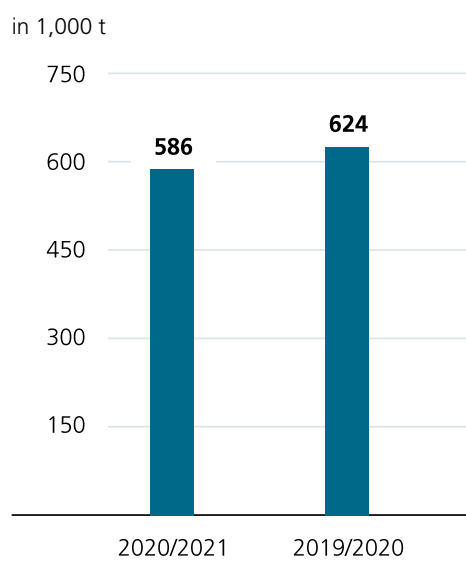
## UTILISATION OF THE WASTE INCINERATION PLANTS

The **waste incineration plants at Wels and Lenzing** achieved a **throughput** of about 585,500 tonnes of incinerated waste. This represents a decrease of 6.1% compared with the previous year. Among other things, the increased plastic content in the waste contributed to a higher calorific value and thus lower throughputs in the waste incineration plants. Due to unplanned shutdowns, fewer operating hours were recorded than in the previous year.

In addition, the annual inspection cycle of both incineration lines at the Wels facility was changed in the second half of the 2020/2021 fiscal year. For the second incineration line, which was previously overhauled across fiscal years, this resulted in more shutdown days in the reporting period, which also had a negative impact on throughput volumes. At the Lenzing waste incineration plant, the annual inspection took place as planned.

In the reporting period, the waste incineration plant in Wels distributed 234 GWh of **heat** (previous year: 198 GWh) to the district heating network of the town of Wels and to one other key account customer. Electricity procurement totalled 194 GWh

### Incinerated waste volume



(previous year: 206 GWh). The decrease is due to the change in the inspection interval of the second incineration line.

The **treatment plants for hazardous waste** in Steyr were again very well utilised in the year under review. In terms of maintenance, the focus was primarily on the renovation of the CPO plant (chemical/physical treatment plant for organic waste).

Compared with the fiscal year 2019/2020, the **total volume handled** in the Waste Management Segment increased by approx. 10.9% to a total of some 1,876,000 t (previous year: 1,691,000 t). While the volumes of commercial waste and recycling materials in Austria increased, there was a decrease in volumes in South Tyrol.

In addition to cooperation in projects to further develop the recycling of used plastics, work on several digitalisation projects was also pushed forward. In addition, the conversion of the paper sorting plant in Linz was completed, and modernisations and expansions were realised at several locations in the reporting period.

Preparations started at the Wels site for the planned further expansion of district heating extraction from Welser Abfallverwertung (WAV), in order to be able to supply the city and the neighbouring areas in an even better way looking forward.

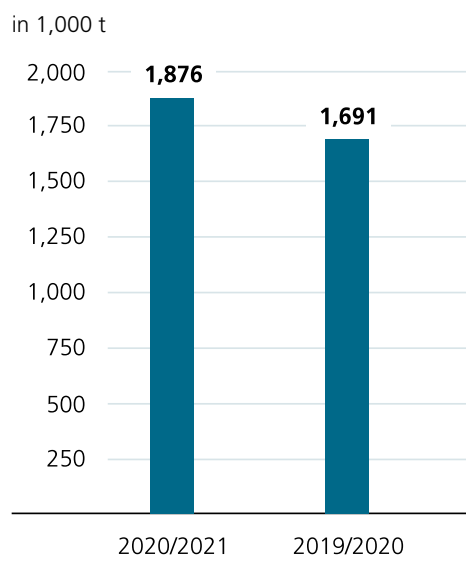
In the year under review, construction work was largely completed for the **relocation of the** Energie AG Oberösterreich Umwelt Service GmbH (Umwelt Service GmbH) **headquarters** from Hörsching to the Wels waste incineration plant. The first stage of the relocation began in mid-October 2021.

The Federal Competition Authority (BWB) is conducting investigations throughout Austria into the area of collection and transport in the waste management industry. In the course of these investigations, the premises of Umwelt Service GmbH at the Hörsching site were also searched on 16 March 2021. Umwelt Service GmbH is actively involved in the investigation and has assured the BWB of its full willingness to cooperate.

At the Neumarkt location in **South Tyrol**, process optimisation through digitalisation was further advanced in the past fiscal year. Despite declining recovered paper volumes and volatile substitute fuel production, it was possible to improve the result compared to the previous year. Glass sorting saw a similarly positive development.

At **WDL-WasserdienstleistungsGmbH** (WDL GmbH), the contract for the supply of drinking water to the greater Wels area was extended on a long-term basis. The general conditions for drinking water supply and waste water disposal in Austria were largely stable during the reporting period. At WDL GmbH, the main focus was on maintaining the secure supply of drinking water and further developing the services offered.

**Total waste volume handled**



## CZECH REPUBLIC SEGMENT

### Czech Republic Segment overview

	Unit	2020/2021	2019/2020	Change
Total sales	EUR mill.	173.2	160.5	7.9%
EBIT	EUR mill.	11.1	9.8	13.3%
Investments in property, plant and equipment and intangible assets	EUR mill.	9.1	9.5	-4.2%
Workforce (on average)	FTE	1,718	1,681	2.2%
Invoiced drinking water volume	m <sup>3</sup> mill.	48.2	47.5	1.5%
Invoiced waste water volume	m <sup>3</sup> mill.	45.1	44.3	1.8%

### | GENERAL CONDITIONS IN THE CZECH REPUBLIC

In the 2020/2021 fiscal year, a positive economic development was recorded in the Segment despite the tense COVID-19 situation in the Czech Republic. The measures taken by the Czech government due to the above-average number of COVID-19 cases compared to other members of the European Union, led to drastic restrictions in the daily lives of the population and also had a significant impact on companies, especially in the first half of the reporting period.

In the course of the COVID-19 pandemic that has prevailed since March 2020, Energie AG was perceived in the Czech Republic as a stable and increasingly attractive employer. Despite the generally challenging economic climate, it was possible to maintain operations in full and generate a stable contribution to earnings. The high level of job security in infrastructure business contributed to a further strengthening of the company's position on the labour market, which had been very tense from an employer's point of view until the COVID-19 pandemic.

The dynamic developments on the European energy markets also led to massive price increases for electricity and gas in the Czech Republic towards the end of the 2020/2021 fiscal year. In the gas sector, this specifically affects the heat supply companies during the winter months. Heat and hot water are generated regionally here, mainly with gas boilers and gas cogeneration. In terms of water supply and waste water disposal, the electricity required for treatment and distribution plays a major role. Due to the sharp increase in market prices, the supplier for media gas and electricity announced difficulties in providing the ordered energy quantities at the agreed prices. As a result, Energie AG took measures to mitigate the impact in the form of alternative procurement options and a settlement with the previous supplier.

After a volatile development, the Czech koruna improved in value against the euro with an average exchange rate of around EUR/CZK 25.9.

### | BUSINESS DEVELOPMENT IN THE CZECH REPUBLIC SEGMENT

In the 2020/2021 fiscal year, the Czech Republic Segment generated stable sales revenues of EUR 173.2 million in its water and heating business (previous year: EUR 160.5 million). In addition to positive developments in the operational business, the increase in turnover is due to exchange rate effects and the first-time inclusion of VaK Zápý s.r.o., which was acquired on 6 December 2019.

The Czech Republic Segment generated an EBIT of EUR 11.1 million in the reporting period (previous year: EUR 9.8 million). This is equivalent to an increase of 13.3%, which is mainly attributable to higher sales volumes and price increases in the water and waste water sector. The services sector focuses on construction services for the municipal water management infrastructure, sewer services, smart meters etc., and also showed a slightly positive development in the reporting period.

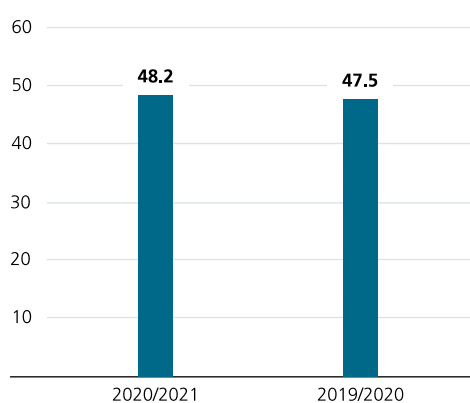
A higher EBIT contribution compared with the previous year was achieved in the heating sector in the Czech Republic due to the low outside temperatures which resulted in higher sales volumes in the reporting period.

## | STABLE DEVELOPMENT IN THE CZECH REPUBLIC

In the Czech Republic Segment, a total of 48.2 million m<sup>3</sup> **drinking water** (previous year: 47.5 million m<sup>3</sup>) and 45.1 million m<sup>3</sup> of **waste water** (previous year: 44.3 million m<sup>3</sup>) were invoiced in the reporting period.

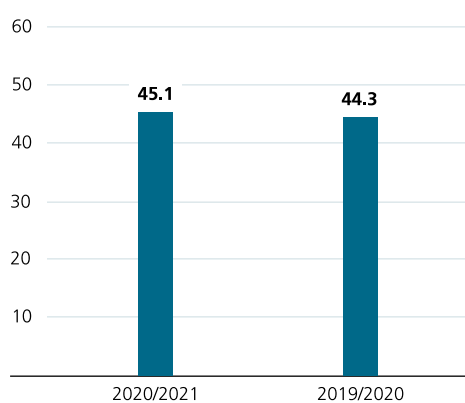
### Invoiced drinking water volume

in m<sup>3</sup> mill.



### Invoiced waste water volume

in m<sup>3</sup> mill.



In total, this corresponds to slightly higher volumes in drinking water and waste water business, although developments varied from region to region on the basis of settlement structure and industrial production.

On the market side, tenders were won and contracts extended in the operating areas of Jindřichův Hradec, Tábor and Krumlov. Along with České Budějovice, Tábor and Krumlov are the most important concession contracts of ČEVAK a.s. with the largest share of sales revenues.

The **heat sales volume** in the Czech Republic amounted to 189 GWh in the reporting period, which is 10.5% above the previous year's figure (171 GWh). This development was mainly due to the low temperatures last winter. This was also reflected in the development of heating degree days, which increased compared to the previous year from an average of 3,168 heating degree days to 3,574 heating degree days in the reporting period.

In the reporting period, significant development steps were taken in the Czech Republic Segment in the area of operations and customer services digitalisation. Current digitalisation projects focus on smart metering in Beroun and smart metering and grid digitalisation in Kolín. Studies on the subject of "Further digitalisation of dispatching and operations" and on the development of a "digital twin" for a sewage treatment plant with the aim of further optimising the physical system by means of digital twinning are ongoing. The "Water under



Control” application developed by ČEVAK a.s. in České Budějovice was successfully tested in Austria during the reporting period and further steps were prepared.

Energie AG Oberösterreich Bohemia GmbH is participating in the utility management training of IAWD (“International Association of Water Service Companies in the Danube River Catchment Area”) in cooperation with its Czech subsidiaries. This training programme is aimed at junior managers in the water supply sector, as a need to support and improve the management culture in this sector has been identified.

## HOLDING & SERVICES SEGMENT

### Holding & Services Segment overview

	Unit	2020/2021	2019/2020	Change
Total sales	EUR mill.	274.7	259.9	5.7%
EBIT	EUR mill.	28.1	14.4	95.1%
Investments in property, plant and equipment and intangible assets	EUR mill.	48.3	55.0	-12.2%
Workforce (on average)	FTE	1,055	1,048	0.7%
Length of fibre-optic network	km	7,021	6,600	6.4%

### BUSINESS DEVELOPMENT IN THE HOLDING & SERVICES SEGMENT

The Holding & Services Segment generated sales revenues of EUR 274.7 million in the reporting period. This is equivalent to an increase of EUR 14.8 million or 5.7%. This positive development was attributable to sales revenue growth in the telecommunications business area and across all service companies.

The operating result rose from EUR 14.4 million in the 2019/2020 fiscal year to EUR 28.1 million in the reporting period. The main reason for this development was an increase in the share of earnings from investments consolidated at equity due to reversals of impairment in the amount of EUR 15.4 million. This reversal of impairment was made on the basis of expected future payment surpluses from Wels Strom GmbH as a result of the additional procurement of heat from a waste incineration plant, the exploitation of synergy effects through the transfer of operational management in the area of hydroelectric power and the electricity grid as well as restructuring measures.

In addition, the result in the Holding & Services Segment was influenced by higher EBIT contributions from the telecommunications business area and the service areas, and by increased expenses in the holding environment. In the previous year, EBIT included higher property sales than in the reporting period in addition to impairments on telecommunications equipment.

### UNABATED DEMAND FOR BROADBAND INTERNET

Even though the COVID-19 situation eased in the second half of the last fiscal year and home office and home schooling activities were increasingly replaced by attendance-based teaching, the demand for high-speed internet remained high.

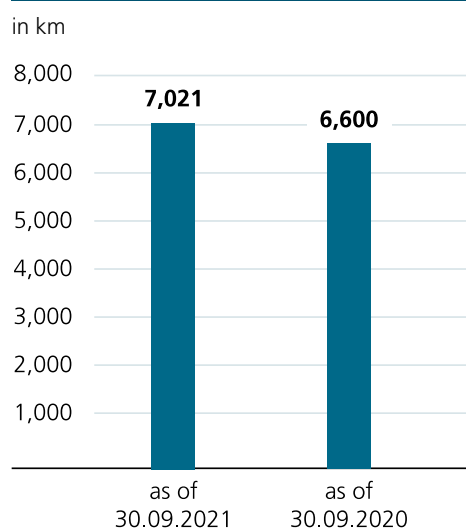
The situation in the past eighteen months has shown that video conferences can make valuable contributions to time-saving and efficient work in everyday professional or school life. In addition, the choice of private entertainment offerings and streaming providers is constantly growing. A fast and stable internet connection based on future-proof fibre-optic technology is therefore becoming increasingly important for large parts of the population.

With a view to this, Fibre-To-The-Home (FTTH) expansion was continued as planned in the 2020/2021 fiscal year. By the end of the reporting period, more than 45,000 Upper Austrian households already had the opportunity to connect to Energie AG's fibre-optic network. As of 30 September 2021, the length of the Group's own fibre-optic network had reached 7,021 km (previous year: 6,600 km).

In addition to fibreglass as a landline technology, LTE and/or 5G technology will become firmly established in the mobile sector. For this reason, Telekom GmbH intends to leverage business opportunities also in this sector by connecting mobile transmitter sites to the company's own fibre-optic network.

Another area of Telekom GmbH's business activity has been implementing smart metering to provide electricity metering services for Netz OÖ GmbH. Since the mass roll-out of smart meters has now been successfully completed and the legal requirements have been met in full, Telekom GmbH transferred the metering division to its affiliated company Netz OÖ GmbH at the beginning of the 2021/2022 fiscal year. In addition to the associated organisational work, the focus in the reporting period was on replacing the remaining analogue meters as well as on projects dealing with the further development and expansion of the smart meter system.

Length of fibre-optic network



## STRATEGIC INVESTMENTS

The at-equity consolidated companies Wels Strom GmbH and Salzburg AG, as well as further minority holdings complete the business portfolio of Energie AG.

**Wels Strom GmbH**, in which Energie AG holds a 49% interest, is the integrated electricity supply company of the city of Wels. Other business areas include heat generation for the municipal district heating network and energy systems for key account customers.

The new replacement construction of the Traunleiten hydropower plant, which began in 2017 and was completed in 2020, has been integrated into the Wels Strom GmbH procurement system as planned. The investment volume was EUR 48.0 million. The Traunleiten hydropower plant enables full coverage of the domestic electricity demand for the greater Wels area solely with green electricity from hydroelectric power. Output was doubled to 19 MW with annual production of 91 GWh in the future.

In the last reporting period (1 January 2020 to 31 December 2020), the electricity sales volume to customers fell to 692 GWh (2019: 723 GWh), 17% of which was covered by proprietary production, mainly from hydroelectric power; some 18% of the electricity distribution was generated outside the grid area of Wels Strom GmbH.

In the scope of an extensive strategy project that started in 2020, the owners of Wels Strom GmbH – eww ag and Energie AG – are realigning the supply of heat and energy to the Wels area in cooperation with the subsidiary. The aim is to leverage synergy potentials and improve service quality by creating a single point of contact for the Wels supply networks for electricity, district heating, gas, water and waste water. The operational implementation steps of this comprehensive future initiative started in the reporting period and will continue until the end of 2022.

In the summer of 2020, **Salzburg AG für Energie, Verkehr und Telekommunikation** (Salzburg AG) committed itself to a forward looking, growth-oriented strategy and therefore

set itself the task of strategic and organisational realignment. This is intended to underline the transformation from a simple utility and regional infrastructure service provider with activities in the fields of electricity, natural gas, district heating, water, mobility and telecommunications to a digital technology company. Energie AG holds a 26.13% interest in the entity.

Massive investments were made primarily in the growth fields of photovoltaics and e-mobility in the last complete fiscal year (1 January 2020 to 31 December 2020). The goal in the photovoltaic sector is to become one of the five largest suppliers of solar energy in Austria within the next seven years. The first steps were taken in the form of an investment in a start-up company focusing on IT security in the operation of photovoltaic plants. In the area of e-mobility, the milestone of 100 charging solutions for private and business customers was exceeded.

Every year, some EUR 25 million is invested in the expansion of broadband internet to create conditions which are conducive to new digital services. As part of its corporate venture programme, Salzburg AG is also investing in promising start-ups, for example in the area of smart pick-up stations for parcel delivery.

The course of business in the 2020 fiscal year was fraught by COVID-19-related declines in sales of electricity and gas as well as a decline in grid distribution volumes of electricity, gas, district heating and water. The transport sector was also hit hard by the pandemic, with passenger numbers dropping by an average of 30%. Electricity and gas sales to customers were at 3,304 GWh and 1,606 GWh, respectively, which is 4.8% and 6.7% below the level of the previous year. At 759 GWh, district heating sales were 2.4% down on the previous year's figure. As in the previous fiscal years, sales success was noted in cable TV and internet offerings. The number of internet customer systems exceeded a value of 107,000.

In total, Salzburg AG invested EUR 132.8 million in the reporting period, with a focus on the grid sector.

## | SHARED SERVICES

The four Group-wide service companies

- Energie AG Oberösterreich Business Services GmbH (Business Services GmbH),
- Energie AG Oberösterreich Customer Services GmbH (Customer Services GmbH),
- Energie AG Oberösterreich Personalmanagement GmbH (Personalmanagement GmbH) as well as
- Energie AG Oberösterreich Tech Services GmbH (Tech Services GmbH)

are combined in the Holding & Services Segment.

These service companies provide commercial and technical services for the entire Group in accordance with precisely defined quality and safety standards. These services are guided by external market conditions for similar products and services.

**Business Services GmbH** bundles services for the Energie AG Group in the areas of purchasing and logistics, real estate management, information technology, accounting, and insurance and legal services. The focus of work in the 2020/2021 fiscal year was on preliminary work for the introduction of the "digital logbook", the implementation of a large number of steps to improve IT security and the realisation of a preliminary project for S/4HANA transformation, the ongoing project to adapt the SAP system architecture for billing and customer services was continued with the project rollout for the gas sector being completed in the 2020/2021 fiscal year. In addition, the reporting period included the start of

the implementation phase for the extension to Group headquarters in Linz in the form of an office building with an energy-efficient design. At the same time, initial steps were taken in the scope of the construction of a new office and workshop building in Gmunden.

**Customer Services GmbH** bundles the Group's customer services and data protection back office, billing, provider switch management, receivables management and payment processing in customer-facing operations. In the 2020/2021 fiscal year, employees provided services for more than 1.5 million customer contracts.

In addition to the reliable provision of all services in the face of the continuing COVID-19 pandemic, the 2020/2021 fiscal year was characterised by many projects. In the reporting period, for example, the focus was on the topics of "blocking/unblocking of personal data" and "establishing market processes in the scope of the Renewable Energy Expansion Act package". Customer Services GmbH was also strongly involved in the project to adapt the SAP system architecture in the area of billing and customer services.

**Personalmanagement GmbH's** activities is both on matters related to personnel strategy and personnel policy for the Group, governed by the division "HR Strategy and Control", and on all agendas relating to personnel and management development, personnel support, personnel accounting and apprenticeship programs. In addition to the challenges posed by COVID-19, the focus in the 2020/2021 fiscal year was on employer branding activities, and in particular on the promotion of a trainee programme for graduates from technical schools (Höhere Technische Lehranstalt, HTL) and the development of campaigns for drivers and skilled workers. On top of this, junior staff were supported with individual development measures in the past fiscal year, in the scope of a re-run of the Power Talent Programme. A Group-wide survey of employees was implemented during the reporting period, as was a works council agreement for sabbaticals. The extension of the "berufundfamilie" (work and family) audit certificate for another three years and the associated measures to facilitate a good balance between work and family life formed another focus of human resources work.

As the central expertise owner for all technical services at Energie AG, **Tech Services GmbH** is the expert point of contact for planning, implementation and maintenance. These services were primarily provided for affiliated companies in the Group in the 2020/2021 fiscal year. Orders from external customers were also secured, especially in the area of highly specialised services and to balance capacity utilisation. In addition to renewed challenges posed by the COVID-19 pandemic, such as special protection measures to ensure the availability of critical infrastructure installation personnel and the handling of construction sites under special precautionary measures, increasing delivery difficulties for important components also had to be overcome. Despite these difficult conditions, it was again possible to process a substantial volume of orders this year.

## OUTLOOK

Shortly after the end of the reporting period, the Austrian Federal Government presented the key points of the eco-social tax reform on 3 October 2021; the reform is due to be phased in gradually starting in 2022. In addition to tax relief, this will mean greening of the tax system in the form of CO<sub>2</sub> pricing for energy applications in buildings and transport and for companies outside emissions trading from mid-2022; this in turn will lead to increases in the cost of, for example, non-outsourced logistics and also the price of gas.

Against the backdrop of the ongoing COVID-19 pandemic and imponderables such as supply chain issues, there are limits to the reliability of forecasts on the economic development for the fiscal year 2021/2022. Having said this, experts expect the economy in the Euro area to continue to develop dynamically, while inflation rates will be significantly higher than in the past.

At the end of the 2020/2021 fiscal year, prices on the international energy markets showed massive increases with records being broken almost daily. After prices reached their previous peaks at the beginning of October, a phase of high volatility and erratic price changes, which is still ongoing, followed. A highly volatile sideways movement of wholesale prices is expected to continue in the six months of winter. An easing of the situation can be expected subsequently, parallel to an increase in supply or a dip in demand for gas and coal. A return to the favourable energy prices seen immediately after the start of the COVID-19 pandemic is not to be expected. The development on the commodity markets provides an essential basis for pricing in the electricity and gas sectors. If the high level continues in the long term, Energie AG's risk on the procurement side will grow.

In addition to the demanding situation on the procurement markets, the general energy policy conditions – especially the ambitious targets for the expansion of renewable energies and CO<sub>2</sub> reduction – will also pose a major challenge for Energie AG in the 2021/2022 fiscal year.

Vertrieb GmbH intends to keep electricity and gas retail prices for existing private and business customers with standard products (with the exception of float prices) and fibre-optic internet constant, until at least 1 January 2023. Due to the dramatic increase in procurement costs, the prices for new customers in the area of electricity and gas had to be adjusted to market levels as of 16 November 2021.

Work on the Ebensee pumped-storage power plant project will push forward intensively in the coming fiscal year. The focus of the ongoing preparatory project is detailed planning and tender planning. Energie AG's thermal electricity production capacities continue to be highly significant for providing grid reserve management. The Timelkam CCGT power plant is also available to the transmission system operator for congestion management in the 2021/2022 fiscal year.

In the course of the comprehensive strategy project with eww ag, the heat supply to both households and businesses in the Wels area will be significantly expanded and condensed from 2021 onwards. In addition, a second large transport pipeline will be built in the north of the city in 2021 and 2022, while two state-of-the-art hot water generators will be built to secure the district heating supply. This will significantly increase heat extraction from the Wels waste incineration plant. Umwelt Service GmbH will start supplying heat to eww ag from 2022.

Beyond this, Energie AG will be taking over operational management of the new Traunleiten hydropower plant and other small power plants from 2022. Energie AG will therefore

manage the entire Traun power plant chain in the future; this will allow for further optimisation in the interaction of the generation plants, leading to a significant increase in efficiency in the production of green electricity.

The general regulatory conditions for the Grid Segment can continue to be assessed as stable in the electricity sector for the fiscal year. In terms of the general economic environment for gas, the decision for the year 2020 is still outstanding; having said this, it can be assumed that the parameters based on the decisions taken for the years 2018 and 2019 will be applied throughout the third regulatory period. One special focus will be the cost determination procedure for gas for the fourth regulatory period (probably from 1 January 2023), which was initiated in September 2021. In addition to current projects in the gas and electricity grids, other key areas of focus will be the implementation of the requirements of the Renewable Energy Expansion Act package announced on 27 July 2021 and preparations for certification in line with EN ISO 27001.

In the Waste Management Segment, prices for paper and metal recyclables are expected to flatten off in the fiscal year 2021/2022 after the sharp rise in the reporting period. In addition to cooperation with external partners in the context of recycling used plastics, further considerations are underway on reestablishing a plastic sorting facility.

In the Czech Republic, the upcoming energy transition with the phase-out of coal-based energy generation and a revamped climate policy holds numerous opportunities for Energie AG's Czech Republic Segment. This will require examining EU funding programmes in the area of energy efficiency, and the development projects for heat supply, water supply and waste water management. The current developments on the electricity and gas price market, which are dramatic in terms of costs, are being closely monitored, especially since these drastic price increases are putting suppliers, operators and customers under massive pressure with an outcome that cannot be predicted. In terms of services provided to municipalities and cities, there are no signs of a downturn in order volumes so far.

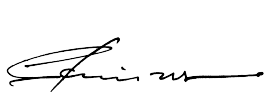
In the new fiscal year, the intent is to combine the Energie AG's capabilities in FTTH expansion with those of the Province of Upper Austria. This is designed to create optimal conditions for the roll-out of fibre optics in the entire region of Upper Austria. In the course of this, the intent is to spin off Energie AG's FTTH fibre-optic network into a joint entity. The focus for the fiscal year 2021/2022 in the fibre optics sector is therefore on the operational realisation of the spin-off and the organisational and process-related realignment of the remaining areas. Particularly in the remaining fibre-optic business customer sector, it is important to secure income in an increasingly competitive environment.

The focus of business activities in the 2021/2022 fiscal year will again continue to be on the reliable performance of all system-critical tasks, especially guaranteeing security of supply for customers. In addition to the long-term orientation of all services to customer needs, the focuses of digitalisation, innovation, regionality and financial stability will remain as important strategic objectives. The energy transition and circular economy, but also the turnaround in mobility, will require the industry to assume appropriate responsibility in the coming years on the one hand, but on the other, they also offer new opportunities that Energie AG seeks to leverage in a proactive manner.

Against the backdrop of currently highly volatile price developments on the international energy markets, and assuming a continued economic recovery, a satisfactory development of earnings is expected for the 2021/2022 fiscal year, although this probably will be below the very good results of the reporting period.

Linz, 03 December 2021

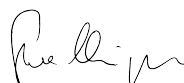
The Management Board of Energie AG Oberösterreich



**Chief Executive Officer**  
**DDr. Werner Steinecker MBA**  
Chairman of the Management Board  
CEO



**Dr. Andreas Kolar**  
Member of the Management Board  
CFO



**Dipl.-Ing. Stefan Stallinger MBA**  
Member of the Management Board  
COO



# Report on non-financial information 2020/2021 for Energie AG Oberösterreich

## LETTER BY THE MANAGEMENT BOARD

GRI 102-14

The COVID-19 pandemic has been a prominent feature of our everyday (working) lives for more than 18 months, as well as shaping our business decisions and the general conditions on which they are based. Especially in challenging times like these, the significance of entrepreneurial responsibility becomes clear from a socio-economic perspective and plays a more central role in our social texture. As an operator of critical infrastructure, one of the largest employers in the Province of Upper Austria, and enabler of a sustainable energy future, the Group feels committed to this social responsibility, which is why this fourth edition of our report on non-financial information is intended to offer insights into the business activities of Energie AG Oberösterreich (Energie AG) in the spirit of these principles.

Notwithstanding the continuing COVID-19 pandemic, climate change with its implications for the environment, our health, and our commercial conduct is topping the list of what is causing the younger generations great anxiety for their future. To protect our climate and natural environment, Energie AG has been advancing the production of energy from sustainable sources for many years. This is evident in the share of renewable energy sources in proprietary electricity procurement, which in the 2020/2021 fiscal year has – mainly thanks to regional hydroelectric power – increased to a record proportion, as well as in the CO<sub>2</sub> emission statistics, where the use of resource-conserving technologies and efficiency improvement measures have allowed us to achieve a further significant reduction. The production of electricity from sustainable energy sources is planned to increase by an additional 630 GWh by the year 2030, which will represent a significant contribution to a clean energy future for generations to come.

In light of the noticeable changes in our work and living environments, positioning the Group as a crisis-safe and responsible employer is becoming increasingly important. The establishment of additional flexible work time models, the option to take up to three months sabbatical leave, and the creation of demand-oriented childcare options for employees represent measures to increase employee satisfaction and cater to their requirements. In addition to improving the general conditions for a good balance between work and family life, the Company also focuses on promoting diversity in general and gender diversity in particular. Various programmes, e.g. scholarships for technicians or the "Power Girls" initiative that aims at making girls excited about technical occupations and breaking up traditional job roles are showing satisfactory results. The proportion of female apprentices as well as the overall proportion of female employees in the Group have both increased in the past fiscal year. We are confident that these measures will have a positive effect on our corporate culture and ultimately contribute to the Group's economic success.

Energie AG consistently seeks to put environmental, social and public welfare issues at the forefront of our agenda. We hope that this report on non-financial information can provide a good overview and look forward to working together with you as we continue to pursue a sustainable development.

The Management Board of Energie AG Oberösterreich



**Chief Executive Officer**

**DDr. Werner Steinecker MBA**

Chairman of the Management Board  
CEO



**Dr. Andreas Kolar**

Member of the Management Board  
CFO



**Dipl.-Ing. Stefan Stallinger MBA**

Member of the Management Board  
COO

## ABOUT THIS REPORT

GRI 102-1, 102-46, 102-50, 102-51, 102-52, 102-53, 102-54

As per EU Directive 2014/95/EU on the disclosure of non-financial and diversity information (NFR Directive) and its implementation in accordance with the Austrian Sustainability and Diversity Improvement Act 2017 (Nachhaltigkeits- und Diversitätsverbesserungsgesetz; NaDiVeG), Energie AG Group has been publishing the necessary information in a separate **report on non-financial information** (non-financial report) since the 2017/2018 fiscal year. This publication is the consolidated non-financial report for Energie AG Oberösterreich (Energie AG) in accordance with § 267(a) of the Austrian Commercial Code (UGB). This report is published on an annual basis together with the Group Annual Report. The reporting period covers the full fiscal year from 1 October 2020 to 30 September 2021. The legal requirements pertaining to the non-financial report were taken into account with external assistance based on international frameworks. The report on non-financial information is based on the standards published by the "Global Reporting Initiative" (GRI). This report was prepared in accordance with the GRI standards, "core" option, and also offers information on additional performance indicators, including selected indicators of the GRI sector supplements for companies from the electricity industry. An overview is provided in the **GRI content index › Page 126**.

In addition to this Non-Financial Report, Energie AG provides information about its corporate responsibility in an annual **Group Management Report › Page 13**, in the **› Semi-annual Report** and on its **› company website**.

**› Spokesman and Head of Group Communications Michael Frostel (MSc)** is available to answer any questions regarding this report.

This Non-Financial Report presents information about Energie AG's activities, the activities of the consolidated Group companies and the activities of the associated companies. It is broken down into the sections Economy, Environment, Social affairs, Employees and Compliance (with the latter including respect for human rights and the fight against corruption). Disclosures about topics of lesser relevance have not been provided. Key figures are also presented, with any discrepancies noted separately.

Energie AG attaches great importance to treating men and women equally. Any gender-specific terms used in this report should be understood as referring to both genders, unless explicitly stated. Any gender-specific terms used in this report should be understood as referring to both genders, unless explicitly stated.

This report was created with the utmost care and attention and was examined in the Energie AG Group audit directly commissioned by the Supervisory Board. The Supervisory Board will report on this after fiscal year end on the next annual general meeting.

## THE BUSINESS MODEL OF ENERGIE AG OBERÖSTERREICH

GRI 102-2, 102-3, 102-4, 102-6, 102-48 (Group management Report)

Energie AG is headquartered in Linz, Upper Austria. Energie AG's market area includes Austria, the Czech Republic, and Northern Italy. The electricity and gas-related sales activities in Germany will be discontinued at the end of calendar year 2021.

As a provider of electricity, gas, heating, water, waste management, information and communication technology services, the Company works to deliver the highest levels of quality and reliability in its products, processes and services.

As a competent, responsible and competitive Group, Energie AG aspires to offer its customers products and services that generate additional value, represent fair value and are regionally available. This helps to ensure a general spirit of partnership when interacting with customers, employees, suppliers and the general public.

As the Company's core business area, the **Energy Segment › Page 27** spans electricity generation, electricity procurement, electricity and gas sales, heat supply in Austria and telecommunications sales services. The range of services also encompasses energy efficiency services, such as energy audits for large organisations, energy certificates and building modernisation plans, special energy contracting models and system optimisation strategies.

The **Grid Segment › Page 33** comprises the construction and operation of the electricity and gas grid as the backbone of Upper Austria's supply with electricity and gas by Netz Oberösterreich GmbH (Netz OÖ GmbH), a fully owned subsidiary of Energie AG.

The **Waste Management Segment › Page 36** offers integrated waste management and custom-designed waste management solutions in Austria and Northern Italy. This includes the collection, acceptance, storage, sorting, management and incineration (including slag processing) of domestic and commercial waste, as well as recovery and reuse of recycling materials in this area.

The **Czech Republic Segment › Page 39** offers comprehensive drinking water supply and waste water management services in the Czech Republic. The business models include concession, operator and service contracts; specialised water, waste water and heating services; and construction and installations. Cities, local authorities, associations, industrial enterprises, housing companies and housing cooperatives are the contractual partners who form the Czech Republic Segment's client base.

In addition to the management and control functions of the holding company, the **Holding & Services Segment › Page 42** comprises the Telecommunications and Metering Services business area, commercial and technical services and some subsidiaries consolidated at equity that are not assigned to other segments. The commercial and technical service companies provide services for the entire Group. Starting with fiscal year 2021/2022, the area of Metering Services will be integrated into Netz OÖ GmbH.

Disclosures about changes under corporate law during the 2020/2021 fiscal year are provided in the **Group Management Report, Changes under corporate law › Page 20**. The overview of financial key figures **Energie AG Oberösterreich at a glance › Page 5** is part of the Group Annual Report.

## SHAREHOLDER STRUCTURE

GRI 102-5

In the 2020/2021 fiscal year, the shareholder structure of the Energie AG Group is as follows:

OÖ Landesholding GmbH	52.71%
Province of Upper Austria	0.10%
Linz AG für Energie, Telekommunikation, Verkehr und Kommunale Dienste	10.35%
TIWAG-Tiroler Wasserkraft AG	8.28%
Raiffeisen Oberösterreich (consortium)	13.98%
Oberbank AG (consortium)	5.18%
VERBUND AG	5.20%
voestalpine Stahl GmbH	2.07%
Oberösterreichische Landesbank Aktiengesellschaft	1.04%
Allgemeine Sparkasse Oberösterreich Bankaktiengesellschaft	0.52%
Oberösterreichische Versicherung Aktiengesellschaft	0.52%
Energie AG Belegschaft Privatstiftung	0.05%

The remainder are treasury shares. As of **30 September 2021**.

## GROUP MANAGEMENT BODIES

GRI 102-18

### Management Board

Chief Executive Officer Prof. KommR Ing. DDr. Werner STEINECKER MBA, Chairman of the Management Board

KommR Mag. Dr. Andreas KOLAR, Member of the Management Board

Dipl.-Ing. Stefan STALLINGER, MBA, Member of the Management Board

### Supervisory Board

#### Shareholder representatives

Provincial Councillor Markus ACHLEITNER Chairman

Solicitor Mag. Stefan LANG LL.M Vice-Chairman

Chief Executive Officer Dr. Heinrich SCHALLER Deputy Vice-Chairman

Head of Administrative Department Dr. Miriam EDER MBA

Chairman of the Management Board Mag. Dr. Erich ENTSTRASSER

Managing Director Mag. Dr. Christiane FRAUSCHER

Member of Management Board Mag. Florian HAGENAUER MBA

Chief Executive Officer Dipl.-Ing. Erich HAIDER MBA

Secretary General Emerita Mag. Anna-Maria HOCHHAUSER

Thomas Peter STADLBAUER MSc MBA MPA

Deputy to Chief Executive Officer Mag. Michaela KEPLINGER-MITTERLEHNER

Member of Management Board Mag. Kathrin Renate KÜHTREIBER-LEITNER MBA

Head of Local Parliamentary Group LAbg. Ing. Herwig MAHR

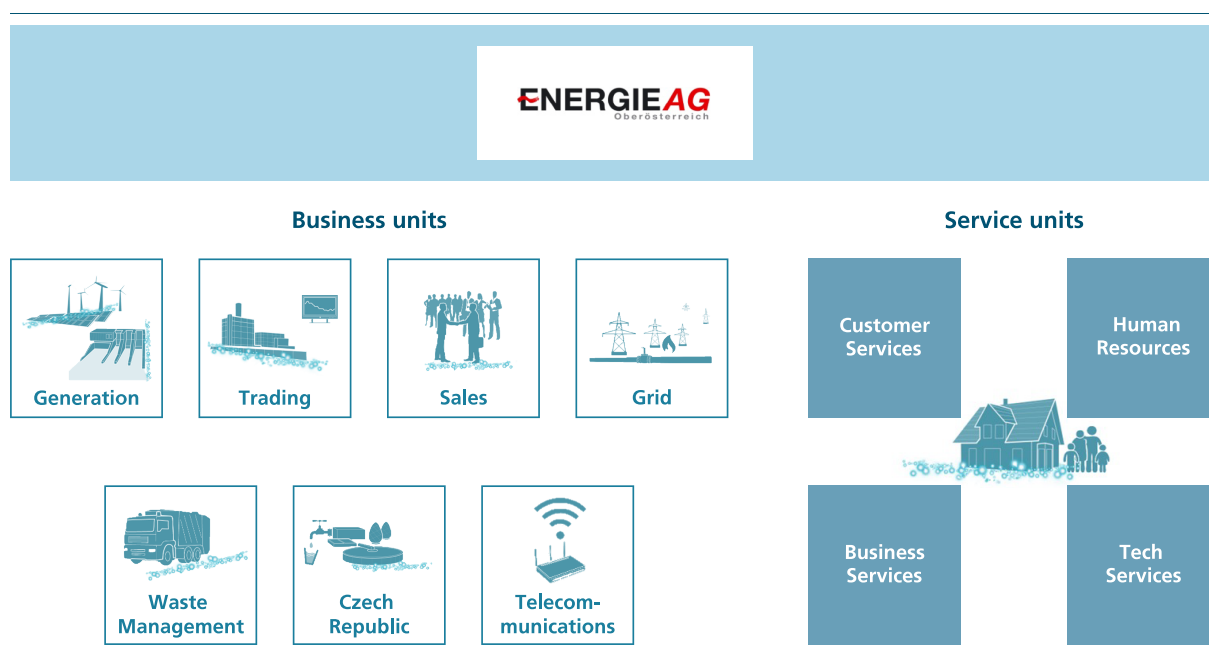
Josef WALCH, Chartered Accountant and Tax Consultant

### Works Council representatives

Ing. Mag. Leopold HOFINGER, Head of Works Council  
 Mag. Dr. Regina KRENN, Head of Works Council  
 Ing. Peter NEISSL MBA MSc, Head of Works Council  
 Ing. Bernhard STEINER, Head of Works Council Group Representatives  
 Gerhard STÖRINGER, Head of Central Works Council  
 Christian STROBL, Head of Works Council  
 Andreas WALZER, Head of Works Council

## GROUP STRUCTURE

GRI 102-18



The **Management Board** of Energie AG Oberösterreich manages the Group's affairs and represents Energie AG Group externally. In addition to the Austrian Stock Corporation Act (Aktiengesetz), the Commercial Code (Unternehmensgesetzbuch), and the Articles of Association, the actions of the Management Board and Supervisory Board are governed by their respective **rules of procedure**. The Rules of Procedure of the Management Board regulate the collaboration among the members of the Management Board, the Management Board's information and reporting duties, and transactions that require approval from the Supervisory Board. The Rules of Procedure of the subsidiaries are based on those of the Management Board and contain equivalent provisions. The allocation of portfolios between members of the Management Board is approved by the Supervisory Board and defines the areas of responsibility of the individual members of the Management Board without prejudicing the Board's overall responsibility. The topic of **sustainability** falls within the responsibility of the full Management Board and is steered by the holding unit Group Strategy as part of the strategy process. As a control body, the Supervisory Board's statutory duties include a review of the non-financial report and presentation of the review's finding to the General Meeting.

Significant changes in the Group structure concerned the dissolution of the holding function Work Safety with effect on 1 October 2020, and the dissolution of the holding function Group IT Governance with effect on 1 July 2021. The responsibilities of the dissolved units

were transferred to the holding unit Technical Management (Work Safety) and Energie AG Oberösterreich Business Services GmbH (Business Services GmbH/Group IT Services).

## KEY FIGURES AT A GLANCE

GRI 102-7



**75**  
photovoltaic plants  
**4**  
wind parks  
**13**  
wind power facilities



**2,586 GWh**  
proprietary electricity  
procurement from renewable  
sources



**43**  
hydropower plants



**57.2 mill. m³**  
drinking water  
of which 48.2 mill. m³ in the  
Czech Republic  
of which 9.0 mill. m³ in Austria



**1.7 mill. t**  
ø waste volume handled



**33,185 km**  
electricity grid  
**5,624 km**  
gas grid



**7,021 km**  
fibre-optic network



**21%**  
company e-cars in Austria



**425**  
charging points  
managed



**EUR 352.8 mill.**  
EBITDA  
of which 94.0% in Austria  
of which 5.6% in the  
Czech Republic  
of which 0.4% in Italy



**5,030**  
staff  
of which 59.7% in Austria  
of which 39.6% in the  
Czech Republic  
of which 0.7% in Italy



**1,532**  
apprentices  
trained since 1943

## MAJOR SUSTAINABILITY ISSUES

GRI 102-44, 102-46, 102-47, 102-49

### | SUSTAINABLE DEVELOPMENT GOALS

Energie AG Group is consciously exercising its responsibility in the area of sustainable development and accepts guidance from the contents and objectives of the **Sustainable Development Goals** (SDGs) adopted by the United Nations in 2015. These goals are intended to assist all nations in making significant progress in their sustainable development until the year 2030. All SDGs are either directly or indirectly relevant for Energie AG. The Group contributes to their achievement with its strategic positioning in combination with its individual products and service offerings, also see [Sustainability at a glance](#) › [Page 67](#).



Source: [Sustainable development goals](#)

### | STRATEGY DEVELOPMENT PROCESS

**A structured annual strategy process** is a prerequisite for consistent control over the Energie AG Group's long-term business development. Strategies and measures that assure the sustainability of the Group's profitability and financial performance are derived from market development analyses, the evaluation of the business activities' effects in an economic, ecological, and social context (monitoring processes, certifications etc.), the balancing of the Group's strategic goals with the interests and expectations ascertained during the ongoing stakeholder dialogue, and changes in the energy policy environment (new statutory requirements etc.).

After identification of the resulting measures together with their opportunities and risks, the strategic decisions for Energie AG Group were made at the virtual Group strategy meetings



held in April and July 2021. This included the definition and adaptation of the fundamental strategic objectives, as well as a corresponding forward-looking distribution of capex funding.

The identification and analysis of challenges in the Group's environment was part of the strategy process 2020/2021 and included the macroeconomic ramifications of the COVID-19 crisis, side-effects from the technological transition (including in connection with the progressing digitalisation), climate change and extreme weather events, as well as currently existing opportunities and challenges associated with the Renewable Energy Expansion Act (EAG).

## | MAJOR SUSTAINABILITY ISSUES

As part of the strategy development process, Energie AG's major sustainability issues are regularly evaluated and undergo continuous improvement with the involvement of internal interested parties and external stakeholders. Sustainability topics were rated in a materiality matrix from "important" to "highly important". The quantitative and qualitative key performance indicators to be measured were set based on this matrix. The materiality matrix was updated on 15 April 2021 at the occasion of the strategy meeting of the Management Board of Energie AG Group and adapted to the results from the strategy process 2020/2021.

The focus of the Group's commercial activities lies on the mid- and long-term positive development of the major sustainability issues of Energy AG Group. The major sustainability issues for Energie AG Group have not changed from the previous year and are discussed in the following sections:

### **Economy › Page 73 and Group Management Report › Page 13**

- Partnership with equity investors and outside creditors
- Business models fit for the future & innovation

### **Social affairs › Page 100**

- Security and quality of supply
- Customer orientation and satisfaction
- Regional responsibility & social commitment

### **Environment › Page 77**

- Climate protection & resource conservation

### **Employees › Page 111**

- Responsible employer & Workplace health and safety

### **Compliance (incl. Respect for human rights) › Page 120**

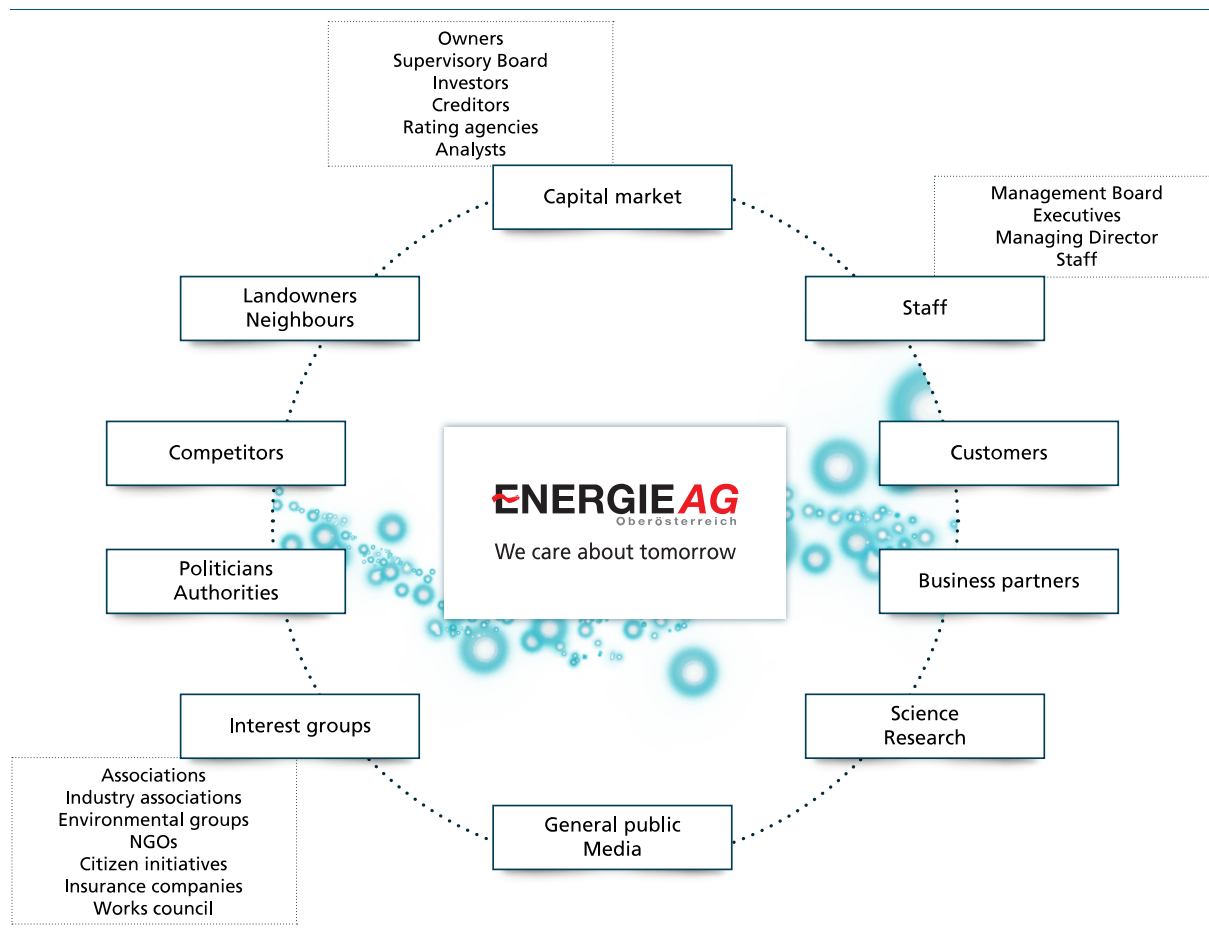
- Legal compliance and prevention of corruption

## STAKEHOLDER DIALOGUE

GRI 102-16, 102-40, 102-42, 102-43, EU-DMA (formerly EU19)

Energie AG utilises **open stakeholder dialogue** as a valuable strategic instrument and has defined it as an essential pillar for initiatives in the field of sustainability.

Energy AG Group is maintaining extensive relations to different groups of stakeholders:



Among the Group's many stakeholders, Energie AG affords special attention to its customers and employees. The intense exchange with internal and external stakeholders is mainly used to satisfy the needs of customers in the best possible way.

The **customer forum** is a place where current sales projects are subjected to a critical and constructive dialogue, see [Social affairs, customer focus](#) › [Page 102](#).

Under the remit of the Group's socio-political responsibility, Energie AG is seeking to engage in direct **contact with its stakeholders** on regional and interregional events and at the occasion of the regional sales roadshow. These contacts serve the purpose of informing customers about practical solutions for a responsible consumption of natural energy sources.

**Transparent information and communication** is important to the Energie AG Group, in particular in the case of infrastructure projects that interfere with sensitive habitats and biospheres. In order to arrive at the greatest possible consensus and understanding for the measures, the affected stakeholders are already provided with information about the projects during the early planning phase and are directly involved in selected procedural steps.

A prime example of sustainable cooperation is the **citizen participation** model that was implemented for the waste incineration plant in Wels. The project has been running since 1991, making it the longest and most successful active model of a public participation, mediation and project environment management process.

The central element of this model is an **Environmental Commission**, which acts as a link between Energie AG as the operator of the waste incineration plant and the neighbouring communities. Thanks to open and honest communication that went hand in hand with assuring a proper process (compliance with emission limits, minimising noise and smell), this approach has created and sustainably fostered an atmosphere of mutual understanding and trust.

The model was extended by › **Energie AG's principles on democratic politics**, which articulate the Group's voluntary commitment to considering the interests of stakeholders affected by construction projects and approval proceedings in particular beyond the scope prescribed by law.

The › **Guidelines for planning processes for new high-voltage routes** developed in March 2017 serve the purpose of preventing conflicts in grid construction/extension projects, and especially with regard to the planned routes for 110-kV high voltage lines. Emulating the proven route planning process in civil engineering, these guidelines assure that the objectively best possible route is identified from a broad interdisciplinary perspective on the basis of established fundamental principles.

These guidelines were applied for the first time at the occasion of the **Mühlviertel Electricity Supply** project (110-kV project Rohrbach – Bad Leonfelden – Rainbach, a joint project between Netz OÖ and LINZ NETZ GmbH). The advantages and disadvantages of potential routes were discussed with all interested stakeholders. This process delivers a planning corridor in which the project operators can prepare the detail planning in close consultation and direct dialogue with the landowners.

To optimise internal processes and procedures, Energie AG Group is holding internal competitions for the best ideas that will allow the Group to harness the **wealth of practical experience** and **creative potential of its employees** (projects "Neuland", "Loominati"). The winning projects are determined in a multi-stage selection process and implemented without any further delay. This opportunity to become directly involved in shaping the Company's fortunes affords special appreciation to the project team members, while the optimised processes benefit the Group as well as the employees and customers affected by them. Also see **Economy, innovation › Page 73**.

Energie AG acknowledges that the Company's success depends on the commitment of its employees and therefore seeks to solidify its reputation as an attractive employer and to offer a work environment that not only offers interesting development opportunities, but also accommodates the individual needs of its employees.

Further information and initiatives pursued by Energie AG Group with the aim of satisfying the needs and giving consideration to the interests of this important group of stakeholders can be found in section **Employees – responsible employer › Page 111**.

The foundation for the implementation of the Group's stakeholder management is the › **Code of Conduct** of the Energie AG Group titled "› **This is how we think, this is how we act**". The Code defines the principles that underpin fair, transparent and sustainable business practices. Every single employee endorses and commits to these principles: responsibility, reliability, quality awareness, sustainability, transparency and integrity.

## Media analysis

The non-financial information of Energie AG is supplemented by reports in relevant media in Upper Austria and across Austria on topics that touch on the affairs of the Group. The media landscape in the reporting period was dominated by reports on the commitment of Energie AG in connection with measures and cooperation projects related to the energy transition. The media coverage included the project “**Underground Sun Storage 2030**”, which examines the underground storage of renewable energies in the form of hydrogen and is supported by the Group as a partner. The media also reported on a new **partnership with an energy service provider** that will conduct joint projects aimed at making Wels the most climate-friendly town in Upper Austria. The town of Wels is an important waste management hub for Energie AG, with the media presenting the investment project that will bundle the relevant activities at this location. Also covered were the launch of the preliminary project for the **pumped-storage power plant Ebensee**, which will be used to expand the electricity storage capacities needed for the energy transition. Media and television reports also covered social initiatives, the cooperation between Energie AG and “**Genussland Oberösterreich**” aimed at promoting the regional circular economy, as well as the digitalisation campaign (progress in the expansion of fibre-optic services, extension of the electric charging infrastructure, and presentation of the innovative [E-Fairteiler app](#)).

## | ENERGIE AG STRATEGY 2030

GRI 102-14, 103-1, 203-1

## Reliability in supply and waste management services

The COVID-19 pandemic presents Energie AG with enormous challenges in securing the uninterrupted operation of critical infrastructure (power plants, electricity and gas grids, telecommunication, water supply and waste management). Thanks to the stringent implementation of the strategy pursued by Energie AG and the efficient safety measures coordinated by the internal task force, the **high security and quality of supply** was warranted during the first COVID-19 lockdown phase since March 2020, as well as the second phase in late 2020/early 2021.

Netz OÖ GmbH secures the energy supply in Upper Austria with a modern and reliable **electricity and gas grid** and is Austria’s pioneer in the roll-out of smart meter technology, which has now been completed.

In addition to a high-performance grid infrastructure, the security of supply also depends on a secure and flexible energy output. The **combined cycle gas-turbine power plant in Timelkam** (CCGT power plant Timelkam) plays an important role in congestion management here, and in grid reserve management for transmission system operators. Energie AG’s own gas storage rights (or gas storage contracts) and subsidiaries support the high degree of flexibility. In the future, the development and application of new technologies and intelligent system solutions for the integration of volatile decentralised electricity generation systems (PV, wind) and flexible consumer systems (battery storage, e-mobility, heat storage) will also be of particular importance.

The [Waste Management Segment](#) [Page 36](#) guarantees solutions for hazardous and non-hazardous waste and recycling materials to the highest technological and ecological standards and, due to the two waste incineration plants in Wels and Lenzing, makes a significant contribution to waste management in Austria.

Energie AG has succeeded in establishing itself as a reliable drinking water, waste water management, space heating and hot water supply company in the **Czech Republic Segment › Page 39**. The Group intends to deepen its partnerships with municipalities while simultaneously boosting efficiency and competitiveness by making targeted investments in its own water, waste water and heating infrastructure as well as making constant upgrades to the Group's equipment and vehicle fleet.

Energie AG installs and operates a modern **telecommunication infrastructure** in Upper Austria and has been investing in the extension of future-proof fibre-optic technologies for around two decades. The Company's goal is to advance the digitalisation and increase the attractiveness of Upper Austria for businesses and residents alike. The majority of public buildings in Upper Austria as well as many companies and private households are already connected to the Group's fibre-optic network.

The most significant advantage of the **fibre-optic technology** is the elimination of bandwidth sharing (as is required for the 5G network) and the virtually limitless extension of up- and download data capacities. Under the Energie AG Group's 5G strategy, own investments in the 5G technology are replaced by providing infrastructure to the mobile phone companies, which further contributes to the extension of broadband capacities in Upper Austria.

**Digitalisation** is one of the greatest challenges for Energie AG. On the one hand, the competitive environment is changing at an enormous speed; on the other, innovative, digital approaches are now available that Energie AG Group intends to use for efficient processes and for new business models. True to the motto of **"secure digital services"**, Energie AG is actively shaping Upper Austria's digital future in collaboration with its customers and partners. Therefore key topics and objectives, and a corresponding roadmap have been developed and consistently implemented.

## Energy transition and circular economy

The national **energy and climate targets for 2030** as well as the decarbonisation path to be pursued up to 2040 are a very challenging step towards the future energy supply in Austria. By using biomass, geothermal energy and industrial waste heat, Energie AG has for many years pursued a **decarbonisation strategy** in the area of heat supply and thus plays a pioneering role as a sustainable utility in its market sectors. From the perspective of Energie AG, it is relevant to take a holistic, integrated look at the entire energy system, taking into account the electricity and heat and mobility sectors ("sector coupling").

In the area of **electricity procurement**, Energie AG has used its own 43 hydropower plants and corresponding rights to procure electricity generated from renewable energy sources. Energie AG Group also operates 75 PV plants and holds interests in four wind farms across Austria.

Energie AG supports the current government's programme for 2020-2024 by making **sustainable strategic decisions**. This includes plans for the implementation of a number of power plant projects in the areas of hydroelectric power, photovoltaic and wind power that, by the year 2030, will increase the electricity generated by renewable sources by around 20 percent. This is part of Energie AG's contribution to the climate and energy policy of the Austrian Federal Government, which is pursuing the goal of covering 100% of Austria's electricity demand from renewable energies by the year 2030.

The **Paris Climate Agreement** seeks to limit the global warming to not more than two degrees Celsius over pre-industrial levels. This means that the CO<sub>2</sub> emissions will have to come down to almost zero by the year 2050. Austria has set itself the target of becoming

**climate neutral by 2040.** The necessary transformation process in the energy system is considered the century's greatest socio-political challenge. Mastering this challenge successfully and securing the social security systems over the long term requires the political actions to focus on measures that are aimed at countering climate change as well as those that prioritise the competitiveness of the economy and security of supply.

On **EU level**, the focus is on revisions and discussions related to the wording of existing directives, with the objective of achieving the higher CO<sub>2</sub> reduction target of at least –55% over the period between 1990 and 2030 agreed as part of the Green Deal. The Austrian parliament has negotiated the Renewable Energy Expansion Act and is working on a revised Energy Efficiency Act.

Further information on the fundamental political and regulatory framework can be found in the [Group Management Report, Energy and climate policy environment › Page 14](#) and [Statutory and regulatory framework in the Grid Segment › Page 33](#).

As a pioneer in the area of sustainable energy supply and **partner for the energy transition in Upper Austria**, Energie AG endorses the energy and climate goals and supports them with concrete measures and projects: [Environment section › Page 77](#). Most Energie AG Group projects pursue the objective of advancing the use of renewable energy and improving energy efficiency on the one hand, while on the other hand reducing the consumption of resources and production of waste both within the Group as well as at the customer.

In the interest of a sustainable **waste management and circular economy**, the operations of the Waste Management Segment are optimised by maximising the utilisation of synergy effects, additional resource conservation, and more efficient recycling processes, e.g. by increasing the utilisation of waste heat (Wels waste incineration plant).

### Additional electricity generation from renewables until 2030



### The focus on the customer

The Energie AG Group stands for **high-quality, reliable products and services**, which it continuously and consistently adapts to customers' needs. New innovative solutions aim at generating additional value for the consumer, e.g. by creating special incentives for the purchase of environmentally friendly products or by digitally supporting the consumers' decision-making processes.

Energie AG **ascertains the needs of its customers** by approaching them pro-actively, involving them in decision-making progresses, and creating a transparent and open communication that forms the basis for a similarly trusting and valued exchange with them.

In its business environment, Energie AG stands for **sustainable and fair solutions**, which it can guarantee on the basis of permanent process optimisation efforts. Despite wholesale prices increasing since 2017, private and business customers alike were guaranteed stable prices for standard electricity products. The customer offers for standard gas products have also remained unchanged for many years. In 2020, the prices for internet services were guaranteed for the first time. Shortly before the end of the 2020/2021 fiscal year, existing customers were offered a price guarantee for electricity, gas and internet until 1 January 2023. These actions reinforce the positioning of Energie AG as a reliable and fair partner. Due to the massively increased procurement costs, the electricity and gas prices for new customers have to be adjusted to market levels.

**Customers** have particularly high **expectations** for Energie AG Group when it comes to measures aimed at protecting the environment and the Company's involvement in social causes. In the case of environmental protection, the company meets these expectations by investing in renewable energies and the establishment of a sustainable circular economy. Turning to social responsibility, Energie AG contributes to the public welfare by providing ongoing support in the areas of health, education, sport, arts and culture as well as charitable and not-for-profit activities. The Group has clearly articulated its solidarity when it actively supported customers who were severely affected by the COVID-19 pandemic, e.g. in the form of goodwill arrangements.

Safeguarding the legitimate interests of its customers is a top priority for Energie AG. This not only applies with respect to an ethically exemplary treatment of customers in accordance with the Group's [Code of Conduct](#), but also when it comes to the handling of personal data. Internal controls have been implemented to assure the Group's compliance with the relevant regulations. Since autumn of 2019, an awareness campaign has focused on raising employees' awareness for the prudent handling of customer data and potential risks (cyber crime etc.).

## Regional focus

As the energy supplier for Upper Austria, Energie AG has positioned itself as a **strong regional partner** for its customers and is an important economic factor for the state. A high degree of regional value creation is achieved by the generation of energy in our home state, extensive investments in infrastructure projects across the state (expansion of electricity generation systems, fibre-optic network etc.) and the associated creation of jobs.

**Digitalisation** provides an important impetus for the region. Energy AG advances the development of pioneering technologies and uses them to increase the quality of its customers' lives in their direct environment – e.g. by providing the means for a more efficient use of energy and extending the coverage of the fibre-optic network in Upper Austria.

Similar to Austria, the water and heat markets in the **Czech Republic** are distinguished by a very regional structure. All services provided by Energie AG in the Czech Republic are rendered by seven regional and local water utility companies, five heat utility companies and one mixed water and heat utility company.

## Financial stability

Energie AG's financial goal is to achieve attractive returns, to **sustainably secure the value of the Energie AG Group** and to continue to be a reliable and interesting business partner for owners and investors in the future. Financial stability is supported by the balanced Group portfolio of liberalised and regulated business models. A further basis for success is the

efficient **management of risks and opportunities**. It empowers the Group management to identify challenges at an early stage and to take effective measures in good time.

The Group responds quickly to dynamic changes to the statutory framework, as well as market-based challenges stemming from changes in customer needs or competitors from outside the industry.

## Employees

Without **motivated and committed employees**, strategic goals are unachievable. The employees working at Energie AG are the Group's most important resource. Energie AG prevails in the competition for talent by implementing a strategically coordinated recruiting process and succession management. The Group has also taken measures to further improve its reputation as a preferred employer.

The Group's successful **apprenticeship programme** trains the specialists needed by the Group's business sectors and includes measures in the area of diversity that send an important socio-political signal.



## | SUSTAINABILITY OBJECTIVES

GRI 102-14



### ECONOMY

- Ensuring sustainable **financial stability**
- **Securing the company value**
- Implementing **innovative business models that are fit for the future**



### ENVIRONMENT

- **Expanding renewable energy: +630 GWh by 2030**; company fleet of electric cars to **rise to 40%** by 2024
- **Resource conservation**
- Warranting an environmentally friendly and legally compliant **circular economy**



### SOCIAL AFFAIRS

- **Reliability in supply and waste management services**
- Positioning ourselves as a **responsible company**
- Building and maintaining sustainable **client relationships**



### EMPLOYEES

- Further development of **employer branding** with a special focus on promoting **diversity** (women in technical professions)
- **Personnel and management development**, as well as high-quality apprenticeship programmes
- Ensuring **access to qualified personnel** in the long term, in particular by positioning the Company as a **family-friendly employer**



### COMPLIANCE

- Ensuring a value-conscious **compliance culture**
- **Preventing** property damage and reputational damage
- Ensuring **fair competition** by compliance with the law and regulations

## | SUSTAINABILITY OPPORTUNITIES AND RISK MANAGEMENT

GRI 102-11

Energie AG – and the entire industry – is exposed to a number of different risks. The **Group-wide risk management system** is tasked with identifying emerging risks and opportunities and actively managing them. Opportunities and risks are events outside of the “ordinary” business activities that entail potential positive or negative consequences. For details on the Group-wide risk management and a description of Energie AG's opportunities and risks, please see the [Group Management Report › Page 22](#) and the [Notes to the Consolidated Financial Statements, Management of risks and opportunities › Page 219](#).

Due to the rising importance of sustainability issues for commercial decisions, **environmental, social and governance (ESG) aspects** are becoming increasingly important factors in the risk management process.

In an interactive process conducted together with the relevant business units, the **most significant effects** of Energie AG's activities on the issues resulting from the Austrian Sustainability and Diversity Improvement Act (NaDiVeG) were evaluated based on international standards. This provided the foundation for identifying potential risks and opportunities, which were then subjected to a qualitative assessment on the basis of Group-wide uniform evaluation criteria. Relevant mitigation measures have been implemented, and the net risks were ascertained.

This process also included an “outside-in” evaluation of the issues that resulted in the inclusion of previously omitted risks and opportunities in the risk inventory of Energy AG Group. These are dealt with accordingly and are given due consideration within the strategy.

The following table summarises the **most important risks and opportunities** that may arise from Energie AG's activities in relation to the NaDiVeG, as well as the associated concepts and measures:

## | SUSTAINABILITY AT A GLANCE

GRI 102-11, 102-15, 102-16, 103-1, 103-2, 103-3

### Significant opportunities (+) / risks (-)<sup>1)</sup>, concepts, measures and SDGs

#### | ECONOMY

##### PARTNERSHIP WITH EQUITY INVESTORS AND OUTSIDE CREDITORS | BUSINESS MODELS FIT FOR THE FUTURE – INNOVATION

###### Concepts

- Securing the company value by continuing a sound financial and investment policy
- Implementing innovative business models to safeguard the Group's competitiveness
- Partnerships and cooperation projects
- Strengthening the Company's resilience against exceptional events (e.g. the COVID-19 pandemic)
- Increasing the use of new technologies (digitalisation)

###### Opportunities and risks

see [Notes to the Consolidated Financial Statements, Management of risks and opportunities](#) › Page 219

###### Measures

see [Group Management Report](#) › Page 13

###### SDGs

- SDG 8 Decent work and economic growth
- SDG 9: Industry, innovation and infrastructure
- SDG 12: Responsible consumption and production

#### | ENVIRONMENT

##### CLIMATE PROTECTION | RESOURCE CONSERVATION

###### Concepts

- Consistent QSE management system
- Group's strategic goals for climate protection and resource conservation
- Certified management systems (EMAS, ISO)

###### Opportunities and risks

###### Opportunities

- Efficient and environmentally friendly energy supply for society and the economy
- Resource preservation empowered by modern and sustainable technologies
- Contribution to achieving climate neutrality

###### Risks

- Regional ecological impacts on habitats, hydromorphology and biodiversity from the construction and operation of facilities
- Local and global environmental impacts from increased emissions (greenhouse gas emissions in particular)

###### Measures

- "Quality, Safety and Environmental (QSE) Management" Group Policy
- "Strategy Development Process" Group Policy
- "Company Cars and Their Private Use" Group Policy
- Steady expansion of renewable energies
- Increasing energy efficiency on the part of customers and within the Group

<sup>1)</sup> Risks/opportunities are defined as events outside of the "ordinary" business activities that entail potential negative/positive consequences. With regard to Energie AG's risks/opportunities resulting from the NaDiVeG, please see "Significant Opportunities (+)/Risks (-) and Measures" in the [Notes to the Consolidated Financial Statements, Management of risks and opportunities](#) › Page 219

- Environmental impact assessments and analysis reports
- Reviewed and approved environmental statements, certifications and audits
- Use of modern and sustainable technologies
- Rights management database
- Management of official decisions
- Ensuring that the legally required staff appointments are made
- Ideas management

### SDGs

- SDG 3: Good health and well-being
- SDG 6: Clean water and sanitation
- SDG 7: Affordable and clean energy
- SDG 9: Industry, innovation and infrastructure
- SDG 11: Sustainable cities and communities
- SDG 12: Responsible consumption and production
- SDG 13: Climate action
- SDG 14: Life below water
- SDG 15: Life on land

## | SOCIAL AFFAIRS

### SECURITY AND QUALITY OF SUPPLY | CUSTOMER ORIENTATION AND SATISFACTION | REGIONAL RESPONSIBILITY | SOCIAL COMMITMENT

#### Concepts

- Consistent QSE management system
- Crisis management
- Group's principles on democratic politics
- Group's strategic goals for security and quality of supply, customer satisfaction and regional responsibility

### Opportunities and risks

#### Opportunities

- High reliability in supply and waste management services
- Regional value-creation with infrastructure projects and capital investments in infrastructure
- Support for social, cultural and sporting activities
- New innovative products and sales channels for customers
- Raising the awareness of children and adolescents for an environmentally conscious consumption of resources, electricity and water, as well as for the proper management and separate collection of waste

#### Risks

- Potential negative effects on society, economy and environment caused by malfunctioning critical infrastructure (power plants, grid, telecommunication, waste and water/waste water management facilities)
- Potential negative effects from outages of critical infrastructure on information security, cyber security and data protection
- Regional consequences for the local population resulting from the construction and operation of facilities

#### Measures

- "QSE Management" Group Policy
- "Sponsoring and Giving" Group Policy
- Investments into (grid) infrastructure
- Overhaul and maintenance work to ensure security (of supply)
- Crisis and emergency plans
- Complaint management
- Customer forum
- Proactive inclusion of stakeholders
- Project-related communication with stakeholders
- Consideration of the interests of affected citizens beyond the scope prescribed by law
- "Guidelines for planning processes for new high-voltage routes"

- Support for social, cultural and sporting activities
- Educational programme “Energie AG at School”
- › [www.wir-denken-an-morgen.at](http://www.wir-denken-an-morgen.at)
- also see measures in Compliance

#### SDGs

- SDG 1: No poverty
- SDG 3: Good health and well-being
- SDG 4: Quality education
- SDG 6: Clean water and sanitation
- SDG 7: Affordable and clean energy
- SDG 9: Industry, innovation and infrastructure
- SDG 10: Reducing inequality
- SDG 11: Sustainable cities and communities
- SDG 17: Partnerships for the goals

## | EMPLOYEES

### ACTING AS A RESPONSIBLE EMPLOYER | WORKPLACE HEALTH AND SAFETY

#### Concepts

- Comprehensive human resource management
- Management systems for health and safety in the workplace
- Group’s strategic goals for positioning itself as a responsible and attractive employer, as well as for health and safety at work

#### Opportunities and risks

##### Opportunities

- Safeguard and creation of jobs for skilled professionals within the region
- Economic contribution by providing education and training
- Long-term employability and quality of life thanks to a focus on employee health
- Family-friendly employer

##### Risks

- Health and safety risks for company staff and temporary employees

#### Measures

- “Human Resource Management” Group Policies
- “Management by Objectives” Group Policy
- “Management Academy” Group Policy
- “berufundfamilie” audit for work-life balance
- “Workplace Health Promotion until 2019” seal of approval
- In-house health management project energy@work
- Apprentice|trainee education
- Safety training courses for internal and external employees
- Work safety awareness campaign
- Introduction of sabbaticals

#### SDGs

- SDG 1: No poverty
- SDG 3: Good health and well-being
- SDG 4: Quality education
- SDG 5: Gender equality
- SDG 8: Decent work and economic growth
- SDG 10: Reducing inequality

## | COMPLIANCE

### LEGAL COMPLIANCE AND PREVENTION OF CORRUPTION

#### Concepts

- Compliance management system and officer in place
- Information management system
- Data protection management system

#### Opportunities and risks

##### Opportunities

- Fair and transparent contract award processes
- Transparency and reliability for customers

##### Risks

- Risks to fair competition caused by corruption and violations of antitrust law

- Risks to claims by customers and employees under data protection law

#### Measures

- "Compliance Management System" Group Policy
- "Anti-corruption" Group Policy
- "Capital Market Compliance" Group Policy
- "ICT Information Security Management" Group Policy
- "Data Protection Management System" Group Policy
- "Data Protection Compliance Policy" Group Policy
- "Internal Control System (ICS)" Group Policy
- In-person training and e-learning courses

#### SDGs

- SDG 5: Gender equality
- SDG 8: Decent work and economic growth
- SDG 10: Reducing inequality
- SDG 16: Peace, justice, and strong institutions

## | RESPECT FOR HUMAN RIGHTS

**LEGAL COMPLIANCE AND PREVENTION OF CORRUPTION | SECURITY AND QUALITY OF SUPPLY | REGIONAL RESPONSIBILITY | ACTING AS A RESPONSIBLE EMPLOYER | CLIMATE PROTECTION & RESOURCE CONSERVATION**

#### Concepts

- Group's strategic goals for climate protection and resource conservation, security and quality of supply, regional responsibility, and acting as a responsible employer

- Compliance management system and officer in place

#### Opportunities and risks

##### Opportunities

- Secure and reliable supply and waste management in the interest of a high quality of life
- Positive effects on the region from regional procurement
- Positive effects on business partners and employees

##### Risks

- Risks in the earlier links of the supply chain cannot be entirely ruled out
- Isolated cases of discrimination

#### Measures

- "Compliance Management System" Group Policy
- Works council
- › **Code of Conduct** – penalties for violations of the Code of Conduct
- Defined minimum requirements for suppliers
- Procurement sourcing is geared to sustainability criteria and principles
- Training courses
- › [www.wir-denken-an-morgen.at](http://www.wir-denken-an-morgen.at)

#### SDGs

- SDG 8: Decent work and economic growth

## I QUALITY, SAFETY AND ENVIRONMENTAL MANAGEMENT

GRI 102-11, 102-16, 103-3, 403-1, 403-8

An integrated quality, safety and environmental management system (QSE) with a focus on sustainability and maximum efficiency is an integrated component of the management systems used by Energie AG Group. As part of the Company's due diligence measures, **the ISO 9001:2015 standard for quality management systems** is applied as a Group-wide standard that contributes towards effective and efficient design, continuous improvement and transparent presentation of operational processes and procedures.

The governance risk compliance (GRC) **management tool** implemented in the 2019/2020 fiscal year has now reached the planned scope of use. The processes of the Group companies (with the exception of the Czech Republic Segment) and their success factors are mapped in this GRC management system. The tool has been in use for internal and external audits including the associated action monitoring since fiscal year 2020/2021.

There is at least one QSE liaison assigned to all applicable Group companies and holding units. These liaisons are responsible for operational implementation of the QSE management system.

To ensure **compliance with relevant environmental and occupational safety requirements**, the entities that are not certified to ISO 14001:2015 and ISO 45001:2018 are guided by the historical values for the environmental management standards ISO 14001:2015 and EMAS ("Eco Management and Audit Scheme") as well as occupational health and safety ISO 45001:2018 from the already certified subsidiaries. 42.9% of employees at Energie AG Group are working in areas that are certified to ISO 45001:2018.

The integrated QSE management system ensures the continuous improvement of Energie AG Group's services by actively involving executives, employees and customers. Regular examination from internal audits and by independent external and accredited certification bodies guarantees top product and service quality, as well as the best possible processes for customers and partners. The high quality of the QSE management system was also confirmed by TÜV Süd after a **review audit** in the early summer months of 2021.

All Energie AG units that have adopted these externally certified quality, safety, environmental and health management systems have processes to identify negative impacts on the environment and employee health, which can then be prevented or mitigated accordingly.

All staff in Austria and northern Italy work at entities certified in accordance with quality management standard ISO 9001:2015. 28.4% of the Austrian and Italian workforce is employed at entities certified to environmental management standard ISO 14001:2015. Furthermore, 29.8% of employees in Austria are working in accordance with the Group's environmental management system EMAS.

The **Grid Segment**, which employs 553 staff (previous year: 553), is certified to ÖVGW QS GNB 200 (quality standards for gas grid operators). Netz OÖ GmbH was audited pursuant to TSM P100 (technical security management) for the first time in the 2020/2021 fiscal year. The audit concerned industry-specific requirements pertaining to the assessment of gas and electricity grid operators with regard to the qualification and organisation of their technical units. In fiscal year 2020/2021, Netz OÖ GmbH was the first Group company to be certified to ONR 192500:2011 "Social responsibility of organisations" (CSR).

The **Waste Management Segment** is certified in the areas of quality (ISO 9001:2015), occupational health and safety (ISO 45001:2018), and environment (ISO 14001:2015), and as a qualified waste management operator (RAEF). Energie AG Oberösterreich Umwelt Service GmbH (Umwelt Service GmbH) was the first nationwide waste management company that implemented the current version of the EMAS validation (Regulation [EC] No. 1221/2009) at all its locations back in 2013.

The **entities in the Czech Republic** employ 1,990 people (previous year: 1,944) and are not subject to the Energie AG Oberösterreich Group QSE management system. In accordance with the requirements of the respective subsidiary in the Czech Republic Segment, two Czech entities are certified in accordance with the international standards ISO 9001:2016, ISO 14001:2016 and ISO 45001:2018. This means that around two thirds of the employees in the Czech Republic work in entities that are certified under quality, environmental and occupational safety standards.

The Group IT Services department of Business Services GmbH and Energie AG Oberösterreich Telekom GmbH (Telekom GmbH) are certified in accordance with the **information security management standard ISO 27001:2015**.



## ECONOMY

GRI 103-1, 103-2, 103-3, 201-1 (Group Management Report, Consolidated Financial Statements), 203-2, EU DMA (formerly EU8)

Energie AG's economic goals are:

- Ensuring sustainable financial stability
- Securing the company value
- Implementing innovative business models that are fit for the future

### PARTNERSHIP WITH EQUITY INVESTORS AND OUTSIDE CREDITORS

Continuing the sound financial policy aims at sustainably increasing the company value and the **attractiveness of Energie AG Group for equity investors and outside creditors**. Forward-looking initiatives such as pro-active liquidity assurance are aimed at warranting stability and resilience in times of crisis, as well as with respect to uncertain macroeconomic developments in Austria.

Positioning ourselves as a **reliable and stable partner** for equity investors and outside creditors is an important goal of Energie AG, which is being pursued in a consistent and sustained manner. While Energie AG Group is pursuing a policy of paying stable dividends to its shareholders, the financial policy strongly emphasises the importance of a good and sustainably solid creditworthiness. This stable creditworthiness allows Energie AG Group to present itself as an attractive partner to creditors (capital market and banks), and to maintain its long-term debt capacity at advantageous conditions.

The target for the long-term creditworthiness of Energie AG Group is a rating within the A group. International **rating agency Standard & Poor's** has again certified the creditworthiness of Energie AG with a rating of "A (with a stable outlook)", which emphasises the Group's stability and resilience in difficult economic times.

To secure the Group's long-term funding, Energie AG has successfully placed **bonds** with institutional investors in the 2020/2021 fiscal year. Multiple tranches with a total amount of EUR 75.0 million and terms of up to 30 years were subscribed in a private placement. The placement with a very long term of 30 years is extraordinary, emphasises the reputation of Energie AG with German-speaking institutional investors, and constitutes a vote of confidence for the stability, resilience, and resistance to crises of the Group and its business model.

The proceeds are used for the **funding of sustainable infrastructure projects**, predominantly for investments into the expansion and renewal of hydroelectric power plants and photovoltaic plants, as well as the expansion of the electricity grid in Upper Austria. The transformation toward **sustainability** in energy supply will require massive investment programmes from the entire industry over the next couple of years. The commercial successes enjoyed in recent years enable Energie AG to make a significant contribution to and actively participate in the energy transition.

The Group responds to the identified macroeconomic risks from the implications of the COVID-19 pandemic with efficiency improvement measures, a value-based investment management, and new business models aimed at harnessing additional earning potentials.

The magnitude of value creation for the stakeholders is evident in a study from the 2018/2019 fiscal year, in which Economica-Wirtschaftsforschung determined the **economic footprint of Energie AG**. The study found the Group to have Austria-wide relevance with a

total value creation of EUR 1.1 billion and more than 10,000 safe jobs. In Upper Austria, 2.1% of the region's gross domestic product and 1.3% of employments are directly or indirectly dependent on Energie AG.

Information about the economic position of Energie AG Group and on the important subject of the partnership with equity investors and outside creditors can be found in the [Group Management Report › Page 13](#), in section [Business development in the Group › Page 16](#) and in the [Consolidated Financial Statements › Page 133](#).

## | BUSINESS MODELS FIT FOR THE FUTURE – INNOVATION

Research and development within Energie AG focuses on projects that cater to the strongly growing **demand for digital services** as well as the increased use of renewable energy sources. Energie AG warrants the practicability and demand-orientation of pioneering business models by involving the stakeholders as early as possible in the development process.

**Wertstatt 8 GmbH** (Wertstatt 8) has been developing innovative solutions for the energy transition as an independent innovation company since 1 October 2019 with the goal of exploring the potential of different subject areas for future business models and placing an even stronger focus on the advancement of innovation-related activities. Wertstatt 8 is continuously developing new solutions that cater to individual customer requirements. Rapid learning and experimentation is used to work on innovative concepts in areas such as sustainability, the circular economy or customer impact. The **open innovation approach** is used to develop sustainable service proposals together with customers and **external partners** (e.g. IMM – Industry meets Makers, bizup, Energy Institute at Johannes Kepler University of Linz, or industry partners from the network of Wertstatt 8 GmbH).

A good example is the [› Online heating consultant “HEINZI”](#), which supports consumers in renovating their heating systems. Customers are provided with heating recommendations tailored to their individual property and requirements. HEINZI also provides information about the heating systems' CO<sub>2</sub> and fine dust emissions and supplies users with information about financial support for heating system replacements from the federal or state governments. Customers receive non-binding cost estimates and may request to be connected with specialist companies in the region who can support them in the practical implementation.

Customers who are interested in installing **privately-owned PV plants** are supported by Energie AG's [› PV calculator](#), which allows them to calculate the potential capacity and cost efficiency of their own PV plant. Energie AG thereby enables its customers to gain a quick overview of available options and receive suitable offers.

In combination with a special new tariff model, the [› E-Fairteiler](#) app developed by Wertstatt 8 and launched in July 2021 enables groups of private electricity producers and consumers to distribute their internally generated PV electricity (**peer-to-peer trading**) within the group. The only prerequisite is a smart meter. Surplus electricity can be sold to one or several defined groups of other customers (without a PV system) at an individually set price. The specific price is set in the app by the group administrator. By joining the group, the customer decides whether or not they accept the set conditions. More features for the “E-Fairteiler” app are planned.

Suggestions for improvement are solicited from all Energie AG's employees on the **“Loominati” platform** – from small ideas about how to make savings to all-new business models. The most important asset for this to succeed is an innovative and highly motivated workforce, with staff able to play their part in the optimisation of operational processes and the ongoing development of the Group by sharing their ideas and expertise.

## Suggestions for improvements

	Unit	2020/2021	2019/2020	2018/2019
Ideas submitted	Number	101	121	173

In the 2020/2021 fiscal year, this translated to 101 suggestions for improvement submitted by employees from all units within the Energie AG Group (previous year: 121). The decline is attributable to the COVID-19 restrictions. The regularly conducted **digitalisation initiative “Neuland”** is one of the measures taken to implement Energie AG's digital strategy. Many pioneering ideas were once again submitted by employees in the 2020/2021 fiscal year. These ideas were advanced in a – owing to the pandemic predominantly virtual – selection process with the help of internal experts. The implemented projects range from automated process optimisations in the area of customer data and tools for app-building and digital applications to innovative digital support for price calculation in the waste management sector. A **virtual framework programme** with targeted collaboration and professional development opportunities for the employees allowed them to increase their digital know-how and improve their identification with the digitalisation objectives. The programme was well received and led to the establishment of a permanent continued professional training offer for the employees.

## New technologies

Energie AG harnesses new technologies for **increasing the efficiency** of internal processes and developing new products and services for its customers. These include, inter alia, algorithms for an intelligent peak management and omni-channel solutions for customer service, the automation and expedited performance of routine activities by robotic process automation, and an Internet-of-Things (IoT) solution for monitoring water consumption. Data analytics and data science methods are used to enable data-based decision-making. Low-code/no-code software can be used to efficiently digitalise internal processes and automate workflows via apps. Matching algorithms support customers in making decisions and in questions concerning the intelligent use of renewable energies.

Energie AG is already collaborating in pioneering research projects that predominantly serve the goal of sector coupling and seasonal storage in the area of **hydrogen** production. The Underground Sun Storage 2030 (USS 2030) project, which seeks to find solutions for the problem of seasonal fluctuations of renewable energy, has already entered the implementation phase. An electrolyser with an output of 2 MW will be installed in the municipality of Gampern, Upper Austria. During the summer months it will generate hydrogen for temporary storage in a disused underground natural gas reservoir. The seasonal storage of energy is achieved by releasing the hydrogen into the natural gas grid of Netz OÖ GmbH during winter. The electrolysis system is scheduled for commissioning in fiscal year 2021/2022.

Another project that has also been granted public funding is dedicated to demonstrating the carbon cycle economy, meaning the implementation of a sustainable circular economy for CO<sub>2</sub>. This involves investigating a number of different options for a further use of carbon dioxide taken from the atmosphere or factoring processes for energy purposes with the help of hydrogen.

Green hydrogen will be an important building block for the unfolding energy transition. It is suitable to replace fossil fuels. Energie AG is taking a pro-active role at the dawn of this interesting time of technological change.

For more information, see the [Group Management Report › Page 13](#), [Research, development and innovation › Page 22](#).

## ENVIRONMENT

GRI 103-1, 103-2, 103-3

Energie AG pursues the following environmental objectives:

- Expanding renewable energy: +630 GWh by 2030; company fleet of electric cars to rise to 40% by 2024
- Resource conservation
- Warranting an environmentally friendly and legally compliant circular economy

Energie AG's major sustainability issues in the environmental realm are **climate protection and the responsible, careful consumption of natural energy resources**. They are covered in the Environment section, where they are broken down into the Segments [Energy › Page 27](#), [Grid › Page 33](#), [Waste Management › Page 36](#), [Czech Republic › Page 39](#), and [Holding & Services › Page 42](#).

Regular internal and external audits are carried out as part of due diligence measures to help to ensure the necessary compliance with the environmentally-relevant statutory requirements. The full list of review findings can be found in the current environmental statements of [› Umwelt Service GmbH](#) and [› Energie AG Oberösterreich Erzeugung GmbH \(Erzeugung GmbH\)](#) for Timelkam.

### | CLIMATE PROTECTION & RESOURCE CONSERVATION

GRI 305-1, 305-2

The activities of Energy AG are intended to provide maximum support to the goals pursued by Austria's **climate policy**. This includes increasing the share of Group-owned systems for electricity generation from renewable sources and initiating measures to improve the efficiency of existing systems. The Group's contribution to **decentralising the market** is manifest in projects that lay the foundation for the emergence and functionality of renewable energy communities and facilitate a sensible, practical future cooperation with these new market players.

Projects aimed at reducing the internal consumption of resources, compensating for undesirable effects from the Group's own operations on the climate and natural environment, as well as further improving the **environmental footprint** of Energie AG are being implemented.

The measures aimed at **raising awareness** for the responsible treatment of energy resources among the population are complemented by (digital) information and advisory services as well as attractive financial assistance options.

### Emissions

GRI 305-1, 305-2

The Energie AG Group's business activity requires a reasonable amount of greenhouse gas emissions. **Thermal power plants** are indispensable for electricity production as a means of ensuring a secure supply and stable grids. Energie AG works to counter emissions by making substantial positive impacts on the environment through efficient low CO<sub>2</sub> energy and heat generation, and by harnessing the benefits of primary fuel and primary raw material substitution. In addition, the Waste Management Segment's refrigerator recycling service makes a significant contribution to reducing greenhouse gas emissions.

The emissions in the 2020/2021 fiscal year are broken down as follows: the total direct (Scope 1) CO<sub>2</sub> emissions amounted to 1,251 kt of CO<sub>2</sub> (previous year: 1,349 kt); of these total CO<sub>2</sub> emissions, 923 kt are attributable to fossil fuel sources (previous year: 1,036 kt) and 328 kt to biogenic energy sources (previous year: 313 kt). Energie AG Group accounted for 36 kt of indirect (Scope 2) market-based CO<sub>2</sub> emissions (previous year: 81 kt) and 127 kt site-based CO<sub>2</sub> emissions (previous year: 118 kt).

The **Energie AG Group's emissions** predominantly come from the operation of thermal power plants, district heating plants, waste incineration plants and co-generation plants, as well as from pumping energy, distribution losses, process heat, building heating and vehicles.

Calculation of CO<sub>2</sub> emissions takes into account the Greenhouse Gas (GHG) Protocol Corporate Standards and the Global Reporting Initiative (GRI 305) Standards.

**Scope 1** encompasses direct emissions from the incineration processes of stationary facilities, direct emissions from the incineration processes of mobile facilities, direct emissions of volatile gases and direct emissions from processes (CO<sub>2</sub> and CH<sub>4</sub>).

**Direct greenhouse gas emissions** are released when primary energy sources are converted in the Company's facilities, vehicles and building heating (without electricity). This includes all fuels such as natural gas, heating oil, coal, diesel, petrol, liquefied petroleum gas and biogenic fuels. Energie AG creates electricity and district heating from these sources, allowing it to operate its own fleet of road vehicles.

**Scope 2** encompasses indirect emissions from electricity purchases and indirect emissions from district heating. For Group units located within Austria, the generation mix of Energie AG (0.00 g CO<sub>2</sub>/kWh) is used to measure the CO<sub>2</sub> emissions from electricity purchases (previous year: 141.57 g CO<sub>2</sub>/kWh). The Czech Republic Segment is measured at the average annual generation mix for the Czech Republic as per the "European Environment Agency".

**Indirect greenhouse gas emissions** are released by the use of electricity from the grid and heating from non-Energie AG systems. This includes the operation of systems that generate no electricity in-house (such as electricity supply to Energie AG buildings, grid purchases during system shutdowns/overhauls, pumped-storage electricity, systems in the water network and systems in the gas grid (without own gas needed)).

## CO<sub>2</sub> emissions in tonnes per year

### Total direct (Scope 1) CO<sub>2</sub> emissions

	2020/2021	2019/2020	2018/2019
<b>Total</b>	<b>1,250,865</b>	<b>1,349,389</b>	<b>1,500,338</b>

**Direct (Scope 1) CO<sub>2</sub> emissions, fossil <sup>1)</sup>**

Business unit	2020/2021	2019/2020	2018/2019
Erzeugung GmbH	390,503	491,328	639,406
Waste Management Segment	468,552	483,828	485,526
Czech Republic Segment	33,561	32,062	35,254
Vertrieb GmbH	25,169	23,966	26,444
Netz OÖ GmbH	3,575	3,395	3,325
Business Services GmbH	1,794	1,714	1,986
<b>Total</b>	<b>923,155</b>	<b>1,036,292</b>	<b>1,191,942</b>

1) The emission factors for fossil fuels were updated according to the values published by the Environment Agency Austria. Values for the global warming potential were taken into account over a 100-year timescale in accordance with the "Fifth Assessment Report" of the "Intergovernmental Panel on Climate Change" (IPCC AR5).

**Direct (Scope 1) CO<sub>2</sub> emissions, biogenic <sup>1)</sup>**

Business unit	2020/2021	2019/2020	2018/2019
Erzeugung GmbH	160,051	138,406	145,859
Waste Management Segment	160,046	166,952	155,096
Czech Republic Segment	7,502	7,652	7,348
Vertrieb GmbH	110	86	93
Netz OÖ GmbH	0	0	0
Business Services GmbH	0	0	0
<b>Total</b>	<b>327,709</b>	<b>313,097</b>	<b>308,396</b>

1) The emission factors for biomass and biogas were updated according to the values published by the Environment Agency Austria and the German Federal Office of Economics and Export Control (Bundesamt für Wirtschaft und Ausfuhrkontrolle).

**Indirect (Scope 2) CO<sub>2</sub> emissions, market based <sup>1)</sup>**

Business unit	2020/2021	2019/2020	2018/2019
Erzeugung GmbH	14	4,310	4,199
Waste Management Segment	0	11,927	14,766
Czech Republic Segment	29,005	28,997	30,205
Vertrieb GmbH	6,824	6,490	4,402
Netz OÖ GmbH	0	28,739	35,465
Business Services GmbH	0	0	0
<b>Total</b>	<b>35,842</b>	<b>80,463</b>	<b>89,038</b>
<b>Total Scope 1 + 2, market based (in t CO<sub>2</sub>eq) <sup>2)</sup></b>	<b>1,286,707</b>	<b>1,429,852</b>	<b>1,589,376</b>

1) The calculation for the Generation business unit and the Czech Republic Segment has been corrected for the previous years. The Scope 2 emissions for all fiscal years were calculated according to the market and site-based approach.

2) The values for the fiscal year 2020/2021 come from direct measurements, from environmental statements, or were calculated using conversion factors (for direct CO<sub>2</sub> emission factors see the Environment Agency Austria (Umweltbundesamt)). Conversion factors are used for the use/consumption of natural gas, petrol, diesel, liquefied petroleum gas, heating oil, methane, biomass, biogas and district heating, for example. The market-based approach was based on the Energie AG's generation mix and the generation mix of the Czech Republic. The site-based approach was based on the generation mix of Austria and the Czech Republic. The emission values from waste incineration (Waste Management Segment) are based on continuous measurements. Methane is included in the direct fossil emissions. The data of Umwelt Service GmbH (Waste Management Segment) has been collected for the calendar year 2020. For availability reasons, the data for the Czech Republic Segment is from the fiscal year 2019/2020. The following entities have not been included due to their small scale compared to the overall balance (<1%): Trading GmbH, Telekom GmbH, the service areas (except Business Services GmbH) and Ennskraftwerke AG. The CCGT power plant in Timelkam is jointly owned by Energie AG (50%) and Groupe e (CH) (50%). The CO<sub>2</sub> emissions are included at 100% in accordance with the operative controlling approach.

**Indirect (Scope 2) CO<sub>2</sub> emissions, site based**

Business unit	2020/2021	2019/2020	2018/2019
Erzeugung GmbH	7,233	7,841	6,118
Waste Management Segment	21,814	21,737	21,540
Czech Republic Segment	29,005	28,997	30,205
Vertrieb GmbH	7,784	6,925	4,710
Netz OÖ GmbH	61,404	52,374	51,738
Business Services GmbH	0	0	0
<b>Total</b>	<b>127,240</b>	<b>117,874</b>	<b>114,311</b>
<b>Total Scope 1 + 2, site based (in t CO<sub>2</sub>eq)<sup>1)</sup></b>	<b>1,378,104</b>	<b>1,467,263</b>	<b>1,614,649</b>

1) The values for the fiscal year 2020/2021 come from direct measurements, from environmental statements, or were calculated using conversion factors (for direct CO<sub>2</sub> emission factors see the Environment Agency Austria (Umweltbundesamt)). Conversion factors are used for the use/consumption of natural gas, petrol, diesel, liquefied petroleum gas, heating oil, methane, biomass, biogas and district heating, for example. The market-based approach was based on Energie AG's generation mix and the generation mix of the Czech Republic. The site-based approach was based on the generation mix of Austria and the Czech Republic. The emission values from waste incineration (Waste Management Segment) are based on continuous measurements. Methane is included in the direct fossil emissions. The data of Umwelt Service GmbH (Waste Management Segment) has been collected for the calendar year 2020. For availability reasons, the data for the Czech Republic Segment is from the fiscal year 2019/2020. The following entities have not been included due to their small scale compared to the overall balance (<1%): Trading GmbH, Telekom GmbH, the service areas (except Business Services GmbH) and Ennskraftwerke AG. The CCGT power plant in Timelkam is jointly owned by Energie AG (50%) and Groupe e (CH) (50%). T<sub>pe</sub> CO<sub>2</sub> emissions are included at 100% in accordance with the operative controlling approach.

**CO<sub>2</sub> emissions from electricity production**

The **CO<sub>2</sub> emissions from electricity production**<sup>1)</sup> were reduced to 0.00 g/kWh in fiscal year 2019/2020 as a result of implementing the exclusive use of environmentally friendly energy sources (fiscal year 2018/2019: 34.17 g/kWh). This means that Energie AG Oberösterreich Vertrieb GmbH (Vertrieb GmbH) is completely climate neutral and causes no CO<sub>2</sub> emissions at all.

	Unit	2019/2020	2018/2019	2017/2018
CO <sub>2</sub> emissions from electricity production	g/kWh	0.00	34.17	54.33

**| ENERGY SEGMENT**

GRI 203-1, EU1, EU2

**Generation**

Energie AG's **generation unit** is responsible for developing, building, operating and maintaining electricity and heat generation facilities and heat distribution systems.

Energie AG is committed to **using renewable energy sources** in an environmentally friendly manner and is building and operating hydropower plants, thermal power plants and heat supply facilities, including with the use of biomass fuels. The Company is also committed to the expansion of wind power and photovoltaic power plants. Energie AG furthermore supports research into alternative electricity generation.

1) Fuel mix disclosure figures of Vertrieb GmbH excl. Energie AG Businesskunden GmbH and ENAMO Ökostrom GmbH; the data for the CO<sub>2</sub> emissions for the electricity production in the 2020/2021 fiscal year was not available at the time the report for 2020/2021 was prepared.



### Effects of climate change on the business model

The Group's business policy accommodates changes caused by the **effects of climate change**. This includes the monitoring of relevant studies that examine precipitation changes in the catchment areas of Energie AG's hydropower plants. A statistically significant change of the standard production capacity of the hydropower plants is so far neither apparent nor can it yet be assessed. The current **volatility on the electricity markets** (price volatility) greatly exceeds the economic uncertainty due to potential changes to the standard production capacity caused by climate change. The effects are distorted by the natural fluctuation of water levels and legal uncertainties that affect the generation of hydroelectric power. Energie AG responds to these uncertainties, e. g. with measures aimed at maintaining the best possible state-of-the-art technology for each individual power plant.

With regard to a possible increase in the **frequency of extreme events**, Energie AG is well prepared for peak events, particularly including flooding incidents. This concerns the operational management of the power plants and the weir operation regulations in particular. The most important measures and concepts have been coordinated with the relevant public authorities and are reviewed and updated regularly.

The overall direction of the business strategy aims at **increasing the proportion of renewable energy sources** in the production of electricity and heat. In addition to expanding the systems for energy production from renewable sources, the Group is also advancing the development in the area of renewable energy storage. Electricity and heat generation systems that are based on non-renewable energy sources are, in particular, operated and further developed as necessary to warrant the security of supply.

### Steady expansion of renewable energy

The further expansion of the existing generation portfolio from renewable sources – especially hydroelectric power, wind and photovoltaics – is a focal point of the strategic development. According to technical and commercial potential estimates, Energie AG Group has the capacity to generate **630 GWh of renewable electricity** between now and 2030 by utilising new plants (hydroelectric power, wind power, and PV) and improving the efficiency of existing plants. The regional focus is set predominantly on **Upper Austria**. This means that Energie AG alone will, by the year 2030, contribute around 2 percentage points to the national 100% renewable target, and increase the existing level of generation by around 22% to approx. 3,150 GWh renewable electricity.

### Hydroelectric power

Hydroelectric power is the **most important pillar of Austria's electricity supply**. The nation has set itself the target of generating an additional 5 TWh from this energy source by the year 2030. The largest part of the electricity procurement in Energie AG's power plant portfolio is also generated by hydroelectric power plants. Upper Austria has already reached a very high degree of resource utilisation of more than 90% in this area. The newly constructed power plant in Dürnau and the planned power plant in Traunfall, which both replace older plants, as well as the power plant project in Weissenbach and other projects are intended to expand the capacity to harness the potentially available clean electricity by the year 2030. The Dürnau power plant was already officially commissioned in the summer of 2021. Replacement of the old plant with a newly constructed power plant has tripled the output to 1.2 MW. The yearly electricity output of approximately 5.8 GWh can cover the demand of around 1,400 standard households. The Weissenbach project not only delivers environmentally friendly electricity but is also a valuable contribution to flood protection in the region.

Energie AG operates 43 of its own **hydropower plants** with a total capacity of around 280 MW and around 1,160 GWh of standard production capacity (previous year: 1,150 GWh). In addition, the Group holds procurement rights to hydropower plants with an output of around 380 MW and around 1,410 GWh of standard production capacity (previous year: 1,410 GWh).

With its hydropower plants, Energie AG is an active player on the electricity market and also delivers important grid services, particularly including the supply of balancing energy.

Ennskraftwerke AG, in which Energie AG holds a 50% interest, is investing around EUR 20.0 million into renovating the **power plant in St Pantaleon**, which is among those with the highest output capacity. The power plant's full-scale renovation will contribute to increasing the electricity generation from hydroelectric power by the consumption of 1,800 standard households.

The construction work on the new **hydropower plant in Traunleiten**, which started in 2017, was completed in 2020. The power plant is owned by Wels Strom GmbH, in which Energie AG holds a 49% interest. The investment volume was EUR 48.0 million. The power plant was constructed at the existing site with the greatest possible degree of care for the adjacent Natura 2000 conservation area.

### Photovoltaics

The **expansion of photovoltaics** will be implemented with the help of Group-owned PV plants, to be erected mainly on already contaminated sites such as landfills and decommissioned mining areas or on already used open spaces (e.g. SolarCampus in Eberstälzell) on the one hand, as well as contracted rooftop-mounted photovoltaic plants. Energie AG is progressing in accordance with the "Photovoltaic Strategy for Upper Austria 2030", which prioritises PV on buildings and inferior open spaces.

Energie AG Group is operating 75 **PV power plants** (previous year: 71) with an output of approximately 14 MW (previous year: 12 MW) and a standard production capacity of 14 GWh (previous year: 13 GWh). The PV plants in operation have a module surface of around 100,000 square metres and can produce the yearly electricity consumption of around 3,500 freestanding family homes.

In the last few years, the expansion of photovoltaic power enjoyed very strong momentum across all of Austria. Energie AG has extensive experience in this field and constructed the first research and demonstration plants several decades ago. An important milestone was the 1 MW **solar park in Eberstälzell** commissioned in the year 2010.

### Wind power

The expansion of **wind energy** in Upper Austria is a highly demanding task, especially due to the topography. What is needed is a revised political environment (Wind Master Plan for Upper Austria) as well as projects outside of Upper Austria, which will be implemented via cooperation projects and partnerships.

Wind power facilities in Austria are predominantly installed in the more windy states of Lower Austria and Burgenland. In addition to the facilities in Munderfing, Upper Austria, Energie AG is also invested in wind power facilities located in the municipalities of Trautmannsdorf and Scharndorf in Lower Austria. Together with local partners, the Energie AG Group owns interest stakes in 13 **wind power facilities** via subsidiaries and thereby makes an active contribution to achieving the climate targets. The wind power facilities have a proportional

output of around 15 MW (previous year: 15 MW) and a standard production capacity of around 36 GWh (previous year: 36 GWh).

### Need for flexibility in electricity production

In addition to a high-performance grid infrastructure, the security of supply also depends on a **secure and flexible energy output**. After reaching the “100% renewables” target in electricity generation in the year 2030, the summer months are expected to deliver a clear surplus production of PV electricity. The higher energy demand during the winter months, however, cannot be covered by the output of the photovoltaic and wind power plants. Forecasts expect the shortfall to amount to up to 9,500 MW for brief periods. “Backup capacities” from flexible CCGT power plants are needed to warrant the **system stability** during these months. The **CCGT power plant Timelkam** plays an important role in congestion management and as a grid reserve. In addition to the usual maintenance measures, Energie AG Group will invest around EUR 2.5 million into the modernisation and further efficiency improvement of the plant in the 2021/2022 and 2022/2023 fiscal years.

In order to make flexible capacities available at short notice, which may be necessary due to unreliable wind or sunshine forecasts, Energie AG is taking the next step toward realising the **pumped-storage power plant in Ebensee**, which has already been approved by the environmental impact assessment. The preliminary project will also include preparation of the final economic evaluation under energy criteria and the profitability calculation. Once the preliminary project has been completed, the Supervisory Board will be asked to make the final investment decision on the project. The demand for additional storage capacities until 2030 undoubtedly exists. Battery storage, e-mobility, and managing consumer behaviour may be sensible additions from today's perspective but fall a long way short of covering the total additional need for flexibility. Maintaining the system stability requires synchronous and parallel support for the volatile generation from renewable sources by flexible “backup capacities” such as pumped-storage power plants. The appropriate regulatory and public funding framework will have to be put in place for these extremely capital-intensive investments.

### Thermal power plants & district heating

Energie AG has seven locations <sup>1)</sup> for **thermal power plants** with an output of around 400 MW<sub>e</sub> and a standard production capacity of up to 2,260 GWh <sup>2)</sup>. The power plant with the highest output in Upper Austria is the **CCGT power plant in Timelkam** with an output of 405 MW<sub>e</sub> <sup>3)</sup>. It warrants the necessary flexibility and a highly efficient partial load operation that allows for a congestion management that can stabilise the electricity grid. The major overhaul planned in the 2021/2022 fiscal year upgrades the plant to state-of-the-art technology and increases the output to around 414 MW<sub>e</sub>. As renewable energy proliferates, flexible power plant capacity is increasingly important. The Timelkam plant is particularly relevant to the Austrian control area manager with regard to the security of supply.

The last of the coal was burnt up at the Riedersbach power plant in 2016. Since then, only natural gas and biomass have been used to generate electricity and district heating at the Riedersbach and Timelkam sites. The biomass power plant at Timelkam (output: 9.5 MW<sub>e</sub>, 28 MW<sub>t</sub>) uses forest and herbaceous biomass to generate green electricity and district heating.

Energie AG operates 12 **district heating distribution networks** (previous year: 12) and manages 607 **heating systems under service contracts** on behalf of customers (previous

<sup>1)</sup> Riedersbach, Timelkam, Wels, Redlham, Kirchdorf, Steyr, Laakirchen

<sup>2)</sup> Including Timelkam CCGT power plant (70%) and Riedersbach (location only)

<sup>3)</sup> Timelkam CCGT power plant (100%)

year: 598). A large share of the district heating is generated from highly efficient CHP (combined heat and power) plants and biomass power plants. As well as operating geothermal plants, the use of industrial waste heat is also increasing in importance.

All thermal electricity and heat generation plants of Energie AG exhibit a very high degree of fuel utilisation and, in turn, efficient **use of primary energy resources**.

**Conserving resources** is more than simply a focus area in the operation of these plants; it begins as soon as infrastructure facilities are built and spans their entire useful life. The environmental impact of new production and supply facilities is kept as low as possible with the close involvement of affected stakeholders and the support of outside experts. A **forward-thinking maintenance strategy** ensures high system availability and maximises system lifespans.

**Increasing energy efficiency** in electricity and heat production, distribution grids, and customers' energy and water consumption is a permanent focus of efforts to achieve sustainability.

The Group ensures that thermal power plants and heat generation processes remain environmentally friendly by using state-of-the-art practices, which are regularly reviewed both internally and externally. The use of **combined heat and power** (CHP), combined electricity and heat generation, plays an important role in improving efficiency. The heat is used for industrial process heating or district heating for the industrial sector, commercial applications and household customers. Efficiency gains are also realised via environmental and other audits, maintenance and repairs, and via internal improvement processes as part of ongoing management efforts. The Group is continuing to expand the use of heat.

Together with the Energy Institute of Johannes Kepler University in Linz (JKU) and other research and industry partners, Energie AG has launched a research project that investigates the **development of interregional heat transfer networks** that are supposed to link several industrial waste heat and other sustainable sources, district heating networks, industrial process heat sinks, and storage facilities with each other, please see [Group Management Report › Page 13](#), [Research, Development and Innovation › Page 22](#). Another **research project** conducted by Energie AG, the Technical University of Vienna, the Energy Institute at the Johannes Kepler University in Linz (JKU) and other industry partners is investigating the extraction of high temperatures incl. heat transportation to industrial customers for the supply of process energy.

Energie AG regularly obtains expert opinions to verify that its larger facilities are **operating with high efficiency**.

In terms of ensuring security of supply, Energie AG's fleet of **thermal power plants** is playing an important role in the transition to clean and renewable energy. It can balance the volatile feed-in of renewable energy and acts as a reserve in the case of grid congestion. Biomass CHP plants also make an important contribution to the use of renewable energy.

This can be achieved through increased use of biomass and by "**greening the gas**" (blending natural gas with renewable gas, such as using methanation or hydrogen produced from renewables). Energie AG's portfolio of power plants and district heat generation facilities provide a solid foundation for further developments in this area.

## Renewable heat

In the area of heat, Energie AG has already initiated the switch to renewable energy through a number of projects over the past years. All measures will lead to the share of sustainable, **CO<sub>2</sub>-neutral heat generation** rising to more than 80% by the year 2030, with more than

260 GWh from **biomass** (Erzeugung GmbH, district heating networks Aschach, Freistadt, Pregarten, Weichstetten, Bioenergie Steyr GmbH and Energie Contracting Steyr GmbH), approx. 45 GWh from **geothermal** (GRB Geothermie Ried Bohrung GmbH and Geothermie-Fördergesellschaft Simbach-Braunau mbH), and approx. 40 GWh from **industrial waste heat utilisation** (Kirchdorf und Gmunden). The significantly **expanded utilisation of waste heat** in the waste incineration plant in Wels as part of the project "Future initiative electricity and heat supply Wels" allows for the current production of around 180 GWh to be more than doubled to around 390 GWh in the long term. The strategy of **densification and optimisation of the existing district heating networks** is being continued. Additional waste heat sources will be evaluated between now and 2030, the heat used this way will be integrated into the district heat networks, making them even more sustainable.

### Decarbonisation of space heating

In the 2020/2021 fiscal year, 14,800 households in the town of Wels were to a large extent supplied with exhaust heat from the Wels waste incineration plant operated by Energie AG. The intensified cooperation between eww ag as the district heating network operator and Energie AG as the heat producer encompasses the **expansion and densification of the district heating network**, a second large transport pipeline in the northern part of the town of Wels, and warranting the supply with district heat. Doubling the **heat extraction at the Wels waste incineration plant** substitutes for other energy sources. In calendar year 2021, these projects lead to investments to the tune of EUR 26.0 million in the area of district heat. The uninterrupted supply is also warranted by the use of biomass, solar heat, and modern heating boilers. The use of fossil fuels is reduced by maximising the utilisation of heat from waste incineration. Once the final scope is installed, between 80% and 90% of all households in Wels (approximately 26,000) along with numerous businesses can be supplied with environmentally friendly district heat from the Wels waste incineration plant.

## Generation plants

	Unit	2020/2021	2019/2020	2018/2019
Hydropower plants	Number	43	43	43
Total output	MW	280	280	280
Standard production capacity	GWh	1,160	1,150	1,150
Procurement rights from hydroelectric power	MW	380	380	380
Procurement rights from hydroelectric power, standard production capacity	GWh	1,410	1,410	1,390
Thermal power plants (locations)	Number	7	7	7
Electricity output	MWe	400	400	400
Standard production capacity	GWh	2,260	2,260	2,260
District heating grid Austria	Number	12	12	11
Heat contracting plants	Number	607	598	589
Wind power facilities	Number	13	13	12
Output	MW	15	15	13
Standard production capacity	GWh	36	36	35
PV systems	Number	75	71	58
Output	MW	14	12	10
Standard production capacity	GWh	14	13	11

## Proprietary electricity procurement

	2020/2021		2019/2020		2018/2019	
	GWh	%	GWh	%	GWh	%
Natural gas power plants	465	14.7	688	19.9	1,001	26.2
Waste incineration	118	3.7	128	3.7	114	3.0
Hydroelectric power	2,381	75.1	2,433	70.4	2,518	66.0
Biomass and biogenic waste	157	5.0	156	4.5	139	3.6
Wind power	35	1.1	37	1.1	35	0.9
Photovoltaics	13	0.4	12	0.3	9	0.2
<b>Total proprietary procurement</b>	<b>3,169</b>		<b>3,454</b>		<b>3,816</b>	
<b>Share of renewable energies</b>		<b>81.6</b>		<b>76.4</b>		<b>70.8</b>

In the 2020/2021 fiscal year, 81.6% of Energie AG's proprietary electricity procurement came from renewable sources (previous year: 76.4%), with around 75.1% of this coming from hydroelectric power (previous year: 70.4%) and the remainder from PV systems, wind power, biomass and biogenic waste.

For more information about energy generation, see the [Key performance indicators › Page 24](#) section of the [Group Management Report › Page 13](#) as well as the [Energy Segment › Page 80](#).

## Biodiversity

The preservation of valuable habitats, biodiversity and water body morphology are essential aspects of project development at Energie AG. A wide array of environmental considerations are addressed during the approval process for power plant construction.

Energie AG is also implementing measures to improve ecological conditions and reduce the environmental footprint, e.g. fish bypasses.

**Fish bypasses** have been built at Energie AG's run-of-river power plants and pumped-storage power plants in accordance with the Water Framework Directive.

### Fish bypasses

	Unit	2020/2021	2019/2020	2018/2019
Dams with fish bypasses	Number	26	25	24
Dams without fish bypasses	Number	19	20	21

With over 20 **fishing rights** in Upper Austria and Salzburg, Energie AG is one of Upper Austria's largest fisheries and not only supports the natural reproduction of the fish stock, but also secures the naturally authentic population density by means of ecological breeding programmes and regular stocking with native fish species.

## Sales

GRI EU DMA (formerly EU7)

The energy savings that result from giving well-founded energy advice are a significant contribution to environmental protection and cost reduction efforts. **Energy efficiency and advice** have been among Energie AG's core competencies for many years. Most of the Company's customer advisers in Austria are certified "European Energy Managers" (EUREM) who can advise their customers on-site, e.g. on trade fairs or in the business customer sector, on the basis of concrete analyses.

As a **provider of energy audits** in accordance with the Federal Energy Efficiency Act that is registered with the National Energy Efficiency Monitoring Centre, Energie AG Oberösterreich Vertrieb GmbH (Vertrieb GmbH) and its wholly owned subsidiary Ingenieurbüro IfEA Institut für Energieausweis GmbH (IfEA) employ 12 listed energy auditors (previous year: 10), making the Company one of the largest providers of this service in Austria. The IfEA offers numerous other energy services for private persons and businesses. The objective is to promote a sustainable and conscious consumption of energy and to enable customers to benefit from easily accessible high-quality services. Energy performance certificates, thermograms, blower door tests, and heating monitoring are among the standard service offers. The IfEA supports businesses on their way to more sustainability and resource-efficiency by offering energy audits, energy advice for small and medium-sized companies, CO<sub>2</sub> footprint and load profile analyses for electricity and natural gas, as well as optimisation concepts.

Vertrieb GmbH offers its customers **CO<sub>2</sub>-free electricity labelling for household and business customers**. The energy mix amounts to 0 grams CO<sub>2</sub>/kWh. The fuel mix disclosure uses 100% renewable energy sources. Additionally, Enamo Ökostrom GmbH is supplying municipal public and business customers with electricity that is certified with the Austrian



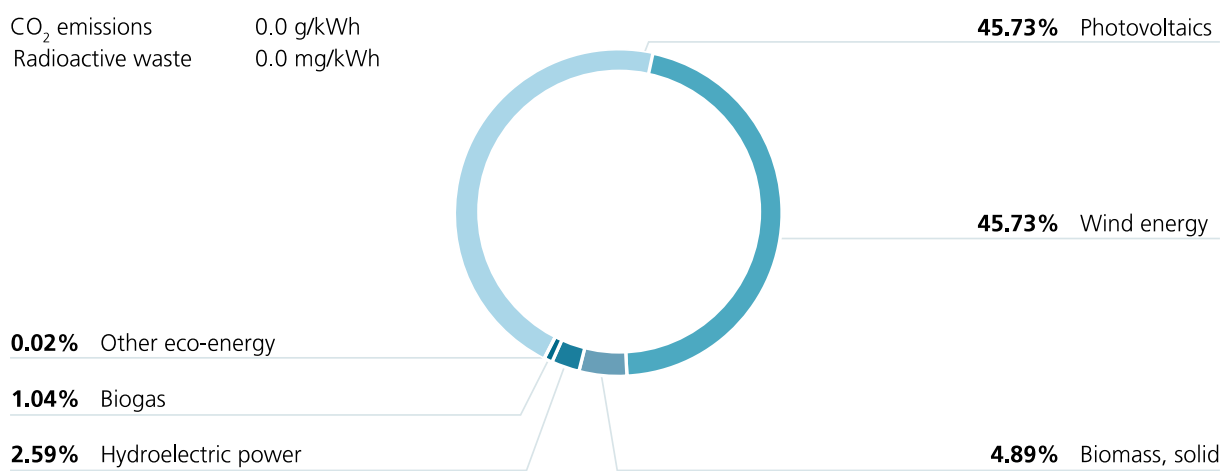


The product mix "Upper Austria green electricity" presents as follows:

### Upper Austria green electricity

Product "Ökostrom Plus"

CO<sub>2</sub> emissions 0.0 g/kWh  
Radioactive waste 0.0 mg/kWh



Figures as of 14 December 2020

### The Austrian Energy Efficiency Act and its implementation

The Federal Energy Efficiency Act (Bundes-Energieeffizienzgesetz) of 2015 was to the largest part rescinded at the end of calendar year 2020. It took great effort for the Vertrieb GmbH to satisfy all requirements from the Act to the utmost satisfaction of all involved parties. The new Energy Efficiency Act and the requirements and obligations resulting from it are expected to be published in the first half of 2022. Hand in hand with its customers and partners, the Vertrieb GmbH will continue on the path towards a more sustainable future.

### Energy efficiency at the customer

The Energie AG Group engages in promotional funding and campaigns to encourage efficient and sustainable energy use. The following values relate to the last full calendar year available on the reporting date – i.e. in the 2020/2021 fiscal year they relate to calendar year 2020. This allows for comparability with the statutory requirements under the Federal Energy Efficiency Act, which prescribes an analysis on a calendar year basis.

The figures stated in the table relate to measures that were taken proactively by the Vertrieb GmbH or delegated to customers by the Vertrieb GmbH. Due to the fact that Vertrieb GmbH has, thanks to its pioneering role, already met its obligations that result from the Federal Energy Efficiency Act 2015 for many years in advance, the measures in subsequent years may fall short of the required savings.

### Compulsory energy saving obligation Vertrieb GmbH

	Unit	Calendar year 2020	Calendar year 2019	Calendar year 2018
Energy savings at the end user in accordance with the EEEffG	MWh	64,674	59,874	63,003

**Measures taken by the customer or Vertrieb GmbH**

	Unit	Calendar year 2020	Calendar year 2019	Calendar year 2018
Energy savings resulting from measures taken by customers	MWh	13,264	11,185	20,329
Natural gas heating	Number	177 <sup>1)</sup>	254	259
Total energy savings	MWh	3,011	3,102	3,716
Heat pumps	Number	115	65	244
Total energy savings	MWh	1,715	706	4,239
Other measures (e.g. replacement of household appliances, energy saving help package, several LED campaigns etc.)	MWh	456	2,383	5,115
<b>Total reported measures</b>	<b>MWh</b>	<b>18,447</b>	<b>17,376</b>	<b>33,399</b>

1) The number of natural gas heating systems in the calendar year 2020 is made up of 169 customer systems and eight Energie AG contracting systems.

The products and services of the Vertrieb GmbH focus on **advancing renewable energies** and improving the **energy efficiency at the customer**. As a result, the portfolio is being extended and combined with public funding options offered by the Province of Upper Austria.

Energie AG incentivises its customers to use energy efficiently in numerous ways. Around 25,000 **LED lamps** were distributed to customers free of charge at the occasion of the regional roadshow in calendar year 2020. The **household appliance upgrade campaign** in calendar year 2020 with selected market partners was taken advantage of by many customers and resulted in the replacement of **743** old household appliances with efficient new appliances (calendar year 2019: 310).

With the **energy saving help package** initiative, Energie AG provides free boxes that contain energy saving products (e.g. LED lamps) and helpful information on how to save energy to recipients of welfare benefits and other persons in need across Upper Austria.

Energie AG supports various campaigns and initiatives aimed at promoting the replacement of old heating systems with **modern and efficient heating systems** – with Energie AG offering financial assistance as well as energy advice and demo systems.

The **“exit oil” campaign** promotes the switch from old oil-powered heating systems to new environmentally friendly heating solutions. 115 customers took advantage of Energie AG's **heat pump subsidy** in calendar year 2020 and replaced their old heating system with a heat pump (calendar year 2019: 65), yielding total energy savings of around 1.7 GWh (previous year: 0.7 GWh). The **“energy-saving package”** offered by Energie AG supported 169 customers who replaced their existing heating systems with an efficient natural gas unit in calendar year 2020 (calendar year 2019: 254), yielding total energy savings of around 2.2 GWh (previous year: 3.1 GWh).

**Heat contracting solutions** for efficient heating systems were another focus area. The increased use of biomass, geothermal energy and industrial waste heat is particularly effective in promoting regional and renewable energies in the production of heat.

Energie AG has extensive expertise and experience in the **area of photovoltaics. PV contracting solutions** enable business and industrial customers to harvest the benefits of an environmentally friendly electricity generation from solar power without having to finance the installation of the system and take care of its operation. The Vertrieb GmbH is operating a total of 50 PV contracting systems at customers (previous year: 51) with an output of around 8.4 MWp (previous year: 8.4 MWp) installed on the roofs of companies in Upper Austria. Contracts for 20 new PV plants with 4.0 MWp were signed in the 2020/2021 fiscal year; these new plants are currently under construction.

Energie AG **promotes the expansion of roof-mounted PV plants** by offering its customers the “**› PV Superdeal**”, which is a currently unique way of using a hire-purchase model to put a powerful, high-quality and individualised PV solution on the roof without the upfront investment. The focus is on **PV plants up to 5 kWp** for individual consumption; the unused electricity is either purchased by Energie AG at attractive conditions, or traded peer-to-peer via a mobile phone app. Business and agricultural clients stand to benefit from the newly developed “**› PV Profideal**”, which is similar to the PV Superdeal and offers **PV plants with an output of up to 40 kWp**. This provides strong support to the “Photovoltaic Strategy for Upper Austria 2030”.

## | GRID SEGMENT

GRI 203-1, EU3, EU12

Netz OÖ GmbH is the electricity and gas grid operator in Upper Austria and parts of the states of Salzburg, Styria, and Lower Austria. The company also safeguards the **operation of the electricity and gas grid**. The yearly investments into grid expansion, retrofitting, and maintenance amount to more than EUR 100 million. These investments pursue the objective of warranting the reliable and well-performing energy supply for more than 575,000 electricity and gas customers. Netz OÖ GmbH understands that it is an important part of the public service in its supply area.

Netz OÖ GmbH is committed to the sustainable treatment of the resources available to us as well as to exercising its social responsibility. This includes being actively involved in shaping the living environment of customers and laying the foundations for the measures that are needed to master the energy transition and combat climate change. This is why Netz OÖ GmbH gained certification to **ONR 192500:2011 “Social responsibility of organisations” (CSR)** in the 2020/2021 fiscal year. The CSR goals are closely linked with the QSE management system of Netz OÖ GmbH. Regular internal and external audits review the compliance with the QSE and CSR standard.

Netz OÖ GmbH publishes its **Sustainability reports** on the company's website:

**› Sustainability reporting Netz OÖ GmbH.**

Restructuring the energy system towards a decentralised electricity generation from renewable sources while assuring the reliable and secure supply to customers requires very high **investments into grid infrastructure** in the years between now and 2026. Around half a billion Euro will be invested in the next five years. Thanks to local sourcing, more than half of this amount will **generate additional value in Upper Austria**. This will secure around 2,700 jobs.

Important sub-projects that fall under the “**Electricity Grid Master Plan Upper Austria 2028**” will be finalised shortly (electricity supply Almtal and Kremstal), or have made substantial progress (electricity supply Pramtal south). Numerous other projects are in the planning phase. All projects pursue the objective of warranting a reliable and secure electricity supply in Upper Austria.

In light of the expected massive expansion of e-mobility and decentralised systems for electricity generation from renewable sources, the low and medium voltage grids will also have to be expanded in the years ahead. Netz OÖ GmbH is planning to increase **new grid capacities** by at least as much as needed for the production output from renewable energy sources flowing into the electricity grid to increase by at least 10% each year.

Between now and 2026, around EUR 57.0 million will be invested into the **gas grid**, which is needed to support sector coupling and integration. Investments into this grid are necessary notwithstanding the planned exit from fossil energy sources due to the fact that these grids can also transport and distribute green, climate-neutral gases such as organically or artificially produced biomethane or hydrogen.

In addition to the measures focusing on security and quality of supply, the distribution grid operator will soon play an important role in the **implementation of the renewable energy communities** (measurement and provision of measurement values for the settlement of the consumption within the community and its members etc.).

#### Grid losses

	Unit	2020/2021	2019/2020	2018/2019
Electricity grid losses	GWh	238	203	209
Electricity grid losses	%	2.8	2.6	2.5
Gas grid losses	m <sup>3</sup>	31,367	26,533	26,606
Gas grid losses in CO <sub>2</sub>	t	3,575	3,395	3,325

**Grid losses** are an indicator for the efficiency of energy supply grids and thereby for the preservation of resources during energy transportation. The use of low-loss, high-efficiency transformers in grid renovation as well as energy-efficient control, regulation and transportation technology contribute to the further reduction of grid losses.

In the 2020/2021 fiscal year, the **losses in the electricity grid** amounted to 2.8% or 238 GWh (previous year 2.6%/203 GWh). The GWh increase in electricity grid losses in the 2020/2021 fiscal year was caused by a surplus of outflow energy when compared to the 2019/2020 fiscal year. Expressed as a percentage, the value falls within a natural fluctuation bandwidth. The **gas grid losses** caused by venting for repairs and maintenance works amounted to 31,367 m<sup>3</sup> in the 2020/2021 fiscal year (previous year: 26,533 m<sup>3</sup>). The gas grid losses correspond to 3,575 t of CO<sub>2</sub> (previous year: 3,395 t of CO<sub>2</sub>). Despite optimisation measures, the necessary projects made this extent of venting unavoidable.

#### Use of land

Electricity and gas are **grid-bound energy sources**. The supply with electricity and gas depends on the availability of the necessary grids and transportation systems to the consumers. As a grid operator, the company needs to secure the **right to use** the necessary land parcels for cables and overhead lines that are needed for the electricity grid and for pressured pipes for the gas grid. The company prioritises the use public land for grids that ensure the energy supply (in the public interest) whenever possible. In most cases however, public land that is suitable for the necessary scope of installations and operations is not available in the necessary size. This means that it is necessary to use land owned by third parties. This requires an amicable agreement with the land owners.

The company already affords maximum **consideration to the settlement structure** and neighbours during the planning phase. Netz OÖ GmbH is always trying to minimise any

undesirable impact. This is why in most cases it is possible to reach mutual agreement with regard to the utilisation of land for the erection of the necessary energy systems. Whether or not this is possible mainly depends on the voltage (electricity) or pressure (gas) levels. The higher the voltage and pressure (which requires larger lines and wider routes), the less likely persons living in the vicinity are willing to tolerate an individually subjective disturbance. The compulsive registration of an easement that allows the use of land in the public interest of assuring the energy supply is only a measure of last resort in cases where a mutual agreement cannot be reached.

## Objectives, measures and fields of action of social responsibility

Netz OÖ GmbH has compiled an **ESG risk analysis** for the business areas gas and electricity. This risk analysis examines issues from social affairs, environment, work, and customers that are of relevance to the company. These issues were assessed with respect to the ensuing opportunities and risks for Netz OÖ GmbH. Success factors have been developed for all important core CSR issues of Netz OÖ GmbH and allow for the achievement of strategic objectives and the sustainable improvement of the product and service quality. The new requirements were integrated into the **quality management system of Netz OÖ GmbH** and are observed in all core activities. Yearly internal and external audits verify the effectiveness of the quality management system.

Netz OÖ GmbH is firmly committed to the major sustainability issues of Energie AG as the parent company. Separate sustainability issues have been developed for a more specific representation of Netz OÖ GmbH. The quantitative and qualitative key performance indicators to be measured were set in the form of success factors based on these issues. The Netz OÖ GmbH business activities are focused on a **positive development of the major sustainability issues** and are monitored yearly on the basis of dedicated success factors. The following significant major sustainability issues were compiled: security and quality of supply, responsible treatment of third-party property rights, customer orientation and satisfaction, innovative services to support social developments, workplace health and safety, climate change mitigation and resource preservation, legal compliance and prevention of corruption, acting as a responsible employer, regional responsibility, and safeguarding the company value.

Netz OÖ GmbH has already implement numerous projects that align with the **principle of sustainability** and socially responsible action over the past years, e.g. in the area of storing solar electricity in the gas grid and protecting nature and living creatures (bird protection project: a substation is turned into a semi-natural habitat for animals). All reports on the above and ongoing projects can be found on the homepage of Netz OÖ GmbH ([› www.netzooe.at/nachhaltigkeit](http://www.netzooe.at/nachhaltigkeit)).

## | WASTE MANAGEMENT SEGMENT

GRI 306-1, 306-2, 306-3

The Waste Management Segment handles a **total waste volume** of around 1.7 million tonnes a year at 24 facilities (previous year: 1.7 million t). Due to modern logistics and the extensive network of facilities, this waste is collected, treated, incinerated or disposed of in a commercially and environmentally state-of-the-art process. The market for waste management is subject to permanently changing general conditions.

The careful use of resources and prevention or reduction of emissions with the active involvement of customers, employees, and owners as well as their level of satisfaction are fundamental prerequisites for the Group's long-term success. To guarantee customer focus and rapid service, the Waste Management Segment operates at various sites across all of Austria. The headquarters of the Waste Management Segment are still located in Hörsching but will be relocated to Wels in the 2021/2022 fiscal year.

### Total waste volume in tonnes <sup>1)</sup>

	2020/2021	2019/2020	2018/2019
<b>By waste type</b>			
Non-recyclable waste	1,293,132	1,258,058	1,294,464
Paper	203,249	204,433	211,340
Plastics & packaging	42,804	46,168	54,686
Glass	51,433	52,853	52,427
Organic waste	55,880	57,446	54,044
Metals	29,648	38,544	32,244
<b>By hazardous substance</b>			
Hazardous waste	110,444	92,622	94,456
Non-hazardous waste	1,565,701	1,564,880	1,604,747
<b>By waste management method</b>			
Recycling	1,261,963	1,277,011	1,294,614
Thermal processing			
high-caloric	2,833	8,587	3,183
medium-caloric	360,107	338,951	351,406
low-caloric	10,205	12,680	10,478
Landfill	41,038	20,274	39,523

1) The waste management method relates to the first treatment stage after waste generation.

Example 1: So-called non-recyclable waste is generated in households. The first treatment stage takes place at the waste incineration plant in Wels. One of the residues resulting from incineration is slag. Slag is then processed in a second treatment stage (washing, sieving) to extract metals. The metals are delivered to a metal recycling plant. The remaining slag is then deposited in landfill. The first treatment stage for non-recyclable waste is incineration. Therefore, non-recyclable waste is allocated to the incineration waste management method. Additional treatment stages are not taken into account.

Example 2: So-called bulky waste is generated in households and businesses. The first treatment stage takes place at the recycling plant. The waste is broken down and can then be divided into various recyclable waste types (metals, wood). The remaining waste mostly consists of contaminated plastics and paper and cannot be recycled. The next treatment stage is incineration. As described above, incineration creates slag, which is then processed further. Thus, the first treatment stage for bulky waste is recycling and the extraction of secondary raw materials (metals). Additional treatment stages are not taken into account.

The majority of the waste volumes is processed in Group-owned treatment and recycling plants and then returned on the market or used for **electricity or heat generation**.

**Investments** into the highest technical standards and in environmental protection are one of the foundation stones of the Waste Management Segment's business activities. A special focus is on **resource preservation** and the **substitution of fossil fuels**.

The environmental targets of the Waste Management Segment are stated in the current [› environmental declaration 2021 pursuant to EMAS](#).

**Internal audits** guarantee the process control with respect to legal compliance with environmental regulations. This focuses on the Austrian Legal Information System, monitoring of requirements (laws, regulations, administrative decisions) in the Gutwin legal database and ensuring that waste is obtained and stored legally. In addition, the externally certified environmental management system guarantees that negative impacts of processes on the environment are identified and can then be prevented or mitigated accordingly.

When providing waste management services, care is taken to ensure that **resources are conserved as much as possible**. Key plans in this area include reducing CO<sub>2</sub> emissions with a modern fleet of trucks, rolling out e-business (automating commercial processes), increasing energy efficiency and decreasing overall energy consumption.

The slag remaining after waste incineration is recycled at the **Wels plant**. In a multi-stage mechanical separation process, iron and other content remaining in the slag after incineration is removed. These raw materials (aluminium, copper, brass and stainless steel) are separated, recycled and returned into the metal processing cycle, which in comparison to primary production also saves CO<sub>2</sub> emissions. The recycling of the metals additionally reduces the use of the landfill in Wels and thereby prevents the need to use other landfills and the associated truck journeys and fuel consumption.

**Biomonitoring, a scientifically-based control method**, is used to track pollutant emissions at the Wels waste incineration plant. The effects of the thermal treatment plant's operation on the environment are measured continuously at several fixed points in and around the site.

In terms of energy efficiency in the Waste Management Segment, the Group pays particular attention to the **energetic effectiveness** of the grate firing and circulating fluidised-bed **waste incineration plants**. Compliance with the efficiency criteria under Directive 2008/98/EC is assessed on an annual basis. Efficient electricity conversion and/or heat extraction are crucial factors in fulfilling these criteria. As far as technically possible, process water, rain water or seepage is used instead of potable water in the production plants.

In order to keep the waste incineration plants up to date with the latest technology and warrant an **uninterrupted security of waste management**, the waste incineration plants are regularly inspected with a focus on the replacement of bigger system components. The replacement of the waste crane in the waste incineration plant in Wels took place during ongoing operations in the autumn of 2020. A second waste crane was installed at this opportunity. This technical expansion significantly increases the operational reliability of the waste incineration plant in Wels.

A key objective of the Waste Management Segment lies in **compensating for emissions** caused by own plants and **reducing the consumption of resources**. The Segment's **CO<sub>2</sub> footprint** was determined in the 2019/2020 fiscal year in cooperation with the Environment Agency Austria and forms the basis for the climate change mitigation strategy that the waste management sector is implementing in order to achieve CO<sub>2</sub> neutrality. According to Environment Agency Austria, the direct and indirect emissions amount to a total of 530,000 t of CO<sub>2</sub>eq (resulting from the operation of incineration plants, logistics, electricity consumption etc.). Around 60% of these emissions are already directly compensated by the

services provided by the Umwelt Service GmbH, e.g. by the production of substitute fuels and the recycling of waste materials to secondary raw materials. Additionally, the generation of electricity and district heat in the waste incineration plant in Wels generates a theoretical prevention potential of around 250,000 t of CO<sub>2</sub>eq for the Umwelt Service GmbH.

Based on the insights from the investigation conducted by Environment Agency Austria, the Umwelt Service GmbH is now implementing additional projects within the **climate change mitigation strategy**. The focus of these projects is on the switch to electric vehicles and the in-house generation of electricity from photovoltaic. The survey will now continuously examine how strongly these projects influence the operational CO<sub>2</sub> footprint.

Wels with its two **waste incineration plants** is not only the centre piece of the waste solution for Upper Austria, but also a hub for many waste management activities within Energie AG Umwelt Service GmbH. An expansion project in Wels was started in the summer of 2020 to integrate the site in Hörsching, which had previously been converted into a logistics hub. The concentration at a single central location with around 100 jobs delivers synergy effects with shorter distances, making it more climate friendly and increasing value generation for Wels.

The Waste Management Segment also offers **water supply and waste water management services** to cities and municipalities across Austria. There is no noteworthy water loss from the transport lines owned by the Segment, with the differences between the measuring points at wells or tanks and water meter chambers at the customer's end falling within the range of the water meters' measurement tolerances.

Energie AG only has limited influence over **water losses** in the distribution networks of the municipalities serviced, as the municipalities who own the infrastructure in these areas have the power to decide on any measures (upgrades, investments, etc.). Energie AG carries out monitoring, measurements and broad-based analysis and formulates proposed measures for decision-makers to reduce non-revenue water.

A pilot project implemented in the reporting period successfully tested the **water consumption monitoring tool** "Water under Control" developed by ČEVAK a.s. in several Upper Austrian communities and prepared further steps.

## | CZECH REPUBLIC SEGMENT

The Czech Republic Segment supplies just short of 1 million people with approx. 48.2 million m<sup>3</sup> of drinking water (previous year: approx. 47.5 million m<sup>3</sup> drinking water) and provides **waste water management services** to around 700,000 residents with around 45.1 million m<sup>3</sup> waste water (previous year: approx. 44.3 million m<sup>3</sup> of waste water). Given that local authorities are responsible as the infrastructure owners for **renovating networks** (except for one investment – VaK Beroun a.s.), Energie AG's measures focus on locating and remedying leaks. The continuous monitoring, reporting and benchmarking allows for a detailed analysis of the complex developments in the piping networks. In recent years, extensive investments have been made in modern hardware and software for hydraulic network modelling, as well as in expanding district metered areas, supplying equipment and providing employee training.

A **benchmarking** in accordance with the internationally accepted "unit water leakage" method paints a positive overall picture for the 52 supply areas that each have a population of more than 5,000. In fiscal year 2018/2019, 94% of the networks were in good condition, 6% in average condition and 0% in poor condition. For the 2019/2020 fiscal year, these



values have changed to 92% in good condition, 6% in average condition and 2% (representing a single municipality) in poor condition.

The **business area "Heat"** in the Czech Republic Segment supplies over 50,000 residents with district heat and provides installation services for municipalities and private customers with a focus on energy efficiency and CO<sub>2</sub> reduction. The ongoing investments in generation systems and heat distribution networks deliver an improved security of supply and a better energy efficiency. In the Czech Republic, the Energie AG Group operates boiler houses with an installed thermal output between 50 kW and 20 MW. Measures aimed at increasing their efficiency and reducing their CO<sub>2</sub> footprint are carried out regularly.

## Effects of climate change on the business model

The **effects of climate change** within the operations area of the Czech Republic Segment requires a differentiation between specific regional aspects as well as the water/waste water and heat business areas. For the supply with drinking water, quantitative resource problems must be expected regionally as well as over the course of the year. Large-area distribution systems will be less affected. Peak coverage from additional storage facilities will become necessary in the case of longer periods with little precipitation. In the area of waste water, an increasing frequency of localised to regional heavy rain events must be expected to overburden the sewage systems and sewage treatment plants.

The **operator model** as the dominant business model in the Czech Republic is affected to a lesser degree by the described scenarios, because the infrastructure is owned by the municipalities, who are bearing the risk of having to adapt the infrastructure. Opportunities arise from the municipalities' need for additional funding, leading to opportunities in the area of public-private partnerships (PPP). In the few cases where Energie AG entities own the infrastructure, additional investments for the development of new resources, for peak demand coverage, and for adaptation of the precipitation/stormwater drainage management must be expected.

In the business area **Heat**, the milder cold periods must be expected to result in declining heat sales. Financial assistance from the EU climate initiatives may reinforce the trend toward new, alternative, and decentralised options for heat supply, and thereby compete against the centralised heat grids. At the same time, these new developments and the increasing demand for cooling supply offer the opportunity to develop new business models.

Further information on performance and output data as well as key figures, benchmarking and environmental topics can be found at › [www.energieag-bohemia.at](http://www.energieag-bohemia.at) and › [www.energieag.cz](http://www.energieag.cz), as well as in the **Group Management Report, Czech Republic Segment › Page 39**.

## I HOLDING & SERVICES SEGMENT

Together with other prominent Austrian companies and corporate groups, Energie AG is participating in a **building benchmarking** that in the 2020/2021 fiscal year once again documented the pioneering character of the included buildings with respect to economic operations and efficiency. Due to the fact that the corporate headquarters of Energie AG – the PowerTower – continues to present a structural landmark in terms of technology, some building techniques like the facade or component activation will also find their way into the **extension building to the PowerTower**.

Energie AG has placed its focus firmly on its employees and their well-being at the workplace. This is why modern energy concepts for the various sites are planned and

implemented in addition to Energie AG proactively exercising **operator responsibility in accordance with ÖNORM B1301** (property and building safety).

The **company restaurants** and canteens of Energie AG in Linz, Gmunden, Timelkam and Riedersbach have placed an even stronger focus on the use of regional and seasonal fresh produce compared to the previous years. Direct partnerships with regional suppliers of produce and meat are sought out and established with increased intensity. In the 2020/2021 fiscal year, the canteens prepared a total of 93,078 fresh servings of food for employees (previous year: 122,892). The decline is attributable to employees working from home as a result of the COVID-19 pandemic. In the interest of a balanced diet, the menus also feature **vegetarian meal options**. Around 25% of all lunches sold are vegetarian.

#### Servings of food for employees

	Unit	2020/2021	2019/2020	2018/2019
Servings of food for employees	Number	93,078	122,892	146,936

In **purchasing processes**, some environmentally relevant criteria are set as mandatory requirements in the text of requests for proposal. The supplier assessment in the **Group's purchasing manual** includes an environmental component. Tenders for transport services are awarded with a strong preference on low CO<sub>2</sub> emissions. Tenders for cleaning services pay particular attention to the biodegradability of cleaning products. Purchases are geared to longevity, e.g. the average useful life of transformers is 45 years.

## Electromobility

Energie AG emphasises its role as a paragon and pioneer in the area of resource preservation by enthusiastically **endorsing electric mobility** and alternative engine power.

With a share of around 30% in Austria's total CO<sub>2</sub> emissions in the year 2019 and a continuous increase exceeding 74% since 1990, motor traffic is a key factor in the mission of achieving a CO<sub>2</sub>-neutral society. Great hopes rest on **electromobility**.

Energie AG operates 190 passenger vehicles and 600 trucks and commercials across its sites in Austria. The share of electric passenger vehicles in the Group's fleet (excluding the Czech Republic Segment) rose to 39 vehicles in the 2020/2021 fiscal year and now represents 21%. The goal is to successively increase the share of **electric cars** in the Austrian fleet to **around 40% by the year 2024**. To achieve this objective, a massive expansion of the internal charging infrastructure of currently 76 charging stations (previous year: 48) at 23 locations (previous year: 14) to 161 charging stations at existing and numerous new locations by the year 2024 is being planned.

Energie AG thereby supports the Austrian Government Programme 2020-2024, which provides strong impetus for public companies to switch their fleets to electric vehicles. The **charging and operation of the vehicles** with 100% renewable energy enables the Group to reduce CO<sub>2</sub> emissions and the dependence on fossil energy sources.

Energie AG's **charging card** is the key to Austria's largest charging network, giving customers a convenient way to charge their electric cars. More than 7,200 electric car charging stations across Austria are provided by cooperation partners and can be used with the Energie AG charging card (previous year: 4,500). In Upper Austria, Energie AG has established a dense charging network to provide public and fast charging facilities for electric cars. Energie AG is planning to expand the network of public charging stations with different output levels in the future (in cooperation with municipalities and local partners). The electricity supplied to all

charging stations operated by Energie AG is to 100% sourced from hydroelectric power, wind and solar energy. Energie AG also offers charging solutions for densely populated residential buildings and company fleets. These solutions are geared to the charging requirements of the local target groups.

In addition to Energie AG's charging solutions for private and business customers, the Group is pursuing a targeted expansion of public charging stations – including operations management and service packages with local partners and municipalities – that is aimed at providing **full-coverage supply to customers**. Energie AG currently operates 128 publicly accessible charging stations with various output ranges from 3.7 kW to 150 kW, including a billing system, and manages a total of over 425 charging points. Rapid charging stations are currently operated at eight locations, with a further six rapid charging stations planned in the 2021/2022 fiscal year. For more information, see the [Group Management Report, Electric Vehicles section](#) > [Page 32](#).

## Energy audit

The energy audit, in line with § 9 of the Austrian Federal Energy Efficiency Act 2015 (Bundes-Energieeffizienzgesetz), is conducted once every four years and covers all the Energie AG Group's locations in Austria. The most recent energy audit was concluded in November 2019. The energy audit examines a key energy consumption area in the relevant sites' "processes", which is analysed in detail and subsequently audited. These processes encompass operational processes and industrial facilities, e.g. electric drives and systems, hot water systems used in industrial activities. The "Processes" business unit accounted for 95.1% of Energie AG's total energy consumption in the 2017/2018 fiscal year (2014/2015 fiscal year: 92.0%), while transport accounted for 4.2% (2014/2015 fiscal year: 4.0%) and buildings accounted for 0.7% (2014/2015 fiscal year: 4.0%).

The efficient use of energy and energy sources is a top priority for Energie AG, as is evident from the Vertrieb GmbH's numerous incentives and campaigns. The 400 kWp PV system installed at the Ötztal location in autumn 2020 is a prime example for the sustainable use of energy. The unit not only supplies electricity to the waste management site but also to commercial tenants as well as electric vehicles of customers and employees. Particular emphasis is placed on the energetic efficiency of the grate firing and fluidised bed waste incineration plants as part of the continuous energy efficiency improvements within processes. The next energy audit will take place in the 2022/2023 fiscal year.

## SOCIAL AFFAIRS

GRI 103-1, 103-2, 103-3

In accordance with its mission statement **"We care about tomorrow"**, Energie AG is firmly committed to its social and socio-political responsibilities. The development, protection and fostering of socially sustainable values for society as a contribution to improving and safeguarding our quality of life is a top priority for the Group. In the area of social affairs, the following fields of work have been defined:

- Reliability in supply and waste management services
- Positioning as a responsible company and guarantor of stability and reliability
- Building and maintaining sustainable client relationships
- Raising the awareness for a considerate treatment of natural energy resources and the objective of a sustainable circular economy

### | SECURITY AND QUALITY OF SUPPLY

GRI 103-1, 103-2, 103-3, EU DMA (formerly EU6), EU4

The planning and implementation of Energie AG's projects focuses on assuring the **reliable and uninterrupted** supply with all services, especially in times of crisis and despite the potential ramifications of new statutory framework conditions, which are currently difficult to assess.

The **expansion and strengthening of the grid infrastructure** combined with **increasing energy storage capacities** (e.g. pumped-storage power plants) is intended to quickly and fully buffer peak loads and compensate for the volatile infeed volumes from decentralised generation systems that produce energy from renewable sources.

In the area of **digitalisation**, the fibre-optic networks is being expanded further as a prerequisite for a full-coverage supply of all regions in Upper Austria with internet access at the speed of light.

Aiming at contributing to a high-quality, secure **drinking water supply and waste water treatment**, Energie AG is intensifying partnerships with the objective of warranting the supply of drinking water in regions that are, in particular in the Czech Republic, affected by water shortage and is contributing technical know-how for the establishment of a sophisticated waste water treatment infrastructure (e.g. leak localisation).

The **Waste Management** Segment of Energie AG covers the entire value creation chain from waste collection to sorting and recycling on the highest technical level and intends to increase its attractiveness as a partner for private persons, businesses and industry, and municipalities with offers that are evermore closely aligned with the customer's requirements in terms of a higher flexibility of and simplified access to waste management services.

The unconditional assurance of security of supply, including under **extraordinary conditions** (COVID-19 pandemic), and the ensuing strengthening of the Company's resilience are among the top priorities of Energie AG Group. A task force that monitors the ongoing pandemic developments and devises the necessary measures was already formed in the 2019/2020 fiscal year. Special precautions to **warrant the operation of critical infrastructure** were taken, also see [Social engagement during and after the COVID-19 pandemic](#) › [Page 103](#). Security of supply is the fundamental basis for general business growth, job creation and quality of life. Energie AG's services are a major driver of **Upper Austria's international competitiveness as a business location**.

Netz OÖ's **asset management** efforts are aimed at achieving the highest possible levels of efficiency in all activities in terms of reliability, quality and cost-effectiveness. The Company's measures to promote security of supply and quality are primarily focused on the medium and low-voltage grids. Energie AG consistently improves grid quality via targeted replacement of existing overhead lines with cable and by increasing the degree of grid automation in the medium-voltage portion.

To assess the security and quality of supply, key performance indicators such as grid reliability, grid interruptions and their causes (interruption time >3 minutes) are determined on an annual basis. The Group then uses these findings to establish options for future action in the context of grid maintenance and expansion.

Netz OÖ GmbH operates an **electricity grid** consisting of 33,185 km of power lines (previous year: 32,873 km), in addition to a 5,624 km **gas grid** (previous year: 5,603 km). These reliable and modern grids warrant the secure energy supply for more than 575,000 customers (previous year: 560,000).

#### Power-line grids in km

	2020/2021	2019/2020	2018/2019
Electricity	33,185	32,873	32,648
Gas	5,624	5,603	5,585
Fibreglass	7,021	6,600	6,100

The electricity grid's **supply reliability**, measured in terms of service-related availability (ASIDI; Average System Interruption Duration Index) and not taking regionally exceptional events into account, was 50.82 min/a in calendar year 2020 (2019: 31.62 min/a). Customer-related system disruption (SAIDI – System Average Interruption Duration Index) stood at 53.58 min/a (2019: 34.47 min/a). The increase over the previous year is attributable to several storms in February 2020. The non-availability rate is expected to remain constant in calendar year 2021 as a result of a noticeably higher number of thunderstorms in the summer months of July and August. The availability of the gas grid in calendar year 2020 was unchanged from the previous years at 99.99%. This is a normal value for the availability of gas grids that only changes marginally over the years.

#### Supply reliability <sup>1)</sup>

	2020	2019	2018
SAIDI (min/a)	53.58	34.47	37.26
ASIDI (min/a)	50.82	31.62	38.02

1) These key figures are statistical key system figures for national and international comparison. They do not allow any conclusions on the interruption of individual localities.

In the generation unit, the Group takes a holistic approach to **optimise technical availability**, starting with the planning and designing phase of power plants as well as by systematically developing maintenance strategies as part of due diligence measures. State-of-the-art, IT-supported operational management systems are used for monitoring and implementation.

In addition to the environmental measures adopted during plant design, **flood protection improvements** also play a crucial role in Energie AG's run-of-river power plant construction projects. The individual steps to be taken during day-to-day operation are set out in the officially approved workplace regulations.

The supply reliability for customer connections in the fibre-optic network is determined by analysing the fault resolution times from the trouble ticket system. In the reporting period, it amounted to 99.99% (previous year: 99.99%). The fault resolution time designates the timespan between receipt of the fault report and the resolution of the fault. At the end of the reporting period, the Group's own fibre-optic network comprised around 7,021 km (previous year: 6,600 km).

#### Supply reliability customer connections

	2020/2021	2019/2020	2018/2019
Supply reliability customer connections (in %)	99.99	99.99	99.96

The supply reliability is calculated using the following formula: availability = observation period less (-) total fault resolution times divided (/) by observation period multiplied (x) by 100%.

**Water supply** availability in the Czech Republic Segment is constantly at or above 99.9%. Network quality in the drinking water sector fluctuates from year to year between 0.2 and 0.3 cases of damage per kilometre per year, mainly due to changing winter and frost conditions. Network quality in the waste water sector is measured at around 0.1 grid interruptions per kilometre per year.

In regions affected by **climate change**-related drought and increasing water scarcity, Energie AG secures the supply through subsidiaries that supply drinking water via tankers and cisterns. One measure to improve security of supply is the interregional **integration of water supply systems**. This enables drinking water from areas with surplus water to be sent to areas suffering from shortages. Energie AG's subsidiaries also support their contractual partners in projects aimed at securing resources with extensive know-how in the area of water management.

The operational processes at the sites of Umwelt Service GmbH, especially in Wels, were frequently adjusted in 2020/2021 fiscal year in order to warrant the safe and reliable collection and management of all types of waste during the COVID-19 pandemic.

## | CUSTOMER ORIENTATION AND SATISFACTION

GRI 103-1, 103-2, 103-3, EU-DMA (formerly EU23)

The values of **continuity, reliability, safety, sustainability and transparency** are of great importance for the customers and all other stakeholders of Energie AG and therefore an inseparable component of the corporate strategy. In light of unpredictable crisis events – such as the COVID-19 pandemic – these values have gained enormous importance.

Energie AG Group aims at **increasing the regional value creation** and generating additional meaningful **value for the stakeholders** in line with their expectations and interests (incl. through digital and affordable and energy-efficient products and services).

Energie AG takes its function as a **role model in terms of social responsibility** very seriously and fulfills this role by pro-actively taking initiative and supporting charitable organisations.

The Group considers the raising of an awareness for a sensible and considerate **treatment of energy resources** and the value of a sustainable circular economy to be one of its most important responsibilities in the area of social affairs. The **educational programme “Energie AG at School”** is intended to gently introduce even the youngest members of society to a constructive and critical engagement with these issues.

Energie AG contributes its solid know-how to the scientific discourse about the creation of a sustainable energy future, as well as in the form of feasible and realistic approaches to solutions that contribute to bringing the energy transition 2030 to life.

## Social engagement during and after the COVID-19 pandemic

Energie AG has proven itself as a **strong and reliable partner** for its stakeholders not only during the COVID-19 pandemic. Under the **campaign motto "100% for Upper Austria"**, the Group is once again seeking to convey stability, security, and its initiative for regional value creation in the 2020/2021 fiscal year. To inform and sensitise employees with regard to the COVID-19 vaccination, Energie AG organised a virtual discussion with a leading medical expert from Kepler University Hospital in spring of 2021. The Group set up its own vaccination centre for employees in summer 2021.

In order to further fulfil its supply and waste management mandate and at the same time protect the health of its customers and employees, the **internal task force** with experienced members of the crisis management team was permanently monitoring the daily situation in order to develop any necessary resulting measures and coordinate their implementation across the whole Group in clearly organised processes. At the beginning of the COVID-19 pandemic, around 1,450 employees in Austria were ordered to **switch to working from home** for the sake of their own safety. For the same reason, specific shift and work time models were developed for those employees whose presence on-site was absolutely necessary. In order to warrant the **apprenticeship and continued professional development programmes** during the COVID-19 pandemic, seminars were held both virtually and in person – in line with the relevant safety and hygiene requirements.

Employees involved in team work that does not allow for the prescribed minimum distance between two persons were provided with adequate personal protective equipment and clothing.

Customers who were facing difficulties due to the pandemic were offered special arrangements, e.g. a moratorium on electricity disconnections and the option to defer due payments.

The COVID-19 safety measures in the Czech Republic complicated the works related to the supply of customers with water and heat. Some projects in 2020/2021 fiscal year had to be postponed due to the COVID-19 pandemic.

Comprehensive precautions aimed at managing the COVID-19 pandemic were implemented across the entire Energie AG Group.

The further **intensification of the stakeholder dialogue**, incl. by directly involving customers in strategy and development processes, is intended to contribute to products and services that are even more in line with the interests and requirements of the different target groups.

**Customer satisfaction** is also increased by an open and transparent communication (public participation), initiatives for clean and "affordable energy for everyone", the further streamlining of administrative processes, the comfortable access to digital services, and uncomplicated and rapid fault repair services.

A consistent **focus on the wishes and needs of present and potential customers**, as well as on their satisfaction, is the foundation for strategic action in all Group companies.

Fostering a **lively dialogue with customers** is a core pillar of the Group's activities in Austria. A **customer forum** introduced in 2019 serves to develop a better understanding for



the customers' perspective and integrate that perspective into the development of products and services. The virtual meetings held in the 2020/2021 fiscal year led to in-depth discussions with customers about the new online service platform of Energie AG, which was introduced in the autumn of 2020, and new product models ("smart tariffs"). "My Bonus", the customer club for Energie AG customers, was launched in late 2020. This separate members-only area provides customers with online access to specific services and products that are often available exclusively from Energie AG. The external input received from the stakeholder dialogue allowed for the addition of complementary functions to these online services, which provided an additional boost to customer acceptance.

Energie AG's portfolio of digital services was complemented with additional innovative applications that assist customers in making economical use of energy and gaining access to electricity from renewable sources. These applications include the [E-Fairteiler app](#) for the distribution of regionally and privately produced solar electricity, as well as the development of a WiFi reader unit for smartphones that can detect energy-wasting household appliances.

Due to the energy saving trade fair being cancelled, the first **digital advisory week** was held in March 2021. This gave customers the opportunity to consult with experts available online with regard to various energy-related questions. A total of 1,000 advisory appointments were offered.

Energie AG responds to the increasing consumer demand for online services by **expanding the fibre-optic network** in urban and rural areas. 13,166 customers were already actively using the high-speed internet service offered by Energie AG as of 30 September 2021.

Other initiatives in the 2020/2021 fiscal year were pursuing the goal of making the interaction with Energie AG as easy as possible for customers. The (previously separate) data of electricity and gas customers was merged in a new joint eService portal for Netz OÖ GmbH. Additional value for customers from streamlined processes is also expected from the large-scale **harmonisation of the internal IT system landscape** in the processing of customer data across multiple product categories. The integration of the gas business in the spring of 2021 was a decisive step.

The ongoing **evaluation of customer requirements** identified an increased need for digital contact options as well as an elevated price sensitivity. Energie AG is supporting the goal of "affordable energy for everyone", e.g. by offering product combinations at discounted prices.

"Branchen-Monitor 2021", one of the biggest nationwide **online customer satisfaction surveys** in Austria and conducted by Gesellschaft für Verbraucherstudien GmbH (ÖGSV), has distinguished Energie AG as "Industry Champion 2021" in the customer service category.

Ongoing monitoring and permanent professional development initiatives help to ensure **high-quality customer relationship management**, whether over the phone, in person, or online.

## Digitalisation: a powerful asset

Energie AG places a **focus on the digitalisation of services, processes and customer interaction** along the entire value chain. One of the objectives of the digitalisation measures is to offer customers flexible, individual, and straight-forward options to get in contact with Energie AG.

Subject to the general conditions under data protection law, **data analytics** enable quicker and more efficient decision-making processes. The additional insights gained about the needs of customers are utilised to develop and design products and services. The combination of



customer data from the electricity, gas, heat and telecommunication sectors allows the Group to offer a better service “from a single source”.

The [customer portals of Netz OÖ GmbH](#) were merged and harmonised in terms of their functions in fiscal year 2020/2021. The new and revised customer portal now allows grid customers to review and administer the data of their electricity and gas connections.

The digitalisation in the **Waste Management Segment** launched Austria's first **waste management online shop** back in 2012 ([containerdienst24.at](#)). This internet portal enables customers across Austria to order containers for clearing out bulky refuse, gardening waste or construction rubble. A regional contact person is available for specific questions and clarifications. In 2016, this service was extended to existing business customers (**customer portal for key account customers**), who can now access waste management services, invoices, weighing and freight notices, and check on the status of their orders. Individually configurable authorisation settings can be used to allocate page- and location-specific permissions for employees. The customer portal enables a sustainable improvement of the waste management processes and simplifies the daily cooperation.

## Customer Phone Service

A fundamental criterion for **customer satisfaction** is the rapid processing of enquiries received over the phone, which Energie AG handles with the help of customer service staff that has received extensive training and boasts strong communication skills. They are supported by artificial intelligence deployed for the automated processing of simple enquiries. An additional intelligent “peak management” allows for calls to be rescheduled to a less busy time of the day. This increases the availability for the customers and in turn also their satisfaction with the Company.

In the event of failures, which cause a substantial increase in calls from affected customers within a very short period of time, calls need to be answered and processed with rapid turnaround. With a flexible **on-call service model** for the customer service employees and a suitable infrastructure (remote work), even unpredictable and high call volumes can be managed.

To make the customer services more user-friendly, the harmonisation and merging of customer data in the grid area was followed up with a simplified **telephone hotline for customers**.

## Introduction and Use of New Technologies

Energie AG is actively committed to introducing and using new technologies with a focus on the customer. Netz OÖ GmbH is among Europe's leaders in large-scale **smart metering**. The intelligent electricity meters allow customers to precisely analyse and manage their energy consumption. A currently ongoing upgrade project aims at upgrading the smart meters with additional useful and pioneering functions. The proven overall system AMIS improves the quality of the electricity supply with different smart grid functions and consistently warrants availability levels above 99%. More information on smart metering can be found in the [Group Management Report, Grid Segment › Page 33](#).

Energie AG uses the new smart meter technology for developing new business models. Energie AG views smart electricity meters as the key component for turning a house into a “**smart home**”. Interaction between electricity meters and home automation systems facilitate a perfect use of energy, which users will be able to generate, purchase or store. This delivers cost savings, lower consumption and greater comfort for the customer. Smart meters

are a prerequisite for the new market models and market roles introduced with the Renewable Energy Expansion Act package. Their benefits include, inter alia, consumption billing in renewable energy communities.

The Czech water investments have been using smart **digital water meters** for several years at this point. The digitalisation projects focus on smart metering in Beroun and smart metering and grid digitalisation in Kolin. Other studies on the digitalisation of control centres and operations as well as the development of a “digital twin” for a sewage treatment plant are ongoing. “Digital twins” are simulation models that e.g. digitally simulate the operation of a sewage treatment plant and test the effects of different measures taken within the simulation before they are implemented in live operations. Also see the [Group Management Report, Czech Republic Segment › Page 39](#).

## Customer satisfaction surveys

Contact with customers and partners enables Energie AG to learn about their needs, concerns and ideas and to use these insights for the development of solutions for specific problems and the optimisation of processes. **Complaint management** is a key mechanism in this area. Together with Customer Service, the Group analyses the communications on a quarterly basis, evaluating the subject areas and using these as a basis to establish options for action. This includes the cooperation with social services for debt prevention and mitigation of debt-related problems by means of the energy solidarity budget and providing advice on how to reduce energy costs.

Public opinion research institutes are regularly commissioned to conduct **market studies and customer surveys** among various target groups as a due diligence measure to ensure customer satisfaction. Valuable information for the regular ascertainment of the most important key performance indicators and their development over time was once again collected through basic surveys conducted in fiscal year 2020/2021. Current key issues are queried and analysed continuously with the aim of optimising the positioning of specific offers – such as a rating of the quality of advice given during the digital advisory week, or the satisfaction and expectation of Energie AG's market partners.

The customers of Vertrieb GmbH (electricity, natural gas and internet) were found to exhibit a predominantly high **loyalty**: 95.9% of the customers, for example, are very satisfied or rather satisfied with our sales unit (previous year: 96.5%). Continually measuring loyalty levels in defined categories (e.g. product range, price communication, homepage, regional commitment etc.) provides specific focal points that allow the company to improve services on an ongoing basis.

The customer satisfaction survey conducted by **Netz OÖ GmbH** regarding gas grid operators in autumn of 2020 once again delivered a very good result. On par with previous years, the highest level of satisfaction was expressed for the availability of the gas supply, followed by the satisfaction with the technical expertise, keeping with agreed dates, and the performance of works and meter readings. A strong improvement over the previous year is reported for the satisfaction with customer focus, which has almost returned to the high level reported in the 2017/2018 fiscal year. Using a 1 to 5 scale based on Austria's school marking system, Netz OÖ GmbH's customers gave it excellent ratings for reliability (1.15, previous year 1.13), safety (1.24, previous year 1.32) and quality (1.28, previous year 1.32).

Annual customer satisfaction surveys are carried out at all the **Waste Management Segment's** sites as well. These include a school marking-style assessment system, in which the segment received a 1.36 (previous year: 1.4) during the reporting period 2020/2021.

## Results from customer satisfaction surveys

	Unit	2020/2021	2019/2020	2018/2019
Vertrieb GmbH (Electricity/total)				
very or rather satisfied	%	95.9	96.5	95.3
Netz OÖ GmbH				
Reliability	Grade	1.15	1.13	1.16
Security	Grade	1.24	1.32	1.21
Quality	Grade	1.28	1.32	1.29
Waste Management Segment	Grade	1.36	1.40	1.40

## Online communication

Energie AG makes target group-specific information available via a number of different channels. This includes the traditional website of the Group › [www.energieag.at](http://www.energieag.at), the press portal › [news.energieag.at](http://news.energieag.at), the project websites › [www.wir-denken-an-morgen.at](http://www.wir-denken-an-morgen.at) for children and adolescents, › [www.sportfamilie.at](http://www.sportfamilie.at) for sport enthusiasts, the blog pages (› [blog.energieag.at](http://blog.energieag.at) and › [hochspannungsblog.at](http://hochspannungsblog.at)), the Facebook page › [Energie AG – Wir denken an Morgen](https://www.facebook.com/EnergieAGWirDenkenAnMorgen), the Instagram account › [energie.ag](https://www.instagram.com/energie.ag) and the Instagram (› [energieagsportfamilie](https://www.instagram.com/energieagsportfamilie)) and Facebook (› [Energie AG-Sportfamilie](https://www.facebook.com/EnergieAGSportfamilie)) accounts of the sports family. These services are complemented by additional websites for specific Energie AG products.

Energie AG offers functional **self-service portals** (especially in areas of mass customer demand) to meet customer needs and optimise customer service processes. These enable customers to independently deal with a number of tasks and issues relating to supply contracts with Energie AG at any time of day.

## | REGIONAL RESPONSIBILITY AND SOCIAL COMMITMENT

GRI 103-1, 103-2, 103-3, 102-9, 204-1

Energie AG is pursuing the goal of further increasing the **regional value creation** by implementing infrastructure projects on the local level, involving regional providers into the procurement chain, and cooperating more closely with local specialist companies (market partners). The Group is firmly committed to advancing projects that enable customers to consume and exchange decentrally produced renewable energy.

The positive economic development of the regions in Upper Austria and the **increasing quality of life** of customers is further supported by the continuing expansion of the fibre-optic network and the development of innovative digital services.

To the largest extent, Energie AG Group delivers on its **regional responsibility** through operating hydropower plants across all of Upper Austria. The continuous training of specialist personnel, the creation and preservation of jobs and ongoing infrastructure investments are important contributions to **increasing value generation in the regions**.

**Market partnerships** with relevant specialist companies across Upper Austria is Energie AG's way of assuring the availability of expert advice and help with energy-related questions for customers in their respective home towns and villages, as well as motivating them to save energy through attractive funding options and joint initiatives with these local businesses.

The Energie AG tour bus on its **regional roadshow** through towns and villages in Upper Austria in summer 2021 distributed thousands of energy-saving LED lamps to customers.

The high-performance **fibre-optic internet connections** provided by Energie AG offer the residents of structurally disadvantaged regions the opportunity to pursue an occupational activity (working from home).

The **cooperation with Genussland Oberösterreich** signed by Energie AG in autumn 2020 awarded shopping vouchers redeemable at participating businesses to new customers who selected product bundles with green electricity or biogas from local production.

Institutions and projects of significance for the economy, charitable activities, and **projects in the areas of science, art and education** are initiated and supported on a local level.

A good example for the support of **non-profit organisations** in the regional and interregional area is the online platform [› wasserkarte.info](https://wasserkarte.info), which shows fire brigade crews the quickest way to a hydrant.

With the **Energy Saving Package** campaign, Energie AG takes initiative for socially disadvantaged groups. For further information, see [Environment, Sales › Page 87](#).

To express its solidarity with customers facing disadvantages from the COVID-19 pandemic, the Group offered them special arrangements for financial relief.

In its supply chains, Energie AG aims at procuring from companies with a regional connection. Orders worth a total of EUR 208.2 million were placed with 2,303 suppliers in the 2020/2021 fiscal year (previous year: EUR 204.0 million with 2,213 suppliers). 93.2% of suppliers were headquartered in Austria (previous year: 92.3%), while 6.7% were based in other European countries (previous year: 7.6%).

### Regional procurement

	Unit	2020/2021	2019/2020	2018/2019
Contracted suppliers	Number	2,303	2,213	2,177
Of which in Austria	%	93.2	92.3	84.1
Of which in other European countries	%	6.7	7.6	15.8
Others	%	0.1	0.1	0.1
Order volume	EUR mill.	208.2	204.0	208.0
<b>Total</b>	<b>Number</b>	<b>2,303</b>	<b>2,213</b>	<b>2,177</b>

### Activities in the fields of culture, sport and social affairs

GRI 102-12

Energie AG supports **cultural and sport activities** on a regional level, including by sponsoring local events, sport promotion programmes ("[› Energie AG sports family](#)") and online fitness services.

In the 2020/2021 fiscal year, 14 athletes of the Energie AG sports family (previous year: 16) received financial assistance as well as other benefits of relevance to their sport and were provided with an environment that promotes and facilitates physical and human development. The main focus is on the sustainable promotion of up-and-coming talents.

In spring 2021, the "Energie AG sport family team" competed in the Wings for Life World Run for the first time. This initiative enabled the team of top athletes and employees to collect donations to the tune of EUR 6,100 for research on spinal cord injuries.

On the **cultural scene**, the Company has been partner of the Höhenrausch/Sinnesrausch project in Linz for a number of years, and exhibitions are regularly held in Linz's Power Tower.

The Klemens-Brosch Award in cooperation with the State Gallery in Linz, the "Talent Promotion Award" in cooperation with the University of Arts in Linz, and the "Dream Scholarship" in cooperation with OK Friends are additional ways in which the Energie AG Group supports young and talented artists.

In addition, Energie AG has been a long-standing **partner of many cultural initiatives** throughout Upper Austria, including the Upper Austrian Regional Exhibition, Salzkammergut Festwochen summer festival, St. Florianer Sängerknaben boys' choir and Brucknertage festival.

In the summer of 2021, after a request from Energie AG, OÖ Landes-Kultur GmbH held an open competition for the **artistic interior design** of a partial area in the extension to the Group's headquarters, which is currently under construction.

As a **partner of the Red Cross and volunteer fire brigade**, the Energie AG Group makes an effort to support rescue organisations with a high level of voluntary commitment. 20,000 twin packs of energy-saving LED lamps were donated to the Red Cross at the beginning of 2021, and 17,000 bottles of mineral water were provided to the fire brigades in summer 2021.

The construction project at the Group's headquarters in Linz generated additional social capital in the 2020/2021 fiscal year. The demolition of the existing building took the form of a **social urban mining** project. Multiple project partners were involved, among them two social institutions from Upper Austria who looked after the clearing out and recycling or disposal of the old building materials.

### Timelkam Energy Experience Centre

In the town of Timelkam, Energie AG runs an information centre about electrical energy called the **Erlebniswelt Energie Timelkam** ("Timelkam Energy Experience"), which in the 2020/2021 fiscal year was visited by almost 400 interested children and parents (previous year: 1,000). Annual visitor numbers were around the 5,000 mark in earlier years (without COVID-19 pandemic restrictions). The pandemic forced the cancellation of the Start of School Festival and workshops for schools held at the centre in Timelkam in the past two fiscal years.

### Enhancing awareness

Raising awareness of sustainability, energy and the environment among young people has been a cause that the Energie AG Group has embraced in a major way. In this spirit, the Group has consistently supported initiatives by youth organisations. A careful relationship with nature and the environment is one of the worldwide scout movement's eight educational focal points. For many years, Upper Austria's scouts, the Pfadfinder, have been implementing environmental projects with the support of the Energie AG Group and the Province of Upper Austria. The yearly project contest "UmWeltDenker", for example, elicits creative ideas in this area and implements the best of them.

The **"Energie AG at School" education programme** (Energie AG macht Schule) offers kindergartens and schools classroom handouts on the topics of energy, sustainability and digitalisation. In 2019, as one of only eight companies in Austria, the Austrian Federal Ministry for Women, Families and Youth awarded Energie AG the **Familie Digital Kompetent ("Family Digital Skills") seal of approval** for this educational programme and its expansion in particular.

Energie AG takes initiative in strengthening the media competency of children and adolescents in the area of digitalisation and has added relevant materials to the website › [www.wir-denken-an-morgen.at](http://www.wir-denken-an-morgen.at) and materials used in schools. The objective is to familiarise the younger generations with a sensible and responsible use of new technologies and digital media. The platform is complemented by interactive quizzes, videos and instructions for practical exercises and experiments that aim at familiarising young persons with digitalisation in a playful way.

In addition, the Group has a selection of short books for the youngest programme participants, which cover topics relating to energy and sustainability. Eight books have been published so far; they can be ordered by private persons, schools and kindergartens free of charge. More than 380,000 copies of these short books are already in circulation (previous year: 330,000). This was supplemented with a workshop for kindergartens in the 2020/2021 fiscal year, which introduced children from the age of four to sustainability issues in a playful way.

Energie AG accompanies an **educational programme for Czech primary and junior secondary school pupils**, which aims to protect our natural environment and water resources and began in 2014. The Group promotes awareness of how to properly dispose of rubbish by providing customised classroom materials for primary schools and creative projects for older pupils. The project was continued in fiscal year 2020/2021, but with some restrictions stemming from the closure of schools due to the COVID-19 pandemic.

Respect for the environment and a commitment to a green and efficient business model are guiding principles that underpin Energie AG's ethos. The Energie AG Group has supported the **Energy Globe** environmental award for some 22 years. Since 1999, close to 30,000 projects for environmental protection and climate change mitigation were submitted in the areas of earth, water, fire, air, and youth. Every year, Austria ranks among the top performers, underlining the country's role as a "world champion" in the area of sustainability.

### Energy Institute of Johannes Kepler University Linz

Science and research have traditionally been accorded high value at Energie AG. One area in which this is evident is the long-standing partnership with the Energy Institute (Energieinstitut) at Johannes Kepler University in Linz. As a founding member, the Company actively participates in shaping and further improving the institute and draws on its high level of expertise in energy-related areas and its interdisciplinary team. Energie AG commissions studies from the institute on a consistent basis and works together closely with it on research projects. Examples include investigations on the effects of the Renewable Energy Expansion Act on electricity grids ("Project 567") and a project for the development of suitable architectures for local energy communities ("ECOSINT").

## Federation, association and organisation memberships

GRI 102-12, 102-13

Energie AG is a member of various associations and representative groups related to its operational activities, both in Austria and abroad. The Company's employees also play a role in various bodies, committees and working groups within these organisations. All Energie AG's employees can benefit from these memberships, which allow them to receive newsletters, participate in events and webinars, as well as access online portals, publications, studies, models, analytical findings and more. The memberships listed below are particularly noteworthy.

Alongside its long-standing memberships in the › [Austrian Energy Industry Association](#), the representative group for Austrian energy utility companies, the › [Federation of Austrian Industries \(IV\)](#) and the › [Austrian Economic Chambers \(WK\)](#), Energie AG is also a member of the › [Upper Austria Business Hub Initiative \(IWS\)](#), which promotes Upper Austria as a business location by providing basic research, studies, investigations and media work.

In addition, Energie AG is a member of › [Austrian Energy Agency GmbH \(AEA\)](#) – the country's national centre of excellence for energy, as well as the › [German Association of the Energy and Water Industries \(BDEW\)](#). Both associations work on topics of interest to utilities, such as energy efficiency, renewable energy, sector coupling, etc.

The › [OÖ Energiesparverband](#) ("Upper Austrian Energy-Saving Association") is a body instituted by the Province of Upper Austria that has been the central point of contact for product-independent energy information since 1991. Energie AG has been a member of the association since its founding and collaborates closely with it in areas including energy consultancy and promotional funding.

Energie AG's membership of the › [Verein für Ökologie und Umweltforschung \(Association for Ecology and Environmental Research; VÖU\)](#) offers it a platform for an exchange of information on matters of common interest between the energy industry and applied ecological and economic research experts. The association works on complex energy and environmental issues, such as renewable energy sources, resource efficiency and approval issues for energy infrastructure projects, while promoting interdisciplinary solutions.

Energie AG has been a member of the › [Energy Centre České Budějovice](#), an energy information centre in České Budějovice supported by the Province of Upper Austria and the Region of South Bohemia, since 1998. The centre's priority areas are offering support for the implementation of energy efficiency measures and the use of renewable energies. Since 2002, Energie AG has also been a member of the Fachgruppe Energie (Energy Working Group), which aims for cross-border cooperation in the energy sector between Upper Austria and South Bohemia. The working group supports cross-border projects and provides a platform for the exchange of knowledge and experience.

## EMPLOYEES – RESPONSIBLE EMPLOYER

GRI 103-1, 103-2, 103-3, 102-7, 102-8, 102-41, 404-2

Energie AG's goals as an employer seeking to embrace responsibility are:

- Further development of employer branding with a special focus on promoting diversity (such as women in technical professions)
- Personnel and management development, as well as high-quality apprenticeship programmes
- Ensuring access to qualified personnel in the long term, in particular by positioning the Company as a family-friendly employer

Positioning Energie AG as a **crisis-safe and responsible employer** is becoming increasingly important, especially in light of the noticeable changes in work and living environments. These challenges are mastered by establishing additional flexible work time models, creating the technical conditions for remote working, working from home etc., as well as providing demand-oriented childcare options for employees.

The **satisfaction of employees** is also determined by the self-efficacy in an occupational context. Internal idea contests are intended to promote these efforts and at the same time contribute to additional value generation within Energie AG Group as a result of the implementation of valuable improvement suggestions from employees.



The Group's **apprenticeship programme** secures a comprehensive practical training for young talents, who rotate through different business areas with relevant career opportunities, and is a preventative measure in light of the general shortage of skilled workers. Dedicated trainee programs are intended to give external target groups an excellent career start at Energie AG Group. Scholarships and other financial assistance options that explicitly target female technicians contribute to the promotion of diversity and equal opportunity.

The **implementation of sustainability objectives** requires committed and satisfied employees. As an important employer in the supply regions, Energie AG offers attractive and secure jobs. Flexible work time models, high quality work equipment, and a wide range of training and professional education options form the basis for successfully mastering the daily challenges.

As of 30 September 2021, Energie AG Group had 4,611 (FTE) employees (previous year: 4,571) in three countries (previous year: three) and an average of 165 temporary staff (FTE) for limited-time projects and to balance peak work loads in the 2020/2021 fiscal year (previous year: 179 FTE).

#### Personnel

	Unit	2020/2021	2019/2020	2018/2019
Staff levels	FTE	4,611	4,571	4,599
Temporary staff	FTE	165	179	295
Nationalities	Number	29	28	27

All employment contracts with employees in Austria and South Tyrol are governed by collective agreements or works agreements. The employees in the Czech Republic are organised in unions. Energie AG Group employs personnel from 29 different countries (previous year: 28).



## | STAFF LEVELS AND PERSONNEL STRUCTURE

	Unit	2020/2021	2019/2020	2018/2019
<b>Staff (number of employees)</b>	<b>Persons</b>	<b>5,030</b>	<b>4,997</b>	<b>4,949</b>
<b>Workplace</b>				
<b>Full-time equivalents (FTE) <sup>1)</sup></b>	<b>Number</b>	<b>4,593</b>	<b>4,560</b>	<b>4,506</b>
In Austria		2,843	2,847	2,832
Female		541	535	535
Male		2,302	2,312	2,297
In the Czech Republic		1,715	1,678	1,616
Female		410	400	399
Male		1,305	1,278	1,217
In other European countries		35	35	58
Female		4	4	6
Male		31	31	52
<b>Part-time</b>	<b>Persons</b>	<b>477</b>	<b>475</b>	<b>480</b>
Female	%	69.0	68.0	65.8
Male	%	31.0	32.0	34.2
<b>Newly hired</b>	<b>Persons</b>	<b>520</b>	<b>562</b>	<b>584</b>
Newly hired	%	10.3	11.2	11.8
<b>Turnover rate (excluding retirements)</b>	<b>%</b>	<b>5.9</b>	<b>6.3</b>	<b>8.8</b>
<b>Demographics</b>				
Average age of workforce	Years	44.2	44.4	43.7

1) The information stated regarding employees relates to full-time equivalents (FTE) as a yearly average of the fully-consolidated and proportionately consolidated companies.

## | LIFE AND WORK AT ENERGIE AG

Energie AG supports a good balance between work and family life. Except for the Waste Management and Czech Republic Segments, the Company has been certified via the "berufundfamilie" audit since 2012. This allows it to position itself as a family-friendly employer, gain advantages in the competition for skilled professionals, and help to create a positive working environment by means of the associated raft of measures for management and employees.

The **"Active Parental Leave Management"** programme supports employees in Austria in planning the periods they will be off work. A **nursing care platform** offers comprehensive information and service links for employees who care for and support dependents. To make holiday planning easier, Energie AG supported its employees through the summer months of 2021 by providing a varied **programme for children** between the ages of six and 14. Since July 2020, the cooperation with the Salzkammergut Hospital in Gmunden has been offering employees a year-round kindergarten for their children in addition to the daily bookable summer camp. In the extension building currently under construction at the Group's headquarters in Linz, the **childcare centre "Loomiland"** is already starting to take shape. The facility is planned to open in the summer of 2022.

Since the beginning of 2021, a works council agreement permits employees to take a **sabbatical** of up to three months. The sabbatical is subject to agreement with the employer and intended to mainly serve preventative health and training purposes (not educational leave).

## A work environment that nurtures innovation

**Design-thinking experts**, who were trained for Energie AG Group at several workshops, have formed a network in fiscal year 2020/2021 and are now available throughout the Group to support innovation processes with modern methods.

## | PERSONNEL AND MANAGEMENT DEVELOPMENT

A key goal is to provide targeted services to prepare employees and managers for the challenges they will face in the working world of the future. The educational program, which is available to all employees, is strongly focused on strengthening their skills in using methods and platforms. In particular, this applies to collaboration and interaction in everyday working life and the use of new digital technologies. For more information, see [Employees, New ways to learn and work](#) › Page 115.

### Occupational development

	Unit	2020/2021	2019/2020	2018/2019
Training per employee	Hours	8.6	8.8	12.9
Performance review rate	%	69.3	74.2	72.8
Apprentices	Persons	76	73	72
Apprenticeships completed	Persons	26	16	16

Due to the COVID-19 pandemic, many classroom-based educational and training events had to be cancelled or postponed also in the 2020/2021 fiscal year. This negatively impacted the "Training per employee" key figure.

The **learning platform EINSTEIN** offers a comprehensive and attractively presented overview of the educational and training options. Employees can conveniently register with just a few clicks. EINSTEIN also enables employees and managers to review their past educational and training events.

Energie AG's **conflict management system** has further expanded its reach. An accompanying seminar programme for groups and team managers is intended to raise the awareness for the topic and the instrument available to them. The members of the works councils also attended seminars on this topic. Employees were offered information events that also aimed at sensitising them for the topic.

The Energie AG employees were offered a webinar on **resilience** to support them during the COVID-19 pandemic, a situation that many experience as extremely difficult. Interested employees could also participate in the online training "**performance and motivation in times of crisis**", which is structured in several modules.

Single-day workshops on "**leadership in difficult and challenging times**" were offered to managerial staff to support them in handling new challenges (i.e. remote leadership) during the COVID-19 pandemic. The workshops gave Managing Directors, heads of departments as well as team and group leaders the opportunity to reflect and, supported by an external expert, talk about problem solving strategies.

The **"Leadership Experience Discussion Circle"** for team and group leaders was continued in the 2020/2021 fiscal year. These thrice-a-year get-togethers – some of them in a virtual space due to the COVID-19 pandemic – involve participants discussing leadership-related topics in small groups, accompanied by a coach. The group is intended to help attendees solve problems that arise in their day-to-day leadership roles, as well as encouraging these supervisory staff to be open to bouncing ideas off each other. The participants in fiscal year 2020/2021 were – also with regard to the new challenges – offered a **virtual key note lecture** by a brain researcher on the topic of **"leadership in multitasking mode"** followed by an opportunity for discussions and exchange.

The **competency model** continues to form the basis for the feedback meetings between the Management Board/Managing Directors/heads of departments.

The **"Energie AG Future Lab"** is an open and innovative format that aims at providing methodological and technical training to managerial personnel and also offers space to engage with future topics. Junior staff (PowerTalents) from Energie AG Group are involved in the programme in addition to Managing Directors and heads of departments. The session initially planned to take place in autumn 2020 had to be rescheduled to autumn 2021 due to the COVID-19 pandemic. The cancelled events were substituted by two bridging events, which were intended as a connecting link to the next session and to allow for an engagement with the effects of the COVID-19 pandemic. The first bridging event, which was held virtually, featured a discussion with the Management Board about the insights gained so far with regard to leadership and cooperation in the context of the COVID-19 crisis. At the second bridging event, the Management Board and managerial personnel tried to carve out those experiences from the COVID-19 pandemic that offer enough potential to pursue them in the future.

The personnel development programme, which is accessible for all employees in Austria via the EINSTEIN system, offered various training opportunities in the areas of media competency and methodological competency, which significantly contributes to keeping the employee's know-how up to date, especially in the area of digital media and work methods, and securing their employability.

## New ways to learn and work

Since the COVID-19 pandemic continued to strongly affect cooperation in fiscal year 2020/2021, the already well-established **virtual seminar formats online training and webinar** were continued for many topics. Additionally, specific input in the form of **short video clips** on topics such as "rituals in the home office" or "creating a suitable workplace at home" supported employees in organising their work from the home.

The survey "New ways to work from home" conducted within Energie AG in Austria returned positive feedback and resulted in the extension of the previous **remote work model**. A corresponding works council agreement together with guidelines for IT security, data protection, work safety (ergonomics) and training are in the process of being developed.

## Employer branding

The age structure of the employees working in the Group entities and the challenges in recruiting suitable skilled personnel call on the Energie AG Group to employ a strategically coordinated recruiting and succession management that serves the purpose of making potential employees aware of the Company at an early stage and presenting them with opportunities to apply for jobs. In addition to continuing the **general employer branding campaign**, the 2020/2021 fiscal year also focused on **skilled workers and drivers**

(especially for the Umwelt Service GmbH). This was complemented by different measures that continued the focus on graduates from **universities and technical colleges**. Graduates from technical schools (Höhere Technische Lehranstalt, HTL) were offered a **HTL trainee programme** for the first time in the 2020/2021 fiscal year. The programme offers five HTL trainees the opportunity to kickstart their careers at Energie AG Group with a flexible start until 1 August 2021. They are rotating through different areas over a period of twelve months and attend an accompanying seminar programme.

## Promoting diversity and women in technical careers

Due to the great success achieved in the previous years, **three scholarships were awarded to female technicians** in autumn 2020 (previous year: two). The scholars not only receive financial support, but can also complete internships at Energie AG and write their master's thesis drawing on their experiences with the Company, potentially fostering strong ties between the company and these scholars from an early stage.

### Diversity

	Unit	2020/2021	2019/2020	2018/2019
Women	%	23.5	23.1	22.6
Men	%	76.5	76.9	77.4
Women in management positions <sup>1)</sup>	%	15.2	15.8	14.6
Men in management positions	%	84.8	84.2	85.4

1) Definition of "management position": Managing Directors, heads of departments, divisions, facilities, holding companies, corporate units, teams and groups.

To ensure the Company is capable of mastering future challenges, it is important for Energie AG that its employees have the relevant skills at their disposal and for diversity to be embraced not only in recruiting, but also internally (for example, when filling management positions).

Since 2014, Energie AG has been providing material and intellectual support to gifted and socially engaged pupils of immigrant origin through the **START scholarship program**, laying the foundations for these scholars to pursue academic study. This support covers the costs for (one-time) PC equipment, educational materials, seminar attendance, annual meetings, and regional events and workshops.

## MAINTAINING THE HIGH QUALITY OF APPRENTICESHIP PROGRAMMES

Energie AG's **in-house apprenticeship programme** is an important competitive advantage. Since 1943, 1,532 apprentices have successfully completed their training and become top-qualified specialists in their fields. About half of these are still employed in the Company today. In September 2021, 22 young people (previous year: 21), among them two women, began their apprenticeships at Energie AG in the areas of electrical engineering and metals engineering. In keeping with our mission to promote diversity, apprentices of immigrant descent and asylum seekers also have their place in the Energie AG Group.

The next couple of years will see a significant scaling up of the **marketing activities** in districts with a higher demand for skilled workers (e.g. Schärding, Ried, Braunau). The apprenticeship trainers will pay personal visits to the polytechnic schools in these districts and inform the students about the apprenticeship programmes. The presence on regional job fairs is continuously being reinforced. The apprenticeship programme will be presented at the

trade fairs in Braunau (Burgkirchen) and Mattighofen for the first time starting in fiscal year 2021/2022.

The **cooperation with mandatory-attendance schools** (electrical engineering polytechnic course, PowerGirls, Girls Day) as well as the **offers for job shadowing** only took place in a limited scope due to the COVID-19 pandemic. A virtual tour of the modern training workshop at Energie AG in Gmunden using 3D glasses was certainly helpful in this regard.

The apprenticeship programmes place a special focus on **digitalisation**. Apprentices are introduced to the digital transformation, from basic knowledge of digital technology to CNC (Computerized Numerical Control) technology, PLC (Programmable Logic Controller) programming, 3D printers and smart home digital control on tablet devices. Once apprentices have successfully completed their probationary period, they are provided with their own tablets, which they can use at work as well as privately.

**Safety and health** are especially important to Energie AG in its apprentice training. The Company offers professional workshops and seminars to provide guidance to young people on topics such as preventing addiction and using the internet safely.

The most important milestone for an apprentice is the **skilled worker examination** at the Austrian Economic Chambers. The quality of training was also documented in the 2020/2021 fiscal year, receiving an outstanding result. Between them, the 18 current graduates (previous year: 16) earned 15 distinction grades in vocational school and 14 good or outstanding results in their final examinations. The fact that Energie AG was able to maintain the **high quality of training** despite the COVID-19 pandemic is confirmed by the exceptional success at the **apprentice contest held by the industry of Upper Austria**: an apprentice energy technician in his second year won not only in his own category but also dominated the overall contest with the result of being distinguished with the title of "best apprentice in Upper Austria 2021".

The **capacity of the training workshop** for electrical engineering and metals engineering will be expanded to the possible maximum. This has allowed a total of 22 apprentices to start their careers at Energie AG in September 2021.

The **modernisation of the training workshop** was also started in the past fiscal year. The electronics workshop and laboratory have already been upgraded to "**state-of-the-art technology**". This project will be continued in the next couple of years with the objective of warranting that the apprenticeship programme at Energie AG continues to rank among the best in Upper Austria.

The **recruiting process** was very challenging in the past fiscal year. A hiring process that was adapted to the COVID-19 rules applicable at Energie AG Group assured that all vacant apprenticeship positions were filled with suitable young talents.

In 2018, Energie AG initiated the establishment of the **› "zukunft.lehre.österreich" association Future Apprenticeships Austria (ZLÖ)**. Its objective is to strengthen the image of apprenticeships in Austria. The role of president is currently occupied by its creator, Chief Executive Officer DDr. Werner Steinecker MBA. Joining forces with the other members of the association, Energie AG aims to restore the status that apprenticeships deserve as a key foundation of business and, in turn, of society and the future at large. Since 2018, we have worked meticulously to design and advertise an Austria-wide **apprenticeship platform** and an apprenticeship-related image campaign aimed at the target group. A package aimed at safeguarding apprenticeship capacities will make financial aid to the tune of EUR 2,000 available for each new apprentice accepted by the Company.

## | WORKPLACE HEALTH AND SAFETY

GRI 403-1, 403-2, 403-3, 403-4, 403-5, 403-6, 403-7, 403-8

The **health and safety of employees** is understood as an important success factor and promoted by targeted priority programmes and internal campaigns.

Only **healthy and satisfied staff** can be successful with their work for a company. Energie AG works to ensure awareness and personal responsibility around quality and occupational safety among its employees. An **internal campaign under the motto “100% safe”** was launched in the 2020/2021 fiscal year and is intended to alert employees to potential hazards in their work environment. The campaign also calls on employees to contribute their own ideas on how to additionally increase work safety.

**Potential hazards** are ascertained and assessed by the respective managerial staff (or the responsible commissioned staff member pursuant to § 9 Administrative Penal Act (VStG)) with the help from the relevant work safety and occupational health experts in accordance with § 4 of the Employee Protection Act. This forms the foundation for the determination of measures (the workplace evaluation). The **“Safety Manual” of the Austrian lobby group “Österreichs Energie”** includes an evaluation of individual activities. Shortcomings in the Austrian entities detected during the regular inspections pursuant to § 77a Work Safety Act (ASchG) are also assessed in accordance with a risk matrix pursuant to ISO 45001:2018 (excluding the Waste Management Segment). The employees also rate their work activities on a risk matrix provided by the safety management in the form of training templates.

Work accidents or incidents that almost resulted in an accident are investigated by the safety management in accordance with the Employee Protection Act insofar as an investigation appears expedient for the **prevention of further accidents**. This allows for the development of suitable measures, such as a change of work materials, work equipment, work processes, personal protective equipment, or more frequent inductions.

**Hazards and risks** are reported to the direct line manager. Other persons (employer, safety expert, occupational health specialist etc.) are involved as required to identify these hazards and minimise risks as far as possible. The employees have access to all services offered by an occupational health specialist in accordance with § 82 Employee Protection Act.

As required under the Employee Protection Act, the **involvement** of safety liaison staff or the relevant employee representatives assures that the employees are involved in issues concerning work safety.

The employer **communicates safety-relevant issues** to employees down the hierarchical levels in accordance with the organisational structure and in consultation with the safety liaison officer. The employees in Austria have access to a **wide range of training options** on work safety (e.g. e-learning modules on preventative fire protection, protection against falls, work in enclosed spaces; in-person events: construction site safety, working with electricity, and working with lifting equipment).

Preventive action and information are used to prevent work-related adverse health conditions and staff are directed to be more conscious in their approach to health through the **“energy@work” project**. If an individual has already fallen ill, the Company takes steps to promote their recovery. Energie AG's company health management policy was awarded the **“Betriebliche Gesundheitsförderung” (Workplace Health Promotion) seal of approval** (except for the Czech Republic and Waste Management Segments), which is valid in its current form until 2022.

Numerous programmes contribute to safeguarding the employees' health (e.g. the webinar "Staying strong during the COVID-19 pandemic", first aid courses, quit smoking seminars, workshop "Schichtfit basics").

Topical issues are discussed and solutions are developed in **regular health meetings** including employee representatives, occupational health professionals and safety management specialists. Weekly exercise programmes at a number of work sites also promote health awareness. The range of occupational healthcare services includes extensive contact during consultation hours and vaccination campaigns. A "Mental Health at Work Service Line" is also available to all employees in Austria in order to provide support in the event of personal problems or conflicts. A **Group-wide employee survey** was conducted in the spring months of 2021. The questions on psychological stress and their effects on the employees' health that were included for the Austrian companies this time cover the legally required "evaluation of psychological stress factors". The questionnaire also included questions to determine the HWO ("Human Work Index") and specific questions related to projects and key issues.

The results of the evaluation of psychological stress factors show that all business and service areas in Austria as well as the holding units and ČEVAK a.s. from the Czech Republic Segment **score above the benchmark for Austria** in all four dimensions. The HWI of Energie AG (all business and service areas in Austria plus the holding units) exactly matches the benchmark for Austria. The biggest subsidiary in the Czech Republic, ČEVAK a.s., outperforms the benchmark in all categories. Measures will be developed and implemented in the next step.

## Occupational health

	Unit	2020/2021	2019/2020	2018/2019
Work accidents	Number	70	80	101
Accident rate	%	14.80	16.20	20.63
Days of sick leave	Number	29.20	32.40	24.37
LTIF <sup>1)</sup>		9.70	9.35	11.85
Deaths after work-related injuries	Number	0	1	0
Workplace and construction site inspections <sup>2)</sup>	Number	169	52	85

1) Lost Time Injury Frequency Index – frequency of work accidents per one million work hours

2) Workplace and construction site inspections 2019/2020 and 2018/2019 excl. Waste Management Segment and Czech Republic Segment, 2020/2021 excl. Czech Republic Segment

Energie AG ensures that the specifications of the Employee Protection Act and the associated regulations are consistently observed throughout the Group, and that appropriate preventative measures are implemented. In the 2020/2021 fiscal year, the Group (excl. Czech Republic Segment) saw around 169 announced and unannounced **workplace and construction site inspections** carried out by safety experts and occupational health professionals together with those responsible on site and/or Energie AG Group management as part of due diligence measures. Office workplaces were reviewed to assure ergonomic design and, if necessary, adjusted to keep the number of musculoskeletal conditions among employees as low as possible.

A total of 70 reportable **work accidents** were registered (previous year: 80), which corresponds to an accident rate of 14.8 accidents per 1,000 employees (previous year: 16.20 accidents per 1,000 employees) <sup>1)</sup>. The accident severity amounted to an average of

<sup>1)</sup> Up to cut-off date of 30 September, including partially consolidated companies.



29.2 days of sick leave per work accident (previous year: 32.40). Converted to an international indicator value, this corresponds to an LTIF (Lost Time Injury Frequency) of 9.70 per 1,000,000 working hours (previous year: 9.35). There were no fatal work accidents (previous year: 1).

A closer look at the work accidents reveals a **picture that varies** in national characteristics and, in particular, in the different areas of activity within the Energie AG Group. The Waste Management Segment has a much higher accident rate and higher accident severity than any other segment.

The legally required **inductions** with respect to hazards, health, safety and risk prevention steps are regularly held throughout the Energie AG Group. The short briefings were extended to include several new topics and are available for employees to access online.

In addition to the briefings, a large number of subject-specific **training courses** were conducted during the reporting period as part of due diligence measures. Employees of third-party contractors in the technical and electrical engineering sectors are also allowed to attend if they require additional training. In addition to training courses on working with live electrical equipment and operational use authorisation, training modules on low and high voltage electrical system operation and management authorisation were also offered, along with other safety-related topics such as working with lifting equipment.

While the natural objective of the **safety experts** is to bring the rate and severity of accidents down to zero, they place great emphasis on potential work accidents with a high likelihood of occurrence and high severity of the potential injury. Approaching this number requires employees to receive the best possible training and the responsible colleagues to receive maximum support in the induction of colleagues. Workplaces and activities must also be subjected to a continuous evaluation and the necessary measures must be adjusted as required.

## COMPLIANCE

GRI 102-16, 103-1, 103-2, 103-3, 205-3

Energie AG's compliance goals are:

- Ensuring a value-conscious compliance culture
- Preventing property damage and reputational damage
- Ensuring fair competition by compliance with the law and regulations
- Ensuring compliance with all Group-wide guidelines and standards
- Minimising/Avoiding liability risks and non-material damage
- Raising awareness among Energie AG employees of compliance with guidelines and the Code of Conduct
- Implementing effective prevention measures
- Improving legal certainty
- Avoiding infringements of legal and in-house standards

## | LEGAL COMPLIANCE AND PREVENTION OF CORRUPTION

Particular emphasis is placed on the protection of customer interests, which is ensured by the Group-wide applicable **Code of Conduct "This is how we think, this is how we act"** together with internal monitoring, quality assurance, and complaint management systems.



› **Compliance** at Energie AG is based on a mutual understanding of values, which is expressed in the › **Code of Conduct** and published for all stakeholders, managers and employees. The Code of Conduct assures the compliance of our actions with the relevant laws and regulations and forms the foundation for all business activities and decisions within Energie AG Group. It is the basis for moral, ethical and legally sound behaviour on the part of all Group employees. The Code of Conduct is mandatory for all employees and contains essential rules concerning respectful conduct and open communication. All managers and employees throughout the Group have been and will continue to be informed about the in-house Code of Conduct.

**Internal and external audits** serve the purpose of highlighting potential improvements and necessary actions that support the continuous development of the management systems. Audits are very important for Energie AG in this context as well as in light of the changing general conditions, especially with regard to the risks from the progressing digitalisation.

## Compliance Management System

To establish compliance effectively throughout the Company, a compliance management system was established, appropriate guidelines were developed and numerous training sessions and awareness measures were implemented in recent years. The content, responsibilities, distributions of skills, and required documentation and reporting have all been decided. Information on compliance is provided to staff via e-learning, among other formats. Employees can decide for themselves when they want to use this interactive tool, allowing them to fit the sessions into their work routine in a way that best suits their needs.

As part of the Energie AG Group's due diligence measures, the experts in the various areas of legal specialism monitor the relevant national and European legislative frameworks. The Compliance Organisation is involved in issues relevant to the Group as a whole.

In the interest of a continuous improvement process, the compliance management system was subjected to an **external evaluation** in 2021. The result confirmed that the system conforms with all essential elements required for certification to the international standard ISO 19600:2014.

The conduct of Netz OÖ GmbH's management and employees in relation to lobbying activities is based on its own › **Code of Conduct** in accordance with § 7 of the Austrian Lobbying Act (LobbyG). Netz OÖ GmbH has created an equal treatment programme and appointed an equal treatment officer based on its legal obligations as an electricity and gas distribution grid operator.

The Group refers to legal databases, a range of legal commentaries, newsletters and legal registers from external providers to ensure that up-to-date versions of the relevant requirements are always used in the Legal Department's operational activities. The Legal Department acts as one of a number of information channels, notifying the relevant departments and entities of new legal developments. The Group provides legal certainty and ensures compliance with the applicable requirements by attending seminars, specialist conferences, participating in various committees, keeping up to date with the latest legal developments and legislative plans, and scheduling visits to individual locations.

For further information about Energie AG's internal control system, see the **Group Management Report, Internal control system › Page 21**.

## Anti-corruption

Energie AG's entities and employees are subject to provisions regarding public officials (Amtsträger) within corruption law. Training sessions are held continuously to ensure the Group-wide implementation of the comprehensive compliance standards in force at the Energie AG Group to prevent corruption. The "Anti-Corruption" learning module offered in Austria has so far been completed by 79.1% of the employees in the country (previous year: 78.8%).

There were no incidents of corruption in the Energie AG Group in the 2020/2021 fiscal year or in the previous years.

## Antitrust compliance

GRI 206-1

Energie AG unconditionally declares its commitment to fair competition with its competitors, business partners and other market participants. With its comments on the necessary market behaviour, the antitrust law manual is primarily aimed at the sales-oriented divisions and is also available to all employees in the Energie AG Group via the Intranet. Since the 2018/2019 fiscal year, a Group-wide learning module has been available on the subject of antitrust law/ competition law to ensure that all members of staff (in particular, new employees) demonstrably have access to a well-prepared treatment of the topic. The primary target groups for graduating this module are all sales and sales-related units as well as procurement staff.

The Austrian Federal Competition Authority (BWB) is conducting investigations throughout Austria into the area of collection and transport in the waste management industry. In the course of these investigations, the premises of Umwelt Service GmbH at the Hörsching site were also searched in March 2021. Umwelt Service GmbH is actively assisting in the investigation. There were no other incidents related to antitrust law.

## Data protection

GRI 418-1

Energie AG maintains a data protection management system to ensure Group-wide implementation and compliance with the provisions of the General Data Protection Regulation (EU 2016/679; GDPR) and the new Austrian Data Protection Act 2018 (Datenschutzgesetz; DSG 2018).

Energie AG's Data Protection Policy explains the data protection management system's essential operational framework. Energie AG is aware of the trust that its customers place in the Company. As a result, the Group treats security, integrity and trust as a top priority when handling personal data in day-to-day operations.

The data protection processes the Group has implemented log and process valid complaints regarding breaches of customer data protection, resulting in corrective action if necessary. No reportable data protection violations under GDPR Article 33 were identified in the past fiscal year (previous year: one investigation, proceedings stopped).

## Promoting a compliance-conscious culture

Management are responsible for promoting a compliance-conscious culture among staff. Energie AG ensures that its employees know the compliance values and the values from the

Code of Conduct and put them into practice. Within the annual definition of targets, the Management Board has the opportunity to agree on measurable and adjustable compliance goals that form part of the management performance with the Company's managers and executives. The managerial staff further confirm their adherence to the relevant and compulsory compliance requirements of Energie AG in these individual target agreements.

## Compliance forum

The Compliance forum was set up to ensure that compliance questions are handled in a comprehensible manner. Regular meetings help to ensure the necessary exchange of information and consistent treatment of compliance-related matters throughout the Group. All areas of the Group have the opportunity to submit compliance queries and receive compliance advice.

## Information security management

In order to be able to reliably guarantee continuous service to customers and other stakeholders in line with their needs, Energie AG has maintained a comprehensive, Group-wide information security management system for a number of years. Especially in the age of digitalisation and cyber-attacks, detecting and countering risks and attacks of this nature is of great importance. To this end, Energie AG periodically and systematically analyses and evaluates threats to its information security, decides its stance on any risks and takes effective steps to control and reduce these risks.

The cyber risk and fidelity insurance taken out in fiscal year 2018/2019 forms part of the information security management risk assessment 2020/2021. Key areas of activity are ISO 27001:2015-certified and are regularly reviewed. A supervisory audit pursuant to ISO 27001:2015 was carried out in the 2020/2021 fiscal year in the department for Group IT Services of the Business Services GmbH. The requirements stemming from the Austrian Network and Information System Security Act (Netz- und Informationssystemssicherheitsgesetz; NISG), which aim to ensure a high degree of security for networks and information systems, will be gradually implemented in the relevant areas in a timely manner. The Group-wide awareness campaign "Schlaufuchs" regularly informs users about the risks and dangers and offers yearly (electronic) training programmes.

In addition, Energie AG has taken a large number of steps to establish and maintain an adequate level of security. However, even the most strenuous effort cannot guarantee absolute security in today's information and communication technology, meaning that there is always a certain residual risk. As a result, Energie AG has an emergency and crisis management system in place, enabling it to safely restore orderly operation and customer supply as quickly as possible in the event of a failure.

## Supply chain

GRI 102-9, 102-10

Anyone contracting with Energie AG as a supplier must give an undertaking to observe the Austrian requirements from employment and social law during the performance of the contract within Austria: Compliance with all employee protection regulations, e.g. the Employee Protection Act, Regulation on the Protection of Construction Workers; compliance with the act governing the Employment of Foreign Nationals, undertaking to legally compliant waste disposal, no prior convictions for wage and social dumping. For regional sourcing, please see [Social affairs, Regional responsibility](#). › [Page 107](#)

The **majority of natural gas** for customers and for the production of electricity and heat is sourced on stock markets and OTC trading venues in the following markets: TTF (Netherlands), THE (Germany), VTPa (Austria). Another part of sourcing is based on long-term contracts. The natural gas distributed in Central Europe mainly comes from Russia, a marginally small part from domestic production.

## I RESPECT FOR HUMAN RIGHTS

GRI 406-1

The **well-being of all persons** within its supply area is an important goal for Energie AG Group. The Group focuses its actions on providing a safe and reliable supply that enables well-being, trade and commerce, and a high quality of life.

**Respect for human rights** is a natural part of life for the Energie AG Group. Energie AG expects all business partners to adhere to the statutory framework, along with the applicable laws and standards on human rights. In this respect, the Group cannot discern any material risks for compliance with the applicable legal standards in the European Union and in Europe. Risks in the earlier links of the supply chain cannot be entirely ruled out. For this reason, the Group exercises due diligence in procurement.

**Equal treatment** has been identified as a human rights issue that could fall within the Company's direct sphere of influence, although there is no significant risk in this regard. The parties available for employees to contact in the event of possible discrimination are the compliance officer, the Works Council or their respective supervisor. As in the previous years, no incidents of discrimination were reported in the 2020/2021 fiscal year, nor were any legal proceedings underway.

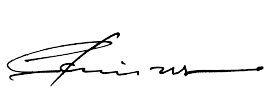
Energie AG does not tolerate any discriminatory conduct or any unequal treatment, whether on the basis of national or ethnic origin, religion, age, gender or other traits. Diversity presents valuable potential for Energie AG as an international company Group. Energie AG respects the unique nature of each individual, and are committed to tolerant and respectful conduct as well as open communication. The effects of this include promoting a **climate of mutual appreciation** and respect and applies to all of the Group's employees as well as everyone who lives in the supply area. Behaviours aiming towards fair and trusting interaction with one another are supported.

Intentional or targeted misinformation will not be tolerated. Maintaining an **open and constructive dialogue** with those responsible on the European, national, regional, and municipal levels, as well as lobbyists, non-governmental organisations (NGOs: non-governmental organisations formed privately or under private law) and the residents directly affected by Energie AG's projects is very important to the Group, especially in the interest of sustainability and responsible governance.

The actions of Energie AG always abide by the Group's guiding principle **"We care about tomorrow"**. The Energie AG Group will continue to develop its sustainability management in the 2021/2022 fiscal year on the basis of environmental and social aspects.

Linz, 03 December 2021

The Management Board of Energie AG Oberösterreich



**Chief Executive Officer**


**DDr. Werner Steinecker MBA**

Chairman of the Management Board  
CEO



**Dr. Andreas Kolar**

Member of the Management Board  
CFO



**Dipl.-Ing. Stefan Stallinger MBA**

Member of the Management Board  
COO

## GRI CONTENT INDEX 2020/2021

The GRI content index describes, in accordance with the GRI standard of the “Global Reporting Initiative” (GRI), “core” option, where in this non-financial report 2020/2021 the reader can find standard disclosures and the farther-reaching supplementary indicators.

### General Disclosures

GRI			
Standard	Disclosure	Reference to information available online	Remarks and omissions
102-1	Name of the organisation	<a href="#">About this report › Page 51</a>	
102-2	Activities, brands, products, and services	<a href="#">Business model › Page 52</a>	
102-3	Location of headquarters	<a href="#">Business model › Page 52</a>	
102-4	Location of operations	<a href="#">Business model › Page 52</a>	
102-5	Ownership and legal form	<a href="#">Shareholder structure › Page 53</a>	
102-6	Markets served	<a href="#">Business model › Page 52</a>	
102-7	Scale of the organisation	<a href="#">Key figures at a glance › Page 55</a> <a href="#">Employees – responsible employer › Page 111</a> <a href="#">Group Management Report › Page 13</a>	
102-8	Information on employees and other workers	<a href="#">Employees – responsible employer › Page 111</a>	The breakdown by employment contracts is reported in full as of the 2021/2022 fiscal year.
102-9	Supply chain	<a href="#">Regional responsibility › Page 107</a> <a href="#">Supply chain › Page 123</a>	
102-10	Significant changes to the organisation and its supply chain	<a href="#">Supply chain › Page 123</a>	No significant changes.
102-11	Precautionary principle or approach	<a href="#">Sustainability opportunities and risk management › Page 66</a> <a href="#">Sustainability at a glance › Page 67</a> <a href="#">Quality, safety and environmental management › Page 71</a>	
102-12	External initiatives	<a href="#">Activities in the fields of culture, sport and social affairs › Page 108</a> <a href="#">Federation, Association and Organisation Memberships › Page 110</a>	
102-13	Membership of associations	<a href="#">Federation, Association and Organisation Memberships › Page 110</a>	
102-14	Statement from senior decision-maker	<a href="#">Letter by the Management Board › Page 49</a> <a href="#">Energie AG Strategy 2030 › Page 60</a> <a href="#">Sustainability objectives › Page 65</a>	
102-15	Key impacts, risks and opportunities	<a href="#">Sustainability at a glance › Page 67</a>	
102-16	Values, principles, standards, and norms of behaviour	<a href="#">Stakeholder dialogue › Page 58</a> <a href="#">Sustainability at a glance › Page 67</a> <a href="#">Quality, safety and environmental management › Page 71</a> <a href="#">Compliance › Page 120</a>	
102-18	Governance structure	<a href="#">Group management bodies › Page 53</a> <a href="#">Group structure › Page 54</a>	
102-40	List of stakeholder groups	<a href="#">Stakeholder dialogue › Page 58</a>	

GRI			
Standard	Disclosure	Reference to information available online	Remarks and omissions
102-41	Collective bargaining agreements	Employees – responsible employer › Page 111	
102-42	Identifying and selecting stakeholders	Stakeholder dialogue › Page 58	
102-43	Approach to stakeholder engagement	Stakeholder dialogue › Page 58	
102-44	Key topics and concerns raised	Letter by the Management Board › Page 49 Major sustainability issues › Page 56 Stakeholder dialogue › Page 58 Energie AG Strategy 2030 › Page 60 Business models fit for the future – innovation › Page 74 Customer orientation and satisfaction › Page 102	
102-45	Entities included in the consolidated financial statements	Notes to the Consolidated Financial Statements › Page 142 Scope of consolidation › Page 143	
102-46	Defining report content and topic boundaries	About this report › Page 51 Major sustainability issues › Page 56	
102-47	List of material topics	Major sustainability issues › Page 56	
102-48	Restatements of information	Business model › Page 52 Changes under corporate law › Page 20	No restatement of information due to the agreed termination of electricity and gas sales activities in Germany.
102-49	Changes in reporting	Major sustainability issues › Page 56	
102-50	Reporting period	About this report › Page 51	
102-51	Date of most recent report	About this report › Page 51	The 2019/2020 Group annual report was published in December 2020.
102-52	Reporting cycle	About this report › Page 51	
102-53	Contact point for questions regarding the report	About this report › Page 51	
102-54	Claims of reporting in accordance with the GRI Standards	About this report › Page 51	
102-55	GRI content index	GRI content index 2020/2021 › Page 126	
102-56	External assurance		The 2020/2021 non-financial report was reviewed by the Energie AG Group audit on behalf of the Supervisory Board. An external assurance did not take place.

## Partnership with equity investors and outside creditors

GRI			
Standard	Disclosure	Reference to information available online	Remarks and omissions
<b>GRI 103: Management Approach 2016</b>			
103-1	Explanation of the material topic and its boundary	Major sustainability issues › Page 56 Energie AG Strategy 2030 › Page 60 Sustainability at a glance › Page 67 Economy › Page 73	
103-2	The management approach and its components	Sustainability at a glance › Page 67 Economy › Page 73	
103-3	Evaluation of the management approach	Sustainability at a glance › Page 67 Quality, safety and environmental management › Page 71	

## GRI

Standard	Disclosure	Reference to information available online	Remarks and omissions
Economy › Page 73			
<b>GRI 201: Economic Performance 2016</b>			
<b>201-1</b>	Direct economic value generated and distributed	Economy › Page 73 Group Management Report › Page 13 Consolidated Financial Statements › Page 133	

## Business models fit for the future &amp; innovation

## GRI

Standard	Disclosure	Reference to information available online	Remarks and omissions
<b>GRI 103: Management Approach 2016</b>			
<b>103-1</b>	Explanation of the material topic and its boundary	Major sustainability issues › Page 56 Energie AG Strategy 2030 › Page 60 Sustainability at a glance › Page 67 Economy › Page 73	
<b>103-2</b>	The management approach and its components	Sustainability at a glance › Page 67 Economy › Page 73	
<b>103-3</b>	Evaluation of the management approach	Sustainability at a glance › Page 67 Quality, safety and environmental management › Page 71 Economy › Page 73	
<b>G4 EU Electric utilities sector supplement</b>			
<b>EU DMA (2013) formerly EU8</b>	Research and development	Business models fit for the future – innovation › Page 74 Group Management Report › Page 13 Research, development and innovation › Page 22	

## Security and quality of supply

## GRI

Standard	Disclosure	Reference to information available online	Remarks and omissions
<b>GRI 103: Management Approach 2016</b>			
<b>103-1</b>	Explanation of the material topic and its boundary	Major sustainability issues › Page 56 Energie AG Strategy 2030 › Page 60 Sustainability at a glance › Page 67 Security and quality of supply › Page 100	
<b>103-2</b>	The management approach and its components	Sustainability at a glance › Page 67 Security and quality of supply › Page 100	
<b>103-3</b>	Evaluation of the management approach	Sustainability at a glance › Page 67 Quality, safety and environmental management › Page 71 Security and quality of supply › Page 100	
<b>G4 EU Electric utilities sector supplement</b>			
<b>EU1 (2013)</b>	Installed capacity, broken down by energy source	Energy Segment › Page 80 Proprietary electricity procurement › Page 86	
<b>EU2 (2013)</b>	Net energy output	Energy Segment › Page 80 Proprietary electricity procurement › Page 86	
<b>EU4 (2013)</b>	Length of transmission and distribution lines	Security and quality of supply › Page 100	



## GRI

Standard	Disclosure	Reference to information available online	Remarks and omissions
<b>EU DMA</b> (2013) formerly EU6	Availability and reliability	Security and quality of supply › Page 100	

## Customer orientation and satisfaction

## GRI

Standard	Disclosure	Reference to information available online	Remarks and omissions
<b>GRI 103: Management Approach 2016</b>			
<b>103-1</b>	Explanation of the material topic and its boundary	Major sustainability issues › Page 56 Energie AG Strategy 2030 › Page 60 Sustainability at a glance › Page 67 Customer orientation and satisfaction › Page 102	
<b>103-2</b>	The management approach and its components	Sustainability at a glance › Page 67 Customer orientation and satisfaction › Page 102	
<b>103-3</b>	Evaluation of the management approach	Sustainability at a glance › Page 67 Quality, safety and environmental management › Page 71 Customer orientation and satisfaction › Page 102	
<b>G4 EU Electric utilities sector supplement</b>			
<b>EU3</b> (2013)	Number of customer accounts	Grid Segment › Page 91	
<b>EU DMA</b> (2013) formerly EU7	Demand-side-management	Sales › Page 87	
<b>EU DMA</b> (2013) formerly EU23	Programmes for the improvement and maintenance of access to electricity and services, including partnerships with the government	Stakeholder dialogue › Page 58 Customer orientation and satisfaction › Page 102	

## Regional responsibility &amp; social commitment

## GRI

Standard	Disclosure	Reference to information available online	Remarks and omissions
<b>GRI 103: Management Approach 2016</b>			
<b>103-1</b>	Explanation of the material topic and its boundary	Major sustainability issues › Page 56 Energie AG Strategy 2030 › Page 60 Sustainability at a glance › Page 67 Regional responsibility and social commitment › Page 107	
<b>103-2</b>	The management approach and its components	Sustainability at a glance › Page 67 Regional responsibility and social commitment › Page 107	
<b>103-3</b>	Evaluation of the management approach	Sustainability at a glance › Page 67 Quality, safety and environmental management › Page 71 Regional responsibility and social commitment › Page 107	
<b>GRI 203: Indirect Economic Impacts 2016</b>			
<b>203-1</b>	Infrastructure investments and services	Energie AG Strategy 2030 › Page 60	

## GRI

Standard	Disclosure	Reference to information available online	Remarks and omissions
	supported	Energy Segment › Page 80 Grid Segment › Page 91	
203-2	Significant indirect economic impacts	Economy › Page 73	
<b>GRI 204: Procurement Practices 2016</b>			
204-1	Proportion of spending on local suppliers	Regional responsibility › Page 107	
<b>G4 EU Electric utilities sector supplement</b>			
EU DMA (2013) formerly EU19	Stakeholder involvement in decision-making in connection with energy planning and infrastructure investments	Stakeholder dialogue › Page 58	

## Climate protection &amp; resource conservation

## GRI

Standard	Disclosure	Reference to information available online	Remarks and omissions
<b>GRI 103: Management Approach 2016</b>			
103-1	Explanation of the material topic and its boundary	Major sustainability issues › Page 56 Energie AG Strategy 2030 › Page 60 Sustainability at a glance › Page 67 Environment › Page 77	
103-2	The management approach and its components	Sustainability at a glance › Page 67 Environment › Page 77	
103-3	Evaluation of the management approach	Sustainability at a glance › Page 67 Quality, safety and environmental management › Page 71 Environment › Page 77	
<b>GRI 305: Emissions 2016</b>			
305-1	Direct (Scope 1) GHG emissions	Emissions › Page 77	
305-2	Energy indirect (Scope 2) GHG emissions	Emissions › Page 77	
<b>GRI 306: Waste 2020</b>			
306-1	Waste generation and significant waste-related impacts	Waste Management Segment › Page 94	
306-2	Management of significant waste-related impacts	Waste Management Segment › Page 94	
306-3	Waste generated	Waste Management Segment › Page 94	
<b>G4 EU Electric utilities sector supplement</b>			
EU12 (2013)	Transmission and distribution losses	Grid Segment › Page 91	

## Responsible employer &amp; Workplace health and safety

## GRI

Standard	Disclosure	Reference to information available online	Remarks and omissions
<b>GRI 103: Management Approach 2016</b>			
103-1	Explanation of the material topic and its boundary	Major sustainability issues › Page 56 Energie AG Strategy 2030 › Page 60 Sustainability at a glance › Page 67	

GRI			
Standard	Disclosure	Reference to information available online	Remarks and omissions
		Employees – responsible employer › Page 111	
103-2	The management approach and its components	Sustainability at a glance › Page 67 Employees – responsible employer › Page 111	
103-3	Evaluation of the management approach	Sustainability at a glance › Page 67 Quality, safety and environmental management › Page 71 Employees – responsible employer › Page 111	
<b>GRI 403: Occupational Health and Safety 2018</b>			
403-1	Occupational health and safety management system	Sustainability at a glance › Page 67 Workplace health and safety › Page 117	
403-2	Hazard identification, risk assessment, and incident investigation	Workplace health and safety › Page 117	
403-3	Occupational health services	Workplace health and safety › Page 117	
403-4	Worker participation, consultation, and communication on occupational health and safety	Workplace health and safety › Page 117	
403-5	Worker training on occupational health and safety	Workplace health and safety › Page 117	
403-6	Promotion of worker health	Workplace health and safety › Page 117	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		Not relevant
403-8	Workers covered by an occupational health and safety management system	Quality, safety and environmental management › Page 71	
<b>GRI 404: Training and Education 2016</b>			
404-2	Programs for upgrading employee skills and transition assistance programs	Personnel and management development › Page 114	No transition assistance programmes to facilitate career endings resulting from retirement were provided in the 2020/2021 fiscal year.
<b>GRI 406: Non-discrimination 2016</b>			
406-1	Incidents of discrimination and corrective actions taken	Respect for human rights › Page 124	

## Legal compliance and prevention of corruption

GRI			
Standard	Disclosure	Reference to information available online	Remarks and omissions
<b>GRI 103: Management Approach 2016</b>			
103-1	Explanation of the material topic and its boundary	Major sustainability issues › Page 56 Energie AG Strategy 2030 › Page 60 Sustainability at a glance › Page 67 Compliance › Page 120	
103-2	The management approach and its components	Sustainability at a glance › Page 67 Compliance › Page 120	
103-3	Evaluation of the management approach	Sustainability at a glance › Page 67 Quality, safety and environmental	

GRI			
Standard	Disclosure	Reference to information available online	Remarks and omissions
		management › Page 71 Compliance › Page 120	
<b>GRI 205: Anti-corruption 2016</b>			
205-3	Confirmed incidents of corruption and actions taken	Compliance › Page 120	
<b>GRI 206: Anti-competitive Behaviour 2016</b>			
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Antitrust compliance › Page 122	
<b>GRI 418: Customer Privacy 2016</b>			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data protection › Page 122	

# Consolidated Financial Statements 2020/2021

## of Energie AG Oberösterreich

### CONSOLIDATED STATEMENT OF INCOME

#### 1 OCTOBER 2020 TO 30 SEPTEMBER 2021

		2020/2021 EUR 1,000	2019/2020 EUR 1,000
1. Sales revenues	(6)	2,145,163.5	1,843,707.5
Procurement costs for electricity and gas trading	(6)	-118,964.6	-59,563.4
Net sales revenues	(6)	2,026,198.9	1,784,144.1
2. Change in inventories of finished goods and work in progress		1,388.4	1,151.5
3. Other capitalised corporate services		44,049.3	40,901.1
4. Share in result of companies consolidated at equity	(3.1; 17)	29,182.2	14,723.9
5. Other operating income	(8)		
Reversals of impairment	(16.2)	11,880.6	–
Other	(8)	21,229.6	47,718.1
		33,110.2	47,718.1
6. Expenses for material and other purchased services	(9)	-1,292,784.5	-1,102,204.8
7. Personnel expenses	(10)	-308,420.6	-300,815.8
8. Depreciation, amortisation and impairments (thereof impairments EUR -723.0 thousand (previous year: EUR -14,311.6 thousand))	(11; 16)	-164,425.8	-172,628.6
9. Other operating expenses	(12)	-179,894.7	-165,274.9
<b>10. Operating result</b>		<b>188,403.4</b>	<b>147,714.6</b>
11. Financing expenses	(13)	-24,166.0	-22,746.6
12. Other interest income	(13)	1,077.3	958.0
13. Other financial result	(14)	2,954.5	1,119.0
<b>14. Financial result</b>		<b>-20,134.2</b>	<b>-20,669.6</b>
<b>15. Earnings before taxes</b>		<b>168,269.2</b>	<b>127,045.0</b>
16. Income taxes	(15)	-36,410.3	-25,833.7
<b>17. Consolidated net earnings</b>		<b>131,858.9</b>	<b>101,211.3</b>
Thereof attributable to non-controlling interests		1,111.8	1,258.0
Thereof attributable to investors in the parent company			
<b>Consolidated net profit</b>		<b>130,747.1</b>	<b>99,953.3</b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

### 1 OCTOBER 2020 TO 30 SEPTEMBER 2021

		2020/2021 EUR 1,000	2019/2020 EUR 1,000
<b>1. Consolidated net earnings</b>		<b>131,858.9</b>	<b>101,211.3</b>
<b>2. Other comprehensive income</b>			
<b>Items that will not be subsequently reclassified to the statement of income:</b>			
Remeasurement of the defined benefit obligation	(25)	-3,593.3	3,561.6
Changes in value of at-equity companies recognised in equity		-7.8	14.0
Changes in value of investments and securities FVOCI	(23)	5,529.5	5,161.7
Deferred taxes	(15)	-529.9	-2,180.8
<b>Items that may be subsequently reclassified to the statement of income:</b>			
Hedge accounting	(23; 24)	142,754.3	-22,447.3
Changes in value of at-equity companies recognised in equity		119.5	239.8
Translation differences	(5.19)	6,321.9	-4,541.5
Deferred taxes	(15)	-35,688.6	5,611.8
<b>Total expenses and revenues recognised in other comprehensive income</b>		<b>114,905.6</b>	<b>-14,580.7</b>
<b>3. Total comprehensive income after taxes</b>		<b>246,764.5</b>	<b>86,630.6</b>
4. Thereof attributable to non-controlling interests		2,035.4	606.3
<b>5. Thereof attributable to parent company</b>		<b>244,729.1</b>	<b>86,024.3</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS OF 30 SEPTEMBER 2021

		30.09.2021	30.09.2020
		EUR 1,000	EUR 1,000
<b>ASSETS</b>			
<b>A. Non-current assets</b>			
I. Intangible assets and goodwill	(16)	233,121.8	235,576.0
II. Property, plant and equipment	(16)	1,949,379.3	1,980,631.5
III. Investments (thereof at-equity companies: EUR 233,868.9 thousand (previous year: EUR 211,982.1 thousand))	(17)	264,704.9	240,570.4
IV. Other financial assets	(18)	80,318.4	50,641.7
		<b>2,527,524.4</b>	<b>2,507,419.6</b>
V. Other non-current assets	(19)	116,870.2	10,520.0
VI. Deferred tax assets	(15)	6,606.3	7,766.6
		<b>2,651,000.9</b>	<b>2,525,706.2</b>
<b>B. Current assets</b>			
I. Inventories	(20)	53,322.6	50,669.9
II. Receivables and other assets	(21)	723,848.5	347,207.9
III. Fixed term deposits and short-term investments	(5.10)	105,775.3	109,808.3
IV. Assets held for sale	(32)	122,220.1	–
V. Cash and cash equivalents	(22)	219,197.3	46,304.8
		<b>1,224,363.8</b>	<b>553,990.9</b>
		<b>3,875,364.7</b>	<b>3,079,697.1</b>

		30.09.2021	30.09.2020
		EUR 1,000	EUR 1,000
<b>LIABILITIES</b>			
<b>A. Equity</b>			
I. Share capital	(23)	88,653.8	88,655.5
II. Capital reserves	(23)	216,596.3	216,567.0
III. Retained earnings	(23)	1,151,305.8	1,073,776.7
IV. Other reserves	(23)	63,314.4	-50,640.0
V. Non-controlling interests	(23)	15,887.4	14,610.3
		<b>1,535,757.7</b>	<b>1,342,969.5</b>
<b>B. Non-current liabilities</b>			
I. Financial liabilities	(24)	648,969.7	586,817.2
II. Non-current provisions	(25)	293,810.9	290,470.2
III. Deferred tax liabilities	(15)	62,576.9	26,820.9
IV. Construction cost subsidies	(26)	313,058.9	300,954.8
V. Advances received	(27)	475.2	5,803.1
VI. Other non-current liabilities	(28)	136,955.0	77,457.2
		<b>1,455,846.6</b>	<b>1,288,323.4</b>
<b>C. Current liabilities</b>			
I. Financial liabilities	(24)	21,127.2	10,769.0
II. Current provisions	(29)	45,661.3	20,684.1
III. Tax provisions	(30)	109.2	142.3
IV. Trade payables	(24)	162,178.9	156,644.8
V. Liabilities related to assets held for sale	(32)	42,836.9	–
VI. Other current liabilities	(31)	611,846.9	260,164.0
		<b>883,760.4</b>	<b>448,404.2</b>
		<b>3,875,364.7</b>	<b>3,079,697.1</b>



## STATEMENT OF CHANGES IN EQUITY

	Share capital EUR 1,000	Capital reserves EUR 1,000	Retained earnings EUR 1,000	Reserves under IAS 19 EUR 1,000	Reserves under IFRS 9 EUR 1,000
<b>Balance as of 30.09.2020</b>	<b>88,655.5</b>	<b>216,567.0</b>	<b>1,073,776.7</b>	<b>-83,324.7</b>	<b>1,476.3</b>
<b>Items that will not be subsequently reclassified to the statement of income:</b>					
Remeasurement of the defined benefit obligation	–	–	–	-3,565.8	–
Changes in value of associated at-equity companies recognised in equity	–	–	–	-7.8	–
Changes in value of investments and securities FVOCI	–	–	–	–	5,529.5
Deferred taxes	–	–	–	891.4	-1,428.2
<b>Items that may be subsequently reclassified to the statement of income:</b>					
Hedge accounting	–	–	–	–	142,749.5
Hedge accounting at-equity companies	–	–	–	–	119.5
Translation differences	–	–	–	–	–
Deferred taxes	–	–	–	–	-35,687.4
<b>Other comprehensive income</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>-2,682.2</b>	<b>111,282.9</b>
Consolidated net earnings	–	–	130,747.1	–	–
<b>Total income for the period</b>	<b>–</b>	<b>–</b>	<b>130,747.1</b>	<b>-2,682.2</b>	<b>111,282.9</b>
Dividend distribution	–	–	-53,192.3	–	–
Treasury stocks	–	27.6	-27.6	–	–
Other	-1.7	1.7	1.9	–	–
<b>Transactions with shareholders</b>	<b>-1.7</b>	<b>29.3</b>	<b>-53,218.0</b>	<b>–</b>	<b>–</b>
<b>Balance as of 30.09.2021</b>	<b>88,653.8</b>	<b>216,596.3</b>	<b>1,151,305.8</b>	<b>-86,006.9</b>	<b>112,759.2</b>

Other reserves				Equity of investors in parent company EUR 1,000	Non- controlling interests EUR 1,000	Total EUR 1,000	
Revaluation reserve EUR 1,000	Treasury stocks EUR 1,000	Translation difference EUR 1,000	Total EUR 1,000				
37,541.1	-9,278.5	2,945.7	-50,640.0	1,328,359.2	14,610.3	1,342,969.5	
–	–	–	-3,565.8	-3,565.8	-27.5	-3,593.3	
–	–	–	-7.8	-7.8	–	-7.8	
–	–	–	5,529.5	5,529.5	–	5,529.5	(23)
–	–	–	-536.8	-536.8	6.9	-529.9	
–	–	–	142,749.5	142,749.5	4.8	142,754.3	(23)
–	–	–	119.5	119.5	–	119.5	
–	–	5,381.3	5,381.3	5,381.3	940.6	6,321.9	(5.19)
–	–	–	-35,687.4	-35,687.4	-1.2	-35,688.6	
–	–	5,381.3	113,982.0	113,982.0	923.6	114,905.6	
–	–	–	–	130,747.1	1,111.8	131,858.9	
–	–	5,381.3	113,982.0	244,729.1	2,035.4	246,764.5	
–	–	–	–	-53,192.3	-756.4	-53,948.7	
–	-27.6	–	-27.6	-27.6	–	-27.6	(23)
–	–	–	–	1.9	-1.9	–	
–	-27.6	–	-27.6	-53,218.0	-758.3	-53,976.3	
37,541.1	-9,306.1	8,327.0	63,314.4	1,519,870.3	15,887.4	1,535,757.7	

	Share capital EUR 1,000	Capital reserves EUR 1,000	Retained earnings EUR 1,000	Reserves under IAS 19 EUR 1,000	Reserves under IFRS 9 EUR 1,000
<b>Balance as of 30.09.2019</b>	<b>88,729.2</b>	<b>216,455.1</b>	<b>1,027,039.6</b>	<b>-86,005.2</b>	<b>14,248.7</b>
<b>Items that will not be subsequently reclassified to the statement of income:</b>					
Remeasurement of the defined benefit obligation	–	–	–	3,555.4	–
Changes in value of associated at-equity companies recognised in equity	–	–	–	14.0	–
Changes in value of investments and securities FVOCI	–	–	–	–	5,161.7
Deferred taxes	–	–	–	-888.9	-1,290.4
<b>Items that may be subsequently reclassified to the statement of income:</b>					
Hedge accounting	–	–	–	–	-22,511.3
Hedge accounting at-equity companies	–	–	–	–	239.8
Translation differences	–	–	–	–	–
Deferred taxes	–	–	–	–	5,627.8
<b>Other comprehensive income</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>2,680.5</b>	<b>-12,772.4</b>
Consolidated net earnings	–	–	99,953.3	–	–
<b>Total income for the period</b>	<b>–</b>	<b>–</b>	<b>99,953.3</b>	<b>2,680.5</b>	<b>-12,772.4</b>
Dividend distribution	–	–	-53,193.3	–	–
Treasury stocks	-73.7	111.9	-38.3	–	–
Other	–	–	15.3	–	–
<b>Transactions with shareholders</b>	<b>-73.7</b>	<b>111.9</b>	<b>-53,216.3</b>	<b>–</b>	<b>–</b>
<b>Balance as of 30.09.2020</b>	<b>88,655.5</b>	<b>216,567.0</b>	<b>1,073,776.7</b>	<b>-83,324.7</b>	<b>1,476.3</b>

Other reserves				Equity of investors in parent company EUR 1,000	Non- controlling interests EUR 1,000	Total EUR 1,000	
Revaluation reserve EUR 1,000	Treasury stocks EUR 1,000	Translation difference EUR 1,000	Total EUR 1,000				
37,541.1	-9,240.2	6,782.8	-36,672.7	1,295,551.3	14,787.4	1,310,338.6	
–	–	–	3,555.4	3,555.4	6.2	3,561.6	
–	–	–	14.0	14.0	–	14.0	
–	–	–	5,161.7	5,161.7	–	5,161.7	(23)
–	–	–	-2,179.3	-2,179.3	-1.5	-2,180.8	
–	–	–	-22,511.3	-22,511.3	64.0	-22,447.3	(23)
–	–	–	239.8	239.8	–	239.8	
–	–	-3,837.1	-3,837.1	-3,837.1	-704.4	-4,541.5	(5.19)
			5,627.8	5,627.8	-16.0	5,611.8	
–	–	-3,837.1	-13,929.0	-13,929.0	-651.7	-14,580.7	
–	–	–	–	99,953.3	1,258.0	101,211.3	
–	–	-3,837.1	-13,929.0	86,024.3	606.3	86,630.6	
–	–	–	–	-53,193.3	-790.7	-53,984.0	
–	-38.3	–	-38.3	-38.4	–	-38.4	(23)
–	–	–	–	15.3	7.3	22.6	
–	-38.3	–	-38.3	-53,216.4	-783.4	-53,999.8	
37,541.1	-9,278.5	2,945.7	-50,640.0	1,328,359.2	14,610.3	1,342,969.5	

## CASH FLOW STATEMENT

	2020/2021 EUR 1,000	2019/2020 EUR 1,000	
<b>Earnings before income taxes</b>	<b>168,269.2</b>	<b>127,045.0</b>	
Tax payments	-31,025.8	-35,507.7	(15)
<b>Earnings after income taxes</b>	<b>137,243.4</b>	<b>91,537.3</b>	
Depreciation/impairment reversals of non-current assets	152,050.2	172,753.2	(16)
Change in non-current provisions	-253.7	-14,061.4	
Change in other non-current assets	-26,435.9	1,831.3	
Change in other non-current liabilities and advances received	-2,319.5	-12,623.8	
Retained earnings of equity companies	-21,775.0	-6,948.0	
Construction cost subsidies received	40,800.1	34,642.9	(26)
Income from the reversal of construction cost subsidies	-28,092.9	-26,854.9	(26)
Losses from the disposal of assets	1,540.9	2,822.7	
Gains from the disposal of assets	-2,427.0	-5,043.6	
Other non-cash expenses and income	-2,142.9	-1,717.1	
	<b>248,187.7</b>	<b>236,338.6</b>	
Change in current assets	-65,273.2	8,102.7	
Payments from hedging transactions	320,798.4	-47,989.5	(24.1)
Non-cash items from derivatives	-44,880.7	27,215.4	
Initial margins for derivatives	-50,881.8	-261.8	
Change in current liabilities	-54,254.1	-35,989.3	
Change in current provisions	24,977.2	-1,574.4	
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>	<b>378,673.5</b>	<b>185,841.7</b>	
Inflow from the disposal of property, plant and equipment, and intangible assets	4,194.1	8,760.1	
Outflow for additions to property, plant, equipment and intangible assets	-198,072.5	-193,347.1	(16)
Inflow from the disposal of financial assets	13,579.1	28,390.7	
Change in scope of consolidation less acquired cash	–	-2,610.0	(3)
Outflow for additions to financial assets and other financial investments	-34,891.4	-22,731.0	
<b>CASH FLOW FROM INVESTMENTS</b>	<b>-215,190.7</b>	<b>-181,537.3</b>	
Dividend distribution	-53,948.7	-53,984.0	(34)
Acquisition of own shares and non-controlling interests	-27.6	-39.9	
Issuance of registered bonds	75,000.0	100,000.0	(24.7)
Principal repayment of bank loans 2010–2020	–	-12,000.0	(24.7)
Repayment of cash advances	–	-6,000.0	(24.7)
Other changes in financial liabilities	-11,795.1	-15,259.6	(24.7)
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>	<b>9,228.6</b>	<b>12,716.5</b>	
<b>TOTAL CASH FLOW</b>	<b>172,711.4</b>	<b>17,020.9</b>	
Cash funds at beginning of period	46,304.8	29,772.0	(22)
Cash flow	172,711.4	17,020.9	
Exchange rate effects	181.1	-488.1	
Cash funds at end of period	219,197.3	46,304.8	(22)
The cash flow from operating activities includes:			
Interest received	1,000.0	919.1	
Interest paid	21,312.9	18,960.5	
Dividends received	9,331.5	7,901.6	(17)

# NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 2020/2021 OF ENERGIE AG OBERÖSTERREICH

## | GENERAL NOTES

### 1. General disclosures

The Energie AG Oberösterreich Group is a modern and competitive energy and service provider in the Energy, Grid, Waste Management, Czech Republic and Holding & Services Segments.

The parent company of the Group is Energie AG Oberösterreich with registered office at Böhmerwaldstraße 3 in Linz, Austria.

The Consolidated Financial Statements of Energie AG Oberösterreich for the 2020/2021 fiscal year were drawn up in accordance with the International Financial Reporting Standards (IFRS), published by the International Accounting Standards Board (IASB), as they were required to be applied as of the reporting date, as well as in accordance with the interpretations of the International Financial Reporting Committee (IFRIC) as adopted by the European Union.

The present Consolidated Financial Statements according to the IFRS release the company from its obligation under § 245 a of the Austrian Commercial Law Code to prepare consolidated annual financial statements in keeping with the Austrian Commercial Law Code. Whenever the Austrian Commercial Code so requires, additional disclosures are made in the respective notes.

The figures in the Consolidated Financial Statements are reported thousands of euros (EUR 1,000). The use of automated calculation systems may give rise to rounding differences when adding up rounded figures and percentages.

### 2. Change in accounting methods

#### 2.1. Standards and interpretations applied or amended and adopted by the EU for the first time

Newly applicable amended standards adopted by the EU that take effect on 1 January 2020 or later:

- Amendments to References to the Conceptual Framework in IFRS Standards
- IAS 1, IAS 8 (Amendments: Definition of Material)
- IFRS 9, IAS 39 and IFRS 7 (Amendments: Interest Rate Benchmark Reform – Phase 1)
- IFRS 3 (Amendments: Definition of a Business)
- IFRS 16 (Amendments: Covid-19-Related Rent Concessions)

The amended standards do not have a material impact on the consolidated financial statements.

## 2.2. Standards and interpretations that have not been applied early

In the 2020/2021 Consolidated Financial Statements, the following amendments adopted by the EU were not applied early:

Entry into force in the EU on 1 January 2021 or later:

- IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments: Interest Rate Benchmark Reform – Phase 2)
- IFRS 4 (Amendments: Extension of the Temporary Exemption from Applying IFRS 9)
- IFRS 16 (Amendments: Covid-19-Related Rent Concessions beyond 30 June 2021)
- IFRS 3 (Amendments: Reference to the Conceptual Framework)
- IAS 16 (Amendments: Property, Plant & Equipment: Proceeds before Intended Use)
- IAS 37 (Amendments: Onerous Contracts – Costs of Fulfilling a Contract)
- Annual Improvements to IFRS Standards 2018-2020 Cycle (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41)

The following standards and interpretations, amendments and improvements of standards enter into force on 1 January 2023 or a later date, although they have not yet been adopted by the European Union at this time:

- IFRS 17 (Insurance Contracts)
- IAS 1 (Amendments: Classification of Liabilities as Current or Non-current)
- IAS 1 (Amendments: Disclosure of Accounting Policies)
- IAS 8 (Amendments: Definition of Accounting Estimates)
- IAS 12 (Amendments: Deferred Tax related to Assets and Liabilities arising from a Single Transaction)

These standards are expected to be applied on the effective date promulgated by the EU.

The following standard came into force on 1 January 2016, but was not adopted by the EU:

- IFRS 14 (Regulatory Deferral Accounts)

Application of the following standard was postponed indefinitely:

- IFRS 10 and IAS 28 (Amendments: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)

The first-time application of these standards is not expected to result in any significant implications for the Consolidated Financial Statements.

## 3. Scope of consolidation

### 3.1. Principles

#### Subsidiaries

All material entities that are directly or indirectly controlled by Energie AG Oberösterreich (subsidiaries) are fully consolidated according to IFRS 10 and included in the Consolidated Financial Statements. Control exists when the investor is exposed or has rights to variable returns from its involvement with the investee and has the ability to use its power over the investee to influence the amount of the investor's returns. In all cases, the control results from the equity instruments that are held (participating interests in the company and shares).

### Joint arrangements

IFRS 11 outlines accounting by entities that jointly control an arrangement. Joint control involves the contractually agreed sharing of control. If the controlling parties have rights to the net assets of the arrangement (joint venture), the equity method is used for financial reporting. If the controlling parties have rights to the assets, and obligations for the liabilities, relating to the agreement (joint operations), the assets and liabilities, as well as the income and expenses, are recognised using proportionate consolidation.

### Joint operations

Ennskraftwerke Aktiengesellschaft produces electricity with hydropower plants. Gas- und Dampfkraftwerk Timelkam GmbH supplies electricity from the operation of a combined cycle gas-turbine power plant.

The Group holds a strategic interest of 50% in both Ennskraftwerke Aktiengesellschaft and Gas- und Dampfkraftwerk Timelkam GmbH. The entities are not controlled by any party.

Under the existing electricity supply contracts, the investors purchase the electric energy produced by the Group companies, where the internal price is calculated on a pro-rata basis of the production costs, plus a corresponding profit margin. Due to the electricity supply contracts, the parties have rights to the assets. As the arrangements' liabilities can only be settled with these cash flows, the parties have obligations for the liabilities relating to the joint arrangement. Ennskraftwerke Aktiengesellschaft and Gas- und Dampfkraftwerk Timelkam GmbH are therefore classified as joint operations according to IFRS 11.

The share of the assets and liabilities, as well as the revenues and expenses are reported in the Consolidated Financial Statements. The average share of the electricity supply (38%) is used to determine the share for the pro rata recognition of Ennskraftwerke Aktiengesellschaft. The share of the electricity procured from Gas- und Dampfkraftwerk Timelkam GmbH, amounting to 70%, is used for the consolidation of the company.

### Joint ventures

Due to special agreements under company law, no control exists for "Papyrus" Altpapierservice Handelsgesellschaft m.b.H. (Salzburg), Papyrus Wertstoff Service GmbH (Bad Reichenhall, Germany) or for Fernwärme Steyr GmbH, despite holding a majority of the voting rights. These entities are controlled jointly with other investors and are therefore accounted for using the equity method.

### Associated companies

Companies in which Energie AG Oberösterreich exercises a significant influence (associated companies) are consolidated using the equity method. Significant influence exists due to holdings of the entity's share capital. Salzburg AG für Energie, Verkehr und Telekommunikation is an infrastructure provider for energy, transport and telecommunication. Wels Strom GmbH is an energy utility and service company.



The changes in the scope of consolidation are as follows:

	Full consolidation	Proportionate consolidation	Equity consolidation
30.09.2020	49	2	11
30.09.2021	49	2	11

### Joint ventures

The Statement of Financial Position and the Statement of Income of the joint ventures (100%) presents as follows:

<b>"Papyrus" Altpapierservice Handelsgesellschaft m.b.H.;</b> <b>Papyrus</b>						
	Windpower EP GmbH		Wertstoffservice GmbH		Other joint ventures	
	30.09.2021	30.09.2020	30.09.2021	30.09.2020	30.09.2021	30.09.2020
	EUR mill.	EUR mill.	EUR mill.	EUR mill.	EUR mill.	EUR mill.
Non-current assets	28.6	31.1	7.8	6.5	44.7	46.6
Current assets	6.4	4.0	5.4	3.4	19.4	19.2
	<b>35.0</b>	<b>35.1</b>	<b>13.2</b>	<b>9.9</b>	<b>64.1</b>	<b>65.8</b>
Equity	4.8	3.5	6.9	6.1	20.6	19.2
Non-current liabilities	29.4	31.3	1.1	1.1	15.7	43.8
Current liabilities	0.8	0.3	5.2	2.7	27.8	2.8
	<b>35.0</b>	<b>35.1</b>	<b>13.2</b>	<b>9.9</b>	<b>64.1</b>	<b>65.8</b>
Cash and cash equivalents	2.1	3.0	0.1	0.1	2.9	2.4
Non-current financial liabilities	28.3	30.0	–	–	30.0	32.6

**"Papyrus" Altpapierservice  
Handelsgesellschaft m.b.H.;  
Papyrus**

	<b>Windpower EP GmbH</b>		<b>Wertstoffservice GmbH</b>		<b>Other joint ventures</b>	
	<b>2020/2021</b>	<b>2019/2020</b>	<b>2020/2021</b>	<b>2019/2020</b>	<b>2020/2021</b>	<b>2019/2020</b>
	EUR mill.	EUR mill.	EUR mill.	EUR mill.	EUR mill.	EUR mill.
Sales revenues	5.8	6.0	37.2	25.2	18.5	18.1
Depreciation, amortisation and impairments	-2.9	-2.8	-0.9	-0.8	-2.7	-2.0
Interest income	–	–	–	–	0.2	0.1
Interest expense	-0.5	-1.1	-0.3	-0.1	-0.6	-0.6
Taxes	-0.4	-0.1	-0.3	-0.1	-0.6	-0.7
Earnings after taxes	1.1	0.7	0.9	0.4	2.4	3.5
Share in net assets as of 01.10.	1.7	1.2	3.4	3.1	7.5	6.7
Profit for the period	0.6	0.5	0.5	0.3	1.2	1.0
Dividends	–	–	–	–	-0.3	-0.2
Share in net assets as of 30.09.	2.3	1.7	3.9	3.4	8.4	7.5
Goodwill	–	–	0.7	0.5	–	–
<b>Carrying amount as of 30.09.</b>	<b>2.3</b>	<b>1.7</b>	<b>4.6</b>	<b>3.9</b>	<b>8.4</b>	<b>7.5</b>

**Salzburg AG für Energie,  
Verkehr und  
Telekommunikation**

	<b>Telekommunikation</b>		<b>Wels Strom GmbH</b>		<b>Other associated companies</b>	
	<b>30.09.2021</b>	<b>30.09.2020</b>	<b>30.09.2021</b>	<b>30.09.2020</b>	<b>30.09.2021</b>	<b>30.09.2020</b>
	EUR mill.	EUR mill.	EUR mill.	EUR mill.	EUR mill.	EUR mill.
Non-current assets	1,438.3	1,411.5	99.8	107.8	5.9	6.2
Current assets	96.5	99.7	16.5	15.7	3.1	2.1
	<b>1,534.8</b>	<b>1,511.2</b>	<b>116.3</b>	<b>123.5</b>	<b>9.0</b>	<b>8.3</b>
Equity	588.0	563.7	19.7	24.5	5.9	5.3
Non-current liabilities	675.6	672.9	32.6	32.5	2.5	2.1
Current liabilities	271.2	274.6	64.0	66.5	0.6	0.9
	<b>1,534.8</b>	<b>1,511.2</b>	<b>116.3</b>	<b>123.5</b>	<b>9.0</b>	<b>8.3</b>

	Salzburg AG für Energie, Verkehr und Telekommunikation		Wels Strom GmbH		Other associated companies	
	2020/2021	2019/2020	2020/2021	2019/2020	2020/2021	2019/2020
	EUR mill.	EUR mill.	EUR mill.	EUR mill.	EUR mill.	EUR mill.
Sales revenues	1,623.1	1,404.0	119.0	99.8	5.0	5.0
Earnings after taxes	50.0	45.3	-4.8	1.8	1.5	0.9
Dividends	-6.7	-6.8	–	-0.3	-0.4	-0.4
Share in net assets as of 01.10.	147.2	142.2	12.1	11.5	2.2	2.2
Profit for the period	13.2	11.8	-2.5	0.9	0.6	0.4
Dividends	-6.7	-6.8	–	-0.3	-0.4	-0.4
Share in net assets as of 30.09.	153.7	147.2	9.6	12.1	2.4	2.2
Goodwill	19.7	19.7	33.2	17.7	–	–
<b>Carrying amount as of 30.09.</b>	<b>173.4</b>	<b>166.9</b>	<b>42.8</b>	<b>29.8</b>	<b>2.4</b>	<b>2.2</b>

### 3.2. Group companies

		Interest held in % (prev. year)	Consolidation (prev. year)
	Domicile		
<b>Austria</b>			
Energie AG Oberösterreich	Linz	Parent company	
Energie AG Group Treasury GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Businesskunden GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Business Services GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Bohemia GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Customer Services GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Erzeugung GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Kraftwerk Ennshafen GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Kommunalservice GmbH	Hörsching	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Personalmanagement GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Personal Power GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Renewable Power GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Service- und Beteiligungsverwaltungs-GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Telekom GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Tech Services GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Trading GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Umwelt Holding GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Umwelt Service GmbH	Hörsching	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Vertrieb GmbH	Linz	100.00 (100.00)	FC (FC)
Energie-Contracting Steyr GmbH	Steyr	100.00 (100.00)	FC (FC)
Abfall-Aufbereitungs-GmbH	Hörsching	100.00 (100.00)	FC (FC)
ASPG Altlastensanierungsprojekte GmbH	Hörsching	100.00 (100.00)	FC (FC)
Cogeneration-Kraftwerke Management Oberösterreich GmbH	Linz	100.00 (100.00)	FC (FC)
ENAMO Ökostrom GmbH	Linz	100.00 (100.00)	FC (FC)
IfEA Institut für Energieausweis GmbH	Linz	100.00 (100.00)	FC (FC)
Netz Oberösterreich GmbH	Linz	100.00 (100.00)	FC (FC)
Wertstatt 8 GmbH	Linz	100.00 (100.00)	FC (FC)
MA Restabfallverwertung GmbH	Hörsching	99.00 (99.00)	FC (FC)
WDL-WasserdienstleistungsGmbH	Linz	90.00 (90.00)	FC (FC)
Market Calling Marketing GesmbH	Linz	60.00 (60.00)	FC (FC)
Ennskraftwerke Aktiengesellschaft	Steyr	50.00 (50.00)	JO (JO)
Gas- und Dampfkraftwerk Timelkam GmbH	Linz	50.00 (50.00)	JO (JO)
"Papyrus" Altpapierservice Handelsgesellschaft m.b.H.	Salzburg	63.33 (63.33)	JV (JV)
Fernwärme Steyr GmbH	Steyr	51.00 (51.00)	JV (JV)
AMR Austrian Metal Recovery GmbH	Linz	50.00 (50.00)	JV (JV)
Windpower EP GmbH	Parndorf	50.00 (50.00)	JV (JV)

		Interest held in % (prev. year)	Consolidation (prev. year)
	Domicile		
Bioenergie Steyr GmbH	Behamberg	49.00 (49.00)	JV (JV)
Energie Ried Wärme GmbH	Ried im Innkreis	40.00 (40.00)	JV (JV)
Wels Strom GmbH	Wels	49.00 (49.00)	AC (AC)
Geothermie-Wärmegesellschaft Braunau-Simbach mbH	Braunau	40.00 (40.00)	AC (AC)
Salzburg AG für Energie, Verkehr und Telekommunikation	Salzburg	26.13 (26.13)	AC (AC)
OÖ Breitband Infrastruktur GmbH	Linz	100.00 (-)	UC (-)
mieX GmbH	Peilstein	100.00 (100.00)	UC (UC)
Oberösterreichische Gemeinnützige Bau- und Wohnungsgesellschaft mit beschränkter Haftung	Linz	100.00 (100.00)	UC (UC)
Energy IT Service GmbH	Linz	66.67 (66.67)	UC (UC)
BBi Breitbandinfrastruktur GmbH	Linz	55.00 (55.00)	UC (UC)
RVL Reststoffverwertung Lenzing GmbH	Lenzing	50.00 (50.00)	UC (UC)
WDL Infrastruktur GmbH	Linz	49.00 (49.00)	UC (UC)
OÖ Science-Center Wels Errichtungs-GmbH	Wels	50.00 (50.00)	UC (UC)
GRB Geothermie Ried Bohrung GmbH	Ried im Innkreis	40.00 (40.00)	UC (UC)
Recycling Innsbruck GmbH	Innsbruck	25.00 (25.00)	UC (UC)
<b>Czech Republic</b>			
ČEVAK a.s.	České Budějovice	100.00 (100.00)	FC (FC)
ENERGIE AG BOHEMIA s.r.o.	Praha	100.00 (100.00)	FC (FC)
Energie AG Teplo Vimperk s.r.o.	Vimperk	100.00 (100.00)	FC (FC)
Energie AG Teplo Rokycany s.r.o.	Rokycany	100.00 (100.00)	FC (FC)
Tepelné zásobování Rakovník spol. s r.o.	Rakovník	100.00 (100.00)	FC (FC)
VAK Zápy s.r.o.	Zápy	100.00 (100.00)	FC (FC)
VHOS a.s.	Moravská Třebová	100.00 (100.00)	FC (FC)
Vodárenská společnost Beroun s.r.o.	Beroun	100.00 (100.00)	FC (FC)
VODOS Velkoobchod s.r.o.	České Budějovice	100.00 (100.00)	FC (FC)
Energie AG Kolin a.s.	Kolín	97.33 (97.30)	FC (FC)
Vodárenská společnost Chrudim a.s.	Chrudim	95.00 (95.00)	FC (FC)
SATEZA a.s.	Šumperk	91.67 (91.67)	FC (FC)
Aqua Servis a.s.	Rychnov nad Kněžnou	66.00 (66.00)	FC (FC)
Vodovody a kanalizace Beroun a.s.	Beroun	59.22 (59.20)	FC (FC)
1. Jihočeská vodohospodářská spol. s r.o.	České Budějovice	100.00 (100.00)	UC (UC)
DÉMOS, spol. s r.o.	Ústí nad Orlicí	100.00 (100.00)	UC (UC)
DÉMOS - správa, s.r.o.	Ústí nad Orlicí	100.00 (100.00)	UC (UC)
Vodovod Radyně a.s.	České Budějovice	100.00 (100.00)	UC (UC)
<b>Italy</b>			
ECOFE S.R.L.	Meran	100.00 (100.00)	FC (FC)
Energie AG Südtirol Umwelt Service GmbH	Neumarkt	100.00 (100.00)	FC (FC)
Salvatonica Energia S.R.L.	Meran	100.00 (100.00)	FC (FC)

		Interest held in % (prev. year)	Consolidation (prev. year)
	Domicile		
<b>Germany</b>			
Erdgas Oberösterreich Vertriebs GmbH	Tittling	100.00 (100.00)	FC (FC)
Papyrus Wertstoff Service GmbH	Bad Reichenhall	63.33 (63.33)	JV (JV)
Geothermie-Fördergesellschaft Simbach-Braunau mbH	Simbach	40.00 (40.00)	AC (AC)
<b>Poland</b>			
Finadvice Fair Energy Wind Development sp. z o.o.	Warszawa	100.00 (100.00)	UC (UC)
Finadvice Fair Energy Wind Development 5 Sp. z o.o.	Warszawa	100.00 (100.00)	UC (UC)
<b>Hungary</b>			
Energie AG Heves Régió Környezetvédelmi és Hulladékgazdálkodási Korlátolt Felelősségű Társaság	Miskolc	100.00 (100.00)	FC (FC)

FC fully consolidated entities

JV Joint ventures consolidated at equity

JO joint operation, proportional consolidation of the assets, liabilities, expenses and income

AC associated company consolidated at equity

UC entities unconsolidated due to immateriality

## 4. Consolidation methods

Capital consolidation uses the purchase method of accounting, under which the fair value of the consideration paid for the acquired company is offset from the proportionate revaluated equity of the subsidiaries at the acquisition date. The non-controlling interests are measured at the fair value of the attributable assets and liabilities of the acquiree (partial goodwill method).

Goodwill from business combinations is measured according to IFRS 3. The acquired goodwill is essentially based on expected future earnings and synergy effects. The impairment of goodwill is tested at least once each year in accordance with IAS 36. Negative differences are recognised through profit or loss in accordance with IFRS 3.

The financial statements of the entities fully or proportionally consolidated in the Consolidated Financial Statements are reported according to uniform accounting and measurement principles. The separate financial statements of the fully consolidated entities, joint operations and joint ventures, as well as the entities accounted for using the equity method, are reported at the date of the Consolidated Financial Statements, or interim reports are prepared.

Intragroup receivables and liabilities, expenses and income, as well as interim results are eliminated.

## 5. Accounting and measurement principles

### 5.1. COVID-19 pandemic

The implications of the COVID-19 pandemic include strongly fluctuating prices on the energy markets and higher planning uncertainty for the Consolidated Financial Statements as of 30 September 2021. The economic environment is expected to return to normal over the following years. The Group has maintained a solid assets, liabilities and financial position even

in the currently difficult market environment. The Financial Statements were prepared on the basis of an assumed going concern. Other than the effects explained in section 16.2, the COVID-19 pandemic did not entail any other indicators for impairments of cash generating units. Due to the Group's business performance, the Covid-19 pandemic has not affected the impairment of deferred tax assets.

To support the Austrian economy during the Corona crisis, the Austrian Federal Government has launched a programme aimed at promoting business investment. Investments in depreciating non-current assets are promoted with a one-off non-repayable subsidy of 7% or 14% of the investment amount. The subsidy is granted on condition that a so-called "first measure" (order placement, conclusion of a purchase contract, down payment, construction start etc.) is implemented by no later than 31 May 2021. Commissioning and payment must take place by no later than 28 February 2023; this date may be extended to 28 February 2025 under certain conditions. Subsidiaries from Austria have already applied for the investment bonus and funding approvals have been received. As of 30 September 2021, claims for subsidies in an amount of EUR 2,219.5 thousand were recognised for already implemented investments. The corresponding liability item is reported under other non-current liabilities and will be eliminated through profit or loss in accordance with their useful lives after completion of the assets.

## 5.2. Estimates

Compiling the Consolidated Financial Statements required estimates to be made that influence the assets, liabilities and equity, income, and expenses, as well as the figures disclosed in the notes.

In particular, estimates and assumptions are made in calculating provisions and in testing asset impairment.

Estimates and assumptions in the area of personnel provisions primarily involve interest rates, wage and salary trends and fluctuation.

The salary trend used to determine the personnel provisions consists of the expected future increase of salaries and wages under collective agreements (ECB long-term inflation target plus a surcharge) and the average increases of salaries and wages.

The interest rate for discounting the personnel provisions is determined by an external service provider on the basis of "high quality corporate bonds" and adjusted for the company's internal duration.

The interest rate for discounting the other non-current provisions is based on a no-risk interest rate determined on the basis of AAA-rated treasury bills.

In the course of testing the impairment of assets and goodwill, estimates are made concerning future cash flows and interest rates (see section 5.5. > Page 153 and following items).

The estimates made may differ from the figures that actually result in the future and influence subsequent Consolidated Financial Statements. In respect to the possible effects of changes in estimates, please refer to the sensitivity analyses concerning impairment testing and actuarial parameters.

Estimates affect the following items in the Statement of Financial Position:

	30.09.2021	30.09.2020
Carrying amounts	EUR 1,000	EUR 1,000
Goodwill	87,316.9	86,217.2
Property, plant and equipment	1,949,379.3	1,980,631.5
Investments	264,704.9	240,570.4
Non-current provisions	293,810.9	290,470.2
Current provisions	45,661.3	20,684.1

### 5.3. Intangible assets

The goodwill resulting from the acquisition of subsidiaries is reported under intangible assets. Goodwill is recognised at cost less accumulated impairment losses.

Other assets acquired by the Group that have limited useful lives are recognised at cost less accumulated depreciation, and accumulated impairment losses.

Under certain circumstances according to IAS 38 (Intangible Assets), development costs are to be capitalised as self-created intangible assets and subsequently amortised over their useful lives.

With the exception of goodwill, intangible assets are amortised over the period of the following estimated useful lives:

	Useful life in years
<b>Intangible assets</b>	
Procurement rights	15–99
Other rights	4–50
Customer base	10–25
<b>Dumping rights and landfills</b>	depending on utilization

Costs for research activities with the prospect of providing new scientific or technical insights are recognised as expenses.

### 5.4. Property, plant and equipment

Property, plant and equipment are recognised at cost less accumulated depreciation and accumulated impairment losses.

The costs include expenses that are directly attributable to the acquisition of the asset. The costs for self-constructed assets include:

- Material costs and production wages, including material and production overheads. General administrative expenses are not capitalised
- All other costs directly attributable to bringing the assets into working condition for their intended use
- The estimated costs of dismantling and removing the objects and restoring the site



#### ■ Capitalised borrowing costs

Subsequent expenses are only capitalised when it is probable that the future economic benefit associated with these expenses will flow to the Group. Ongoing repairs and maintenance are immediately recognised as expenses.

Property, plant and equipment are depreciated from the date on which they are available for use, or in the case of self-constructed assets, from the date the asset is complete and ready for use.

As far as different useful lives are to be applied for material non-current assets, these are recognised according to the component approach (IAS 16.43).

The depreciation of significant property, plant and equipment is recognised according to the following, Group-wide uniform useful lives:

	Useful life in years
<b>Constructions</b>	
Buildings	50
Other structures	10–50
Water engineering structures	50–75
<b>Manufacturing plant and equipment</b>	
Power plants	10–50
Electricity grid	15–40
Waste management systems	6–20
Telecommunications facilities	7–20
<b>Furniture and fixtures</b>	3–10

## 5.5 Impairment of goodwill

In the fourth quarter of each fiscal year, or during the course of the year when an impairment indicator arises, any potentially incurred impairment losses are determined by subjecting the goodwill to an impairment test. For this, goodwill is allocated to units that are expected to benefit from the expectations for future earnings and synergies of the combination. The goodwill of the Sales unit is allocated to the cash generating unit “Sales” in accordance with Group controlling and reporting. In the Waste Management Segment, the Group companies are combined by country due to the existing management and reporting structures in Austria. In the Czech Republic Segment, the cash generating unit CEVAK a.s. corresponds to the entity.

An impairment loss is recognised when the carrying amount of a cash generating unit exceeds its recoverable amount. The recoverable amount corresponds to the larger amount resulting from the fair value less the costs of disposal or the value in use. The value in use is determined by discounting future cash flows that are expected to be derived from a cash-generating unit. The fair value less cost of disposal is assessed from an external perspective, the value in use is assessed from the internal perspective of the company.

The cash flows used to determine the value in use are based on the five-year mid-term planning approved by the management board. The planning figures are based both on past experience and on external sources of information. The assumptions concerning cash flows beyond the period of detailed planning are based on analyses of the past as well as on

forecasts for the future. Future restructuring measures and expansion investments, for which no funds were expended or no obligation incurred yet, are not included. A growth rate of 1.0% (previous year: 1.0%) is assumed for the time after the detailed planning period. The growth rate is based on electricity prices and forecasts for future GDP growth, as well as expected increases in expenses. The assumptions concerning future GDP growth are based on European Commission publications. The testing of goodwill impairment is based on the goodwill's value in use.

The discount interest rate is an interest rate after taxes that reflects the current market estimates and the specific risks of the cash-generating unit.

#### 5.5.1. Planning assumption for Sales

The planning of the cash generating unit Sales is broken down into the sectors electricity (key account customers; business, commercial and private customers), gas, heat and telecom sales, as well as customer projects and services.

The revenues in the individual sectors and companies were broken down by customers with monthly metering. For customers without monthly metering they were planned as a lump sum. The sales revenues from customer projects and services were assessed separately.

The assumptions for the future electricity and gas procurement costs are based, where available, on market data; where market data was unavailable, estimates were based on market surveys and assumptions.

The inflation rate is used to extrapolate the future external costs.

Please consult [section 5.1 › Page 150](#) with regard to the implications of the COVID-19 pandemic.

#### 5.5.2. Planning assumptions in the Waste Management Segment

Planning in the Waste Management Segment is based on the Group-wide central planning assumptions concerning economic growth, inflation and the development of interest rates and exchange rates during the planning period.

Sales planning is based on detailed planning for the individual products and services of each location. In the area of waste incineration plants and key account customers, single-customer planning based on contractual parameters was also used. For waste and recycling materials, a price development was used for the planning period that was realistic to assume at the time of planning. For the other products and services, an expected course of business development was projected and the sales revenues from electricity and district heating were determined on the basis of contracts or prospective forecasting.

The recycling and throughput volumes were planned for the major waste management systems based on expected market developments. The expected throughput is 305,000 tonnes for the Wels waste incineration plant and 305,000 tonnes for the Lenzing waste recycling plant.

The material expense items such as personnel expenses, vehicle fleet costs, maintenance and taxes were planned in line with the sales and plant planning.

#### 5.5.3. Planning assumptions for the Czech Republic Segment

Planning for the Czech Republic Segment is based on centrally defined, country-specific planning parameters like the development of the inflation rate and economic growth, as well as interest rates and exchange rates.

Sales planning in the area of drinking water, waste water and for the Czech Republic heating sector, which has been recognised in the Czech Republic Segment since fiscal year 2018/2019, is based on a quantity and price structure that in turn is based on a trend for sales planning extrapolated from historical consumption data and the planning parameters. The planned drinking water, waste water prices and heating prices have been determined by each planning unit, taking into consideration the existing contract data and estimates of the future development of expenses, and in compliance with any applicable general regulatory conditions.

For the planning of material expense items in the Czech Republic Segment, country-specific planning parameters were determined using the estimates of external analysts. In particular, this includes price developments for untreated water, chemicals, and fuels, as well as prices for electricity and gas.

A major planning assumption is that existing contracts for drinking water and waste water with the municipal bodies and water authorities are maintained.

#### **5.6. Impairment of other intangible assets and property, plant and equipment**

According to IAS 36 (Impairment of Assets), intangible assets and property, plant and equipment are to be subjected to an impairment test when there is evidence that an asset or cash-generating unit might be impaired or a previously recognised impairment needs to be reversed. An impairment is recognised when the carrying amount exceeds the recoverable amount of the asset or cash generating unit. The recoverable amount is the larger amount resulting from the fair value less the costs of disposal or the value in use.

The value in use is determined by discounting future cash flows that are expected to be derived from a cash-generating unit. The cash flows used to determine the value in use are based on the five-year mid-term planning approved by the management board. For the subsequent period, a perpetual annuity or a calculation up to the expected end of the useful life of the object is recognised. The planning figures are based both on past experience and on external sources of information. Future restructuring and expansion investments are not included. The discount interest rate is an interest rate after taxes that reflects the current market estimates and the specific risks of the cash-generating unit.

The fair value less cost of disposal is assessed from an external perspective, the value in use is assessed from the internal perspective of the company.

#### **5.7. Investments**

The measurement of investments in companies accounted for using the equity method is increased or decreased according to the changes in equity and impairments/reversal of impairments in proportion to the capital share held. The movements in equity are recognised through profit or loss or in the other comprehensive income.

#### **5.8. Inventories**

Inventories are measured at average historical cost (moving average cost method) or at the lower net realisable value. Costs include direct costs as well as proportionate material and production overhead.

Impairments due to reduced realisable value are recognised using write-downs.

### 5.9. Emission allowances

The CO<sub>2</sub> emission allowances issued free of charge according to the Austrian Gas Emissions Allowances Act are measured at fair value at the date of allocation and recognised both under current receivables and under current liabilities. Fluctuations in fair value are recognised in the Statement of Income. In the course of using the emission allowances, corresponding provisions are built up and the reduction of the liability from their allocation is recognised in the income statement. Upon delivery of the emission allowances to the registration office, the provision is netted against the asset.

Emission allowances purchased on the market are recognised under current receivables. Fluctuations in fair value are recognised in the Statement of Income. In the course of using the emission allowances, corresponding provisions are built up. Upon delivery of the emission allowances to the registration office, the provision is netted against the asset.

Additionally, emission allowances were purchased to invest liquid funds, with forward transactions for disposal after the reporting date being concluded at the same time. The emission allowances are recognised in the item other non-current assets or in the item receivables and other assets. The emission allowances and forward transactions are recognised through profit or loss at their respective fair value.

### 5.10. Fixed term deposits and short-term investments

The item "Fixed term deposits" includes highly liquid fixed term deposits with an original maturity of more than three months up to one year, provided that they are not subject to limitations on availability. Fixed term deposits with terms of more than one year are recognised in the "other financial assets". They are measured at amortised costs under the category "Financial Assets at Amortised Cost (AC)". This item also recognises investments in money market funds that are allocated to the category "Financial Assets at Fair Value through Profit or Loss (FVPL)".

### 5.11. Cash and cash equivalents

The item "Cash and cash equivalents" includes cash in hand and cheques received, as well as deposits at banks with an original maturity of up to three months, provided that they are not subject to limitations on availability. They are measured at amortised costs under the category "Financial Assets at Amortised Cost (AC)".

### 5.12. Financial instruments

Purchases and sales of primary financial instruments are recognised at the settlement date. Purchases and sales of derivative financial instruments are recognised at the trade date. Measurement of the financial instruments is done at the time of acquisition, always at fair value under consideration of the transaction costs (except for the financial instruments of the FVPL category). Financial instruments are derecognised when the rights to payments from the investment have lapsed or been assigned and once the Group has relinquished all substantial risks and rewards of ownership.

#### 5.12.1. Primary financial instruments

Energie AG Group used the categories "Financial Assets at Amortized Cost (AC)", "Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)", "Financial Assets at Fair Value through Profit or Loss (FVPL)", "Financial Liabilities at Amortized Cost (FLAC)" and "Financial Liabilities at Fair Value through Profit or Loss (FVPL)".

Financial assets held as part of a business model that pursues the objective of holding financial assets for the purpose of collecting the contractual payment streams with contractual terms that result in payment streams on fixed dates and exclusively representing repayments and interest payments are classified as "Financial Assets at Amortised Cost (AC)". The initial recognition is measured at fair value plus transaction costs, subsequent measurement is made at amortised costs.

An impairment in the amount of the expected credit loss over the term is recognised for financial assets measured at amortised costs (AC) whose default risk has significantly increased since their first-time recognition, as well as for trade receivables. An allowance for accounts receivable is, differently to what was explained above, recognised in the amount of the expected credit losses over the full term. If the term is less than 12 months, the impairment is determined on the basis of the shorter term.

The category "Financial Assets at Amortised Cost (AC)" essentially comprises lendings, trade receivables, receivables from joint arrangements and associated companies, other financial receivables, fixed term deposits as well as cash and cash equivalents.

For certain financial investments in equity instruments that would otherwise be measured at their fair value through profit or loss, the irrevocable choice was made to recognise the changes to the fair value resulting from their remeasurement in the other comprehensive income ("Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)"). This category is essentially comprised of other investments and securities (shares). Their fair value is, where available, determined on the basis of stock exchange prices, or otherwise by measurement of internally or externally available measurement parameters.

Derivatives without a hedging relationship are recognised in the categories "Financial Assets at Fair Value through Profit or Loss (FVPL)" or "Financial Liabilities at Fair Value through Profit or Loss (FVPL)".

Certain securities (units in investment funds) and money market funds recognised in the item "Fixed term deposits and short-term investments" are allocated to the category "Financial Assets at Fair Value through Profit or Loss (FVPL)". Their fair values are derived from current market prices.

Financial liabilities that are not attributable to leases, trade payables, liabilities to affiliated companies, joint arrangements as well as associated companies and other financial liabilities are allocated to the category "Financial Liabilities at Cost (FLAC)" and measured at amortised costs calculated on the basis of the effective interest method. The initial recognition is measured at fair value plus transaction costs. Premiums, discounts or other costs of issue are distributed across the financing term and disclosed in the financial result.

#### 5.12.2. Derivative financial instruments and hedging transactions

In the Group, derivative financial instruments are used above all to hedge the risks of fluctuations in interest rates and electricity, gas and CO<sub>2</sub> prices.

The requirements for hedge accounting according to IFRS 9 specifically include documentation of the hedging relationship, the hedging strategy and the ongoing assessment of effectiveness. According to IFRS 9, the hedging relationship is effective if there is a commercial relationship between the hedged item and the hedging transaction, the effects of the credit risk have no dominant impact on the change in value resulting from the commercial relationship and the hedging quota from the volume of the actually hedged item corresponds to the volume of the hedging transaction that is actually used for hedging purposes. All components of changes in fair value of derivatives are included in effectivity assessment.

If a derivative financial instrument pursuant to IFRS 9 is used for hedge accounting in a cash flow hedge, the effective portion of the gain or loss on the hedging instrument's fair value is recognised in equity in other comprehensive income. This is reclassified in the Statement of Income in the same period in which the cash flows of the hedged item are recognised in profit or loss. If the hedged item ceases to exist, the hedging result is recognised in the Statement of Income. The ineffective portion of the change in fair value of a hedging instrument for which a cash flow hedge has been created is recognised through profit or loss to the extent required.

In fair value hedge accounting, both the fair value change of the derivative, and the corresponding fair value change of the hedged item, as far as it is attributable to the hedged risk, are recognised through profit or loss.

Changes in fair value of derivatives not designated as hedging instruments are recognised in the operating result. The balanced net results from derivative energy instruments are recognised under sales revenues.

Contracts that were entered into and that continue to be held for the receipt or delivery of non-financial items in accordance with expected purchase, sale or usage requirements are not recognised as derivative financial instruments at fair value according to IFRS 9, but rather as executory contracts according to the regulations of IAS 37.

### **5.13. Provisions under IAS 19**

Provisions for pensions, severance, stepped pension/early retirement benefits and anniversary bonuses are calculated according to the projected unit credit method in accordance with IAS 19 (Employee Benefits). Expected increases in wages, salaries and pensions are taken into account. Actuarial gains and losses for pension and severance provisions are recognised in other comprehensive income, and they are recognised through profit or loss for anniversary bonus, stepped pension and early retirement provisions. Interest costs are recognised in the financial result.

### **5.14. Other provisions**

Other provisions include all recognisable obligations as at the reporting date that are based on past events and for which the amount or maturity is uncertain. Provisions are recognised at the amount that is most likely to be incurred. Discounted costs for obligations resulting from dismantling and removing property, plant and equipment assets and restoring the site are estimated, capitalised at the date the plant is added, and recognised as a provision.

### **5.15. Deferred taxes**

Deferred tax liabilities are recognised for all temporary differences between the amounts recognised in the Consolidated Statement of Financial Position and the amounts recognised in the tax balance sheets of the individual Group companies. Future tax benefits resulting from tax losses that are carried forward are also taken into account. Values are adjusted if it is no longer probable that they can be offset.

### **5.16. Construction cost subsidies**

This item primarily includes contributions received from electricity, gas and district heating customers for connecting them to the grid. Construction cost subsidies carried as liabilities are reversed as sales revenues in accordance with the depreciation procedure for the corresponding asset.

### 5.17. Investment subsidies

Government grants for asset acquisition are recognised as investment subsidies liabilities and reversed in other operating income in accordance with the asset's useful life.

### 5.18. Contingent liabilities

Potential or existing obligations (resulting from past events) for which an outflow of resources is not probable are recognised under contingent liabilities.

### 5.19. Foreign currency translations

Foreign currency translation is carried out according to the functional currency principle. The functional currency for all consolidated entities is the respective national currency. Accordingly, items of the statement of financial position are translated at the mean exchange rate on the reporting date, and items of the statement of income are translated at the mean exchange rate for the statement period. Differences from translating the pro-rata equity are recognised in other comprehensive income. Differences from currency translation of minority interests are recognised under the item "non-controlling interest in equity". The exchange rate applied on 30 September 2021 for the Czech koruna was 25.42595 (previous year: 27.13995), for the Hungarian forint 359.921 (previous year: 364.4955), for the US dollar 1.15896 (previous year: 1.17247). Translation differences from long-term intra-Group corporate loans for which repayment is neither planned nor likely are recognised outside profit or loss in translation differences.

### 5.20. Revenues from customer contracts

Revenues are recognised at the time a customer gains the authority to dispose over the goods or services. The sales revenues correspond to the revenues presented in the segment reporting. There are no significant obligations to accept returns or grant refunds, guarantees and/or discretionary decisions.

#### Sales revenues in the Energy Segment and the Grid Segment

Written contracts are in place with electricity and gas customers and/or electricity grid and gas grid customers.

These result in performance obligations for the delivery of electricity and natural gas, as well as obligations from the operation of the electricity and gas grid for the Group.

These performance obligations are satisfied within the relevant periods. Electricity and gas customers as well as electricity grid and gas grid customers with monthly volume metering are invoiced on a monthly basis. Payment is usually received within one month from the invoice date. Where no monthly volume metering takes place, the customers usually pay monthly instalments.

The transaction price is determined on the basis of the concluded electricity and gas supply contracts, or the grid utilisation fees for the grid utilisation period. In the case of multi-component contracts, the consideration payable is allocated to the performance obligations on the basis of the contractually agreed prices for the individual performance obligations. This essentially concerns energy supplies, balancing energy and other services.

Sales revenues are recognised within the period in which electricity or natural gas deliveries take place or the grid is utilised.

Sales revenues include revenues from proprietary trading of electricity and gas. Net sales revenues (after deducting procurement costs for proprietary electricity and gas trading)

include the realised margin. Procurement costs for proprietary energy and gas trading pertain to quantities of electricity and gas that have been purchased solely for the purpose of reselling at the wholesale level while achieving an appropriate margin.

#### **Sales revenues in the Waste Management Segment**

The revenues from the collection of waste concern the collection and intake of refuse. These performance obligations are, to the largest extent, satisfied at a certain point in time. The transaction price is determined on the basis of the contracts concluded. Multi-component contracts usually provide for the consideration payable to be allocated to the performance obligations.

Waste recycling includes the thermal management of waste. Written contracts are in place with customers purchasing the generated heat and/or electricity. The performance obligation – the supply of heat and electricity – are satisfied within the relevant period. The transaction price is provided for in the contracts.

Additional revenues are generated from the sale of recycling materials (plastics, metals, timber). The performance obligation is satisfied at the time of the transfer to the customer.

Sales revenues are recognised within the period in which the collection and/or intake of the waste takes place, in which the generated heat or electricity is delivered, or in which the recycled materials are delivered. Payment terms in the Waste Management Segment are usually one month from the invoice date.

#### **Sales revenues in the Czech Republic Segment**

Sales revenues in the Czech Republic Segment predominantly result from water deliveries, intake of waste water and services related to water/waste water and heat supplies in the Czech Republic. These performance obligations are, to the largest extent, satisfied within the relevant periods. The transaction price is provided for in the contracts.

Sales revenues are recognised in the period in which the delivery of water or intake of waste water takes place, the customer obtains the benefit from the services, or the heat is delivered.



## | NOTES TO THE STATEMENT OF INCOME

**6. Sales revenues**

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
<b>Energy Segment</b>		
Revenues from electricity sales	938,006.9	757,993.9
Revenues from natural gas sales	287,055.1	238,798.4
Revenues from district heat sales	56,032.8	55,729.9
Others	57,900.6	29,378.4
	<b>1,338,995.4</b>	<b>1,081,900.6</b>
<b>Grid Segment</b>		
Revenues from the electricity and gas grids	334,752.4	320,853.6
Revenues from the reversal of construction cost subsidies	27,118.5	25,898.6
Others	4,223.2	4,882.7
	<b>366,094.1</b>	<b>351,634.9</b>
<b>Waste Management Segment</b>		
Revenues from the collection of waste	104,495.5	96,804.7
Revenues from the recycling of waste	83,085.6	80,806.8
Revenues from the processing of waste	50,040.7	36,711.5
Others	9,403.1	9,759.1
	<b>247,024.9</b>	<b>224,082.1</b>
<b>Czech Republic Segment</b>		
Revenues from water deliveries	73,473.4	67,705.2
Revenues from waste water intake	63,811.8	59,078.7
Revenues from district heat sales	13,980.3	12,650.1
Others	21,801.0	20,924.0
	<b>173,066.5</b>	<b>160,358.0</b>
<b>Holding &amp; Services Segment</b>	<b>19,982.6</b>	<b>25,731.9</b>
<b>Sales revenues</b>	<b>2,145,163.5</b>	<b>1,843,707.5</b>
Procurement costs for electricity and gas trading	-118,964.6	-59,563.4
<b>Net sales revenues</b>	<b>2,026,198.9</b>	<b>1,784,144.1</b>

## 7. Segment reporting

### Segment reporting by business units

Energie AG Group identifies the reportable segments according to IFRS 8 on the basis of internal reporting and internal control (Management Approach).

The segment reporting includes the Energy, Grid, Waste Management, and Czech Republic and Holding & Services Segments.

The accounting policies applied to the reported segments are the same as those applied throughout the Group. The operating result is the net profit or loss for the period that is monitored regularly by the chief decision-makers and used as the primary basis for assessing success and allocating resources.

The sales transactions carried out between the Grid Segment and the other segments primarily involve grid services for which the prices are based on regulatory stipulations. Intra-Group sales transactions in the Holding & Services Segment primarily involve delivery of goods and services that are charged at prices corresponding to market conditions, as well as sales in the area of grid services (metering) which are charged at prices based on regulatory stipulations. Capital employed is the key figure relating to assets and liabilities in the Group that are reported to the chief operating decision makers on a regular basis. Capital employed includes above all equity and interest-bearing liabilities, including lease liabilities, less cash and cash equivalents, fixed term deposits, and certain financial assets.

#### Energy

The Energy Segment figures include the production, trade and sales of electrical energy. Electricity is primarily generated using hydraulic and thermal power generation plants. In addition, electricity is also obtained from third-party power plants via procurement rights, as well as on the electricity market. The Energy Segment includes Energie AG Oberösterreich Trading GmbH as a central electricity and gas trading company, as well as the 7-Fields gas reservoir. The trade with and distribution of natural gas, the heating business unit, as well as Bioenergie Steyr GmbH, Fernwärme Steyr GmbH, Windpower EP GmbH, Geothermie-Wärmegesellschaft Braunau-Simbach mbH, Geothermie-Fördergesellschaft Simbach-Braunau mbH and Energie Ried Wärme GmbH, all measured at equity, are allocated to the Energy Segment.

#### Grid

The Grid Segment includes the construction and operation of the electricity and gas grids.

#### Waste Management

The Waste Management Segment primarily includes the acceptance, sorting, incineration and landfilling of domestic and industrial waste. "Papyrus" Altpapierservice Handelsgesellschaft m.b.H. (measured at equity), Papyrus Wertstoff Service GmbH and Austrian Metal Recovery GmbH are allocated to the Waste Management Segment.

#### Czech Republic

The Czech Republic Segment primarily includes supplying drinking water, as well as waste water management and the heat activities in the Czech Republic.

### Holding & Services

The Holding & Services Segment comprises the management and control functions of the segment, commercial and technical services, Energie AG Oberösterreich Telekom GmbH (telecom operations, metering), as well as the investments in Salzburg AG für Energie, Verkehr und Telekommunikation and Wels Strom GmbH, both recognised at equity.

Segment reporting by business units is as follows:

	Energy	Grid	Waste Manage- ment	Czech Republic	Holding & Services	Reconcili- ation/ eli- mination	Group
2020/2021	EUR mill.	EUR mill.	EUR mill.	EUR mill.	EUR mill.	EUR mill.	EUR mill.
Sales to third parties	1,339.0	366.1	247.0	173.1	20.0	–	2,145.2
Intersegment sales	7.1	14.8	9.2	0.1	254.7	-285.9	–
<b>Total sales</b>	<b>1,346.1</b>	<b>380.9</b>	<b>256.2</b>	<b>173.2</b>	<b>274.7</b>	<b>-285.9</b>	<b>2,145.2</b>
Results from investments in equity companies	2.3	–	0.7	–	26.2	–	29.2
Depreciation, amortisation and impairments	-27.1	-74.5	-20.4	-7.7	-34.7	–	-164.4
Thereof impairments	-0.5	–	–	–	-0.2	–	-0.7
Operating result	82.4	37.2	29.6	11.1	28.1	–	188.4
Carrying amount of investments in equity companies	12.7	–	5.0	–	216.2	–	233.9
Goodwill	21.1	–	45.3	20.8	0.1	–	87.3
Investments in intangible assets and property, plant and equipment	25.2	103.6	28.9	9.1	48.3	–	215.1
Capital employed	473.3	684.5	213.3	93.4	335.4	–	1,799.9

	EUR mill.
Capital employed	1,799.9
Assets not used in the service production and sales process	652.3
Non-interest bearing liabilities, provisions	1,423.2
<b>Balance sheet total</b>	<b>3,875.4</b>

The segment information 2019/2020 broken down by business unit presents as follows:

	Energy	Grid	Waste Manage- ment	Czech Republic	Holding & Services	Reconcili- ation/ eli- mination	Group
2019/2020	EUR mill.	EUR mill.	EUR mill.	EUR mill.	EUR mill.	EUR mill.	EUR mill.
Sales to third parties	1,081.9	351.6	224.1	160.4	25.7	–	1,843.7
Intersegment sales	5.9	15.0	8.6	0.1	234.2	-263.8	–
<b>Total sales</b>	<b>1,087.8</b>	<b>366.6</b>	<b>232.7</b>	<b>160.5</b>	<b>259.9</b>	<b>-263.8</b>	<b>1,843.7</b>
Results from investments in equity companies	1.7	–	0.3	–	12.7	–	14.7
Depreciation, amortisation and impairments	-37.6	-72.9	-21.6	-6.9	-33.6	–	-172.6
Thereof impairments	-10.9	–	-2.4	–	-1.0	–	-14.3
Operating result	59.5	36.9	27.1	9.8	14.4	–	147.7
Carrying amount of investments in equity companies	10.9	–	4.3	–	196.8	–	212.0
Goodwill	21.1	–	45.3	19.7	0.1	–	86.2
Investments in intangible assets and property, plant and equipment	22.0	94.6	16.1	9.5	55.0	–	197.2
Capital employed	604.9	679.1	207.5	85.8	204.7	–	1,782.0

	EUR mill.
Capital employed	1,782.0
Assets not used in the service production and sales process	432.1
Non-interest bearing liabilities, provisions	865.6
<b>Balance sheet total</b>	<b>3,079.7</b>

Reversals of impairment concern the Energy Segment with EUR 7.2 million (previous year: EUR 0.0 million), and the Waste Management Segment with EUR 4.7 million. Non-cash items in connection with derivatives in the amount of EUR 45.2 million (previous year: EUR -27.2 million) pertain to the Energy Segment. The income from the reversal of construction cost subsidies attributable to the Grid Segment amounted to EUR 27.1 million (previous year: EUR 25.9 million). Non-cash income from companies valued using the equity method concern the Holding & Services Segment in an amount of EUR 19.4 million (previous year: EUR 5.6 million).

### Segment reporting broken down by geographic segments

Energie AG Oberösterreich Group operates primarily in the regions "Austria" and "Czech Republic". Business operations in other countries (Italy, Germany, Hungary, Poland) are combined in the geographical segment "Other countries".

	Austria EUR mill.	Czech Republic EUR mill.	Other countries EUR mill.	Group EUR mill.
<b>2020/2021</b>				
Sales to third parties	1,961.0	173.3	10.9	2,145.2
Capital employed	1,690.8	93.6	15.5	1,799.9

	Austria EUR mill.	Czech Republic EUR mill.	Other countries EUR mill.	Group EUR mill.
<b>2019/2020</b>				
Sales to third parties	1,672.2	160.6	10.9	1,843.7
Capital employed	1,679.2	86.4	16.4	1,782.0

## 8. Other operating revenues

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Income from the disposal of intangible assets and property, plant and equipment	2,183.4	5,003.6
Reversals of impairment	11,880.6	–
Capitalised production costs	546.0	547.0
Rental and lease income	2,917.5	2,753.5
Income from the reversal of investment subsidies	3,350.3	3,585.0
Income from CO <sub>2</sub> emissions allowances	2,654.5	13,355.2
Insurance income	1,101.9	16,145.7
Other income	8,476.0	6,328.1
	<b>33,110.2</b>	<b>47,718.1</b>

## 9. Expenses for material and other purchased services

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Electricity purchased from third parties	736,239.9	557,716.1
Gas purchases	312,222.0	253,611.7
Gas input	45,322.7	46,876.1
Expenses for grid purchases	95,575.7	92,463.0
Other purchased goods	84,913.3	78,545.7
Expenses for purchased services	137,475.5	132,555.6
	<b>1,411,749.1</b>	<b>1,161,768.2</b>
Procurement costs for proprietary electricity and gas trading	-118,964.6	-59,563.4
	<b>1,292,784.5</b>	<b>1,102,204.8</b>

## 10. Personnel expenses

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Wages and salaries	235,192.1	227,778.0
Severance payments and contributions to company pension funds	5,989.2	5,755.9
Pension payments	5,291.5	6,559.8
Expenses for statutory social security contributions and payroll-related levies and statutory contributions	59,921.8	58,118.9
Other benefit expenses	2,026.0	2,603.2
	<b>308,420.6</b>	<b>300,815.8</b>

The expenses for defined contribution plans amounted to EUR 6,985.2 thousand (previous year: EUR 7,005.3 thousand). Expenses for severance payments of EUR 8.9 thousand (previous year: EUR 9.0 thousand), as well as expenses for pension payments of EUR 215.3 thousand (previous year: EUR 207.1 thousand), pertain to members of the Management Board.

The remunerations of the Management Board and of the Supervisory Board of Energie AG Oberösterreich are as follows:

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Management Board	826.9	823.6
Former Management Board and their survivors	694.9	691.6
Supervisory Board	93.5	92.4
	<b>1,615.3</b>	<b>1,607.6</b>

The average number of employees in this fiscal year amounts to 4,593 (previous year: 4,560). Part-time employees are included on a proportional basis.

## 11. Depreciation, amortisation and impairments

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Depreciation and amortisation	163,702.8	158,317.0
Impairments	723.0	14,311.6
	<b>164,425.8</b>	<b>172,628.6</b>

## 12. Other operating expenses

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Taxes	7,862.9	8,281.3
External services	51,510.5	49,175.3
Travel expenses	7,693.9	8,091.5
Insurance premiums	7,278.5	5,993.3
Postage and telecommunication	5,995.0	5,613.0
Rental and leasing expenses	1,683.1	3,561.0
Impairment of receivables	1,589.8	1,625.3
Allocation of allowances and expected losses to receivables	737.0	1,169.5
Vehicle expense	17,404.6	16,911.2
Losses from the disposal of intangible assets and property, plant and equipment	1,540.8	2,526.1
Repairs	29,798.4	30,133.8
Other expenses	46,800.2	32,193.6
	<b>179,894.7</b>	<b>165,274.9</b>

Taxes mainly include property tax, dumpsite levy and electricity levy, as well as the Austrian landfill tax. The expenses incurred for the Group auditor, Deloitte Audit Wirtschaftsprüfungs GmbH (previous year: KPMG Austria GmbH), for auditing services and other accounting services provided to the entities of the Energie AG Oberösterreich Group amount to EUR 519.8 thousand (previous year: EUR 687.3 thousand). In addition, the Group auditor provided other consulting services for the Energie AG Oberösterreich Group totalling EUR 19.0 thousand (previous year: EUR 132.3 thousand).

The item Other expenses is mainly comprised of transfers to provisions, transaction costs, marketing expenses, and professional fees.

### 13. Interest income

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
<b>Financing expenses</b>		
Interest and similar expenses	-21,180.1	-18,951.6
Interest expense on personnel provisions	-2,439.7	-2,401.8
Interest expense on lease liabilities	-516.9	-533.9
Foreign exchange losses	-29.3	-859.3
	<b>-24,166.0</b>	<b>-22,746.6</b>
<b>Other interest income</b>		
Interest and similar income	841.9	727.4
Interest income from lease liabilities	235.3	228.7
Foreign exchange gains	95.2	1.9
Measurement of interest rate derivatives	-95.1	–
	<b>1,077.3</b>	<b>958.0</b>
	<b>-23,088.7</b>	<b>-21,788.6</b>

### 14. Other financial result

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
<b>Result from investments</b>		
Non-consolidated affiliated companies	100.0	124.3
Income from other investments	1,824.3	1,382.5
	<b>1,924.3</b>	<b>1,506.8</b>
<b>Result from financial investments</b>		
Losses from the measurement of lendings	-6.5	-11.9
Gains from the measurement of lendings	10.7	68.0
Income from securities	367.0	163.6
Impairment of securities	–	-140.8
Gains from the measurement of securities	641.1	–
Losses from the disposal of securities	–	-296.6
Gains from the disposal of securities	243.6	–
Losses from the measurement of fixed term deposits	-113.0	-195.9
Gains from the measurement of fixed term deposits	–	88.2
Losses from the measurement of investment funds	-89.4	-254.2
Income from the measurement of investment funds	16.7	191.8
Result hedging transaction financial investment	-40.0	–
	<b>1,030.2</b>	<b>-387.8</b>
	<b>2,954.5</b>	<b>1,119.0</b>



## 15. Income taxes

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Current income taxes	33,418.4	27,304.2
Adjustment for deferred taxes	2,991.9	-1,470.5
	<b>36,410.3</b>	<b>25,833.7</b>

Expenses for taxes on income are EUR 4,987.6 thousand lower (previous year: EUR 5,331.0 thousand lower) than the calculated expenses for taxes on income that result from applying the respective tax rates to the earnings before taxes on income. The reasons for the difference between the calculated and reported income tax expenses are as follows:

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Earnings before income taxes	168,269.2	127,045.0
Imputed tax expenses	41,397.9	31,164.7
Tax effects from		
Tax-free earnings from companies measured at equity and tax-free investment income	-4,410.9	-4,069.3
Other items	-576.7	-1,261.7
Effective tax income/expenses	36,410.3	25,833.7
<b>Effective tax rate in %</b>	<b>21.6</b>	<b>20.3</b>

Temporary differences between the amounts recognised in the Consolidated Financial Statements and the respective taxable amounts have the following effects on the reported deferred taxes:

	Assets		Liabilities		Net	
	2021	2020	2021	2020	2021	2020
	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
Intangible assets	–	–	-22,900.3	-22,942.7	-22,900.3	-22,942.7
Property, plant and equipment	9,650.5	10,148.8	-40,139.6	-33,679.2	-30,489.1	-23,530.4
Financial assets	3,830.5	4,037.3	-6,696.9	-6,644.6	-2,866.4	-2,607.3
Other non-current assets	–	–	-19,375.4	-1,550.4	-19,375.4	-1,550.4
Provisions	43,282.5	37,172.9	-1,456.7	-3,354.8	41,825.8	33,818.1
Untaxed reserves	–	–	-14,037.1	-14,674.5	-14,037.1	-14,674.5
Construction cost subsidies	17.4	2,232.4	-1,896.3	-2,364.4	-1,878.9	-132.0
Other non-current liabilities	22,042.2	4,555.3	–	–	22,042.2	4,555.3
Hedge accounting	2,186.5	5,312.2	-32,690.5	–	-30,504.0	5,312.2
Leasing	17,064.3	17,244.8	-17,835.7	-17,149.7	-771.4	95.1
Outstanding write-downs to fair value	180.1	360.1	–	–	180.1	360.1
Receivables and other assets	1,087.8	1,661.1	-62,704.8	-5,525.5	-61,617.0	-3,864.4
Other current liabilities	64,353.9	5,844.0	–	-41.8	64,353.9	5,802.2
Other	1,326.0	435.0	-1,259.0	-130.6	67.0	304.4
<b>Deferred tax assets/ liabilities before offsetting</b>	<b>165,021.7</b>	<b>89,003.9</b>	<b>-220,992.3</b>	<b>-108,058.2</b>	<b>-55,970.6</b>	<b>-19,054.3</b>

	Balance as of 30.09.2021	Disposal group IFRS 5	Exchange differences	Recognised in equity	Recognised in profit or loss	Balance as of 01.10.2020
	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
Intangible assets	-22,900.3	–	-68.6	–	111.0	-22,942.7
Property, plant and equipment	-30,489.1	2,634.2	-284.6	–	-9,308.3	-23,530.4
Financial assets	-2,866.4	–	–	-1,428.2	1,169.1	-2,607.3
Other non-current assets	-19,375.4	–	–	–	-17,825.0	-1,550.4
Provisions	41,825.8	–	61.5	898.3	7,047.9	33,818.1
Untaxed reserves	-14,037.1	–	–	–	637.4	-14,674.5
Construction cost subsidies	-1,878.9	–	–	–	-1,746.9	-132.0
Other non-current liabilities	22,042.2	–	–	–	17,486.9	4,555.3
Hedge accounting	-30,504.0	–	–	-35,688.6	-127.6	5,312.2
Leasing	-771.4	–	–	–	-866.5	95.1
Outstanding write-downs to fair value	180.1	–	–	–	-180.0	360.1
Receivables and other assets	-61,617.0	–	–	–	-57,752.6	-3,864.4
Other current liabilities	64,353.9	–	–	–	58,551.7	5,802.2
Other	67.0	-39.0	-9.4	–	-189.0	304.4
	<b>-55,970.6</b>	<b>2,595.2</b>	<b>-301.1</b>	<b>-36,218.5</b>	<b>-2,991.9</b>	<b>-19,054.3</b>

	Balance as of 30.09.2020 EUR 1,000	Change in the scope of consoli- dation EUR 1,000	Exchange differences EUR 1,000	Recognised in equity EUR 1,000	Recognised in profit or loss EUR 1,000	Balance as of 01.10.2019 EUR 1,000
Intangible assets	-22,942.7	-201.8	57.9	–	590.5	-23,389.3
Property, plant and equipment	-23,530.4	–	219.1	–	1,724.5	-25,474.0
Financial assets	-2,607.3	–	–	-1,290.4	-738.4	-578.5
Other non-current assets	-1,550.4	–	–	–	-450.8	-1,099.6
Provisions	33,818.1	–	-37.3	-890.4	-889.9	35,635.7
Untaxed reserves	-14,674.5	–	–	–	585.1	-15,259.6
Construction cost subsidies	-132.0	–	-5.1	–	407.6	-534.5
Other non-current liabilities	4,555.3	–	–	–	40.2	4,515.1
Hedge accounting	5,312.2	–	–	5,611.8	128.2	-427.8
Leasing	95.1	–	–	–	95.1	–
Outstanding write-downs to fair value	360.1	–	–	–	-1,271.3	1,631.4
Receivables and other assets	-3,864.4	–	–	–	-1,489.4	-2,375.0
Other current liabilities	5,802.2	–	–	–	2,795.9	3,006.3
Other	304.4	24.8	4.6	–	-56.8	331.8
	<b>-19,054.3</b>	<b>-177.0</b>	<b>239.2</b>	<b>3,431.0</b>	<b>1,470.5</b>	<b>-24,018.0</b>

No deferred tax liabilities were recognised for temporary differences of EUR 643,621.4 thousand (previous year: EUR 505,607.9 thousand) in connection with fully consolidated subsidiaries, joint ventures and associated companies.

Deferred taxes in the amount of EUR -1,428.2 thousand (previous year: EUR -1,290.4 thousand) pertain to changes in value of investments and securities FVOCI recognised outside of profit or loss; deferred taxes in the amount of EUR -35,688.6 thousand (previous year: EUR 5,611.8 thousand) pertain to changes in value from hedge accounting recognised outside of profit or loss.

## | NOTES TO THE STATEMENT OF FINANCIAL POSITION

## 16. Intangible assets and property, plant and equipment

## Changes in intangible assets and goodwill

	Electricity procure- ment rights	Other rights	Goodwill	Customer base	Assets under construction	Total
2020/2021	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
<b>Costs</b>						
01.10.2020	251,950.2	116,571.4	97,240.1	84,862.0	156.4	550,780.1
Translation differences	–	275.1	1,321.6	1,547.7	8.7	3,153.1
Additions	2,950.2	2,833.7	–	–	201.7	5,985.6
Disposals	–	-1,204.0	-221.9	-8,841.0	-5.1	-10,272.0
Disposal group IFRS 5	–	-598.1	–	–	–	-598.1
Transfers	–	287.0	–	–	-287.0	–
<b>30.09.2021</b>	<b>254,900.4</b>	<b>118,165.1</b>	<b>98,339.8</b>	<b>77,568.7</b>	<b>74.7</b>	<b>549,048.7</b>
<b>Accumulated depreciation and impairment</b>						
01.10.2020	169,935.2	97,361.7	11,022.9	36,884.3	–	315,204.1
Translation differences	–	249.7	–	1,024.2	–	1,273.9
Depreciation, amortisation and impairments	1,234.0	4,340.4	–	4,330.2	–	9,904.6
Disposals	–	-1,187.6	–	-8,841.0	–	-10,028.6
Disposal group IFRS 5	–	-427.1	–	–	–	-427.1
<b>30.09.2021</b>	<b>171,169.2</b>	<b>100,337.1</b>	<b>11,022.9</b>	<b>33,397.7</b>	<b>–</b>	<b>315,926.9</b>
Carrying amount as of 01.10.2020	82,015.0	19,209.7	86,217.2	47,977.7	156.4	235,576.0
<b>Carrying amount as of 30.09.2021</b>	<b>83,731.2</b>	<b>17,828.0</b>	<b>87,316.9</b>	<b>44,171.0</b>	<b>74.7</b>	<b>233,121.8</b>

	Electricity procure- ment rights	Other rights	Goodwill	Customer base	Assets under construction	Total
2019/2020	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
<b>Costs</b>						
01.10.2019	249,681.9	117,190.3	97,208.6	84,959.0	58.1	549,097.9
Change in the scope of consolidation	–	2.8	1,111.9	1,163.5	–	2,278.2
Translation differences	–	-211.6	-1,080.4	-1,260.5	-6.4	-2,558.9
Additions	2,589.4	4,473.4	–	–	231.7	7,294.5
Disposals	-321.1	-5,010.5	–	–	–	-5,331.6
Transfers	–	127.0	–	–	-127.0	–
<b>30.09.2020</b>	<b>251,950.2</b>	<b>116,571.4</b>	<b>97,240.1</b>	<b>84,862.0</b>	<b>156.4</b>	<b>550,780.1</b>
<b>Accumulated depreciation and impairment</b>						
01.10.2019	168,778.6	91,090.0	11,022.9	33,103.9	–	303,995.4
Translation differences	–	-192.8	–	-777.2	–	-970.0
Depreciation, amortisation and impairments	1,170.0	4,333.5	–	4,557.6	–	10,061.1
Impairment	–	7,046.0	–	–	–	7,046.0
Disposals	-13.4	-4,915.0	–	–	–	-4,928.4
<b>30.09.2020</b>	<b>169,935.2</b>	<b>97,361.7</b>	<b>11,022.9</b>	<b>36,884.3</b>	<b>–</b>	<b>315,204.1</b>
Carrying amount as of 01.10.2019	80,903.3	26,100.3	86,185.7	51,855.1	58.1	245,102.5
<b>Carrying amount as of 30.09.2020</b>	<b>82,015.0</b>	<b>19,209.7</b>	<b>86,217.2</b>	<b>47,977.7</b>	<b>156.4</b>	<b>235,576.0</b>

## Changes in property, plant and equipment

	Land and buildings	Manufacturing plant and equipment	Furniture and fixtures	Assets under construction	Total
2020/2021	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
<b>Costs</b>					
01.10.2020	1,167,385.4	4,097,802.9	227,437.0	88,327.7	5,580,953.0
Translation differences	5,787.5	3,147.7	1,036.9	341.9	10,314.0
Additions	17,822.0	103,860.3	14,838.5	72,590.4	209,111.2
Disposals	-3,660.7	-13,559.7	-11,462.3	-565.4	-29,248.1
Disposal group IFRS 5	–	-104,627.3	–	-7,034.3	-111,661.6
Transfers	10,963.4	28,968.5	2,641.5	-42,573.4	–
<b>30.09.2021</b>	<b>1,198,297.6</b>	<b>4,115,592.4</b>	<b>234,491.6</b>	<b>111,086.9</b>	<b>5,659,468.5</b>
<b>Accumulated depreciation and impairment</b>					
01.10.2020	650,398.0	2,761,577.8	184,360.8	3,984.9	3,600,321.5
Translation differences	2,609.7	2,103.6	755.6	-6.8	5,462.1
Depreciation, amortisation and impairments	21,525.7	118,195.7	14,076.8	–	153,798.2
Impairment	723.0	–	–	–	723.0
Reversal of impairment	-4,111.1	-3,454.9	–	-4,314.6	-11,880.6
Disposals	-2,935.0	-11,547.6	-11,190.7	–	-25,673.3
Disposal group IFRS 5	–	-12,661.7	–	–	-12,661.7
Transfers	-6.3	6.3	–	–	–
<b>30.09.2021</b>	<b>668,204.0</b>	<b>2,854,219.2</b>	<b>188,002.5</b>	<b>-336.5</b>	<b>3,710,089.2</b>
Carrying amount as of 01.10.2020	516,987.4	1,336,225.1	43,076.2	84,342.8	1,980,631.5
<b>Carrying amount as of 30.09.2021</b>	<b>530,093.6</b>	<b>1,261,373.2</b>	<b>46,489.1</b>	<b>111,423.4</b>	<b>1,949,379.3</b>

	Land and buildings	Manufacturing plant and equipment	Furniture and fixtures	Assets under construction	Total
	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
<b>2019/2020</b>					
<b>Costs</b>					
01.10.2019	1,073,147.0	3,982,602.5	216,353.9	84,116.4	5,356,219.8
Initial recognition right of use asset from the initial application of IFRS 16	71,374.2	837.2	1,537.8	–	73,749.2
01.10.2019 restated	1,144,521.2	3,983,439.7	217,891.7	84,116.4	5,429,969.0
Change in the scope of consolidation	411.2	7.3	40.9	29.3	488.7
Translation differences	-4,413.3	-2,372.3	-785.3	-271.8	-7,842.7
Additions	10,544.2	103,502.2	14,290.8	61,615.1	189,952.3
Disposals	-4,645.5	-19,644.5	-7,031.0	-293.3	-31,614.3
Transfers	20,967.6	32,870.5	3,029.9	-56,868.0	–
<b>30.09.2020</b>	<b>1,167,385.4</b>	<b>4,097,802.9</b>	<b>227,437.0</b>	<b>88,327.7</b>	<b>5,580,953.0</b>
<b>Accumulated depreciation and impairment</b>					
01.10.2019	631,239.3	2,660,405.2	178,444.4	4,277.1	3,474,366.0
Translation differences	-1,997.8	-1,562.8	-571.2	5.3	-4,126.5
Depreciation, amortisation and impairments	21,474.4	113,607.7	13,173.8	–	148,255.9
Impairment	1,807.0	5,458.6	–	–	7,265.6
Disposals	-2,134.8	-16,618.5	-6,686.2	–	-25,439.5
Transfers	9.9	287.6	–	-297.5	–
<b>30.09.2020</b>	<b>650,398.0</b>	<b>2,761,577.8</b>	<b>184,360.8</b>	<b>3,984.9</b>	<b>3,600,321.5</b>
Carrying amount as of 01.10.2019	441,907.7	1,322,197.3	37,909.5	79,839.3	1,881,853.8
<b>Carrying amount as of 30.09.2020</b>	<b>516,987.4</b>	<b>1,336,225.1</b>	<b>43,076.2</b>	<b>84,342.8</b>	<b>1,980,631.5</b>

### 16.1. Impairment of cash generating units with own goodwill

For the purposes of impairment testing, goodwill is allocated to the following cash-generating units and the cash flows of these cash-generating units are discounted at the following discount rates:

	Goodwill		Discount rate	
	30.09.2021 EUR mill.	30.09.2020 EUR mill.	30.09.2021 %	30.09.2020 %
<b>Energy Segment</b>				
Sales	20.7	20.7	4.3	4.5
Other	0.4	0.4	4.3	4.5
	<b>21.1</b>	<b>21.1</b>		
<b>Waste Management Segment</b>				
Waste Management Austria	43.1	43.1	4.5	4.9
Other	2.2	2.2	5.4	5.8
	<b>45.3</b>	<b>45.3</b>		
<b>Czech Republic Segment</b>				
CEVAK a.s.	15.3	14.3	3.9	4.3
Other	5.5	5.4	3.9–4.7	4.3–4.9
	<b>20.8</b>	<b>19.7</b>		
<b>Other</b>	<b>0.1</b>	<b>0.1</b>	–	–
	<b>87.3</b>	<b>86.2</b>		

The recoverable amount attributable to the cash generating unit “Sales” exceeds the carrying amount by EUR 173.9 million (previous year: EUR 122.2 million). In the event of a decrease in future cash flows by 55.1% (previous year: 51.2%), or an increase in the interest rate by 3.7% (previous year: 2.7%), the carrying amount corresponds to the present value of the future cash flows.

The recoverable amount of the “Waste Management/Austria” cash-generating unit exceeds the carrying amount by EUR 79.8 million (previous year: EUR 26.3 million), while the recoverable amount of CEVAK a.s. exceeds the carrying amount by EUR 146.1 million (previous year: EUR 123.4 million). In the event of a decrease in future cash flows by 28.2% (previous year: 11.8%), or an increase in the interest rate by 1.3% (previous year: 0.5%), the carrying amount of the “Waste Management Segment/Austria” cash-generating unit corresponds to the present value of the future cash flows. A decrease in CEVAK a.s.' future cash flows by 10% would not result in an impairment.

### 16.2. Impairment of cash generating units without own goodwill

#### Timelkam CCGT (combined cycle gas-turbine) power plant

Due to the current situation on the market, impairment testing was performed for the Timelkam CCGT power plant (Energy Segment). The maximum output of the power plants amounts to 422 MW, maximum district heating supply is 100 MW. Efficiency was estimated at 55.7%. Annual electricity generation was recognised at up to 2,227 GWh per year (previous year: 1,423 GWh). The assumptions for the future electricity and gas prices are based, where available, on market data; if no market data were available, estimates were made based on market studies. The estimated electricity price is EUR 65.92 to



EUR 82.61 /MWh (previous year: EUR 47.24 to EUR 70.04/MWh). Expenses for maintenance and repair were recognised according to maintenance plans and contracts. Other material expense items such as personnel costs, insurance and infrastructure costs are annually increased by an estimated increase rate. The discount rate is 4.3% (previous year: 4.5%). The planning horizon ends in the 2037/2038 fiscal year. Due to higher market expectations in particular, an impairment reversal of EUR 2.8 million (previous year: impairment of EUR 1.8 million) was recognised. The recoverable amount determined using the DCF method corresponds to the value in use in the amount of EUR 45.3 million (previous year: EUR 45.8 million). Fluctuations in cash flows of 20% resulted in a change of EUR 9.1 million in the recoverable amount. An increase in the interest rate by 0.5% results in a reduction of the recoverable amount by EUR 1.8 million.

### Other reversals of impairment

Due to a revised appraisal of the feasibility of the Ebensee pumped-storage power plant, an impairment reversal of EUR 4.4 million was recognised for the Energy Segment. The recoverable amount corresponds to the carrying amount of EUR 4.4 million. Impairment reversals of EUR 4.7 million for waste incineration plants were recognised for the Waste Management Segment, particularly as a result of expected higher proceeds from the utilisation of district heat services.

### Impairments in the previous year:

#### 7FIELDS GAS RESERVOIR

In the previous year, an impairment of EUR 7.0 million was recognised for the cash generating unit "7-Fields gas reservoir". The impairment was based on a new assessment of the future long-term gas prices on the trading market during the summer and winter months ("summer-winter spread"), as well as the possible utilisation of the gas reservoir over the long term. A discount rate of 5.0% was applied (30 September 2019: 5.3%). The recoverable amount (value in use) was EUR 0.0 million.

#### WASTE MANAGEMENT SEGMENT

Due to a fire in a waste sorting plant, an impairment of EUR 1.8 million was recognised in the item property, plant and equipment and a further impairment of EUR 0.6 million was recognised for manufacturing plant and equipment.

#### PRICE-REGULATED HEAT SALES

Moreover, the impairment of the "Price-Regulated Heat Sales" cash-generating unit (Energy Segment) was tested. This unit includes the thermal plants Timelkam/Vöcklabruck, Riedersbach and Kirchdorf, for which the sales prices are jointly set by a price authority. Future revenues are based on an annual output of 236.4 GWh and were planned under the assumption that cost components can be compensated by a higher price for heat over the medium term. Past price approvals by the price authority support this assumption. Using a discount rate of 4.5%, the recoverable amount (value in use) was assessed at EUR 6.2 million. The impairment amounted to EUR 2.1 million.

### 16.3. IFRS 16 (Leases)

For leased assets, a right-of-use asset representing its right to use an underlying asset is capitalised and, at the same time, a lease liability recognised in the amount of the present value of the lease payments. Discounting takes place at the lease-specific interest rate. If the lease-specific interest rate cannot be determined, the incremental borrowing interest rate is applied. Depending on the term, an incremental borrowing interest rate of 0.99% or 1.85% was assumed to apply in the 2020/2021 fiscal year. The right of use asset is then amortised and the lease liability carried forward using the effective interest method.

IFRS 16 is not applied to short-term leases and leases concerning an underlying asset of minor value. In accordance with IFRS 16.4, the company has opted out of voluntary application of IFRS 16 for intangible assets.

The Group has been leasing the property at Böhmerwaldstraße 3, Linz, where Group headquarters is located, from Power Tower GmbH since the year 2008. The Group holds a 1% share in the entity.

The entity is not funded by the Group. The leasing contract is for an indefinite period, cancellation by the lessee is only possible 20 years after the start of the contract at the earliest, under certain circumstances only after 23 years. The Group has the unilateral right, but no obligation, to acquire Power Tower GmbH 15 or 20 years after the commencement of the lease. Leasing payments are linked to interest rate developments. The Group is required to perform the ongoing maintenance of the property and fulfill all legal requirements that could also apply to the owner. There are no other additional risks. Power Tower GmbH is to be considered a structured entity pursuant to IFRS 12, but the lack of control means that it is not to be included as a subsidiary in the Consolidated Financial Statements. In accordance with IFRS 16, a right of use asset in the amount of EUR 37.4 million and a lease liability in the amount of EUR 37.6 million have been recognised as of 30 September 2021.

Additionally, in the 2007/2008 fiscal year, plant and equipment assets were sold and leased back for a term of 15 years ("sale-and-leaseback") in the Waste Management Segment. At the end of the lease term, the lessor has the right to sell the asset to the lessee at the outstanding loan amount. During the leasing term, subleasing to third parties is not permitted. The right of use assets have a carrying value of EUR 12.8 million (previous year: EUR 15.7 million) as of 30 September 2021 and the corresponding liability amounts to EUR 40.4 million (previous year: EUR 43.4 million).

As of 30 September 2021, the lease liabilities amount to EUR 114.7 million (previous year: EUR 113.1 million) (up to 1 year: EUR 7.6 million; 1-5 years EUR 52.4 million, more than 5 years EUR 54.8 million) (previous year: up to 1 year: EUR 7.2 million, 1-5 years EUR 55.3 million, more than 5 years EUR 50.6 million). The Statement of Financial Position recognises the lease liabilities in the item for financial liabilities.

For fiscal year 2020/2021, the cash outflows for leases amount to EUR 9,847.4 thousand (previous year: EUR 8,719.6 thousand). The expenses for leases not recognised in accordance with IFRS 16 amount to EUR 1,683.1 thousand (of which: current lease expenses: EUR 615.1 thousand, of which marginal lease expenses: EUR 227.7 thousand, of which non-IFRS 16 lease expenses: EUR 840.3 thousand, of which variable lease expenses: EUR 0.0).

The item property, plant and equipment recognises the following right of use assets:

	Manufacturing				
	Land and buildings	plant and equipment	Furniture and fixtures	Vehicles	Total
2020/2021	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
<b>01.10.2020</b>	<b>68,177.0</b>	<b>16,396.9</b>	<b>62.8</b>	<b>1,026.4</b>	<b>85,663.1</b>
Translation differences	26.6	–	0.8	–	27.4
Additions	8,634.0	52.7	235.9	647.5	9,570.1
Disposals	-92.4	-10.7	-6.8	-154.2	-264.1
Depreciation, amortisation and impairments	-4,424.0	-3,025.7	-64.1	-482.3	-7,996.1
<b>30.09.2021</b>	<b>72,321.2</b>	<b>13,413.2</b>	<b>228.6</b>	<b>1,037.4</b>	<b>87,000.4</b>

	Land and buildings	Manufacturing plant and equipment	Furniture and fixtures	Vehicles	Total
2019/2020	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
Initial recognition	71,374.2	837.2	84.1	1,453.7	73,749.2
Finance lease	–	19,303.7	–	–	19,303.7
<b>01.10.2020</b>	<b>71,374.2</b>	<b>20,140.9</b>	<b>84.1</b>	<b>1,453.7</b>	<b>93,052.9</b>
Translation differences	2.1	–	–	–	2.1
Additions	1,211.0	10.3	35.9	359.4	1,616.6
Disposals	-233.0	-613.2	–	-295.4	-1,141.6
Depreciation, amortisation and impairments	-4,177.3	-3,141.1	-57.2	-491.3	-7,866.9
<b>30.09.2020</b>	<b>68,177.0</b>	<b>16,396.9</b>	<b>62.8</b>	<b>1,026.4</b>	<b>85,663.1</b>

#### 16.4. Further disclosures

Research costs in the amount of EUR 5.5 million (previous year: EUR 4.1 million) were recognised as expenses.

In the 2020/2021 fiscal year, interest on borrowed capital in the amount of EUR 212.0 thousand (previous year: EUR 567.3 thousand) was capitalised. The applied interest rate was 3.8% (previous year 4.1%).

Additions to assets under construction led to outflows of payment instruments in the amount of EUR 65,083.7 thousand (previous year: EUR 52,280.6 thousand). Obligations for the acquisition of property, plant and equipment amount to EUR 47,892.0 thousand (previous year: EUR 32,011.2 thousand).

## 17. Investments

	30.09.2021 EUR 1,000	30.09.2020 EUR 1,000
Shares in affiliated companies	1,580.7	1,480.5
Shares in companies consolidated at equity	233,868.9	211,982.1
Other investments	29,255.3	27,107.8
	<b>264,704.9</b>	<b>240,570.4</b>

The Cash Flow Statement includes dividends from entities consolidated at-equity in the amount of EUR 7,407.2 thousand (previous year: EUR 7,775.9 thousand).

The expected future payment surpluses of Wels Strom GmbH are increased as a result of the expanded district heat generation by a waste incineration plant, the leveraging of synergy effects by transferring the operations management for hydroelectric power, as well as restructuring measures. An impairment reversal of EUR 15,394.4 thousand was recognised in the 2020/2021 fiscal year. The discount rate is 4% and the respective fair value amounts to EUR 42,815.7 thousand.

## 18. Other financial assets

	30.09.2021 EUR 1,000	30.09.2020 EUR 1,000
Lendings to affiliated companies and companies in which an interest is held	5,186.4	7,063.2
Other lendings	6,544.3	5,432.9
Fixed term deposits	24,847.2	–
Securities at Fair Value through Other Comprehensive Income	12,631.5	9,181.0
Securities at Fair Value through Profit or Loss	31,109.0	28,964.6
	<b>80,318.4</b>	<b>50,641.7</b>

## 19. Other non-current assets

	30.09.2021 EUR 1,000	30.09.2020 EUR 1,000
Fair value of derivatives	84,465.5	4,534.1
CO <sub>2</sub> emissions allowances	24,301.9	–
Other assets	8,102.8	5,985.9
	<b>116,870.2</b>	<b>10,520.0</b>

## 20. Inventories

	30.09.2021 EUR 1,000	30.09.2020 EUR 1,000
Primary energy	31,358.7	30,990.1
Raw materials and supplies	16,838.1	16,294.9
Contract assets	3,748.8	2,476.0
Finished goods	1,377.0	908.9
	<b>53,322.6</b>	<b>50,669.9</b>

## 21. Receivables and other assets

	30.09.2021 EUR 1,000	30.09.2020 EUR 1,000
Trade receivables	259,880.2	256,054.4
Receivables from non-consolidated affiliated companies	252.4	532.7
Receivables from joint arrangements and associated companies	5,076.8	5,299.4
Accruals and deferrals of interest	1,957.3	2,054.8
Fair value of derivatives	287,236.5	18,809.0
Receivables from initial margins for derivatives	74,620.2	15,664.0
CO <sub>2</sub> emissions allowances	42,422.0	19,543.2
Other	52,403.1	29,250.4
	<b>723,848.5</b>	<b>347,207.9</b>

Receivables from electricity and water supplies that have not been invoiced as of the reporting date are accrued and recognised in the item "Trade receivables".

## 22. Cash and cash equivalents

	30.09.2021 EUR 1,000	30.09.2020 EUR 1,000
Cash in hand	131.0	134.5
Cash in bank	219,066.3	46,170.3
	<b>219,197.3</b>	<b>46,304.8</b>

## 23. Equity

The share capital of Energie AG Oberösterreich consists of 88,653,782 individual share certificates (previous year: 88,655,524), of which 88,600,000 are ordinary shares (previous year: 88,600,000), and 1,224 are preferred shares without voting rights (previous year: 55,524). The share capital has been fully paid in.

The capital reserves result from the share premium of the capital increase, minus the directly attributable costs of obtaining equity in the amount of EUR 1,771.9 thousand, as well as from the contribution of own shares in the 2006/2007 fiscal year, and from shares issued to staff in the 2012/2013 fiscal year.

In the 2007/2008 fiscal year, 390,000 preferred shares without voting rights were contributed to Energie AG Oberösterreich. These shares were offered to Group staff members at favourable conditions during the 2007/2008 fiscal year. The benefit per staff member amounted to the maximum tax-exempt sum pursuant to § 3 para 1 subpara 15 letter b of the Austrian Income Tax Act.

In the 2012/2013 fiscal year, 87,750 shares were issued to employees of the Group at discounted prices. The capital increase took effect with entry in the Register of Companies on 29 October 2013.

In fiscal year 2020/2021, the share capital was reduced due to the redemption of 1,742 (previous year: 73,682) treasury shares (preference shares without voting rights).

The retained earnings result from the profits that the Group generated but did not distribute.

Other reserves include IFRS 9 reserves, IAS 19 reserves, revaluation reserves, and treasury stock reserves, as well as reserves from translation differences.

The reserves under IFRS 9 include changes in the fair value of investments and securities measured "At Fair Value through Other Comprehensive Income" (FVOCI), and changes in the fair value of cash flow hedges, as well as changes in the equity of associated companies consolidated at-equity recognised outside profit or loss.

As of 30 September 2021, the cash flow hedge reserve amounts to EUR 122,015.9 thousand (previous year: EUR -20,738.4 thousand). The effective share of the fair value changes concerning cash-flow hedges is recognised in the other comprehensive income in the cash-flow hedge reserve. The ineffective portion of the fair-value changes from cash flow hedges in the amount of EUR -85.4 thousand (previous year: EUR 0.0 thousand) was recognised as income through profit or loss. Fair value changes in the amount of EUR 149,211.7 thousand (previous year: EUR -35,612.4 thousand) are recognised as other comprehensive income. During the fiscal year, EUR -6,457.4 thousand (previous year: EUR 13,165.1 thousand) were withdrawn from the cash-flow hedge reserve and recognised as an expense through profit or loss. Of this amount, EUR 2,748.6 thousand (previous year: EUR 1,384.9 thousand) were recognised in the financial result while EUR -9,206.0 thousand (previous year: EUR 11,780.2 thousand) were recognised in the operating result.

The OCI reserve, which is part of the IFRS 9 reserves, includes changes in value of investments and securities classified as "At Fair Value through Other Comprehensive Income" (FVOCI), which are recognised in other comprehensive income. As of 30 September 2021, the OCI reserve amounts to EUR 28,359.2 thousand (previous year: EUR 22,829.7 thousand). Changes in market value of EUR 5,529.5 thousand (previous year: EUR 5,161.7 thousand) were recognised in equity under other comprehensive income.

The IAS 19 reserves result from the actuarial valuation of pension and severance provisions recognised in other comprehensive income.

The revaluation reserve results from first-time consolidations in previous years.

As of 30 September 2021, the company held 1,224 treasury shares (previous year: 1,742).

### Capital management

It is the objective of the Group's capital management to preserve a strong capital base so that the company can continue to generate adequate returns for the investors corresponding with the risk situation of the company, promote the future development of the company, and also provide benefits for other interest groups. Value based management is firmly entrenched in the management systems and in management processes. The equity in the books according to IFRS is what the management considers to be capital. As of the reporting date, the equity ratio amounted to 39.6% (previous year: 43.6%). For purposes of internal reporting and management, the return on capital employed (ROCE) is also used. The capital employed includes the assets attributable to a unit, with the exception of the assets not used in the process of creating and utilising goods and services, less non-interest bearing liabilities and certain provisions.

## 24. Financial instruments and financial risk management

### 24.1. Derivative financial instruments and hedging

The Group's risk management uses derivative financial instruments that predominantly serve the purpose of hedging price and interest rate risks. The accounting of these derivative financial instrument applies – in as far as hedging transactions are concerned and the criteria are met – the cash hedge flow and fair value accounting methods.

The use of derivative financial instruments in the Group is subject to corresponding authorisation and control procedures. Proprietary trading is only carried out within very tightly defined limits.

Interest rate swaps are used for hedging future variable interest payments on funding and leasing contracts as well as highly probable funding in the future. Energie AG Group hedges these by purchasing interest rate swaps that correspond to the hedged item in terms of the base interest rate, payment dates, interest rate fixing date, nominal amounts and maturities. As their essential parameters concur, a commercial relationship between the hedged item and the hedging transaction can be affirmed. Hedges may be ineffective in the case of changes in the counterparty's and Energie AG's credit risk, as well as in cases where the measurement-relevant parameters differ from the hedged item and hedging transaction. The qualitative and quantitative effectiveness of a hedge is determined on the basis of the hypothetical derivatives method.

Futures and forwards are used to hedge price-related risks from electricity procurement and electricity sales. The objective of Energie AG Group is to hedge the entire price risk using derivative and non-derivative financial instruments and thereby reduce the cash flow risk from electricity purchasing and sales and/or the fair value risk from firm commitments. This means that only a portion of the total volume is hedged using derivative financial instruments. Hedging is carried out on a rolling basis. Either the entire price risk is hedged, or only a component of the risk. Components are hedged if the hedging instrument has a different market price zone than the hedged item. The difference between prices in different market price zones is observable on the market and amounted to an average of EUR 3.38/MWh (previous year: EUR 2.62/MWh) in fiscal year 2020/2021. The commercial relationship results either from almost identical parameters of hedging items or transactions (in particular base price, performance, term and price base), or the high correlation of prices in different market price zones in cases where only a component is hedged. A hedging ineffectiveness may result from temporal differences, price differences, different market price zones or the counterparty's credit risk. The qualitative and quantitative effectiveness of a hedge is determined on the basis of the hypothetical derivatives method.

Futures, forwards and swaps are used to hedge price risks from gas purchases and gas sales. The hedging aims at reducing the cash flow risk or fair value risk from firm commitments. The hedging volume is determined on the basis of the hedging strategy. Only a portion of the purchases and sales are hedged using derivative instruments. The commercial relationship either results from almost identical parameters (in particular volume, price and term), or from the high correlation of prices if the hedged item and the hedging transaction have a different price base. A hedging ineffectiveness may result from temporal differences, price differences, different market price zones or the counterparty's credit risk. The qualitative and quantitative effectiveness of a hedge is determined on the basis of the hypothetical derivatives method.

Futures are used to hedge procurement and sales of CO<sub>2</sub> emission allowances. The hedging aims at reducing the cash flow risk. Only a portion of the total volume is hedged on the basis of the hedging strategy. The commercial relationship results from almost identical parameters

(in particular volume, price and term). Ineffective hedges may result from temporal differences or the counterparties' credit risk. The qualitative and quantitative effectiveness of a hedge is determined on the basis of the hypothetical derivatives method.

Beyond that, gas-oil futures in US dollars and the corresponding foreign exchange contracts as well as gas-oil-swaps are concluded to hedge the price risks of purchasing fuel. The objective is to reduce the cash flow risk from fuel purchases. The hedging volume results from the hedging strategy and concerns only a portion of the fuel purchases. The commercial relationship is established on the basis of the parameters quantity, term and the evidence for the correlation of the prices of the hedging item and the hedging transaction. Ineffective hedges may result from temporal differences, price differences and the counterparties' credit risk. The qualitative and quantitative effectiveness of a hedge is determined on the basis of the hypothetical derivatives method.

The spark-spread risk from Gas- und Dampfkraftwerk Timelkam GmbH (CCGT power plant) and Cogeneration-Kraftwerke Management Oberösterreich GmbH (CMOÖ) is hedged using electricity, gas and CO<sub>2</sub> emission allowances. The commercial relationship results from almost identical parameters (in particular volume, price and term). In these cases, a dynamic hedging strategy based on defined targets and price developments does frequently result in the termination and redesignation of hedging relationships. Ineffective hedges may result from temporal differences, price differences and the counterparties' credit risk. The qualitative and quantitative effectiveness of a hedge is determined on the basis of the hypothetical derivatives method.

The Group holds fair value hedges for firm commitments relating to transactions for procuring and supplying electricity and gas and for supplying CO<sub>2</sub>.

Cash flow hedges are used to protect future cash flows. The Group also uses electricity, gas, CO<sub>2</sub>, and gas-oil futures, as well as gas and gas-oil swaps, to hedge price risks; interest rate swaps are used to hedge the cash flow risks of variable-interest liabilities, highly probable funding in the future and foreign exchange contracts for US dollar hedging.



For cash flow hedges, the carrying amounts, nominal amounts and changes in fair values used for recognising an ineffective hedge are as follows:

	Positive fair values	Negative fair values		Nominal amount	Change in the fair value for ineffectiveness measurement
30.09.2021	EUR 1,000	EUR 1,000	Unit		EUR 1,000
Electricity futures, forwards – sales	101.3	-174,933.5	GWh	3,980.9	-174,832.2
Electricity futures, forwards – procurement	219,773.8	-497.1	GWh	3,912.0	219,276.7
Gas futures, forwards and swaps – procurement	34,405.9	-1,902.1	GWh	1,487.5	32,503.8
Gas-oil swaps – procurement	1,238.7	-267.5	Tonnes	6,900.0	971.2
CO <sub>2</sub> futures – sales	–	-655.7	Tonnes	27,000.0	-655.7
CO <sub>2</sub> futures – procurement	8,413.8	-319.4	Tonnes	1,024,000.0	8,094.4
Interest rate swaps	2,443.2	-11,113.1	EUR mill.	172.0	-8,669.9
<b>Total</b>	<b>266,376.7</b>	<b>-189,688.4</b>			<b>76,688.3</b>

	Positive fair values	Negative fair values		Nominal amount	Change in the fair value for ineffectiveness measurement
30.09.2020	EUR 1,000	EUR 1,000	Unit		EUR 1,000
Electricity futures, forwards – sales	5,630.5	-4,204.5	GWh	2,720.7	1,426.0
Electricity futures, forwards – procurement	6,257.0	-8,589.2	GWh	3,545.0	-2,332.2
Gas futures, forwards and swaps – procurement	360.5	-2,940.0	GWh	1,313.6	-2,579.5
Gas-oil swaps – procurement	23.1	-358.3	Tonnes	6,000.0	-335.2
CO <sub>2</sub> futures – sales	16.7	-790.4	Tonnes	250,000.0	-773.7
CO <sub>2</sub> futures – procurement	610.1	-2.6	Tonnes	128,000.0	607.5
Interest rate swaps	–	-16,286.1	EUR mill.	176.8	-16,286.1
<b>Total</b>	<b>12,897.9</b>	<b>-33,171.1</b>			<b>-20,273.2</b>

If not yet cleared, the positive fair values of the derivatives are reported in the item other non-current assets or in the item receivables and other assets, while the negative fair values, if not yet cleared, are reported in the other non-current and current liabilities.

The nominal and average hedging prices for cash flow hedges are as follows:

30.09.2021	Unit	2021	2022	2023	2024	> 2024
Electricity futures, forwards – sales						
Nominal amount	GWh	275.5	1,469.0	1,235.0	1,001.4	–
Average price hedged	EUR	59.88	51.92	65.51	69.82	–
Electricity futures, forwards – procurement						
Nominal amount	GWh	742.6	1,843.1	566.8	417.9	341.6
Average price hedged	EUR	102.96	65.92	54.71	57.26	62.18
Gas futures, forwards and swaps – procurement						
Nominal amount	GWh	157.3	328.6	252.5	637.9	111.2
Average price hedged	EUR	19.01	20.03	17.78	19.71	20.02
Gas-oil swaps – procurement						
Nominal amount	Tonnes	900.0	3,000.0	2,100.0	900.0	–
Average price hedged	EUR	428.55	379.51	417.66	435.00	–
CO <sub>2</sub> futures – Sales CO <sub>2</sub> emissions allowances						
Nominal amount	Tonnes	27,000.0	–	–	–	–
Average price hedged	EUR	37.46	–	–	–	–
CO <sub>2</sub> futures – procurement CO <sub>2</sub> emission allowances						
Nominal amount	Tonnes	919,000.0	60,000.0	30,000.0	15,000.0	–
Average price hedged	EUR	55.06	38.00	44.28	66.95	–
Interest rate swaps						
Nominal amount	EUR mill.	170.5	167.3	131.6	131.6	131.6
Average fixed interest rate	%	3.17	3.22	4.62	4.62	1.33

30.09.2020	Unit	2020	2021	2022	2023	> 2023
Electricity futures, forwards – sales						
Nominal amount	GWh	637.5	1,599.0	484.2	–	–
Average price hedged	EUR	40.98	43.37	44.51	–	–
Electricity futures, forwards – procurement						
Nominal amount	GWh	718.2	1,656.3	708.1	427.3	35.1
Average price hedged	EUR	43.43	43.72	44.90	44.79	48.24
Gas futures, forwards and swaps – procurement						
Nominal amount	GWh	301.8	630.8	221.7	71.4	87.9
Average price hedged	EUR	15.64	15.50	17.92	18.04	15.26
Gas-oil swaps – procurement						
Nominal amount	Tonnes	900.0	2,700.0	1,800.0	600.0	–
Average price hedged	EUR	418.67	339.19	387.29	377.25	–
CO <sub>2</sub> futures – Sales CO <sub>2</sub> emissions allowances						
Nominal amount	Tonnes	250,000.0	–	–	–	–
Average price hedged	EUR	23.83	–	–	–	–
CO <sub>2</sub> futures – procurement CO <sub>2</sub> emission allowances						
Nominal amount	Tonnes	128,000.0	–	–	–	–
Average price hedged	EUR	22.18	–	–	–	–
Interest rate swaps						
Nominal amount	EUR mill.	175.4	170.5	167.3	131.6	131.6
Average fixed interest rate	%	3.14	3.17	3.22	4.62	4.62

The reporting of derivatives is broken down by calendar year.

For fair value hedges, the carrying amounts, nominal amounts and changes in fair values used for recognising an ineffective hedge are as follows:

	Positive fair values	Negative fair values	Unit	Nominal amount	Change in the fair value for ineffectiveness measurement
30.09.2021	EUR 1,000	EUR 1,000			EUR 1,000
Electricity forwards – sales	–	-5,045.0	GWh	57.5	-5,045.0
Electricity futures, forwards – procurement	150.6	–	GWh	11.9	150.6
Gas futures – procurement	4,190.7	-18.9	GWh	631.2	4,171.8
CO <sub>2</sub> futures – sales	343.9	-2,686.2	Tonnes	835,000.0	-2,342.3
<b>Total</b>	<b>4,685.2</b>	<b>-7,750.1</b>			<b>-3,064.9</b>

	Positive fair values	Negative fair values		Nominal amount	Change in the fair value for ineffectiveness measurement
30.09.2020	EUR 1,000	EUR 1,000	Unit		EUR 1,000
Electricity forwards – sales	–	-313.9	GWh	22.0	-313.9
Electricity futures, forwards – procurement	206.7	-15.9	GWh	48.1	190.8
Gas futures – procurement	–	-201.1	GWh	43.8	-201.1
CO <sub>2</sub> futures – sales	–	–	Tonnes	–	–
<b>Total</b>	<b>206.7</b>	<b>-530.9</b>			<b>-324.2</b>

The nominal and average hedging prices for fair value hedges are as follows:

30.09.2021	Unit	2021	2022	2023	2024	> 2024
Electricity forwards – sales						
Nominal amount	GWh	28.1	11.9	17.5	–	–
Average price hedged	EUR	44.73	46.58	77.53	–	–
Electricity futures, forwards – procurement						
Nominal amount	GWh	3.2	–	8.7	–	–
Average price hedged	EUR	207.50	–	76.50	–	–
Gas futures – procurement						
Nominal amount	GWh	–	52.6	43.8	166.9	367.9
Average price hedged	EUR	–	23.08	24.86	18.65	18.32
CO <sub>2</sub> futures – sales						
Nominal amount	Tonnes	30,000.0	805,000.0	–	–	–
Average price hedged	EUR	55.20	59.34	–	–	–

30.09.2020	Unit	2020	2021	2022	2023	> 2023
Electricity forwards – sales						
Nominal amount	GWh	22.0	–	–	–	–
Average price hedged	EUR	48.41	–	–	–	–
Electricity futures, forwards – procurement						
Nominal amount	GWh	48.1	–	–	–	–
Average price hedged	EUR	48.89	–	–	–	–
Gas futures – procurement						
Nominal amount	GWh	–	–	43.8	–	–
Average price hedged	EUR	–	–	19.18	–	–
CO <sub>2</sub> futures – sales						
Nominal amount	Tonnes	–	–	–	–	–
Average price hedged	EUR	–	–	–	–	–

The reporting of energy derivatives is broken down by calendar year.

The carrying amounts of the hedged items related to fair value hedges, the reserve for cash flow hedges and the change in the fair value for the determination of ineffective cash flow hedges and fair value hedges are as follows:

	Change in the fair value for ineffectiveness measurement (cash flow hedges)	Amount in the reserves for measurements of cash flow hedges closed derivatives	Amount in the reserves for measurements of cash flow hedges open derivatives	Change in the fair value for ineffectiveness measurement (fair value hedges)	Carrying amount of the hedged item in fair value hedges closed derivatives	Carrying amount of the hedged item in fair value hedges open derivatives
30.09.2021	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
Future electricity sales	-174,832.2	3,083.2	174,832.2	5,027.2	—	5,027.2
Future electricity procurement	219,276.7	-48,400.0	-219,276.7	-575.3	—	-575.3
Future gas purchases	32,503.8	8.0	-32,503.8	-4,268.7	206.1	-4,268.7
Future diesel purchases	971.2	76.3	-971.2	—	—	—
Future sales of CO <sub>2</sub> emissions allowances	-655.7	—	655.7	2,302.2	—	2,302.2
Future purchases of CO <sub>2</sub> emissions allowances	8,094.4	—	-8,094.4	—	—	—
Financial liabilities bearing variable interest	-8,574.8	—	8,574.8	—	—	—

	Change in the fair value for ineffectiveness measurement (cash flow hedges)	Amount in the reserves for measurements of cash flow hedges closed derivatives	Amount in the reserves for measurements of cash flow hedges open derivatives	Change in the fair value for ineffectiveness measurement (fair value hedges)	Carrying amount of the hedged item in fair value hedges closed derivatives	Carrying amount of the hedged item in fair value hedges open derivatives
30.09.2020	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
Future electricity sales	1,426.0	-107.3	-1,426.0	259.1	—	259.1
Future electricity procurement	-2,332.2	124.7	2,332.2	-224.4	-16.1	-224.4
Future gas purchases	-2,579.5	7.9	2,579.5	203.9	-20.4	203.9
Future diesel purchases	-335.2	426.5	335.2	—	—	—
Future sales of CO <sub>2</sub> emissions allowances	-773.7	—	773.7	—	—	—
Future purchases of CO <sub>2</sub> emissions allowances	607.5	—	-607.5	—	—	—
Financial liabilities bearing variable interest	-16,286.1	13.4	16,286.1	—	—	—

The development of the reserves for cash flow hedges is as follows:

	Hedging gains (+)/ losses (-) recognised in the other comprehensive income	Ineffective hedges recognised through profit or loss	Consolidated Statement of Comprehensive Income item in which ineffective hedge was recognised	Transfers from reserves to profit or loss	Consolidated Statement of Comprehensive Income item in which transfer was recognised
2020/2021	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
Electricity futures, forwards – sales	-182,572.0	–	–	3,123.2	Sales revenues
Electricity futures, forwards – procurement	281,299.4	–	–	-11,165.8	Expenses for material and other purchased services
Gas futures, forwards and swaps – procurement	37,334.8	–	–	2,251.7	Expenses for material and other purchased services
Gas-oil futures and swaps – procurement	1,597.4	9.7	Other operating expenses	59.3	Other operating expenses
CO <sub>2</sub> futures – sales	-1,654.3	–	–	1,772.4	Sales revenues
CO <sub>2</sub> futures – procurement	8,230.2	–	–	-743.4	Expenses for material and other purchased services
Interest rate swaps	4,976.2	-95.1	Other interest income	2,748.6	Financing expenses
<b>Total</b>	<b>149,211.7</b>	<b>-85.4</b>		<b>-6,457.4</b>	

	Hedging gains (+)/ losses (-) recognised in the other comprehensive income EUR 1,000	Ineffective hedges recognised through profit or loss EUR 1,000	Consolidated Statement of Comprehensive Income item in which ineffective hedge was recognised EUR 1,000	Transfers from reserves to profit or loss EUR 1,000	Consolidated Statement of Comprehensive Income item in which transfer was recognised EUR 1,000
<b>2019/2020</b>					
Electricity futures, forwards – sales	2,127.6	–	–	-6,957.4	Sales revenues
Electricity futures, forwards – procurement	-30,150.2	–	–	11,088.7	Expenses for material and other purchased services
Gas futures, forwards and swaps – procurement	-7,386.1	–	–	6,134.2	Expenses for material and other purchased services
Gas-oil futures and swaps – procurement	-1,234.2	–	–	474.6	Other operating expenses
CO <sub>2</sub> futures – sales	884.7	–	–	–	Sales revenues
CO <sub>2</sub> futures – procurement	2,185.6	–	–	-389.2	Expenses for material and other purchased services
Interest rate swaps	-2,039.8	–	–	2,814.2	Financing expenses
<b>Total</b>	<b>-35,612.4</b>	<b>–</b>		<b>13,165.1</b>	

The Energie AG Group holds the following derivatives not dedicated to any hedging relationship:

	Nominal Value		Positive fair values EUR 1,000	Negative fair values EUR 1,000
<b>30.09.2021</b>	Purchase	Sale		
<b>Derivatives not designated as hedging instruments</b>				
Electricity forwards	EUR 146.7 mill.	EUR 145.5 mill.	151,708.7	-153,816.2
Electricity futures	EUR 2.0 mill.	EUR 1.0 mill.	245.4	-807.6
Gas forwards	EUR 0.3 mill.	EUR 0.2 mill.	1,018.2	-106.4
Gas futures	EUR 5.2 mill.	EUR 7.9 mill.	4,502.7	-5,326.7
CO <sub>2</sub> forwards	EUR 12.0 mill.	EUR 0.0 mill.	1,797.2	-1.6
CO <sub>2</sub> futures	EUR 5.6 mill.	EUR 19.3 mill.	3,318.6	-3,814.9



30.09.2020	Nominal Value		Positive	Negative
	Purchase	Sale	fair values EUR 1,000	fair values EUR 1,000
<b>Derivatives not designated as hedging instruments</b>				
Electricity forwards	EUR 145.3 mill.	EUR 144.0 mill.	13,523.6	-13,331.2
Electricity futures	EUR 19.7 mill.	EUR 5.7 mill.	576.0	-865.6
Gas forwards	EUR 7.9 mill.	EUR 4.1 mill.	287.3	-1,984.4
Gas futures	EUR 2.7 mill.	EUR 6.2 mill.	163.1	-578.1
CO <sub>2</sub> forwards	EUR 4.7 mill.	EUR 0.0 mill.	338.3	–
CO <sub>2</sub> futures	EUR 1.5 mill.	EUR 6.7 mill.	451.0	-255.5

The cash flow from operations includes payment receipts from hedging transactions in an amount of EUR 320.8 million (previous year: disbursements of EUR 48.0 million). The position mainly consist of margin payments from electricity and gas futures, as well as payments received from hedging annexes.

## 24.2. Carrying amounts in accordance with IFRS 9

In accordance with IFRS 9 or IFRS 16, the carrying amounts of financial assets and liabilities are grouped into classes or measurement categories as follows:

	Category acc. to IFRS 9	Carrying amount 30.09.2021 EUR 1,000	Carrying amount 30.09.2020 EUR 1,000
<b>Investments</b>		<b>30,836.0</b>	<b>28,588.3</b>
Shares in affiliated companies	FVOCI	1,580.7	1,480.5
Other investments	FVOCI	29,255.3	27,107.8
<b>Other financial assets</b>		<b>80,318.4</b>	<b>50,641.7</b>
Lendings to companies in which an interest is held	AC	5,186.4	7,063.2
Other lendings	AC	6,544.3	5,432.9
Fixed term deposits	AC	24,847.2	–
Securities FVOCI	FVOCI	12,631.5	9,181.0
Securities FVPL	FVPL	31,109.0	28,964.6
<b>Receivables and other assets (non-current and current) acc. to the Statement of Financial Position</b>		<b>840,718.7</b>	<b>357,727.9</b>
<b>Thereof non-financial assets</b>		<b>91,764.0</b>	<b>28,486.9</b>
<b>Thereof financial assets</b>		<b>748,954.7</b>	<b>329,241.0</b>
Trade receivables	AC	259,902.2	256,209.1
Receivables from affiliated companies	AC	252.4	532.7
Receivables from joint arrangements and associated companies	AC	5,076.8	5,299.4
Derivatives designated as hedging instruments (cash flow hedge)	n/a	211,765.5	7,849.8
Derivatives not designated as hedging instruments	FVPL	154,524.1	14,149.2
Other financial assets	AC	117,433.7	45,200.8
<b>Fixed term deposits and short-term investments</b>		<b>105,775.3</b>	<b>109,808.3</b>
Fixed term deposits	AC	85,816.1	89,776.3
Short-term investments	FVPL	19,959.2	20,032.0
<b>Cash and cash equivalents</b>	AC	<b>219,197.3</b>	<b>46,304.8</b>
<b>Total financial assets</b>		<b>1,185,081.7</b>	<b>564,584.1</b>
<b>Financial liabilities (non-current and current)</b>		<b>670,096.9</b>	<b>597,586.2</b>
Bonds	FLAC	301,231.8	301,548.0
Liabilities to banks	FLAC	6,530.5	9,319.8
Lease liabilities	IFRS 16	114,748.8	113,090.4
Other financial liabilities	FLAC	247,585.8	173,628.0
<b>Trade payables (current)</b>	FLAC	<b>162,178.9</b>	<b>156,644.8</b>
<b>Other liabilities (non-current and current) acc. to the Statement of Financial Position</b>		<b>748,801.9</b>	<b>337,621.2</b>
<b>Thereof non-financial liabilities</b>		<b>160,346.0</b>	<b>254,050.9</b>
<b>Thereof financial liabilities</b>		<b>588,455.9</b>	<b>83,570.3</b>
Liabilities to affiliated companies	FLAC	9,292.5	7,201.1
Liabilities to joint arrangements and associated companies	FLAC	2,774.3	3,551.0
Derivatives designated as hedging instruments (cash flow hedge)	n/a	179,434.5	29,521.1
Derivatives not designated as hedging instruments	FVPL	153,924.2	15,315.6
Other financial liabilities (non-current and current)	FLAC	243,030.4	27,981.5
<b>Total financial liabilities</b>		<b>1,420,731.7</b>	<b>837,801.3</b>
<b>Carrying amounts grouped to measurement categories according to IFRS 9</b>			
Financial Assets at Amortized Costs (AC)		724,256.4	455,819.2

	Category acc. to IFRS 9	Carrying amount 30.09.2021 EUR 1,000	Carrying amount 30.09.2020 EUR 1,000
Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)		43,467.5	37,769.3
Financial Assets at Fair Value through Profit or Loss (FVPL)		205,592.3	63,145.8
Financial Liabilities at Amortized Cost (FLAC)		972,624.2	679,874.2
Financial Liabilities at Fair Value through Profit or Loss (FVPL)		153,924.2	15,315.6

As of 30 September 2021, the Energie AG Group holds shares in affiliated companies and other investments in the amount of EUR 30,836.0 thousand (previous year: EUR 28,588.3), as well as securities (stocks) in the amount of EUR 12,631.5 thousand (previous year: EUR 9,181.0 thousand) classified as "Financial Assets Through Other Comprehensive Income (FVOCI)". These investments are held for long-term, strategic purposes. For fiscal year 2020/2021, the dividends distributed for securities amount to EUR 210.8 thousand (previous year: EUR 64.6 thousand). Dividends distributed for investments amount to EUR 1,924.3 thousand (previous year: EUR 1,506.8 thousand).

As was the case in the previous year, no strategic investments were disposed of in the 2020/2021 fiscal year. No accumulated profits or losses were reclassified within equity.

### 24.3. Offsetting of financial assets and liabilities

The following table shows the effect of netting agreements:

	30.09.2021			30.09.2020		
	Reported financial assets/ liabilities EUR 1,000	Effects from offsetting framework agreements EUR 1,000	Net amounts EUR 1,000	Reported financial assets/ liabilities EUR 1,000	Effects from offsetting framework agreements EUR 1,000	Net amounts EUR 1,000
<b>Financial assets</b>						
Trade receivables	259,902.2	-13,478.0	246,424.2	256,209.1	-18,062.5	238,146.6
Positive fair value of derivatives	366,289.6	-250,090.6	116,199.0	21,999.0	-16,972.2	5,026.8
<b>Total</b>	<b>626,191.8</b>	<b>-263,568.6</b>	<b>362,623.2</b>	<b>278,208.1</b>	<b>-35,034.7</b>	<b>243,173.4</b>
<b>Financial liabilities</b>						
Trade payables	162,178.9	-13,478.0	148,700.9	156,644.8	-18,062.5	138,582.3
Negative fair value of derivatives	333,358.7	-250,090.6	83,268.1	44,836.7	-16,972.2	27,864.5
<b>Total</b>	<b>495,537.6</b>	<b>-263,568.6</b>	<b>231,969.0</b>	<b>201,481.5</b>	<b>-35,034.7</b>	<b>166,446.8</b>

At the Energie AG Oberösterreich Group, the derivative financial instruments and receivables/payables presented above are concluded on the basis of standard agreements (e.g. ISDA, EFET, German Master Agreement for Financial Derivative Transactions), which, in the event of insolvency of a business partner, permit the offsetting of outstanding transactions. The criteria for netting in the

statement of financial position are not met, because either no net payments are being made or the legal enforceability of the netting agreements is uncertain.

## 24.4. Measurement at fair value

### 24.4.1. Fair value of financial assets and liabilities that are measured regularly at fair value

Pursuant to IFRS 13, financial instruments that are measured at fair value are classified within a fair value hierarchy. In view of possible uncertainties relating to possible estimates of the fair values, a distinction is made between three levels:

Level 1: Measurement on the basis of a published price quotation for identical assets or liabilities in an active market.

Level 2: Measurement on the basis of inputs that are observable either directly or indirectly in the market and measurements based on prices quoted in inactive markets.

Level 3: Measurement on the basis of inputs not observable in the market.

If the inputs used to determine the fair value of an asset or liability are attributable to different levels of the fair value hierarchy, the measurement at fair value is wholly assigned to the fair value hierarchy level that corresponds to the lowest input which, in the aggregate, is material for the measurement.

The financial instruments measured at fair value are assigned to levels 1 to 3:

		Measurement at market prices Level 1	Measurement on the basis of inputs observable on the market Level 2	Other measurement methods Level 3	Total fair value
30.09.2021	Carrying amount EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
<b>Assets</b>					
Shares in affiliated companies (FVOCI)	1,580.7	–	–	1,580.7	1,580.7
Other investments (FVOCI)	29,255.3	1,938.5	–	27,316.8	29,255.3
Securities (FVOCI)	12,631.5	12,631.5	–	–	12,631.5
Securities (FVPL)	31,109.0	31,109.0	–	–	31,109.0
Derivatives designated as hedging instruments (cash flow hedge)	211,765.5	–	211,765.5	–	211,765.5
Derivatives not designated as hedging instruments (FVPL)	154,524.1	–	154,524.1	–	154,524.1
Short-term investments (FVPL)	19,959.2	19,959.2	–	–	19,959.2
<b>Total</b>	<b>460,825.3</b>	<b>65,638.2</b>	<b>366,289.6</b>	<b>28,897.5</b>	<b>460,825.3</b>
<b>Liabilities</b>					
Derivatives designated as hedging instruments (cash flow hedge)	179,434.5	–	179,434.5	–	179,434.5
Derivatives not designated as hedging instruments (FVPL)	153,924.2	–	153,924.2	–	153,924.2
<b>Total</b>	<b>333,358.7</b>	<b>–</b>	<b>333,358.7</b>	<b>–</b>	<b>333,358.7</b>

		Measurement at market prices Level 1	Measurement on the basis of inputs observable on the market Level 2	Other measurement methods Level 3	Total fair value
30.09.2020	Carrying amount EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
<b>Assets</b>					
Shares in affiliated companies (FVOCI)	1,480.5	–	–	1,480.5	1,480.5
Other investments (FVOCI)	27,107.8	1,020.2	–	26,087.6	27,107.8
Securities (FVOCI)	9,181.0	9,181.0	–	–	9,181.0
Securities (FVPL)	28,964.6	28,964.6	–	–	28,964.6
Derivatives designated as hedging instruments (cash flow hedge)	7,849.8	–	7,849.8	–	7,849.8
Derivatives not designated as hedging instruments (FVPL)	14,149.2	–	14,149.2	–	14,149.2
Short-term investments (FVPL)	20,032.0	20,032.0	–	–	20,032.0
<b>Total</b>	<b>108,764.9</b>	<b>59,197.8</b>	<b>21,999.0</b>	<b>27,568.1</b>	<b>108,764.9</b>
<b>Liabilities</b>					
Derivatives designated as hedging instruments (cash flow hedge)	29,521.1	–	29,521.1	–	29,521.1
Derivatives not designated as hedging instruments (FVPL)	15,315.6	–	15,315.6	–	15,315.6
<b>Total</b>	<b>44,836.7</b>	<b>–</b>	<b>44,836.7</b>	<b>–</b>	<b>44,836.7</b>

Level 3 financial instruments have developed as follows:

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Carrying amount as of 01.10.	27,568.1	22,210.9
Gains (losses) – not recognised in profit or loss	1,160.6	5,300.6
Additions	35.0	3,185.3
Disposals	–	-15.7
Transfers	–	-3,155.8
Currency translation	133.8	42.8
<b>Carrying amount as of 30.09.</b>	<b>28,897.5</b>	<b>27,568.1</b>

The impairment reversal of EUR 1,923.7 thousand (previous year: EUR 5,303.2 thousand) relates to Other Investments (FVOCI). The fair value of these Other Investments is determined using a measurement method based on capitalisation of earnings. Essential input factors are the cash flow assumptions from planning and the discount rate. The depreciation on other investments in the Czech Republic amounts to EUR 763.1 thousand (previous year: EUR 2.6 thousand). The resulting income of EUR 1,160.6 thousand (previous year: EUR 5,300.6

thousand) outside of profit or loss was recognised as other comprehensive income in the item "change in value of investments and securities FVOCI".

An increase (reduction) of the cash flow assumptions by 25% would have resulted in an increase (reduction) of the OCI in the amount of EUR 4,702.4 thousand (EUR -4,702.4 thousand) (previous year: EUR 4,080.1 thousand (EUR -4,080.1 thousand)). An increase (reduction) of the discount rate by 50 basis points would have resulted in a reduction (increase) of the OCI in the amount of EUR -1,116.1 thousand (EUR 1,278.2 thousand) (previous year: EUR -1,030.3 thousand (EUR 1,179.2 thousand)).

#### 24.4.2. Valuation techniques and inputs used in measuring fair values

In general, the fair values of the financial assets and liabilities correspond to their market prices on the reporting date. If active market prices are not directly available, then – if they are not of minor significance – they are calculated using recognised actuarial measurement models and current market parameters (in particular interest rates, exchange rates and the credit rating of contractual partners). This is done by discounting the cash flows from the financial instruments to the reporting date.

The following valuation parameters and inputs were used:

Financial instruments	Level	Valuation techniques	Inputs
Other investments	3	Capital value-oriented	Assumptions concerning cash flows, interest rates, planning
Listed securities, mutual funds	1	Market value-oriented	Nominal values, stock market price, net asset value
Listed energy futures	1	Market value-oriented	Settlement price determined at stock exchange
Non-listed energy forwards	2	Capital value-oriented	Forward price curve derived from stock exchange prices, interest rate curve, credit risk of contractual partners on a net basis
Interest rate swaps	2	Capital value-oriented	Cash flows already fixed or determined using forward rates, interest rate curve, credit risk of contractual partners
Gas and gas-oil swaps	2	Capital value-oriented	Cash flows already fixed or determined using forward rates, interest rate curve, credit risk of contractual partners

#### 24.4.3. Fair values of financial assets and liabilities that are not measured regularly at fair value, however for which the fair value must be disclosed

The items trade receivables, receivables from affiliated companies, receivables from joint arrangements and associated companies, other financial assets, as well as fixed term deposits and current investments are characterised by predominantly short remaining terms. This means that their carrying amounts as of the reporting date roughly represent their fair value. If they are material and have a fixed interest rate, then the fair value of non-current lendings corresponds to the present value of the payments associated with the assets, taking into consideration the current market parameters in each case (interest rates, credit spreads).

Trade payables, liabilities to affiliated companies, liabilities to joint arrangements and associated companies and other financial liabilities usually have short remaining terms. The values on the balance sheet are approximately the fair values. If they are material and bear interest at a fixed rate, the fair value of financial liabilities is determined using the present value of the payments associated with the liabilities, taking into consideration the respectively applicable market parameters (interest rates, credit spreads).

The following financial assets and liabilities have a fair value different from the carrying amount:

	Category acc. to IFRS 9	Carrying amount 30.09.2021 EUR 1,000	Fair value 30.09.2021 EUR 1,000	Carrying amount 30.09.2020 EUR 1,000	Fair value 30.09.2020 EUR 1,000	Level
<b>Assets</b>						
<b>Other financial assets</b>		<b>11,730.7</b>	<b>12,521.0</b>	<b>12,496.1</b>	<b>13,600.0</b>	
Lendings to companies in which an interest is held	AC	5,186.4	5,847.9	7,063.2	8,041.0	Level 3
Other lendings	AC	6,544.3	6,673.1	5,432.9	5,559.0	Level 3
<b>Liabilities</b>						
<b>Financial liabilities</b>		<b>548,817.6</b>	<b>607,949.5</b>	<b>475,176.0</b>	<b>538,280.0</b>	
Bonds	FLAC	301,231.8	344,823.0	301,548.0	355,557.0	Level 1
Other financial liabilities	FLAC	247,585.8	263,126.5	173,628.0	182,723.0	Level 3

The fair values of the Level 3 financial assets and liabilities disclosed above were determined in agreement with generally accepted valuation techniques based on discounted cash flow analyses. Material input is the discount rate, which takes into account the expected credit loss of the counterparty.

#### 24.5. Net result

The net result from financial instruments is grouped in the different classes of financial instruments as follows:

##### Net result

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Financial Assets at Amortized Cost	760.2	-1,325.0
Financial Assets at Fair Value through Other Comprehensive Income	5,740.3	5,226.3
Financial Assets at Fair Value through Profit or Loss	936.0	-418.3
Financial Assets/Liabilities at Fair Value through Profit or Loss	4,733.3	175.0
Financial Liabilities Measured at Amortized Cost	-18,273.6	-16,961.4
<b>Net result</b>	<b>-6,103.8</b>	<b>-13,303.4</b>
Interest income and expenses from financial instruments measured at amortised costs:		
Total interest income	753.7	707.1
Total interest expense	-18,273.6	-16,961.4

The net result for the category Financial Assets at Amortized Cost (AC) mainly includes interest income from invested money and lendings and is recognised in the financial result. This item also includes income from the reversal of impairments and expected credit losses, income from the receipt of receivables that had previously been written off, as well as

expenses from impairments, expected credit losses and write-offs for trade receivables recognised in the operating result.

The net result of the category Financial Assets at Fair Value through Other Comprehensive Income (FVOCI) shows the measurement result for the investments and securities measured outside of profit or loss. Income from investments and dividends from securities are reported in the other financial result.

The net result of the category Financial Assets at Fair Value through Profit or Loss (FVPL) mainly includes earnings from remeasurement and earnings from disposals, as well as dividends from securities and income from the remeasurement of money market funds and is shown in other financial result.

The net result of the category Financial Assets at Fair Value Trading through Profit or Loss (FVPL) and Financial Liabilities at Fair Value Trading through Profit or Loss (FVPL) essentially results from the derivatives used by Energie AG. The measured value of derivative instruments in the Energy Segment is recognised in the operating result.

The net result of the category Financial Liabilities at Amortized Cost mainly includes interest expenses from financial liabilities and is part of the financial result.

## **24.6. Financial risk management**

### **24.6.1. Principles of financial risk management**

Due to its business activities and the financial transactions it conducts, the Energie AG Group is exposed to various risks. These risks primarily include currency and interest rate risks, liquidity risks, expected credit loss, price risks from securities, and price risks in the commodity sector (energy sector price risks).

Energy sector risks are managed by Energie AG Oberösterreich Trading GmbH, and financial risks are managed centrally by Group Treasury, which is also responsible for any hedging measures for all Group companies. Hedging against energy sector risks is handled on the basis of an internal policy on conducting energy sector hedging transactions. A financial management guideline for the Group (Treasury Policy), in which the main goals, principles and distribution of duties in the Group are set out, serves as a basis for the management of financial risks.

Hedging against energy sector and financial risks is also handled using derivative financial instruments. Transactions of this type are on principle only carried out with counterparties with very good credit ratings in order to minimise the risk of default.

### **24.6.2. Foreign exchange risk**

The foreign exchange risks in the Energie AG Group result from funding provided in foreign currencies and the translation risk from the conversion of foreign Group companies into the Group currency (Czech Republic and Hungary).

For the foreign exchange risk of financial instruments, sensitivity analyses were carried out which show the effects of hypothetical changes in exchange rates on result (after taxes) and equity. The affected holdings as of the reporting date were used as a basis (CZK 7.4 million, HUF 2.7 billion), (previous year: CZK 75.2 million, HUF 2.7 billion). Here it was assumed that the risk on the reporting date basically represents the risk during the fiscal year. The Group tax rate of 25% was used as the tax rate. In addition, it was assumed for the analysis that all other variables, in particular interest rates, remain constant. In the analysis, the currency risks for financial instruments that are denominated in a currency different from the functional currency and are of a monetary nature were included. Differences resulting from the



exchange rate in translating financial statements into the Group currency were not taken into consideration.

Following the aforementioned assumptions, an upward revaluation of the Euro by 10% against all other currencies on the reporting date would result in lower earnings (after taxes) by EUR 530.3 thousand (previous year: EUR 567.2 thousand) and a reduction in equity by EUR 530.3 thousand (previous year: EUR 692.8 thousand). Here, the sensitivity of equity, as well as the sensitivity of profit (after taxes), were affected by the sensitivity of the currency-related translation effects of net investments and hedge accounting in the amount of EUR 0.0 thousand (previous year: EUR 125.6 thousand).

Following the aforementioned assumptions, a write-down of the Euro by 10% against all other currencies on the reporting date would result in increased earnings (after taxes) by EUR 648.1 thousand (previous year: EUR 693.3 thousand) and an increase in equity by EUR 648.1 thousand (previous year: EUR 846.8 thousand). Here, the sensitivity of equity, as well as the sensitivity of profit (after taxes), were affected by the sensitivity of the currency-related translation effects of net investments and hedge accounting in the amount of EUR 0.0 thousand (previous year: EUR 153.5 thousand).

#### 24.6.3. Interest rate risk

The Energie AG Group holds interest rate-sensitive financial instruments in order to meet the requirements of operational and strategic liquidity management. Interest rate change risks mainly result from financial instruments with variable interest rates (cash flow risk). Interest rate risks result in particular from:

	30.09.2021 EUR 1,000	30.09.2020 EUR 1,000
Cash in bank	219,197.3	46,304.8
Variable rate lendings	2,595.4	3,652.9
Variable rate loans	-33,179.8	-35,937.1
Variable rate lease liabilities	-78,370.6	-82,525.7
<b>Net risk before hedge accounting</b>	<b>110,242.3</b>	<b>-68,505.1</b>
Hedge accounting and interest rate derivatives	72,028.0	76,814.6
<b>Net risk after hedge accounting and interest derivatives</b>	<b>182,270.3</b>	<b>8,309.5</b>

For the interest rate risks of these financial instruments, sensitivity analyses were carried out which show the effects of hypothetical changes in market interest rates on result (after taxes) and equity. The affected holdings as of the reporting date were used as a basis. Here it was assumed that the risk on the reporting date basically represents the risk during the fiscal year. The Group tax rate of 25% was used as the tax rate. In addition, it was assumed for the analysis that all other variables, in particular exchange rates, remain constant.

Following the aforementioned assumptions, an increase in the market interest rate by 50 basis points on the reporting date would result in increased earnings (after taxes) by EUR 683.5 thousand (previous year: EUR 31.2 thousand) and an increase in equity in the amount of EUR 5,327.4 thousand (previous year: EUR 5,348.5 thousand). The sensitivity of equity, as well as the sensitivity of earnings (after taxes), were in this case affected by the sensitivity of the interest rate-related cash flow hedge reserve in the amount of EUR 4,643.9 thousand (previous year: EUR 5,317.3 thousand).

Following the aforementioned assumptions, a decrease in the market interest rate by 50 basis points on the reporting date would result in a reduction of earnings (after taxes) by EUR 683.5 thousand (previous year: increase: EUR 31.2 thousand) and a decrease in equity in the amount of EUR 5,713.6 thousand (previous year: EUR 5,820.3 thousand). The sensitivity of equity, as well as the sensitivity of earnings (after taxes), were in this case affected by the sensitivity of the interest rate-related cash flow hedge reserve in the amount of EUR 5,030.1 thousand (previous year: EUR 5,789.1 thousand).

#### 24.6.4. Commodity price risk

Commodity price risks arise primarily from the procurement and sale of electricity, gas and CO<sub>2</sub>. Beyond that price risks arise for Energie AG Oberösterreich due to speculative positions taken in proprietary trading. Proprietary trading is only carried out within very tightly defined limits and the risk can therefore be considered immaterial.

Hedging instruments are used for electrical energy, gas and CO<sub>2</sub> to hedge against energy industry risks.

For the commodity price risks, sensitivity analyses were carried out which show the effect of hypothetical changes in the fair value level on result (after taxes) and equity. The affected derivative holdings in the area of energy as of the reporting date were used as a basis. Here it was assumed that the risk on the reporting date basically represents the risk during the fiscal year. The Group tax rate of 25% was used as the tax rate. In addition, it was assumed for the analysis that all other variables, in particular exchange rates, remain constant. Not taken into consideration are contracts which are for the purpose of the receipt or delivery of non-financial items according to the expected purchase, sale and use requirements of the company (own use) and which therefore are not to be reported according to IFRS 9, with the exception of onerous contracts.

Sensitivity of derivative contracts regarding the electricity price:

Following the aforementioned assumptions, a 15% increase (decrease) in the fair value level as of the reporting date would result in a decrease (increase) in profit (after taxes) by EUR 55.4 thousand (previous year: increase (decrease) EUR 1,706.5 thousand) and an increase (decrease) in equity by EUR 8,380.9 thousand (previous year: EUR 5,804.2 thousand). The sensitivity of equity, as well as the sensitivity of earnings (after taxes), were in this case affected by the sensitivity of the electricity-price-related cash flow hedge reserve in the amount of EUR 8,436.3 thousand (previous year: EUR 4,097.7 thousand).

Sensitivity of derivative contracts with regard to the prices for gas and diesel (gas-oil):

Following the aforementioned assumptions, a 25% increase (decrease) in the fair value level as of the reporting date would result in a decrease (increase) in profit (after taxes) by EUR 466.8 thousand (previous year: EUR 353.7 thousand) and an increase (decrease) in equity by EUR 10,912.1 thousand (previous year: EUR 3,505.5 thousand). The sensitivity of equity, as well as the sensitivity of earnings (after taxes), were in this case affected by the sensitivity of the gas-price-related cash flow hedge reserve in the amount of EUR 11,378.9 thousand (previous year: EUR 3,859.2 thousand).

Sensitivity of derivative contracts with regard to the price of CO<sub>2</sub>:

Following the aforementioned assumptions, a 15% increase (decrease) in the fair value level as of the reporting date would result in a decrease (increase) in profit (after taxes) by EUR 55.5 thousand (previous year: EUR 0.0 thousand) and an increase (decrease) in equity by EUR 6,823.7 thousand (previous year: decrease (increase) EUR 369.6 thousand). The sensitivity of equity, as well as the sensitivity of earnings (after taxes), were in this case

affected by the sensitivity of the CO<sub>2</sub>-price-related cash flow hedge reserve in the amount of EUR 6,879.2 thousand (previous year: EUR -369.6 thousand).

#### **24.6.5. Market risk from securities measured at fair value**

The Energie AG Oberösterreich Group holds securities and funds that result in price change risks for the company. The fluctuation risk of the securities held is limited by a conservative investment policy and ongoing monitoring, as well as ongoing quantification of the risk potential.

A sensitivity analysis carried out for the price risks from securities established the effect of hypothetical changes in the market price level on earnings (after taxes) and equity. The relevant holdings of financial instruments "At Fair Value through Other Comprehensive Income" and "At Fair Value through Profit or Loss" on the reporting date were used as a basis. Here it was assumed that the risk on the reporting date basically represents the risk during the fiscal year. The Group tax rate of 25% was used as the tax rate. In addition, it was assumed for the analysis that all other inputs, such as the currency, remain constant.

Following the aforementioned assumptions, a 15% increase (decrease) in the fair value level as of the reporting date would result in an increase (decrease) in profit (after taxes) in the amount of EUR 5,745.2 thousand (previous year: EUR 5,512.1 thousand) and in equity in the amount of EUR 7,384.3 thousand (previous year: EUR 6,659.7 thousand). Here, the sensitivity of equity, as well as the sensitivity of profit (after taxes), were affected by the sensitivity of the market-price-level-related OCI reserve in the amount of EUR 1,639.1 thousand (previous year: EUR 1,147.6 thousand).

#### **24.6.6. Expected credit loss**

Credit risks arise for the Energie AG Group due to non-fulfilment of contractual arrangements by counterparties.

The expected credit loss is limited by performing regular credit assessments of the customer portfolio. In the area of financial and energy trading, transactions are only conducted with counterparties with a first-class credit rating. In addition, the risks are mitigated by limit systems and monitoring.

At Energie AG Oberösterreich, the maximum expected credit loss corresponds to the carrying amount of the reported financial assets.

A low credit risk is assumed for derivatives and other instruments accounted for at fair value. Netting agreements are used to reduce the credit risks attached to derivatives.

The carrying amounts of the financial assets are composed as follows:

	Carrying amount 30.09.2021 EUR 1,000	Thereof: not impaired or overdue as of the reporting date EUR 1,000	Thereof: neither impaired nor past due in the following maturity ranges				Thereof: not impaired as of the reporting date EUR 1,000
			Less than 30 days EUR 1,000	Between 30 and 60 days EUR 1,000	Between 60 and 90 days EUR 1,000	More than 90 days EUR 1,000	
<b>Receivables and other financial assets (non-current and current)</b>	<b>382,412.7</b>	<b>366,297.5</b>	<b>9,734.4</b>	<b>852.2</b>	<b>526.8</b>	<b>640.3</b>	<b>4,361.5</b>
Trade receivables	259,902.2	247,042.5	9,709.6	674.3	526.6	606.3	1,342.9
Receivables from joint arrangements and associated companies	5,076.8	5,069.0	7.8	–	–	–	–
Other financial assets	117,433.7	114,186.0	17.0	177.9	0.2	34.0	3,018.6
<b>Total</b>	<b>382,412.7</b>	<b>366,297.5</b>	<b>9,734.4</b>	<b>852.2</b>	<b>526.8</b>	<b>640.3</b>	<b>4,361.5</b>

	Carrying amount 30.09.2020 EUR 1,000	Thereof: not impaired or overdue as of the reporting date EUR 1,000	Thereof: neither impaired nor past due in the following maturity ranges				Thereof: not impaired as of the reporting date EUR 1,000
			Less than 30 days EUR 1,000	Between 30 and 60 days EUR 1,000	Between 60 and 90 days EUR 1,000	More than 90 days EUR 1,000	
<b>Receivables and other financial assets (non-current and current)</b>	<b>306,709.3</b>	<b>289,601.4</b>	<b>8,966.5</b>	<b>1,964.7</b>	<b>574.0</b>	<b>815.7</b>	<b>4,787.0</b>
Trade receivables	256,209.1	242,209.6	8,941.1	1,877.6	573.8	771.3	1,835.7
Receivables from joint arrangements and associated companies	5,299.4	5,276.5	22.9	–	–	–	–
Other financial assets	45,200.8	42,115.3	2.5	87.1	0.2	44.4	2,951.3
<b>Total</b>	<b>306,709.3</b>	<b>289,601.4</b>	<b>8,966.5</b>	<b>1,964.7</b>	<b>574.0</b>	<b>815.7</b>	<b>4,787.0</b>

The changes in impairments of financial assets were as follows:

	Balance as of 01.10.2020 EUR 1,000	Change in scope of consoli- dation EUR 1,000	Additions EUR 1,000	Use EUR 1,000	Reversals EUR 1,000	Currency conversion EUR 1,000	Balance as of 30.09.2021 EUR 1,000
<b>Receivables and other financial assets (non-current and current)</b>	<b>9,051.9</b>	<b>–</b>	<b>713.4</b>	<b>-77.6</b>	<b>-1,203.1</b>	<b>71.7</b>	<b>8,556.3</b>
Trade receivables	8,973.1	–	713.4	-77.6	-1,203.1	66.4	8,472.2
Other financial assets	78.8	–	–	–	–	5.3	84.1
<b>Total</b>	<b>9,051.9</b>	<b>–</b>	<b>713.4</b>	<b>-77.6</b>	<b>-1,203.1</b>	<b>71.7</b>	<b>8,556.3</b>

	Balance as of 01.10.2019 EUR 1,000	Change in scope of consoli- dation EUR 1,000	Additions EUR 1,000	Use EUR 1,000	Reversals EUR 1,000	Currency conversion EUR 1,000	Balance as of 30.09.2020 EUR 1,000
<b>Receivables and other financial assets (non-current and current)</b>	<b>9,315.6</b>	<b>142.6</b>	<b>427.5</b>	<b>-11.9</b>	<b>-765.5</b>	<b>-56.4</b>	<b>9,051.9</b>
Trade receivables	9,232.6	142.4	427.5	-11.9	-765.3	-52.2	8,973.1
Other financial assets	83.0	0.2	–	–	-0.2	-4.2	78.8
<b>Total</b>	<b>9,315.6</b>	<b>142.6</b>	<b>427.5</b>	<b>-11.9</b>	<b>-765.5</b>	<b>-56.4</b>	<b>9,051.9</b>

The expenses for complete derecognition of receivables amount to EUR 1,589.8 thousand (previous year: EUR 1,625.3 thousand). The income from the receipt of derecognised receivables amount to EUR 590.2 thousand (previous year: EUR 34.0 thousand). The income from the reversal of impairments in the fiscal year amounts to EUR 489.7 thousand (previous year: EUR 338.0 thousand) for financial assets classified as "Financial Assets at Amortized Cost (AC)".

With regard to the holdings of financial trade and other receivables that are neither impaired nor in default, there are no indications as of the reporting date that the debtors will not meet their payment obligations. For the financial assets not listed in the above table, there are no material delinquencies or impairments at the reporting date, and there are no indications that the debtors will not meet their payment obligations.

Individual impairments are made up of a number of individual items, of which none is material when considered by itself. In addition, impairments graduated by risk groups are recognised to provide for general credit risks. An impairment of 50% is usually recognised for trade receivables that are more than 180 days overdue.

A financial asset is considered a write-off if the debtor is unlikely to meet his obligations. This is in particular assumed if insolvency proceedings are opened or a claim is overdue for a long time.

Pursuant to the expected credit loss model described in IFRS 9, expected credit losses must also be recognised for financial assets "At Amortised Cost" (AC). The expected credit losses developed as follows:

	01.10.2020 EUR 1,000	Change in scope of consoli- dation EUR 1,000	Additions EUR 1,000	Reversals EUR 1,000	Currency conversion EUR 1,000	Balance as of 30.09.2021 EUR 1,000
<b>Other financial assets</b>	<b>57.3</b>	<b>–</b>	<b>159.3</b>	<b>-10.7</b>	<b>0.9</b>	<b>206.8</b>
Lendings to companies in which an interest is held	24.0	–	–	-5.3	–	18.7
Other lendings	33.3	–	6.5	-5.4	0.9	35.3
Fixed term deposits	–	–	152.8	–	–	152.8
<b>Receivables and other financial assets (non-current and current)</b>	<b>1,123.1</b>	<b>–</b>	<b>23.6</b>	<b>-649.0</b>	<b>3.3</b>	<b>501.0</b>
Trade receivables	1,123.1	–	23.6	-649.0	3.3	501.0
<b>Fixed term deposits and short-term investments</b>	<b>223.7</b>	<b>–</b>	<b>–</b>	<b>-39.8</b>	<b>–</b>	<b>183.9</b>
Fixed term deposits	223.7	–	–	-39.8	–	183.9
<b>Total</b>	<b>1,404.1</b>	<b>–</b>	<b>182.9</b>	<b>-699.5</b>	<b>4.2</b>	<b>891.7</b>

	01.10.2019 EUR 1,000	Change in scope of consoli- dation EUR 1,000	Additions EUR 1,000	Reversals EUR 1,000	Currency conversion EUR 1,000	Balance as of 30.09.2020 EUR 1,000
<b>Other financial assets</b>	<b>90.3</b>	<b>-16.5</b>	<b>11.9</b>	<b>-27.9</b>	<b>-0.5</b>	<b>57.3</b>
Lendings to companies in which an interest is held	67.1	-16.5	–	-26.6	–	24.0
Other lendings	23.2	–	11.9	-1.3	-0.5	33.3
Fixed term deposits	–	–	–	–	–	–
<b>Receivables and other financial assets (non-current and current)</b>	<b>399.0</b>	<b>–</b>	<b>742.1</b>	<b>-14.7</b>	<b>-3.3</b>	<b>1,123.1</b>
Trade receivables	399.0	–	742.1	-14.7	-3.3	1,123.1
<b>Fixed term deposits and short-term investments</b>	<b>116.2</b>	<b>–</b>	<b>195.7</b>	<b>-88.2</b>	<b>–</b>	<b>223.7</b>
Fixed term deposits	116.2	–	195.7	-88.2	–	223.7
<b>Total</b>	<b>605.5</b>	<b>-16.5</b>	<b>949.7</b>	<b>-130.8</b>	<b>-3.8</b>	<b>1,404.1</b>

For trade receivables and receivables from subsidiaries that are essentially comprised of trade receivables, the credit losses expected over the term are measured using an impairment matrix. In the case of lendings, fixed term deposits, cash and cash equivalents, the expected credit losses are assessed for a 12-month period due to the credit risk remaining essentially unchanged, or because a low credit risk is assumed on the basis of the counterparty's current rating. Any change in the credit risk is ascertained by monitoring the rating. For the purpose of reflecting an assumed recovery rate, the expected losses include the Loss Given Default (LGD), unless the instrument is of diminished creditworthiness. The estimated losses are in this case ascertained on the basis of the estimated expected cash flows and the originally effective interest rate.

The rating of one particular long-term investment with one Austrian bank pursuant to IFRS 9B.5.5.23 has deteriorated to "non-investment grade". This has significantly increased the expected credit loss since the investment's initial recognition. The loss expected for this long-term fixed deposit is thus measured over the remaining term and amounts to EUR 107.8 thousand. It is reported in the item other financial assets and included in the addition of EUR 152.8 thousand.

#### 24.6.7. Liquidity risk

A liquidity risk would exist when liquidity reserves or debt capacity were insufficient to meet financial obligations on time. Due to anticipatory liquidity planning and the liquidity reserves that are held, the liquidity risk is considered very low for the Energie AG Group. In addition, open lines of bank credit and on the capital market are also drawn on as sources for financing. Measures aimed at assuring an appropriate capital structure and a conservative financial profile assist the company in maintaining its current "A" rating.

All financial instruments held on the reporting date and for which payments are contractually agreed upon are consolidated. Plan figures for new, future financial liabilities are not included. An average remaining term of 12 months is assumed for the current operating loans; the loan terms are however extended regularly and are, from a commercial perspective, available for longer than the stated periods. Foreign currency amounts are translated at the spot rate as of the reporting date. Variable interest payments from financial instruments are determined based on the last interest rates set before the reporting date. Financial liabilities that can be repaid at any time are always assigned to the earliest maturity range.

	Carrying amount	Cash flows 2021/2022		Cash flows 2022/2023 to 2025/2026		Cash flows from 2026/2027	
	30.09.2021	Interest	Repayments	Interest	Repayments	Interest	Repayments
	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
<b>Financial liabilities (non-current and current)</b>	<b>670,096.9</b>	<b>18,319.7</b>	<b>21,127.2</b>	<b>59,446.1</b>	<b>376,518.1</b>	<b>51,566.7</b>	<b>273,897.2</b>
Bonds	301,231.8	13,500.0	–	40,500.0	301,842.2	–	–
Liabilities to banks	6,530.5	123.4	382.7	442.5	2,111.4	644.7	4,036.4
Lease liabilities	114,748.8	231.4	7,555.4	1,317.9	52,396.2	2,707.6	54,797.2
Other financial liabilities	247,585.8	4,464.9	13,189.1	17,185.7	20,168.3	48,214.4	215,063.6
<b>Trade payables (current)</b>	<b>162,178.9</b>	<b>–</b>	<b>162,178.9</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Other liabilities (non-current and current) acc. to the Statement of Financial Position</b>	<b>748,801.9</b>						
<b>Thereof non-financial liabilities</b>	<b>160,346.0</b>						
<b>Thereof financial liabilities</b>	<b>588,455.9</b>	<b>2,665.2</b>	<b>499,517.4</b>	<b>6,734.4</b>	<b>77,450.7</b>	<b>1,094.6</b>	<b>374.6</b>
Liabilities to affiliated companies	9,292.5	–	9,292.5	–	–	–	–
Liabilities to joint arrangements and associated companies	2,774.3	–	2,774.3	–	–	–	–
Derivatives designated as hedging instruments (cash flow hedge)	179,434.5	2,665.2	117,063.1	6,734.4	51,258.2	1,094.6	–
Derivatives not designated as hedging instruments	153,924.2	–	131,353.6	–	22,570.6	–	–
Other financial liabilities (non-current and current)	243,030.4	–	239,033.9	–	3,621.9	–	374.6
<b>Total</b>	<b>1,420,731.7</b>	<b>20,984.9</b>	<b>682,823.5</b>	<b>66,180.5</b>	<b>453,968.8</b>	<b>52,661.3</b>	<b>274,271.8</b>



	Carrying amount	Cash flows 2020/2021		Cash flows 2021/2022 to 2024/2025		Cash flows from 2025/2026	
	30.09.2020	Interest	Repayments	Interest	Repayments	Interest	Repayments
	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000	EUR 1,000
<b>Financial liabilities (non-current and current)</b>	<b>597,586.2</b>	<b>17,301.9</b>	<b>10,769.0</b>	<b>61,032.1</b>	<b>392,765.9</b>	<b>29,216.2</b>	<b>195,621.3</b>
Bonds	301,548.0	13,500.0	0.1	46,125.5	302,336.7	–	–
Liabilities to banks	9,319.8	127.8	2,811.6	468.9	1,975.8	767.4	4,532.4
Lease liabilities	113,090.4	268.4	7,277.7	969.3	55,251.5	1,395.9	50,561.2
Other financial liabilities	173,628.0	3,405.7	679.6	13,468.4	33,201.9	27,052.9	140,527.7
<b>Trade payables (current)</b>	<b>156,644.8</b>	<b>–</b>	<b>156,644.8</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>
<b>Other liabilities (non-current and current) acc. to the Statement of Financial Position</b>	<b>337,621.2</b>						
<b>Thereof non-financial liabilities</b>	<b>254,050.9</b>						
<b>Thereof financial liabilities</b>	<b>83,570.3</b>	<b>2,613.0</b>	<b>56,894.3</b>	<b>7,435.4</b>	<b>9,852.4</b>	<b>4,791.1</b>	<b>537.4</b>
Liabilities to affiliated companies	7,201.1	–	7,201.1	–	–	–	–
Liabilities to joint arrangements and associated companies	3,551.0	–	3,551.0	–	–	–	–
Derivatives designated as hedging instruments (cash flow hedge)	29,521.1	2,613.0	10,183.2	7,435.4	3,051.7	4,791.1	–
Derivatives not designated as hedging instruments	15,315.6	–	13,329.2	–	1,986.4	–	–
Other financial liabilities (non-current and current)	27,981.5	–	22,629.8	–	4,814.3	–	537.4
<b>Total</b>	<b>837,801.3</b>	<b>19,914.9</b>	<b>224,308.1</b>	<b>68,467.5</b>	<b>402,618.3</b>	<b>34,007.3</b>	<b>196,158.7</b>

**24.7. Development and terms of the most material financial liabilities**

	EUR 1,000
<b>Financial liabilities 30.09.2020</b>	
Non-current	586,817.2
Current	10,769.0
	<b>597,586.2</b>
Registered bond 2021–2051	65,000.0
Other registered bonds	10,000.0
Other changes in financial liabilities	-2,489.3
<b>Financial liabilities 30.09.2021</b>	
Non-current	648,969.7
Current	21,127.2
	<b>670,096.9</b>

The Group issued the following material funding:

Energie AG Oberösterreich:

4.5% Energie AG OOe. Bond 2005-25 ISIN: XS0213737702 volume: EUR 300,000,000 matures: 4 March.

Registered bond 2010-2030, 4.75%, Volume: EUR 40,000,000

Registered bond 2020-2040, 1.25%, Volume: EUR 100,000,000

Registered bond 2021-2051, 1.386%, Volume: EUR 65,000,000

**25. Non-current provisions**

	<b>30.09.2021</b>	<b>30.09.2020</b>
	EUR 1,000	EUR 1,000
Provisions for pensions	113,863.5	117,048.8
Provisions for severance payments	95,855.4	95,623.6
Provisions for anniversary bonuses	22,982.4	22,448.2
Provisions for stepped pension and early retirement benefits	13,680.0	21,572.2
Other provisions	47,429.6	33,777.4
	<b>293,810.9</b>	<b>290,470.2</b>

For the most part, the provisions for pensions, severance payments and anniversary bonuses have a term that is more than five years. The provision for stepped pension and early retirement benefits will lead to payment outflows within the next five fiscal years, for the most part.

The following assumptions were made in calculating the personnel provisions:

	2020/2021	2019/2020
	%	%
Discount rate	0.8	1.0
Salary trend	2.9	2.9
Pension trend	2.0	2.0
Expected return on plan assets	0.8	1.0

Biometric calculations were based on the AVÖ 2018 P calculation principles for pension funds from the Actuarial Association of Austria. The statutory retirement age was used as a basis.

A fluctuation ranging from 0.0% to 12.12% (previous year: 0.00% to 12.02%) is assumed, staggered according to length of service with the company.

### 25.1. Provisions for pensions and similar provisions

Company agreements and commitments under individual contracts have incurred an obligation to pay pensions upon retirement to certain staff members who joined the company prior to 30 September 1996 and have accepted neither full nor partial compensation of their claims to direct payments. Beyond that, there is an obligation to pay pensions to certain staff members who retired before 1 July 1998.

For this group of people, a pension provision has been created in line with IAS 19 (Employee Benefits) using the projected unit credit method of actuarial valuation.

The Group has an obligation to make additional contributions for defined retirement benefit obligations that were transferred to the Group's pension fund.

	2020/2021	2019/2020
	EUR 1,000	EUR 1,000
Present value of retirement benefit obligations (DBO) as of 01.10.	130,659.1	137,567.4
+ Current service costs	498.9	640.3
+ Interest expense	1,250.5	1,213.2
- Retirement benefits payments	-7,217.8	-7,285.8
(-)/+ Remeasurement – actuarial (gains)/losses:		
Due to experience adjustments	-572.7	-249.8
Due to changes in demographic assumptions	1.0	-6.3
Due to changes in financial assumptions	3,207.1	-1,219.9
<b>Present value of retirement benefit obligations (DBO) as of 30.09.</b>	<b>127,826.1</b>	<b>130,659.1</b>
- Fair value of fund assets	-13,962.6	-13,610.3
<b>Recognised pension provisions as of 30.09.</b>	<b>113,863.5</b>	<b>117,048.8</b>

## Changes in fund assets

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Plan assets as of 01.10.	13,610.3	14,258.8
+ /(-) Interest income/(expenses) for plan assets	122.7	129.9
+ Contributions to fund	182.1	–
- Payments from fund	-1,145.4	-1,131.4
+ /(-) Asset gain/(loss)	1,192.9	353.0
<b>Plan assets as of 30.09.</b>	<b>13,962.6</b>	<b>13,610.3</b>

The actual income from the plan assets amounts to EUR 1,008.8 thousand (previous year: EUR -76.8 thousand).

The composition of the fund's assets presents as follows:

	30.09.2021 %	30.09.2020 %
Shares	39.3	35.1
Bonds	39.9	44.7
Money market	7.5	4.9
Other investments	13.3	15.3
<b>Total</b>	<b>100.0</b>	<b>100.0</b>

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Current service costs	498.9	640.3
Net interest expense	1,127.8	1,083.3
<b>Pension expense (recognised in net profit or loss for the period)</b>	<b>1,626.7</b>	<b>1,723.6</b>
Remeasurement of retirement benefit obligations	1,442.5	-1,829.0
<b>Retirement benefits expense (recognised in other comprehensive income)</b>	<b>3,069.2</b>	<b>-105.4</b>

The present value of the defined retirement benefit obligations is distributed over the individual groups of employees entitled to pension benefits as follows:

	30.09.2021 %	30.09.2020 %
Active	16.5	19.2
Vested	1.3	1.5
Retired	82.2	79.3
	<b>100.0</b>	<b>100.0</b>

As of 30 September 2021, the weighted average remaining term of the defined benefit obligations was 12.0 years (previous year: 11.0 years).

Pension payments for the 2021/2022 fiscal year are expected to amount to EUR 7,224.3 thousand.

An increase or decrease in the material actuarial assumptions would have the following effects on the present value of the retirement benefit obligations:

#### Sensitivity analyses

	30.09.2021 EUR 1,000	30.09.2020 EUR 1,000
Remaining life expectancy		
Change by +1 year	9,272.0	9,399.9
Change by -1 year	-9,760.3	-9,917.9
Discount rate		
Change by +0.5%	-7,709.2	-7,865.5
Change by -0.5%	8,617.8	8,790.2
Future pension increase		
Change by +0.5%	8,134.8	8,309.7
Change by -0.5%	-7,409.3	-7,570.7

#### 25.2. Provisions for severance payments

Based on obligations according to Austrian law and collective bargaining agreements, severance payments were paid to employees who took up service by 31 December 2002. Benefits due at the time of retirement or severance are calculated on the basis of the last salary, as well as the number of years of employment.

Based on these regulations according to labour law and collective bargaining agreements, a provision is created which is calculated according to the projected unit credit method.

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Present value of severance payment obligations (DBO) as of 01.10.	95,623.6	99,111.2
+ Current service costs	3,092.3	3,460.8
+ / (-) (Gain)/loss on DBP due to termination benefit	—	-578.2
+ Interest expense	915.1	884.0
- Severance payments	-5,927.4	-5,521.6
(-) / + Remeasurement – actuarial (gains)/losses:		
Due to experience adjustments	505.3	-45.6
Due to changes in demographic assumptions	-40.5	-7.5
Due to changes in financial assumptions	1,687.0	-1,679.5
<b>Present value of severance payment obligations (DBO) as of 30.09. = reported provision for severance payment obligations as of 30.09.</b>	<b>95,855.4</b>	<b>95,623.6</b>

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Current service costs	3,092.3	2,882.6
Net interest expense	915.1	884.0
<b>Severance expenses (recognised in net profit or loss for the period)</b>	<b>4,007.4</b>	<b>3,766.6</b>
Remeasurement of the severance benefit obligation	2,151.8	-1,732.6
<b>Severance expenses (recognised in other comprehensive income)</b>	<b>6,159.2</b>	<b>2,034.0</b>

As of 30 September 2021, the weighted average remaining term of the defined benefit obligations was 8.2 years (previous year: 8.5 years).

Severance payments for the 2021/2022 fiscal year are expected to amount to EUR 9,310.1 thousand.

An increase or decrease in the significant actuarial assumptions would have the following effects on the present value of the severance payment obligations:

#### Sensitivity analyses

	30.09.2021 EUR 1,000	30.09.2020 EUR 1,000
Discount rate		
Change by +0.5%	-4,067.0	-4,184.2
Change by -0.5%	-4,377.7	-4,531.1
Future salary increase		
Change by +0.5%	4,332.4	4,490.6
Change by -0.5%	-4,057.1	-4,198.5

For employment relationships in Austria commencing on or after 1 January 2003, the employer is liable to remit 1.53% of the gross salary to an employee pension fund. This form of severance payment is recognised as a defined contribution plans according to IAS 19 (Employee Benefits).

### 25.3. Provisions for anniversary bonuses

Based on collective bargaining agreements, a provision for anniversary bonuses is created which is calculated according to the projected unit credit method.

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Present value of anniversary bonus obligation (DBO) as of 01.10.	22,448.2	23,592.6
+ Current service costs	1,323.9	1,332.7
+ Interest expense	223.1	210.2
Anniversary bonus payments	-1,677.5	-1,794.5
(-)/+ Remeasurement – actuarial (gains)/losses	664.7	-892.8
<b>Present value of anniversary bonus obligation (DBO) as of 30.09. = reported provisions for anniversary bonuses as of 30.09.</b>	<b>22,982.4</b>	<b>22,448.2</b>

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Current service costs	1,323.9	1,332.7
Net interest expense	223.1	210.2
Remeasurement	664.7	-892.8
<b>Expenses for anniversary bonuses (recognised in net profit or loss for the period)</b>	<b>2,211.7</b>	<b>650.1</b>

#### 25.4. Provisions for stepped pension and early retirement benefits

A stepped pension (early retirement model) has been agreed upon with certain employees. This is a transitional payment for the period between the early termination of the employment relationship and the time when a claim to legal pension benefits is reached. The transitional payments for this period correspond to a previously determined percentage of the previous salary.

For the resulting obligations, a provision is created according to IAS 19 (Employee Benefits).

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Present value of early retirement obligations (DBO) as of 01.10.	21,572.2	30,020.5
+ Interest expense	173.9	224.5
+ Past service costs	573.5	2,312.5
- Early retirement payments	-7,358.5	-8,996.9
-/(+) Gain/(loss) after severance payments	—	-218.4
- Severance payments	—	-88.8
(-)/+ Remeasurement – actuarial (gains)/losses	-1,281.1	-1,681.2
<b>Present value of early retirement obligations (DBO) as of 30.09. = reported provisions for early retirement obligations as of 30.09.</b>	<b>13,680.0</b>	<b>21,572.2</b>

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Past service costs	573.5	2,312.5
Net interest expense	173.9	224.5
Remeasurement	-1,281.1	-1,681.2
<b>Expenses for stepped pension and early retirement benefits (recognised in net profit or loss for the period)</b>	<b>-533.7</b>	<b>855.8</b>

**25.5. Other non-current provisions**

	<b>2020/2021</b>	<b>2019/2020</b>
	EUR 1,000	EUR 1,000
Carrying amount as of 01.10.	33,777.4	32,060.2
Use	-63.6	-538.3
Reversal	-137.3	-16.3
Allocation	13,818.0	2,293.6
Translation differences	35.1	-21.8
	<b>47,429.6</b>	<b>33,777.4</b>

This item predominantly contains provisions for landfills.

In view of new legal requirements related to the use of gas turbines for congestion management, future revenues of the 7Fields gas storage facility are expected to be lower. From today's perspective, it is not possible to run the gas storage facility in a way that costs are covered. A provision in the amount of EUR 6.7 million (30 September 2020: EUR 0.0 million) was formed for contractual obligations up to the 2049/2050 fiscal year not covered by revenue; a discount rate of 0.1 % was applied.

**26. Construction cost subsidies**

This item primarily includes financing contributions received from electricity, gas and district heating customers. They are reversed as income over the average amortisation period for the corresponding equipment (up to 40 years). Impairments and reversals of impairment for these assets were proportionally considered in the construction cost subsidies.

**27. Advances received**

This item essentially consists of deferred items from the sale of claims resulting from minimum waste volume rights. Due to a contractual arrangement, the Group is obligated to accept a certain volume of waste. It provides for the Group to be paid for a pre-determined minimum waste volume, irrespective of the actual volume delivered. The claims from this minimum waste volume through 30 September 2021 were sold, and an interest rate of 4.2868% was agreed upon with the contract partner. This amount was recognised as a liability under advances received.

**28. Other non-current liabilities**

	<b>30.09.2021</b>	<b>30.09.2020</b>
	EUR 1,000	EUR 1,000
Investment subsidies	27,302.4	34,262.0
Fair value of derivatives	88,405.5	21,393.1
Other liabilities	21,247.1	21,802.1
	<b>136,955.0</b>	<b>77,457.2</b>



## 29. Current provisions

Current provisions developed as follows during this fiscal year:

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Carrying amount as of 01.10.	20,684.1	22,244.5
Change in the scope of consolidation	–	14.1
Use	-7,359.2	-9,215.6
Reversal	-723.8	-364.8
Allocation	32,996.0	8,051.2
Translation difference	64.2	-45.3
	<b>45,661.3</b>	<b>20,684.1</b>

This item mainly consists of provisions for the future performance of electricity and gas supply contracts, provisions for obligations from emission allowances, and waste management costs.

## 30. Tax provisions

	30.09.2021 EUR 1,000	30.09.2020 EUR 1,000
Corporate tax for the reporting period	<b>109.2</b>	<b>142.3</b>

## 31. Other current liabilities

	30.09.2021 EUR 1,000	30.09.2020 EUR 1,000
Liabilities to non-consolidated affiliated companies	9,288.1	7,202.2
Liabilities to joint arrangements and associated companies	2,774.3	3,551.0
Tax liabilities	14,710.7	58,935.0
Social-security liabilities	7,082.4	7,412.7
Advances received	13,526.3	69,260.1
Fair value of derivatives	254,939.5	24,485.4
Liabilities to employees	57,430.1	53,939.4
Included margin payments	174,039.3	1,053.1
Other liabilities	78,056.2	34,325.1
	<b>611,846.9</b>	<b>260,164.0</b>

## 32. Non-current assets held for sale

Energie AG Oberösterreich Telekom GmbH (Holding & Services Segment) also includes the "Fibre-to-the-home" (FTTH) operational unit. The business activities are essentially comprised of data transfer to customers via fibre-optic conduits. There are plans in the 2021/2022 fiscal year to spin off this operational unit into a company that will then be considered a joint venture by the Group. A 50% share will be held in the newly formed company.

The operational unit will be classified as a disposal group in accordance with IFRS 5 from 30 September 2021 onwards and have the following assets and liabilities:

	30.09.2021 EUR 1,000
<b>ASSETS</b>	
<b>Non-current assets</b>	
Intangible assets	171.0
Property, plant and equipment	99,000.0
Other non-current assets	23,001.2
	<b>122,172.2</b>
<b>Current assets</b>	
Receivables	47.9
	<b>122,220.1</b>
<b>LIABILITIES</b>	
<b>Non-current liabilities</b>	
Deferred tax liabilities	2,595.2
Construction cost subsidies	603.1
Other non-current liabilities	39,193.1
	<b>42,391.4</b>
<b>Current liabilities</b>	
Trade payables	445.5
	<b>42,836.9</b>

The assets are essentially comprised of fibre-optic infrastructure and claims for subsidies. They are measured at amortised costs. The other non-current liabilities consist of subsidies for fibre-optic infrastructure recognised as liabilities. There are also plans to allocate intra-group liabilities of EUR 75.4 million to this operational unit. No profit or loss from the disposal was recognised in the Consolidated Financial Statements 2020/2021.

## I OTHER EXPLANATORY NOTES

### 33. Other obligations

Pursuant to an energy supply agreement between Energie AG Oberösterreich Trading GmbH and VERBUND AG, the Group procures a certain annual amount of electricity on the basis of standard market products. The cost of the delivered electricity is recognised under material costs.

The Federal Competition Authority (BWB) is conducting investigations throughout Austria into the area of collection and transport in the waste management industry. One such investigation was conducted on 16 March 2021 at the premises of Energie AG Oberösterreich Umwelt Service GmbH in Hörsching. Energie AG Oberösterreich Umwelt Service GmbH is actively involved to help clarify the facts and assured its full cooperation with BWB. From today's perspective, these actions are not expected to bring any negative consequences.

### 34. Proposal for the appropriation of profit

The Management Board of Energie AG Oberösterreich proposes to the Annual General Meeting a dividend of EUR 0.75 (previous year: EUR 0.60) per share, amounting to a total of EUR 66,489.4 thousand (previous year: EUR 53,192.3 thousand).

### 35. Management of risks and opportunities

#### 35.1. Risk management process

Against the background of the current energy policy environment and associated volatile price developments, the industry as a whole and Energie AG as an industry player are facing numerous uncertainties.

The aim of Energie AG's risk management system is to identify resulting opportunities and risks at an early stage, counter risks with suitable measures, and harness opportunities. As an integral part of the management and control system, risk assessments form part of the strategic and operational decision-making process and support our management team.

The risk management of Energie AG follows the established COSO-II framework as the risk management standard across the Group. The responsible business units follow a structured quarterly process to identify and evaluate risks, opportunities and measures, and record them in a central management system. The data collected decentrally is then analysed at the Group level and combined to form the Group's overall risk position.

Reporting to the Group's Management Board is done on a quarterly basis and ad hoc as required. The risk management report is an integral part of reporting to the Supervisory Board and is, in accordance with the requirements of the Austrian Company Law Amendment Act (URÄG), also submitted to the audit committee with respect to the efficiency and validity of the processes. The central management system assures proper documentation and verifiability.

### 35.2. Significant opportunities (+) | risks (–)<sup>1)</sup> and measures

#### STRATEGIC OPPORTUNITIES | RISKS

##### +|– Strategic opportunities | risks due to

- Changes in general climatic conditions
  - Extreme events and their consequences (periods of heat | drought, flooding, storms, hail, forest fires, avalanches)
  - Long-term changes in climatic and ecological conditions (precipitation frequency/volume, increase in average temperatures)
- Changes in the general energy policy and energy market environment
- Changes in technological developments, in the market environment, in customer needs ...

##### Measures:

- Continuous intensive monitoring of energy policy developments, markets, competitors, customers, the climate and technologies
- Participation in research projects, ...
- Early and intensive monitoring of strategic opportunities | risks

#### VALUE OF ASSETS | OPPORTUNITIES & RISKS

- Write-ups and write-downs of assets, procurement rights, investments
- Allowances for receivables
- Creation of provisions for impending losses

##### Measures:

- Ongoing monitoring, sensitivity analyses
- Long-term contracts
- Counterparty risk management

#### PROJECT OPPORTUNITIES | RISKS

- High, long-term investment costs, projects with a high level of complexity
- Underruns and overshooting of the planned values in terms of timing schedule, project costs and quality
- (Energy) policy uncertainty

##### Measures:

- Project management
- Risk management methods in the entire project cycle
- Optimised contract arrangements

#### SUSTAINABILITY OPPORTUNITIES | RISKS

In the medium term – in our 5-year planning horizon – we assume that climate-related opportunities | risks will remain within the statistical range of the past few years, and these have been taken into account in our (opportunities | risks) scenarios.

Potential long-term climate-related risks and opportunities beyond this have been taken into account in strategic decision-making.

For opportunities|risks that may affect questions of sustainability as a result of Energie AG's business activities, see [Sustainability Opportunities and Risks › Page 66](#)

<sup>1)</sup> Risk|opportunities, definition:

- A risk is the possibility of an event occurring which has a negative impact on targets (EBT, EBIT, cash flow)
- An opportunity is the possibility of an event occurring which has a positive impact on targets (EBT, EBIT, cash flow)
- For more information on the risks | opportunities which may have an impact on the concerns of the Sustainability and Diversity Act (NaDiVeG) as a result of Energie AG's business activities, see [Sustainability opportunities and risk management › Page 66](#)

## MARKET AND COMPETITION RISKS

### +|– Market price changes

(electricity, gas, biomass and emission allowance prices)

#### Measures:

- Bundled management of commodity price risks by Energie AG Oberösterreich Trading GmbH
- Risk strategies geared for the market environment
- Leveraging of internal synergies within the Group

### +|– Electricity generated from hydroelectric power

influenced by development of weather/climate

#### Measures:

- Optimised management of generation portfolio

### +|– Electricity production from thermal power plants

#### Measures:

- Bundled management of commodity price risks by Energie AG Trading
- Long-term contracts
- Leveraging of internal synergies within the Group
- Risk strategies geared for the market environment

### +|– Electricity, gas, heat and telecommunications services sales volumes

influenced by development of weather/climate, competition, economy, policy, ...

#### Measures:

- Bundling of sales organisations
- Price guarantee
- Service and subsidy offerings
- Focus on digitalisation
- Positioning as an energy service provider

### +|– Market price and volume changes in waste management

Recycling materials, industrial waste, domestic waste, delivery prices, thermal, ...

- Increased competition from pretreatment plants and industrial co-incinerators
- Increased re-municipalisation efforts of municipal waste management associations

#### Measures:

- Long-term indexed contracts with defined delivery volumes and prices
- Focused market activities
- Intensification of cooperation with the public sector
- Further development of the digitalisation projects

### +|– Contractual losses|gains and contract changes in the water|wastewater sector

#### Measures:

- Synergy projects
- Ongoing participation in (concession) tenders

## OPPORTUNITIES | RISKS FROM BUSINESS OPERATIONS

### – Facility risks

Impairment of the availability of facilities due to

- Technical malfunctions, sabotage, ...
- Natural disasters such as storms, flooding, ...

#### Measures:

- Maintenance and quality controls
- Optimised maintenance strategy
- Structural (flood) protection measures
- Strategy programmes "Replacing overhead medium-voltage lines that are particularly susceptible to disruption with underground cable", "Replacing low-voltage lines", consistent expansion of grid automation
- Crisis and contingency management
- Insurance

### +|– Physical weather risks

Physical weather-related risks such as periods of heat | drought, flooding, storms, hail, forest fires, avalanches and their impact on third parties

#### Measures:

- Structural (flood) protection measures
- Strategy programmes "Replacing overhead medium-voltage lines that are particularly susceptible to disruption with underground cable", "Replacing low-voltage lines", consistent expansion of grid automation
- Crisis and contingency management
- Insurance

### – Risks from information security, cyber-security and data protection

#### Measures:

- Optimised insurance strategy
- Comprehensive technical measures
- Management systems for information security and data protection

### – Personnel risks

- Health and safety risks for company staff and temporary employees
- Loss of expertise and practical knowledge

#### Measures:

- Safety training courses for employees
- In-house health management project energy@work
- Apprentice|trainee education
- Group policies "Human Resource Management", "Management by Objectives" and "Management Academy"

## POLITICAL, REGULATORY AND STATUTORY OPPORTUNITIES | RISKS

### +|- Changes in the statutory environment

the electricity and gas grids

#### Measures:

- Intensive and constructive dialog with the regulatory authorities
- Cooperation with interest groups

### +|- Legal risks

from pending legal disputes

#### Measures:

- Legal support
- Provisions in the balance sheet
- Out-of-court settlements

### +|- Political and statutory environment

- EU climate policy provisions and their implementation in Austria
- Statutory environment for project development and implementation
- Changes to subsidy regime

#### Measures:

- Intensive and constructive dialog with authorities and politicians
- Cooperation with interest groups

## COMPLIANCE RISKS AND DATA PROTECTION INFRINGEMENTS

### – Compliance risks

- Antitrust and corruption risks
- Financial market compliance

#### Measures:

- Group policies “Compliance Management System” and “Anti-Corruption”, “Handling on Insider Information”, “ICT Information Security Management”
- In-person training and e-learning courses

### – Data protection infringements

- Accidental or unlawful destruction, loss, alteration or disclosure of data
- Hacker attacks

#### Measures:

- Group policies “Data Protection Management System” and “Data Protection Compliance Policy”
- In-person training and e-learning courses

## FINANCIAL RISKS

### +|- Changes in interest rates

#### Measures:

- Long-term fixed interest agreements

### +|- Foreign exchange risk

Primarily from the transaction and translation risks of the Czech Group companies

#### Measures:

- Ongoing monitoring
- Currency hedging, where necessary

### +|- Prices changes in financial assets (securities, funds)

resulting from fluctuations in market value on the capital markets

#### Measures:

- Conservative investment policy
- Consistent monitoring
- On-going quantification of share price risks

### +|- Rating change

means lower| higher refinancing costs

#### Measures:

- The management of Energie AG continues to seek to maintain Energie AG's Single A credit rating in the long term
- Ensuring compliance with the required key financial performance indicators

### +|- Opportunities | Risks from investments

- Fluctuations in the returns on investments
- Fluctuations in dividends received

#### Measures:

- Ongoing monitoring
- Representation on the boards of the subsidiaries

### +|- Changes in the discount rate for provisions

The present value of provisions decreases at a higher discount rate and increases at a lower discount rate

#### Measures:

- Ongoing monitoring

### - Counterparty risks

Complete or partial failure of counterparties

#### Measures:

- Ongoing monitoring
- Credit limit systems
- Hedging instruments
- Targeted strategy of diversification of business partners

### - Liquidity risk

#### Measures:

- Centralised, forward-looking liquidity planning
- Sufficient liquidity reserves
- Open, partially committed credit lines



## 36. Related party disclosures

Related parties include OÖ Landesholding GmbH as majority shareholder as well as its subsidiaries, the Province of Upper Austria as sole investor of OÖ Landesholding GmbH, the joint ventures, the associated companies as well as members of the Management Board and of the Supervisory Board of Energie AG Oberösterreich and their close relatives.

		Revenues EUR 1,000	Expenses EUR 1,000	Receivables EUR 1,000	Liabilities EUR 1,000
Province of Upper Austria	<b>2020/2021</b>	<b>1,445.4</b>	<b>520.4</b>	<b>164.5</b>	<b>2,395.5</b>
	2019/2020	1,345.6	502.6	283.1	2,972.5
OÖ Landesholding and subsidiaries	<b>2020/2021</b>	<b>12,278.8</b>	<b>243.0</b>	<b>1,518.1</b>	<b>9,251.7</b>
	2019/2020	10,618.6	237.3	904.5	7,103.8
Associated companies	<b>2020/2021</b>	<b>54,173.9</b>	<b>14,683.6</b>	<b>3,646.6</b>	<b>219.1</b>
	2019/2020	54,595.1	14,019.2	3,661.8	17.2
Joint ventures	<b>2020/2021</b>	<b>5,415.4</b>	<b>1,978.0</b>	<b>1,012.8</b>	<b>1,786.4</b>
	2019/2020	2,719.7	2,369.3	550.1	17.6

### Province of Upper Austria

The Province of Upper Austria is the sole investor of OÖ Landesholding GmbH. OÖ Landesholding GmbH is the majority shareholder of Energie AG Oberösterreich.

### OÖ Landesholding GmbH

Energie AG Oberösterreich and selected subsidiaries are members of the OÖ Landesholding GmbH tax group. The provisions of the OÖ Landesholding GmbH Group contract govern the relationship between Energie AG Oberösterreich and the Group parent, whereas Energie AG Oberösterreich calculates its taxable income in consideration of the taxable income of its subordinate Group companies. In the case of positive tax income, any positive tax allocations are offset using the applicable tax rate of 25%. Negative tax results are carried forward. The tax allocations amount to EUR 28,081.0 thousand (previous year: EUR 32,520.3 thousand). This item also includes receivables in the amount of EUR 1,518.1 thousand (previous year: EUR 904.5 thousand) and liabilities in the amount of EUR 9,251.7 thousand (previous year: EUR 7,103.8 thousand).

### Associated companies

#### Salzburg AG für Energie, Verkehr und Telekommunikation

Gas and electricity deliveries at standard market terms take place between the Group and Salzburg AG. The sales revenues amount to EUR 5,951.8 thousand (previous year: EUR 10,898.4 thousand), while expenses are EUR 3,814.9 thousand (previous year: EUR 6,017.1 thousand).

#### Wels Strom GmbH

In addition to grid services, heat and electricity deliveries at standard market terms took place between the Group and Wels Strom GmbH. The sales revenues amount to EUR 44,227.7 thousand (previous year: EUR 40,364.6 thousand), while expenses are EUR 10,356.7 thousand (previous year: EUR 7,575.0 thousand).

### Members of the Management in key positions

Members of the management in key positions include the members of the Management Board and the Supervisory Board of Energie AG Oberösterreich, and the Management Board and the Supervisory Board of OÖ Landesholding GmbH. Please refer to [section 10 › Page 165](#) with regard to the remuneration of the members of the Management Board and the Supervisory Board of Energie AG Oberösterreich. Additional disclosable transactions included revenues of EUR 13.1 thousand (previous year: EUR 12.4 thousand) and benefits in the amount of EUR 116.6 thousand (previous year: EUR 4.3 thousand). This item also includes receivables in the amount of EUR 1.4 thousand (previous year: EUR 0.7 thousand).

## 37. Material events after the reporting date

Shortly after the end of the reporting period, the Austrian Federal Government presented the key points of the eco-social tax reform on 03 October 2021; the reform is due to be phased in gradually starting in 2022. In addition to tax relief, this will mean greening of the tax system in the form of CO<sub>2</sub> pricing for energy applications in buildings and transport and for companies outside emissions trading from mid-2022.

On 11 December 2020, the European Council agreed on the European Commission's proposal to raise the EU's collective greenhouse gas reduction target for 2030 to -55% compared to 1990. The more ambitious climate target for 2030, which is to be understood as an intermediate step on the way to climate neutrality by 2050, was legally anchored in the European Climate Law on 21 April 2021. This enabled the Austrian Climate Act to enter into force by the end of June 2021, before the first specific legislative proposals associated with the "Fit for 55" package. The European Commission has so far excluded an assessment of the sustainability of natural gas from the delegated acts on climate protection and climate change adaptation and postponed it to a later point in time.

From today's perspective, the asset value of the thermal generation plants is guaranteed, not least in view of the flexible way in which they can be used. Considering the age of the plants, it seems unnecessary to adjust the remaining useful life. The value of the gas grid is unimpaired against the background of the still pending final legislation with respect to natural gas, the possible replacement of natural gas with climate-friendly alternatives such as green gas, and the current regulatory environment. An adjustment of the useful lives is not necessary from today's perspective.

### 38. Disclosures on Group management bodies

In this fiscal year, the members of the management board of Energie AG Oberösterreich were:

KommR Prof. Ing. DDr. Werner Steinecker MBA (CEO, Kirchschlag); KommR Mag. Dr. Andreas Kolar (Member of the Management Board, Steyr); Dipl.-Ing. Stefan Stallinger MBA (Member of the Management Board, Linz).

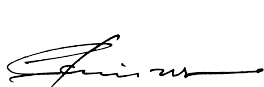
The Supervisory Board of Energie AG Oberösterreich had the following members in the 2020/21 fiscal year:

Provincial Councillor Markus Achleitner (Chairman); Mag. Stefan Lang LL.M (Vice-Chairman); Dr. Heinrich Schaller (Deputy Vice-Chairman); Dr. Miriam Eder MBA; Mag. Dr. Erich Entstrasser; Mag. Dr. Christiane Frauscher; Mag. Florian Hagenauer MBA; Dipl.-Ing. Erich Haider MBA; Mag. Anna-Maria Hochhauser; Thomas Peter Stadlbauer MSc MBA MPA; Mag. Michaela Keplinger-Mitterlehner; Mag. Kathrin Renate Kührtreiber-Leitner MBA; Ing. Herwig Mahr; Josef Walch.

Appointed by the Works Council: Ing. Mag. Leopold Hofinger; Mag. Dr. Regina Krenn; Ing. Peter Neißl MBA MSc; Ing. Bernhard Steiner; Christian Strobl; Gerhard Störinger; Andreas Walzer.

Linz, 3 December 2021

The Management Board of Energie AG Oberösterreich



**Chief Executive Officer**

**DDr. Werner Steinecker MBA**

Chairman of the Management Board  
CEO



**Dr. Andreas Kolar**

Member of the Management Board  
CFO



**Dipl.-Ing. Stefan Stallinger MBA**

Member of the Management Board  
COO

# AUDIT CERTIFICATE

## | REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

### Audit opinion

We have audited the Consolidated Financial Statements of Energie AG Oberösterreich, Linz, and its subsidiaries (the Group) comprising the Consolidated Statement of Financial Position as of 30 September 2021, the Consolidated Statement of Income, Consolidated Statement of Comprehensive Income, Statement of Changes in Equity, and Consolidated Cash Flow Statement for the fiscal year ending on that date, as well as the Notes to the Consolidated Financial Statements.

It is our opinion that the attached Consolidated Financial Statements comply with the statutory requirements and offer an adequately accurate representation of the asset and financial position of the Group as of 30 September 2021, as well as the Group's earnings position and cash flows during the fiscal year ending as of that date, in accordance with the International Financial Reporting Standards (IFRS), as they are to be applied in the EU and the additional requirements stipulated in § 245a of the Austrian Commercial Code (UGB), the Electricity Industry and Organisation Act 2010, and the Gas Industry Act 2011.

### Basis for our audit opinion

We have conducted our audit in accordance with Directive (EU) No. 537/2014 (EU Directive hereinafter) and the Austrian Principles of Proper Auditing of Financial Statements. These principles require the application of the International Standards on Auditing (ISA). Our responsibilities under these regulations and standards are set out in more detail in Section "Responsibilities of the Auditor in Auditing the Consolidated Financial Statements" of the audit certificate. We are independent from the Group in compliance with the Austrian corporate law and professional regulation and have discharged our other professional duties in accordance with these requirements. We are of the opinion that the audit evidence obtained by us by the date of our audit certificate is sufficient and suitable for forming the basis for our audit opinion expressed as of that date.

### Highly significant audit findings

Highly significant audit findings are findings concerning circumstances that, in our professional judgement, had the highest significance for our audit of the Consolidated Financial Statements for the fiscal year. These findings were considered in the context of our audit of the Consolidated Financial Statements in their entirety, as well as in forming our audit opinion. We do not issue a separate opinion on these findings.

The circumstances bearing the most relevance for our audit were:

#### 1. Measurement of cash generating units

##### Circumstances and problem

The intangible assets (excluding goodwill assets) and property, plant and equipment with a total carrying amount of around EUR 2,095.2 million represent 54.1% of the Group's total assets as of the reporting date. No impairments or value appreciation were recognised for any intangible assets in the year under review. For property, plant and equipment assets, impairments amounting to EUR 0.7 million and value appreciation amounting to EUR 11.9 million were recognised.

When preparing the Consolidated Financial Statements, Energie AG Oberösterreich assesses whether there are indications for an impairment or impairment reversal for all significant cash generating units. If indications exist, the recoverable amount for the concerned cash generating units is ascertained and the respective carrying amount is increased or decreased to match the recoverable amount.

The recoverable amount for a cash generating unit corresponds to the larger amount resulting from the fair value less the costs of disposal or the value in use, with the latter determined using the discounted cash flow method. Measuring the recoverable amount requires a number of discretionary decisions and is subject to significant components derived by estimation, e.g. selection of the appropriate method for measuring the company's value, estimation of future cash flows, and determination of a reasonable discounting rate. There is a risk that inadequate estimates and/or discretionary decisions have a significant impact on the resultant recoverable amount and in turn on the carrying amounts recognised for the intangible assets and property, plant and equipment in the Consolidated Statement of Financial Position and the operating result reported in the Consolidated Statement of Income.

Details pertaining to the measurement of cash generating units can be found in the Notes, particularly section 5.6. and section 16.2.

#### Audit methodology

We have carried out our audit of the measurement of the intangible assets and property, plant and equipment assets as follows:

- We have analysed and critically examined the process for measuring cash generating units on the basis of the documentation available at the company and information received with respect to whether the process is suitable to assure a reasonable measurement of the cash generating units.
- We have critically examined the Group's analyses of indications for a necessary material impairment or value appreciation, and assessed them in consideration of the insights gained from our audit of the Consolidated Financial Statements.
- Where such indicators were present, we examined the calculation of the recoverable amount with a particular focus on discretionary decisions and estimations as follows:
  - We have reviewed the selection of the valuation model, the planning assumptions, and the valuation parameters.
  - Our valuation specialists have assessed the assumptions made in connection with the discounting rate on their adequacy by verifying them against market- and industry-specific reference values.
  - We have assessed the formal and substantial plausibility of the internal planning calculations that form the foundation for the assumptions made in relation to expected cash flows.
  - The results of the calculations of recoverable amounts were juxtaposed against the carrying amounts for the concerned intangible assets and/or the concerned property, plant and equipment and we assessed any potential need for the recognition of an impairment or value appreciation.

## 2. Impairment of goodwill

#### Circumstances and problem

The Consolidated Statement of Financial Position of Energie AG Oberösterreich as of the reporting date report goodwill assets with a total carrying amount of around EUR 87.3 million. These assets were to the largest extent allocated to the cash generating

units "Sales", "Waste Management" and "Czech Republic". No impairments were recognised for goodwill assets in the year under review.

In the fourth quarter of each fiscal year, or during the course of the year when an indicator for a significant impairment arises, Energie AG Oberösterreich determines any potentially incurred impairment losses by subjecting the goodwill to impairment testing. An impairment loss is recognised when the carrying amount of a cash generating unit allocated to a goodwill asset exceeds its recoverable amount. The recoverable amount corresponds to the larger amount resulting from the fair value less the costs of disposal or the value in use, with the latter determined using the discounted cash flow method.

Measuring the recoverable amount requires a number of discretionary decisions and is subject to significant components derived by estimation, e.g. selection of the appropriate method for measuring the company's value, estimation of future cash flows, and determination of a reasonable discounting rate. There is a risk that inadequate estimates and/or discretionary decisions have a significant impact on the resultant recoverable amount and in turn on the carrying amounts recognised for the intangible (goodwill) assets in the Consolidated Statement of Financial Position and the operating result reported in the Consolidated Statement of Income.

Details pertaining to the measurement of goodwill can be found in the Notes, particularly section 5.5. and section 16.1.

#### **Audit methodology**

The value of goodwill assets must - irrespective of indicators for an impairment - be reviewed on a yearly basis. We therefore verified whether impairment testing was carried out for all material goodwill assets.

That notwithstanding, our audit of the measurement of goodwill assets followed the same methodology as our audit of the measurement of the cash generating units. Our deliberations on the audit methodology thus apply analogously with regard to this audit finding of particular importance.

#### **Note regarding other circumstances – Consolidated Financial Statements for the previous fiscal year**

The Group's Consolidated Financial Statements as of 30 September 2020 were audited by different auditors, who issued an unqualified audit certificate for said Consolidated Financial Statements on 2 December 2020.

#### **Other Disclosures**

The legal representatives are responsible for the other required disclosures. Such other disclosures encompass all information presented in the Group annual report, with the exception of the Consolidated Financial Statements, the Group Management Report and the audit certificate. The Non-financial Report was received by us prior to the date of this audit certificate, the other components of the Group Annual Report are expected to be made available to us after that date.

Our audit opinion on the Consolidated Financial Statements does not extend to these other disclosures, which are excluded from the assurances given by our firm. We refer to the section contained in the "Report on the Group Management Report" with regard to the information contained in the Group Management Report.

Our audit of the Consolidated Financial Statements comes with the responsibility to read and consider the other disclosures with the objective of determining whether they contain

significant discrepancies from the Consolidated Financial Statements and the insights gained during our audit, or whether they are significantly misrepresented in another way.

We are compelled to report if the work carried out in relation to the other disclosures received before the date of the audit certificate leads us to the conclusion that these other disclosures are significantly misrepresented. Our audit has not resulted in any reportable circumstances.

### **Responsibilities of the legal representatives and the Audit Committee for the Consolidated Financial Statements**

The legal representatives are responsible for compiling the Consolidated Financial Statements in compliance with the IFRS rules applicable in the EU and the additional requirements stipulated in § 245a of the Austrian Commercial Code (UGB), the Electricity Industry and Organisation Act 2010 and the Gas Industry Act 2011, and for assuring that they provide a true and fair view of the Group's assets, liabilities, financial position and profit or loss. The legal representatives are further responsible for the internal controls deemed necessary by them for preparing a set of Consolidated Financial Statements that is free from significant misrepresentations caused by fraud or human error.

In compiling the Consolidated Financial Statements, the legal representatives have the duty to form an opinion on the Group's ability to continue its business operations, to disclose any relevant circumstances relating to the continuation of the business operations and to base their considerations on the principle of continued business operations, unless they intend to liquidate the Group, cease business operations or find themselves in lack of any viable alternative to such course of action.

The Audit Committee is responsible for supervising the Group's accounting processes.

### **Responsibilities of the auditors for the audit of the Consolidated Financial Statements**

Our objective is to assure an adequate degree of certainty on whether the Consolidated Financial Statements in their entirety are free from significant misrepresentations caused by fraud or human error, and to issue an audit certificate that reflects our audit findings. An adequate degree of certainty means a high degree of certainty, but is not an absolute guarantee that the audit conducted in accordance with the EU Directive and the Austrian Principles of Proper Auditing, which require application of ISA, has in fact identified all significant misrepresentations that may be contained in the audited financial statements. Misrepresentations may result from malicious acts or misconceptions and are deemed significant if they could, individually or collectively, have a potential influence on the commercial decisions made by their readers on the basis of these Consolidated Financial Statements.

In conducting our audit in accordance with the EU Directive and the Austrian Principles of Proper Auditing, which require application of ISA, we form our opinions on the basis of our professional judgement and maintain a critical view of the circumstances presented to us throughout the entire course of the audit.

We further adhere to the following:

- We identify and assess the risks stemming from any significant misrepresentations in the Financial Statements caused by fraud or human error, plan our audit activities as a response to these risks, perform our audit activities and gain sufficient and suitable audit evidence to serve as the basis for our audit findings. The risk of significant misrepresentations resulting from malicious acts remaining undetected is higher than the risk resulting from misconceptions, because malicious acts may include collusion, fraudulent acts, forgery, intentional omissions, deceiving representations or the circumvention of internal controls.
- In order to plan audit activities that adequately address the prevailing circumstances, we gain an understanding of the Group's system of internal controls bearing relevance for our audit, but without the objective of forming an audit opinion on its effectiveness.
- We evaluate the appropriateness of the accounting methods applied by the legal representatives, as well as the tenability of values estimated by the legal representatives and represented in the accounts and the disclosures associated with such estimates.
- We draw inferences about the appropriateness of the legal representatives operating under the accounting principle of continued business operations, as well as, on the basis of the evidence presented to us for our audit, whether any events or circumstances are subject to a considerable uncertainty that would give rise to doubts about the viability of the Group continuing its business operations. If we arrive at the conclusion that a material uncertainty exists, we are obliged to draw attention to the associated disclosures contained in the Consolidated Financial Statements in our audit certificate, or to modify our audit certificate if these disclosures are inappropriate. We draw our conclusions on the basis of the audit evidence gathered by the date of our audit certificate. Future events or circumstances may however result in the Group resolving to discontinue its business operations.
- We form an opinion on the overall presentation, structure and contents of the Consolidated Financial Statements including the disclosures therein, as well as on whether they present a true and fair view of the underlying business transactions and events.
- We issue our audit opinion on the Consolidated Financial Statements on the basis of sufficient and suitable audit evidence for the financial information of the business units or the business activities of the Group. We are responsible for managing, supervising and performing the audit of the Consolidated Financial Statements. We bear the sole responsibility for our audit opinion.

We consult with the Audit Committee on matters such as the planned scope and timing of the audit as well as significant audit findings, including any significant defects in the system of internal control system detected during our audit.

We also issue a statement to the Audit Committee confirming our adherence to the relevant professional requirements pertaining to our independence, and exchange information with the Audit Committee on all relationships and other circumstances that may reasonably be expected to affect our independence and, if applicable, any associated precautionary measures.



From the circumstances discussed with the Audit Committee, we determine those that had the highest significance for the audit of the Consolidated Financial Statements for the fiscal year and are therefore the circumstances bearing special audit significance. We describe these circumstances in our audit certificate, unless public disclosure of a certain circumstance is prohibited by law or other legal requirement, or determine in very rare cases that certain circumstances should not be disclosed in our audit certificate because the negative implications of disclosing them could reasonably be expected to exceed the benefits for the public interest.

### **Report on the Group Management Report**

Austrian corporate law requires an assessment of whether the Group Management Report reconciles with the Consolidated Financial Statements and whether it was compiled in accordance with the applicable legal requirements.

The legal representatives are responsible for compiling the Group Management Report in compliance with the requirements under Austrian corporate law.

We have conducted our audit on the basis of the professional principles for the auditing of group management reports.

### **Audit opinion**

We have formed the opinion that the attached Group Management Report complies with the applicable legal requirements, that it contains accurate information pursuant to § 243a UGB, and that it reconciles with the Consolidated Financial Statements.

### **Declaration**

Our audit of the Consolidated Financial Statements and the understanding formed about the Group and its business environment has not identified any material misrepresentations in the Group Management Report.

### **Additional information pursuant to Article 10 EU Directive**

Our firm was elected auditors of the consolidated and individual financial statements for the fiscal year ending on 30 September 2021 by the General Meeting held on 16 December 2020. On 6 April 2021, the Supervisory Board has granted our firm the mandate to audit the company's financial statements for the fiscal year ending on 30 September 2021. The fiscal year ending on 30 September 2021 is the first year the Group was audited by our firm.

We hereby declare that our audit opinion presented in section "Report on the Consolidated Financial Statements" reconciles with the additional report to the Audit Committee pursuant to Article 11 of the EU Directive.

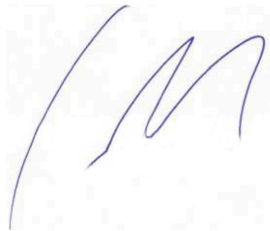
We hereby declare that we have not performed any prohibited non-audit services pursuant to Article 5 para 1 EU Directive and that we have maintained our independence from the audited group during the conduct of our audit of the financial statements.

**Responsible auditor**

The responsible auditor for this assignment was Mag. Gerhard Marterbauer.

Vienna

3 December 2021

**Deloitte Audit Wirtschaftsprüfungs GmbH**

Mag. Gerhard Marterbauer  
Auditor



Mag. Christof Wolf  
Auditor

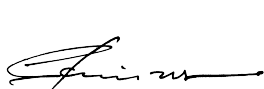
The Consolidated Financial Statements with our audit certificate may only be published or disclosed in the format certified by us. This audit certificate refers exclusively to the full original Consolidated Financial Statements and the Group Management Report issued in German. The provisions of § 281 para 2 of the Austrian Commercial Code (UGB) must be observed for any other versions.

## STATEMENT BY THE MANAGEMENT BOARD PURSUANT TO § 124 PARA 1 SUBPARA 3 OF THE STOCK EXCHANGE ACT [BÖRSEGESETZ (BÖRSEG)]

The Management Board of Energie AG Oberösterreich confirms to the best of its knowledge that the Consolidated Financial Statements of Energie AG Oberösterreich give a true and fair view of the assets, liabilities, as well as the financial and earnings position of the Group as required by the applicable accounting standards, and that the Group Management Report represents the development and performance of the business and the position of the Group in such a way, that it gives a true and fair view of the assets, liabilities, as well as the financial and earnings position of the Group, together with a description of the principal risks and uncertainties faced by the Group.

Linz, 3 December 2021

The Management Board of Energie AG Oberösterreich



**Chief Executive Officer**

**DDr. Werner Steinecker MBA**

Chairman of the Management Board  
CEO



**Dr. Andreas Kolar**

Member of the Management Board  
CFO



**Dipl.-Ing. Stefan Stallinger MBA**

Member of the Management Board  
COO

# **Company Annual Report 2020/2021**

of Energie AG Oberösterreich

# Contents

## 238 | COMPANY ANNUAL REPORT 2020/2021

238	Company Management Report
270	Audited Company Annual Report
270	Statement of Income
271	Statement of Financial Position
273	Notes to the Annual Financial Statements
293	Annexes to the Notes
293	Corporate bodies
294	Changes in non-current assets
298	Changes in investment subsidies
298	Cash Flow Statement 2020/2021
301	Statement of Financial Position of Energie AG Oberösterreich
303	Statement of Income of Energie AG Oberösterreich
304	Report pursuant to ElWOG / GWG
310	Statement by the Management Board

# Company Annual Report 2020/2021 of Energie AG Oberösterreich

## MANAGEMENT REPORT FOR THE 2020/ 2021 FISCAL YEAR

Energie AG Oberösterreich (Energie AG) is the holding company of the Energie AG Group. Energie AG Group is a leading Austrian infrastructure group of companies with the segments Energy, Grid, Waste Management, Czech Republic and Holding & Services. Energie AG assumes the role of a holding company and holds the majority of assets in the electricity and gas business as well as the intra-Group service companies as non-current assets. Due to the close ties between the Company and the Group as a whole, the following primarily represents the Group's perspective.

### | GENERAL CONDITIONS

#### Economic environment <sup>1)</sup>

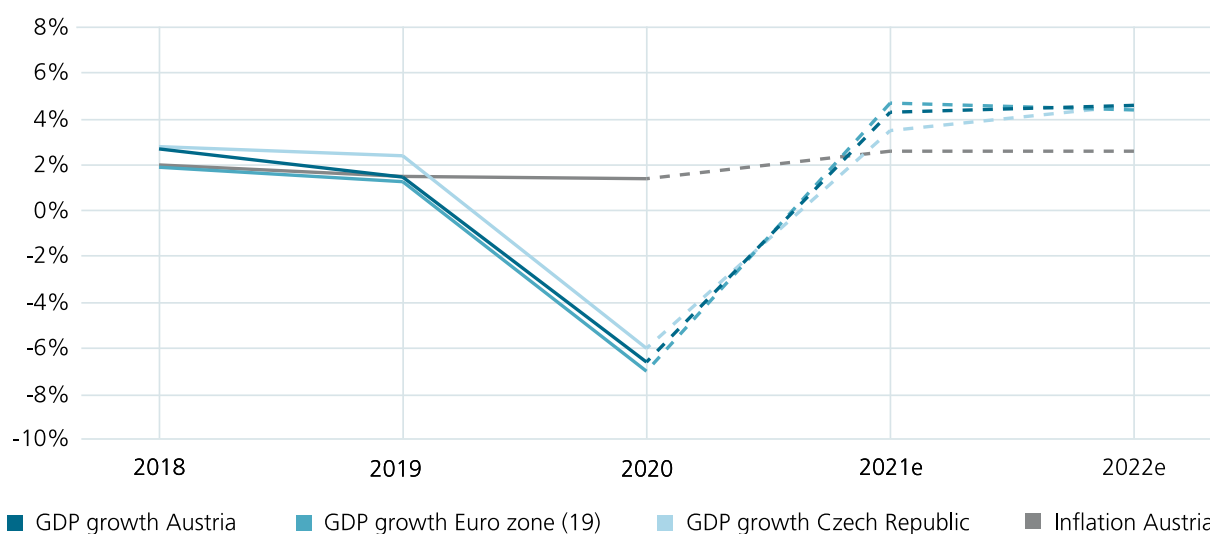
The 2020/2021 fiscal year (1 October 2020 to 30 September 2021) at Energie AG Oberösterreich (Energie AG) was again fraught by the COVID-19 pandemic, however, this was accompanied by a strong economic recovery, especially from the second quarter of the 2021 calendar year onwards.

Despite continued high COVID-19 infection rates in many countries, the global economy exhibited positive development, although at very different regional levels.

#### Economic growth and inflation

YoY real change (in %)

Sources: IHS, IMF, WIFO



<sup>1)</sup> Sources: IHS (Institute for Advanced Studies): Forecast of the Austrian Economy, 2021 – 2022, 8 October 2021. IMF (International Monetary Fund): [World Economic Outlook Database: October 2021](#), 21 October 2021. WIFO (Austrian Institute of Economic Research): Forecast for 2021 and 2022, 13 October 2021.

After the marked economic slump in 2020, the Institute for Advanced Studies (IHS), the Institute of Economic Research (WIFO) and the International Monetary Fund (IMF) forecast an economic growth for the euro zone of between +4.3% and +5.0% and thus revised upward their projections for 2021. Values between +4.3% and +4.5% are forecast for 2022.

Dynamic growth was also recorded for the Austrian economy in the reporting period, prompting domestic institutes to expect GDP growth of between +4.4% and +4.5% for 2021. The IMF is somewhat less optimistic at +3.9%. For 2022, economic growth is expected in a range between +4.5% and +4.8%. This recovery will be accompanied by a significant rise in the inflation rate in the range of +2.6% to +2.8% for 2021.

For the Czech Republic market relevant to Energie AG, an increase in the gross domestic product of between +3.3% and +3.8% is anticipated for the calendar year 2021. The year 2022 is expected to bring positive economic impetus in the range of +4.4% to +4.8% in the Czech Republic.

The global economic upswing is partly accompanied by supply chain problems and price increases, especially in the raw materials sector. The increased inflation rates reflect this development and – like the continuing COVID-19 pandemic – limit the reliability of forecasts on the future development of the economic situation.

## Energy and climate policy environment

On 11 December 2020, the European Council agreed on the European Commission's proposal to raise the EU's greenhouse gas reduction target for 2030 to -55% compared to 1990. The more ambitious climate target, which is to be understood as an intermediate step on the way to the realisation of the Green Deal by 2050, was legally anchored in the European climate targets on 21 April 2021. This enabled the Austrian Climate Act to enter into force by the end of June 2021, before the first specific legislative proposals associated with the "Fit for 55" package.

As part of the "Fit for 55" package, the European Commission presented a total of twelve legislative proposals on 14 July 2021, which are intended to fundamentally revise the EU's climate and energy policy legal framework by 2030 and align it with the new climate targets. The central projects which are highly relevant for the energy economy are the revision of the EU Emissions Trading Scheme and the Effort Sharing Regulation for sectors not covered by emissions trading. In addition, there are plans to introduce a second, separate trading system for buildings and transport, which will be launched in two steps from 2025. Further relevant proposals concern measures to increase the share of renewable energy and improve energy efficiency. In this context, a significant increase in the respective targets and level of ambition in the revised guidelines can be expected. This will ultimately push up the CO<sub>2</sub> price and intensify investments in energy efficiency and the expansion of renewable energies. The package will therefore set the central course for the coming years not only for the European, but also for national energy policy. The legislative procedures for the individual legal acts of the package are not expected to be completed until the second half of 2022 at the earliest.

The European Commission launched a public consultation on 11 January 2021 to develop legally binding EU targets for biodiversity restoration and species conservation. A proposal for a regulation to implement the biodiversity targets is expected to be presented by the European Commission in the last quarter of 2021.

On 21 April 2021 and 6 July 2021, the European Commission published delegated acts for the Taxonomy Regulation with the technical screening criteria for the environmental objectives “climate change mitigation” and “climate change adaptation” and with detailed requirements on the financial reporting obligations for companies. In the future, they will be decisive in determining which criteria certain economic activities must fulfil in order to be considered ecologically sustainable.

In line with a political agreement between the EU Council and the European Parliament on 12 July 2021, civil society's rights of action in relation to EU environmental law will be significantly strengthened and extended to individuals in future through an amendment to the Aarhus Regulation.

The Fuel Emissions Trading Act came into force in Germany on 1 January 2021. According to this law, the price for suppliers of diesel, petrol, heating oil or natural gas is EUR 25 per tonne of CO<sub>2</sub> emitted by these energy sources. By 2025, the price will increase gradually to EUR 55/t CO<sub>2</sub>. A price corridor of at least EUR 55/t CO<sub>2</sub> and at most EUR 65/t CO<sub>2</sub> will then apply for 2026.

Due to the urgent need for action on the topic of “electricity grid reserve management”, a separate, pre-emptive legislative resolution on the Renewable Energy Expansion Act package was initiated in Austria. The corresponding regulations, which improve planning security for operators of thermal power plants, and contribute to ensuring the secure operation of the grid and sufficient electricity supply in Austria, were published on 7 January 2021 in the Federal Law Gazette and formally approved by the European Commission under EU state aid rules on 28 June 2021.

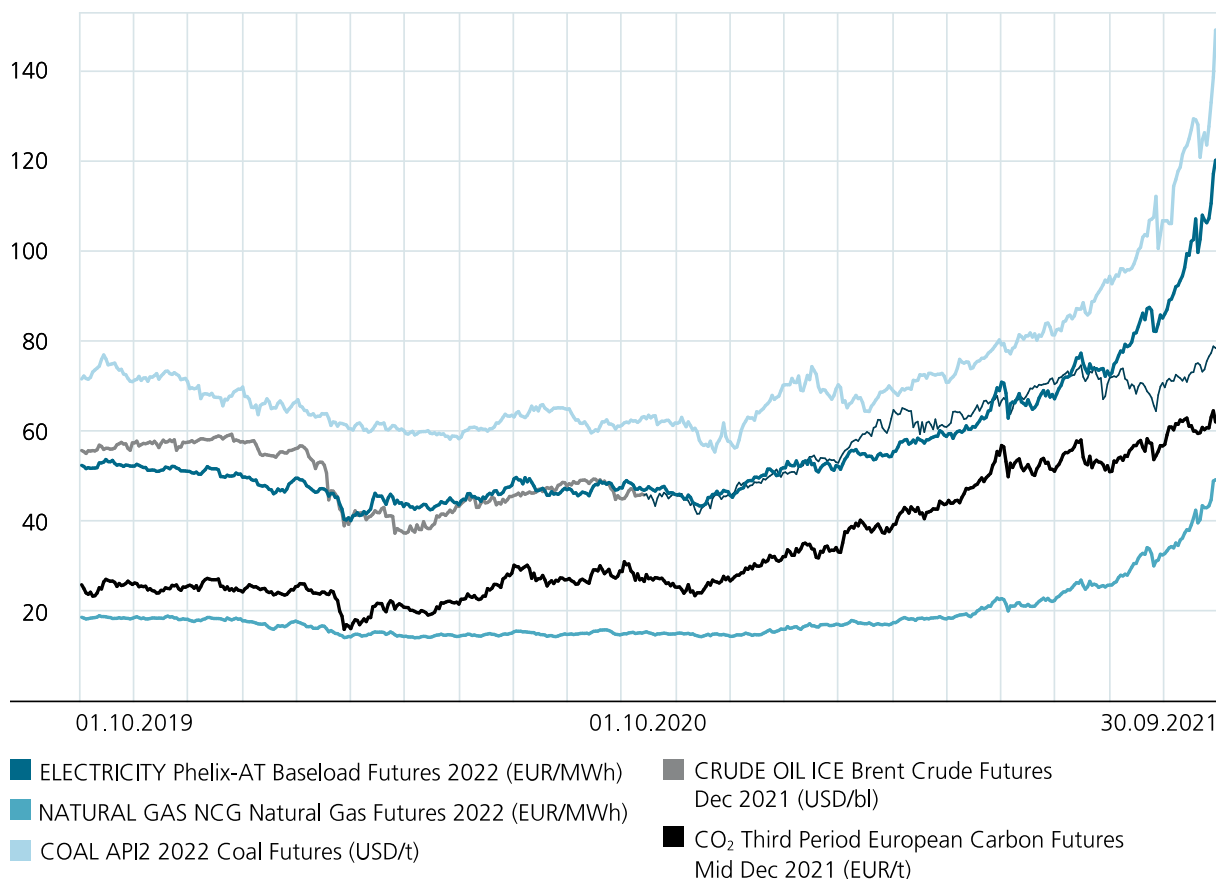
Large parts of the Austrian Renewable Energy Expansion Act package have been in force since 28 July 2021. However, one of the most important provisions, the new regulation of green electricity funding with market premiums, still requires the approval of the European Commission under state aid law; this is expected to happen after the end of the reporting period. In addition to the Renewable Energy Expansion Act, the key elements of the Renewable Energy Expansion Act package are a revision of the Electricity Industry and Organisation Act (ElWOG) 2010, the Gas Industry Act (GWG) 2011, as well as the Heating and Refrigeration Pipeline Development Act and the High Voltage Power Lines Act. This list of topics already shows that the Renewable Energy Expansion Act package will have far-reaching effects on the energy sector in Austria. In addition to funding regulations for plants that generate energy from renewable sources, the structural changes to the energy market through the possibility for new players (energy communities) to participate will also be of significant importance. The Renewable Energy Expansion Act package means that a first milestone has been reached in the implementation of the EU's “Clean Energy Package”. However, many other points of the “Clean Energy Package” still require domestic implementation. This is why preparations are already underway for the revision of the Federal Energy Efficiency Act and, with regard to a revised electricity market design, a fundamental adaptation of the ElWOG.



## Economic environment for the energy sector

### Price development on international energy markets

Sources: EEX, Refinitiv



The forward market prices for electricity for delivery in 2022 in Austria showed a clear upward trend in fiscal year 2020/2021. The main influencing factors here were the prices for coal, gas and CO<sub>2</sub> emission allowances as well as the macroeconomic development. After slumping to EUR 43.2/MWh in November 2020, prices moved steeply upwards, especially from summer 2021 onwards. The price for the annual base of 2022 in the price zone Austria reached its highest value on 30 September 2021 at EUR 132.9/MWh. The average price was EUR 63.9/MWh in the 2020/2021 fiscal year. On the spot market, prices rose by around 95% compared with the same period of the previous year. The average European Power Exchange (EPEX) spot price base for delivery in Austria in the reporting period was EUR 64.9/MWh with a volatile development, with prices rising sharply since the summer.

The oil price for delivery in December 2021 rose from a low of USD 41.4/barrel of Brent crude oil on 29 October 2020 to peak at USD 78.7/barrel on 27 September 2021. Among other factors, the increase can be explained by the global economic upswing following the slump caused by the COVID-19 pandemic.

A supply shortage in deliveries from Russia, an increased LNG (liquefied natural gas) outflow to Asia and comparatively low storage levels led to a strong increase in prices for natural gas in the second half of the reporting period, which resulted in an overall higher risk position for the Group. The NetConnect Germany (NCG) gas price for the front year 2022 rose in the 2020/2021 fiscal year from EUR 14.7/MWh at the beginning of October 2020 to EUR 57.4/

MWh at the end of September 2021. Coal prices also showed a strong upward trend over the reporting period.

In the fiscal year 2020/2021, prices for CO<sub>2</sub> emission allowances fluctuated between EUR 23.2/t and EUR 64.4/t. This continuous increase since October 2020 was mainly triggered by resolutions relating to tightening the EU climate targets.

## Statutory and regulatory framework in the Grid Segment

The Renewable Energies Expansion Act, announced on 27 July 2021, also brought about numerous innovations for the Grid Segment. The required adjustments to processes and tools were therefore initiated during the reporting period.

As an operator of essential services in the sense of the Austrian Network and Information System Security Act (NISG), Netz OÖ GmbH is required to comply with stricter requirements for the information security of its ICT services (network and information systems) and also to demonstrate its compliance. The implementation measures within the Group include the introduction of an information security management system in line with ISO/IEC, taking into account ISO 27019, the NIS fact sheets and the utility minimum standard of the electricity industry. Preparations for certification of Netz OÖ GmbH in line with ISO 27001 are in progress. In the reporting period, a Chief Information Security Officer (CISO) was appointed at Netz OÖ GmbH for this purpose.

The grid utilisation fees in the electricity sector increased by between 0.2% and 1.7% as at 1 January 2021. This increase is a consequence of the necessary investing activities in the grids due to stricter requirements. The regulatory parameters established remained stable in the 4th regulatory period.

In the gas sector, the grid usage fees for consumers at grid level 3 fell by 4.3% on 1 January 2021, while those for consumers of grid level 2 increased by 2.9%.

The general economic conditions for gas have been defined for the 3rd regulatory period since 1 January 2018, but the Austrian Federal Economic Chamber and the Federal Chamber of Labour have objected against the stipulations made by the regulatory authority. The decision for 2020 is still pending. A decision for the years 2018 and 2019 was issued by the Federal Administrative Court last year. This decision defined the regulatory framework, which is tantamount to a deterioration for the industry compared to the original decision. The parameters of the 3rd regulatory period remain stable on this reduced basis. The roll-up of fiscal years 2018 and 2019 was reflected in the 2021 rates.

## Economic environment for the waste management sector

In contrary to what initially were unfavourable forecasts due to the preceding COVID-19 lockdowns, very good economic conditions prevailed in the 2020/2021 fiscal year.

Both nationally and internationally, the issue of the circular economy continues to be the focus of attention. In order to close the gap between waste management and production, the legislator is planning mandatory requirements for reusable or recyclable product designs, including the use of secondary raw materials. Corresponding targets defined at European level in the form of the Circular Economy Package pose major challenges for the actors involved, for example, in the establishment of new collection and sorting channels.

Plastic packaging is a particular focus: in order to reach the EU target of a 50% recycling rate in 2025, recycling must be doubled from 75,000 tonnes to 150,000 tonnes in the next five years. In addition, a new independent quota for separate collection of PET beverage bottles becomes mandatory as of 2025. In order to be able to achieve these high targets, the current draft amendment to the Waste Management Act envisages the mandatory, staggered introduction of reusable packaging quotas in the food industry as well as a commitment on the part of the beverage industry to charge a deposit on PET and aluminium containers as of 1 January 2025.

The import ban on various recyclable material fractions imposed by the Chinese Ministry of the Environment on 1 January 2018 and subsequently by other Asian countries continues to exert a strong influence on the entire waste management sector, resulting in shifts in global volume flows all told. The resulting high volumes of lower quality plastic waste ensured that all waste incineration plants across Europe continued to operate at high capacity in the reporting period. From today's perspective, this development can be considered to be sustainable, since, the statutory environment for exporting these waste fractions abroad has been tightened.

In contrast to the previous year, there was a clear reversal in the trend for recycling materials. The previously low paper prices due to market oversaturation – caused by the import restrictions discussed above and other factors – led to market concentration in the packaging industry. Due to the pandemic, the demand for mail-order products rose sharply, meaning that important production capacities were now lacking; this in turn resulted in a significant price increase, which was intensified by the increase in economic growth. While the Wiesbaden index for paper and cardboard packaging was still at 66.2 at the end of the 2019/2020 fiscal year, it rose steadily to 195.5 by the end of September 2021. The development of the prices for scrap metals was similarly dynamic; as a result of the global shortage of industrial and precious metals, prices have risen continuously, and in some cases sharply, since the beginning of the reporting period. The reason for this is the current high level of productivity in the construction industry, for which numerous economic stimuli were placed by the public sector in the past fiscal year.

## General conditions in the Czech Republic

In the 2020/2021 fiscal year, a positive economic development was recorded in the Segment despite the tense COVID-19 situation in the Czech Republic. The measures taken by the Czech government due to the above-average number of COVID-19 cases compared to other members of the European Union, led to drastic restrictions in the daily lives of the population and also had a significant impact on companies, especially in the first half of the reporting period.

In the course of the COVID-19 pandemic that has prevailed since March 2020, Energie AG was perceived in the Czech Republic as a stable and increasingly attractive employer. Despite the generally challenging economic climate, it was possible to maintain operations in full and generate a stable contribution to earnings. The high level of job security in infrastructure business contributed to a further strengthening of the company's position on the labour market, which had been very tense from an employer's point of view until the COVID-19 pandemic.

The dynamic developments on the European energy markets also led to massive price increases for electricity and gas in the Czech Republic towards the end of the 2020/2021 fiscal year. In the gas sector, this specifically affects the heat supply companies during the winter months. Heat and hot water are generated regionally here, mainly with gas boilers and gas cogeneration. In terms of water supply and waste water disposal, the electricity required for treatment and distribution plays a major role. Due to the sharp increase in market prices, the supplier for media gas and electricity announced difficulties in providing the ordered energy quantities at the agreed prices. As a result, Energie AG took measures to mitigate the impact in the form of alternative procurement options and a settlement with the previous supplier.

After a volatile development, the Czech koruna improved in value against the euro with an average exchange rate of around EUR/CZK 25.9.

## Changes under corporate law

To conclude the implementation of the new sales structure, the ENAMO Ökostrom Basis operational unit of ENAMO Ökostrom GmbH was spun off to Energie AG Oberösterreich Vertrieb GmbH (Vertrieb GmbH) with retroactive effect as of 31 March 2021.

In addition, OÖ Breitband Infrastruktur GmbH was founded on 16 September 2021 in preparation for bundling Upper Austrian broadband activities.

## | EMPLOYEES

### Development of the workforce

In the 2020/2021 fiscal year, the Group's average consolidated workforce stood at 4,593 full time equivalents (FTE), representing an increase of 0.7% over the average of the 2019/2020 fiscal year (4,560 FTE).

As of 30 September 2021, Energie AG Group had 4,611 employees (FTE, previous year: 4,571) in three countries (previous year: three).

The Group parent company Energie AG had an average of 70 employees (FTE) in the 2020/2021 fiscal year, down from 73 FTE in the previous year.

### Life and work at Energie AG

Energie AG supports a good balance between work and family life. Except for the Waste Management and Czech Republic Segments, the Company has been certified via the "berufundfamilie" audit since 2012. This allows it to position itself as a family-friendly employer, gain advantages in the competition for skilled professionals, and help to create a positive working environment by means of the associated raft of measures for management and employees.

The "Active Parental Leave Management" programme supports employees in Austria in planning the periods they will be off work. A nursing care platform offers comprehensive information and service links for employees who care for and support dependents. To make holiday planning easier, Energie AG supported its employees through the summer months of 2021 by providing a varied programme for children between the ages of six and 14. Since July 2020, the cooperation with the Salzkammergut Hospital in Gmunden has been offering employees a year-round kindergarten for their children in addition to the daily bookable summer camp. In the extension building currently under construction at the Group's

headquarters in Linz, the childcare centre “Loomiland” is already starting to take shape. The facility is planned to open in the summer of 2022.

Since the beginning of 2021, a works council agreement permits employees to take a sabbatical of up to three months. The sabbatical is subject to agreement with the employer and intended to mainly serve preventative health and training purposes (not educational leave).

## A work environment that nurtures innovation

Design-thinking experts, who were trained for Energie AG Group at several workshops, have formed a network in fiscal year 2020/2021 and are now available throughout the Group to support innovation processes with modern methods.

## Personnel and management development

A key goal is to provide targeted services to prepare employees and managers for the challenges they will face in the working world of the future. The educational program, which is available to all employees, is strongly focused on strengthening their skills in using methods and platforms. In particular, this applies to collaboration and interaction in everyday working life and the use of new digital technologies.

### Occupational development

	Unit	2020/2021	2019/2020	2018/2019
Training per employee	Hours	8.6	8.8	12.9
Performance review rate	%	69.3	74.2	72.8
Apprentices	Persons	76	73	72
Apprenticeships completed	Persons	26	16	16

Due to the COVID-19 pandemic, many classroom-based educational and training events had to be cancelled or postponed also in the 2020/2021 fiscal year. This negatively impacted the “Training per employee” key figure.

The learning platform EINSTEIN offers a comprehensive and attractively presented overview of the educational and training options. Employees can conveniently register with just a few clicks. EINSTEIN also enables employees and managers to review their past educational and training events.

Energie AG's conflict management system has further expanded its reach. An accompanying seminar programme for groups and team managers is intended to raise the awareness for the topic and the instrument available to them. The members of the works councils also attended seminars on this topic. Employees were offered information events that also aimed at sensitising them for the topic.

The Energie AG employees were offered a webinar on resilience to support them during the COVID-19 pandemic, a situation that many experience as extremely difficult. Interested employees could also participate in the online training “performance and motivation in times of crisis”, which is structured in several modules.

Single-day workshops on “leadership in difficult and challenging times” were offered to managerial staff to support them in handling new challenges (i.e. remote leadership) during the COVID-19 pandemic. The workshops gave Managing Directors, heads of departments as well as team and group leaders the opportunity to reflect and, supported by an external expert, talk about problem solving strategies.

The “Leadership Experience Discussion Circle” for team and group leaders was continued in the 2020/2021 fiscal year. These thrice-a-year get-togethers – some of them in a virtual space due to the COVID-19 pandemic – involve participants discussing leadership-related topics in small groups, accompanied by a coach. The group is intended to help attendees solve problems that arise in their day-to-day leadership roles, as well as encouraging these supervisory staff to be open to bouncing ideas off each other. The participants in fiscal year 2020/2021 were – also with regard to the new challenges – offered a virtual key note lecture by a brain researcher on the topic of “leadership in multitasking mode” followed by an opportunity for discussions and exchange.

The competency model continues to form the basis for the feedback meetings between the Management Board/Managing Directors/heads of departments.

The “Energie AG Future Lab” is an open and innovative format that aims at providing methodological and technical training to managerial personnel and also offers space to engage with future topics. Junior staff (PowerTalents) from Energie AG Group are involved in the programme in addition to Managing Directors and heads of departments. The session initially planned to take place in autumn 2020 had to be rescheduled to autumn 2021 due to the COVID-19 pandemic. The cancelled events were substituted by two bridging events, which were intended as a connecting link to the next session and to allow for an engagement with the effects of the COVID-19 pandemic. The first bridging event, which was held virtually, featured a discussion with the Management Board about the insights gained so far with regard to leadership and cooperation in the context of the COVID-19 crisis. At the second bridging event, the Management Board and managerial personnel tried to carve out those experiences from the COVID-19 pandemic that offer enough potential to pursue them in the future.

The personnel development programme, which is accessible for all employees in Austria via the EINSTEIN system, offered various training opportunities in the areas of media competency and methodological competency, which significantly contributes to keeping the employee's know-how up to date, especially in the area of digital media and work methods, and securing their employability.

## New ways to learn and work

Since the COVID-19 pandemic continued to strongly affect cooperation in fiscal year 2020/2021, the already well-established virtual seminar formats online training and webinar were continued for many topics. Additionally, specific input in the form of short video clips on topics such as “rituals in the home office” or “creating a suitable workplace at home” supported employees in organising their work from the home.

The survey “New ways to work from home” conducted within Energie AG in Austria during the “restart phase” returned positive feedback and resulted in the extension of the previous remote work model. A corresponding works council agreement together with guidelines for IT security, data protection, work safety (ergonomics) and training are in the process of being developed.

## Maintaining the high quality of apprenticeship programmes

Energie AG's in-house apprenticeship programme is an important competitive advantage. Since 1943, 1,532 apprentices have successfully completed their training and become top-qualified specialists in their fields. About half of these are still employed in the Company today. In September 2021, 22 young people (previous year: 21), among them two women, began their apprenticeships at Energie AG in the areas of electrical engineering and metals engineering. In keeping with our mission to promote diversity, apprentices of immigrant descent and asylum seekers also have their place in the Energie AG Group.

The next couple of years will see a significant scaling up of the marketing activities in districts with a higher demand for skilled workers (e.g. Schärding, Ried, Braunau). The apprenticeship trainers will pay personal visits to the polytechnic schools in these districts and inform the students about the apprenticeship programmes. The presence on regional job fairs is continuously being reinforced. The apprenticeship programme will be presented at the trade fairs in Braunau (Burgkirchen) and Mattighofen for the first time starting in fiscal year 2021/2022.

The cooperation with mandatory-attendance schools (electrical engineering polytechnic course, PowerGirls, Girls Day) as well as the offers for job shadowing only took place in a limited scope due to the COVID-19 pandemic. A virtual tour of the modern training workshop at Energie AG in Gmunden using 3D glasses was certainly helpful in this regard.

The apprenticeship programmes place a special focus on digitalisation. Apprentices are introduced to the digital transformation, from basic knowledge of digital technology to CNC (› **Computerized Numerical Control**) technology, PLC (Programmable Logic Controller) programming, 3D printers and smart home digital control on tablet devices. Once apprentices have successfully completed their probationary period, they are provided with their own tablets, which they can use at work as well as privately.

Safety and health are especially important to Energie AG in its apprentice training. The Company offers professional workshops and seminars to provide guidance to young people on topics such as preventing addiction and using the internet safely.

The most important milestone for an apprentice is the skilled worker examination at the Austrian Economic Chambers. The quality of training was also documented in the 2020/2021 fiscal year, receiving an outstanding result. Between them, the 18 current graduates (previous year: 16) earned 15 distinction grades in vocational school and 14 good or outstanding results in their final examinations. The fact that Energie AG was able to maintain the high quality of training despite the COVID-19 pandemic is confirmed by the exceptional success at the apprentice contest held by the industry of Upper Austria: an apprentice energy technician in his second year won not only in his own category, but also dominated the overall contest with the result of being distinguished with the title of "best apprentice in Upper Austria 2021".

The capacity of the training workshop for electrical engineering and metals engineering was expanded to the possible maximum. This allowed a total of 22 apprentices to start their career at Energie AG in September 2021.

The modernisation of the training workshop was also started in the past fiscal year. The electronics workshop and laboratory have already been upgraded to "state-of-the-art technology". This project will be continued in the next couple of years with the objective of warranting that the apprenticeship programme at Energie AG continues to rank among the best in Upper Austria.



The recruiting process was very challenging in the past fiscal year. A hiring process that was adapted to the COVID-19 rules applicable at Energie AG Group assured that all vacant apprenticeship positions were filled with suitable young talents.

In 2018, Energie AG initiated the establishment of the › **“[zukunft.lehre.österreich](#)” association Future Apprenticeships Austria (ZLÖ)** . Its objective is to strengthen the image of apprenticeships in Austria. The role of president is currently occupied by its creator, Chief Executive Officer KR Prof. Ing. DDr. Werner Steinecker MBA. Joining forces with the other members of the association, Energie AG aims to restore the status that apprenticeships deserve as a key foundation of business and, in turn, of society and the future at large. Since 2018, we have worked meticulously to design and advertise an Austria-wide apprenticeship platform and an apprenticeship-related image campaign aimed at the target group. A package aimed at safeguarding apprenticeship capacities will make financial aid to the tune of EUR 2,000 available for each new apprentice accepted by the Company.

## Employer branding

The age structure of the employees working in the Group entities and the challenges in recruiting suitable skilled personnel call on the Energie AG Group to employ a strategically coordinated recruiting and succession management that serves the purpose of making potential employees aware of the Company at an early stage and presenting them with opportunities to apply for jobs. In addition to continuing the general employer branding campaign, the 2020/2021 fiscal year also focused on skilled workers and drivers (especially for the Umwelt Service GmbH). This was complemented by different measures that continued the focus on graduates from universities and technical colleges. Graduates from technical schools (Höhere Technische Lehranstalt, HTL) were offered a HTL trainee programme for the first time in the 2020/2021 fiscal year. The programme offers five HTL trainees the opportunity to kickstart their careers at Energie AG Group with a flexible start until 1 August 2021. They are rotating through different areas over a period of twelve months and attend an accompanying seminar programme.

## Promoting diversity and women in technical careers

Due to the great success achieved in the previous years, three scholarships were awarded to female technicians in autumn 2020 (previous year: two). The scholars not only receive financial support, but can also complete internships at Energie AG and write their master's thesis drawing on their experiences with the Company, potentially fostering strong ties between the company and these scholars from an early stage.

### Diversity

	Unit	2020/2021	2019/2020	2018/2019
Women	%	23.5	23.1	22.6
Men	%	76.5	76.9	77.4
Women in management positions <sup>1)</sup>	%	15.2	15.8	14.6
Men in management positions	%	84.8	84.2	85.4

1) Definition of “management position”: Managing Directors, heads of departments, divisions, facilities, holding companies, corporate units, teams and groups.

To ensure the Company is capable of mastering future challenges, it is important for Energie AG that its employees have the relevant skills at their disposal and for diversity to be embraced not only in recruiting, but also internally (for example, when filling management positions).



Since 2014, Energie AG has been providing material and intellectual support to gifted and socially engaged pupils of immigrant origin through the START scholarship program, laying the foundations for these scholars to pursue academic study. This support covers the costs for (one-time) PC equipment, educational materials, seminar attendance, annual meetings, and regional events and workshops.

## Workplace health and safety

The health and safety of employees is understood as an important success factor and promoted by targeted priority programmes and internal campaigns.

Only healthy and satisfied staff can be successful with their work for a company. Energie AG works to ensure awareness and personal responsibility around quality and occupational safety among its employees. An internal campaign under the motto "100% safe" was launched in the 2020/2021 fiscal year and is intended to alert employees to potential hazards in their work environment. The campaign also calls on employees to contribute their own ideas on how to additionally increase work safety.

Potential hazards are ascertained and assessed by the respective managerial staff (or the responsible commissioned staff member pursuant to § 9 Administrative Penal Act (VStG)) with the help from the relevant work safety and occupational health experts in accordance with § 4 of the Employee Protection Act). This forms the foundation for the determination of measures (the workplace evaluation). The "Safety Manual" of the Austrian lobby group "Österreichs Energie" includes an evaluation of individual activities. Shortcomings in the Austrian entities detected during the regular inspections pursuant to § 77a Work Safety Act (ASchG) are also assessed in accordance with a risk matrix pursuant to ISO 45001:2018 (excluding the Waste Management Segment). The employees also rate their work activities on a risk matrix provided by the safety management in the form of training templates.

Work accidents or incidents that almost resulted in an accident are investigated by the safety management in accordance with the Employee Protection Act insofar as an investigation appears expedient for the prevention of further accidents. This allows for the development of suitable measures, such as a change of work materials, work equipment, work processes, personal protective equipment, or more frequent inductions.

Hazards and risks are reported to the direct line manager. Other persons (employer, safety expert, occupational health specialist etc.) are involved as required to identify these hazards and minimise risks as far as possible. The employees have access to all services offered by an occupational health specialist in accordance with § 82 Employee Protection Act.

As required under the Employee Protection Act, the involvement of safety liaison staff or the relevant employee representatives assures that the employees are involved in issues concerning work safety.

The employer communicates safety-relevant issues to employees down the hierarchical levels in accordance with the organisational structure and in consultation with the safety liaison officer. The employees in Austria have access to a wide range of training options on work safety (e.g. e-learning modules on preventative fire protection, protection against falls, work in enclosed spaces; in-person events: construction site safety, working with electricity, and working with lifting equipment).

Preventive action and information are used to prevent work-related adverse health conditions and staff are directed to be more conscious in their approach to health through the "energy@work" project. If an individual has already fallen ill, the Company takes steps to promote their recovery. Energie AG's company health management policy was awarded the "Betriebliche Gesundheitsförderung" (Workplace Health Promotion) seal of approval (except for the Czech Republic and Waste Management Segments), which is valid in its current form until 2022.

Numerous programmes contribute to safeguarding the employees' health (e.g. the webinar "Staying strong during the COVID-19 pandemic", first aid courses, quit smoking seminars, workshop "Schichtfit basics").

Topical issues are discussed and solutions are developed in regular health meetings including employee representatives, occupational health professionals and safety management specialists. Weekly exercise programmes at a number of work sites also promote health awareness. The range of occupational healthcare services includes extensive contact during consultation hours and vaccination campaigns. A "Mental Health at Work Service Line" is also available to all employees in Austria in order to provide support in the event of personal problems or conflicts. A Group-wide employee survey was conducted in the spring months of 2021. The questions on psychological stress and their effects on the employees' health that were included for the Austrian companies this time cover the legally required "evaluation of psychological stress factors". The questionnaire also included questions to determine the HWO ("Human Work Index") and specific questions related to projects and key issues.

The results of the evaluation of psychological stress factors show that all business and service areas in Austria as well as the holding units and ČEVAK a.s. from the Czech Republic Segment score above the benchmark for Austria in all four dimensions. The HWI of Energie AG (all business and service areas in Austria plus the holding units) exactly matches the benchmark for Austria. The biggest subsidiary in the Czech Republic, ČEVAK a.s., outperforms the benchmark in all categories. Measures will be developed and implemented in the next step.

## Workplace safety

	Unit	2020/2021	2019/2020	2018/2019
Work accidents	Number	70	80	101
Accident rate	‰	14.80	16.20	20.63
Days of sick leave	Number	29.20	32.40	24.37
LTIF <sup>1)</sup>		9.70	9.35	11.85
Deaths after work-related injuries	Number	0	1	0
Workplace and construction site inspections <sup>2)</sup>	Number	169	52	85

1) Lost Time Injury Frequency Index – frequency of work accidents per one million work hours

2) Workplace and construction site inspections 2019/2020 and 2018/2019 excl. Waste Management Segment and Czech Republic Segment, 2020/2021 excl. Czech Republic Segment

Energie AG ensures that the specifications of the Employee Protection Act and the associated regulations are consistently observed throughout the Group, and that appropriate preventative measures are implemented. In the 2020/2021 fiscal year, the Group (excl. Czech Republic Segment) saw around 169 announced and unannounced workplace and construction site inspections carried out by safety experts and occupational health professionals together with those responsible on site and/or Energie AG Group management

as part of due diligence measures. Office workplaces were reviewed to assure ergonomic design and, if necessary, adjusted to keep the number of musculoskeletal conditions among employees as low as possible.

A total of 70 reportable work accidents were registered (previous year: 80), which corresponds to an accident rate of 14.8 accidents per 1,000 employees (previous year: 16.20 accidents per 1,000 employees) <sup>1)</sup>. The accident severity amounted to an average of 29.2 days of sick leave per work accident (previous year: 32.40). Converted to an international indicator value, this corresponds to an LTIF (Lost Time Injury Frequency) of 9.70 per 1,000,000 working hours (previous year: 9.35). There were no fatal work accidents (previous year: 1).

A closer look at the work accidents reveals a picture that varies in national characteristics and, in particular, in the different areas of activity within the Energie AG Group. The Waste Management Segment has a much higher accident rate and higher accident severity than any other segment.

The legally required inductions with respect to hazards, health, safety and risk prevention steps are regularly held throughout the Energie AG Group. The short briefings were extended to include several new topics and are available for employees to access online.

In addition to the briefings, a large number of subject-specific training courses were conducted during the reporting period as part of due diligence measures. Employees of third-party contractors in the technical and electrical engineering sectors are also allowed to attend if they require additional training. In addition to training courses on working with live electrical equipment and operational use authorisation, training modules on low and high voltage electrical system operation and management authorisation were also offered, along with other safety-related topics such as working with lifting equipment.

While the natural objective of the safety experts is to bring the rate and severity of accidents down to zero, they place great emphasis on potential work accidents with a high likelihood of occurrence and high severity of the potential injury. Approaching this number requires employees to receive the best possible training and the responsible colleagues to receive maximum support in the induction of colleagues. Workplaces and activities must also be subjected to a continuous evaluation and the necessary measures must be adjusted as required.

## Branch offices

Energie AG has no branch offices.

<sup>1)</sup> Up to cut-off date of 30 September, including partially consolidated companies.

## ASSETS, LIABILITIES, FINANCIAL POSITION AND PROFIT OR LOSS

	Unit	2020/2021	2019/2020	Change
Sales revenues	EUR mill.	409.5	369.3	10.9%
Operating result (EBIT)	EUR mill.	59.9	63.4	-5.5%
EBIT margin	%	14.6	17.2	-14.8%
Earnings before taxes	EUR mill.	65.0	80.4	-19.2%
Balance sheet total	EUR mill.	2,724.0	2,461.7	10.7%
Equity	EUR mill.	843.5	833.3	1.2%
Equity ratio	%	31.1	34.0	-8.5%
Cash flow from operating activities	EUR mill.	175.0	162.4	7.8%

The sales revenues are EUR 40.2 million up on the previous year, amounting to EUR 409.5 million (previous year: EUR 369.3 million).

A comparison with revenues in the previous year shows that intra-group gas sales have increased by EUR 24.0 million. This is predominantly attributable to the increased turnover frequency at the 7Fields gas reservoir. The revenues from electricity sales increased by EUR 4.2 million, the intra-group lease settlements by EUR 7.8 million.

EBIT decreased by EUR 3.5 million to EUR 59.9 million over the previous year. This is attributable to the differences in the sales revenues and the following other differences:

The other operating revenues were EUR 3.3 million lower than in the previous year, particularly due to lower property sales.

The expenses for materials and purchased services increased by EUR 36.9 million. The higher revenues from gas sales resulted in higher expenses for materials due to gas purchases from the 7Fields gas reservoir of EUR 14.5 million and the recognition of a provision for impending losses in an amount of EUR 12.9 million.

Personnel expenses were EUR 1.4 million higher than in the previous year. In the calculation of the provisions for social capital, a change in the actuarial parameters resulted in higher income of EUR 1.2 million in the previous year; in the reporting year, these changes resulted in expenses of EUR 0.1 million. An early retirement provision of EUR 0.2 million was recognised in fiscal year 2020/2021 (previous year: EUR 0.2 million).

Depreciation increased by EUR 3.3 million, write-downs declined by EUR 8.4 million and concerned buildings in the reporting year and the 7Fields gas reservoir in the 2019/2020 fiscal year.

The other operational expenses increased by EUR 7.3 million. This is mainly attributable to the recognition of a provision of EUR 6.7 million for impending losses in connection with the 7Fields gas reservoir.

The financial result is EUR 5.1 million, a decrease of EUR 12.0 million over the previous year. The change resulted in particular from lower investment earnings of EUR 13.6 million, from lower expenses from loss absorption agreements in the amount of EUR 4.1 million, and from higher interest expenses.

This amounts to earnings before taxes (EBT) of EUR 65.0 million (previous year EUR 80.4 million).

The balance sheet total in the fiscal year is EUR 2,724.0 million (previous year: EUR 2,461.7 million) and has increased by EUR 262.3 million (or plus 10.7%) over the previous year.

On the assets side, property, plant and equipment increased by EUR 40.3 million. The transformer and distribution systems and the expansion of the fibre-optic grid account for the largest part of the investments in property, plant and equipment.

The financial assets declined by EUR 8.0 million, with the decline predominantly attributable to the repayment of loans to affiliated companies.

The receivables and other assets increased by EUR 64.0 million. A significant amount relates to a CO<sub>2</sub> commission transaction with receivables of EUR 49.2 million.

Credit balances with banks increased by EUR 167.8 million.

Turning to the liabilities side of the balance sheet, equity increased by EUR 10.2 million. This is largely attributable to the distribution of a dividend of EUR 53.2 million and the profit for the year amounting to EUR 63.5 million.

The investment subsidies include the COVID-19 investment bonus of EUR 0.9 million.

The provisions increased by EUR 18.4 million. The provisions for impending losses in connection with the 7Fields gas reservoir were increased by a total amount of EUR 19.6 million.

Liabilities to banks increased by EUR 74.9 million and were mainly attributable to the assumption of long-term funding in an amount of EUR 75.0 million.

The liabilities to affiliated companies increased by EUR 210.6 million over the previous year, a fact predominantly attributable to the higher netting and pooling liabilities to Energie AG Group Treasury GmbH in an amount of EUR 114.2 million and intra-group loans amounting to EUR 67.5 million.

The other liabilities declined by EUR 29.6 million. This includes lower liabilities from taxes in the amount of EUR 45.1 million. The liabilities from hedging annexes in connection with hedging transactions increased by EUR 16.9 million.

Construction cost subsidies were EUR 6.6 million lower.

An amount of EUR 8.0 million in deferred taxes from shares in affiliated companies included in the deferred income and accrued expenses was reversed for the last time in accordance with § 906 para 34 of the Austrian Commercial Code.

Equity increased by 1.2% over the previous year, the equity ratio (relating to the total capital less investment subsidies and special items for emission allowances) decreased by 8.5% to 31.1%.

The cash flow from operating activities amounts to EUR 175.0 million and increased by 7.8% over the previous year. While the cash flow from earnings increased by EUR 19.8 million, the working capital was EUR -7.2 million lower than in the previous year.

## | FINANCING AND INVESTMENT STRATEGY

In the 2020/2021 financial year, the COVID-19 pandemic continued to dominate events on the financial and capital markets. The global economic upswing that set in from the middle of the year led in part to massive supply bottlenecks and price increases for raw materials of all kinds. This development is reflected in the higher inflation rates in the USA and the Euro zone. The reaction of central banks and market players will depend on how sustainable inflation rates turn out to be in the coming months. The conservative approach to Energie AG's funding and investment policy again proved its value in the past fiscal year.

### External rating confirms resilience to crises

In March 2021, the international rating agency Standard & Poor's (S&P) again confirmed the creditworthiness of Energie AG with an excellent rating of "A with a stable outlook". For more than 20 years, the Company has had a credit rating by external experts and has held an excellent position both among Austrian energy suppliers as well as in an international comparison. The rating award underlines Energie AG's strong performance and crisis resilience during the COVID-19 pandemic. Energie AG therefore continues to secure unimpeded and cost-optimised access to the financial and capital markets.

### Ensuring high, sustainable financial flexibility

Energie AG successfully placed bonds with institutional investors in May 2021 for long-term corporate financing. A total volume of EUR 75.0 million was issued in several tranches with maturities of 20, 25 and 30 years at very attractive conditions. The funds are being used to finance sustainable infrastructure projects, in particular for the expansion and renewal of hydroelectric power and photovoltaic plants and the expansion of the electricity grid in Upper Austria.

Financial liabilities increased from EUR 597.6 million as at 30 September 2020 to EUR 670.1 million as at 30 September 2021 due to issuing registered bonds. The Group's repayment profile is characterised by bullet loans. As of the reporting date, Energie AG had high liquidity reserves. These resulted primarily from the very good operating performance in the past fiscal year and from high liquidity additions (margin payments) in connection with hedging transactions in the commodity area. As of 30 September 2021, cash and cash equivalents in the form of account balances, time deposits and short-term investments totaling EUR 325.0 million were available (previous year: EUR 156.1 million).

The sound liquidity reserves and the excellent credit rating guarantee the strong financial flexibility of the Energie AG Group in the long term.

### Central Group-internal financial management

Group-internal funding is managed centrally by Energie AG Group Treasury GmbH. In the scope of cash pooling throughout the Group, short-term liquidity management was secured between the 27 Austrian Group companies in the past fiscal year (figures valid as of 30 September 2021).

## VALUE-BASED CORPORATE MANAGEMENT AND CAPITAL COSTS

Energie AG's value management strategy is an instrument for measuring and controlling the economic success of the Group's business activities. It serves to assess the attractiveness of investing activities and secures the company value as well as generating a capital market-oriented return for the owners. Along with the operating result, the weighted average cost of capital (WACC) is of essential importance. The WACC value serves as the basis for determining the minimum yield requirements for Group management and is therefore used as a yardstick for value generation in the Company.

Energie AG calculates the cost of capital as the weighted average of equity and borrowing costs. The cost of equity is determined using the capital asset pricing model (CAPM). Calculations take into account the risk-free interest rate, a country risk premium, a market risk premium and a beta factor. Borrowing costs are composed of the risk-free interest rate, a country risk premium and the credit spreads of the peer group. The parameters specified by the regulatory authority are used for the regulated business units. The capital costs of the business units with activities on non-regulated markets are determined using the reporting-date principle and based on market conditions. In a further step, the bottom-up method is used to weigh these costs up unto the Segment and Group capital costs.

This WACC method is subjected to on-going evaluation taking current publications and expert opinions into consideration. Adaptations are made as needed. Moreover, the costs of capital are continuously monitored against the background of a volatile financial market environment. The consolidated WACC value for the 2020/2021 fiscal year was 4.0% (previous year: 4.2%).

Along with the operating result, one of the most important key indicators for operational Group management during the fiscal year is the ROCE (Return on Capital Employed), which indicates how efficiently and profitably the available capital is utilised. The ROCE is calculated as the quotient of Net Operating Profit After Tax (NOPAT) and average Capital Employed.

The NOPAT key indicator denotes the taxed profit from operating activities excluding the at equity result of associated companies. One-time effects such as impairments and market valuations are taken into account and are included in the NOPAT. When calculating taxes, all at equity revenue is eliminated in the tax base, as the former is already adjusted for taxes.

The capital employed is derived by subtracting the non-productive assets and non-interest-bearing liabilities from the average total assets. It reflects the interest-bearing capital pooled in the company. The average capital employed (Ø CE) is calculated as the average of the total capital employed of the last two fiscal years. Capital employed includes the carrying amount of the investments accounted for using the equity method, excluding the associated strategic investments.

The goal of the Energie AG Group is to generate an ROCE above WACC through consistent value-oriented corporate management and control. The ROCE minus the WACC results in the relative value contribution. The absolute value added is calculated by multiplying it by the capital employed. The higher this value is, the more economically successful the respective activity has been. The value contribution is influenced by various variables. In addition to the development of operating earnings, the level of ROCE and value added specifically depends on the capital employed. The NOPAT key indicator corresponds to EBIT less related taxes in the amount of EUR 39.8 million and other items in the amount of EUR 26.1 million.

In the Energie AG Group, in addition to strategic considerations, resources for future capital investments and acquisitions are allocated by prioritising projects exclusively on the basis of the presented value-oriented criteria and methods.

In the 2020/2021 fiscal year, the ROCE of the Energie AG Group was 6.8%, 0.9 percentage points above the previous year (5.9%).

## | TREASURY STOCKS

By resolution of the Annual General Meeting on 16 December 2020, the share capital of Energie AG Oberösterreich was reduced by EUR 1,742.00 from EUR 88,655,524.00 to EUR 88,653,782.00 by means of a simplified capital reduction by cancellation of 1,742 no-par value registered shares of treasury stock in the form of non-voting preferred shares. As a result, § 4 of the Company's Articles of Association was amended accordingly.

In certain cases, the Energie AG Oberösterreich employee stock option plan provides for the right or the obligation to purchase Energie AG employee shares. In fiscal year 2020/2021, the following changes in treasury stock resulted from this security:

	Treasury stocks	Share in capital stock	Share in capital stock
	Shares	%	EUR 1,000
Treasury stocks as of 30.09.2020	1,742	0.002	1.7
Disposals 2020/2021	-1,742	-0.002	-1.7
Additions 2020/2021	+1,224	+0.001	+1.2
<b>Treasury stocks as of 30.09.2021</b>	<b>1,224</b>	<b>0.001</b>	<b>1.2</b>

## | INTERNAL CONTROL SYSTEM

The internal control system (ICS) is a process embedded in the work and operating procedures of the Energie AG Group which is implemented by management and staff in order to identify and control existing risks and to be able to ensure with sufficient certainty that the following general objectives are achieved in the course of fulfilling the tasks of the Group:

- Effectiveness and efficiency of business activities
- Regularity and reliability of internal and external reporting
- Compliance with the internal regulations applicable to the Company and the pertinent legal provisions, in particular for the accounting process

In the Energie AG Group, the roles "Group Treasury", "Group Accounting" and "Controlling and Risk Management" have been established as company holding roles. The "Accounting" department acts as a service provider for the entire Group and is established in scope of Energie AG Oberösterreich Business Services GmbH (Business Services GmbH). The basis for valid financial reporting is a strongly IT-supported process as well as a high degree of standardisation in data acquisition and processing, starting with commercial services, through the preparation of the companies' annual reports, to consolidation in the consolidated financial statements. The above-mentioned functions thus form the core of the ICS control environment with regard to the accounting process.



The core processes of the above-mentioned departments, as well as the process-inherent material risks and the corresponding controls, are recorded in a separate IT tool. Since the 2020/2021 fiscal year, this IT tool links the areas of ICS, Quality assurance and environmental protection (QSE), data protection, risk management and information and communication technology (ICT) risks and has established itself as a valuable information system for managers and employees.

The concrete design of the controls is adapted to individual requirements which adequately consider risks and can include both manual and automated components. The dual control principle is strictly applied to approval processes. Conflicts of functional separation are avoided and monitored by compensatory controls.

Continuous monitoring and a cyclical audit of the control design and effectiveness of the controls by Group Internal Audit form the basis of quality validation and monitoring for these systems throughout the Group.

Structured, standardised reporting to the Management Board and supervisory bodies ensures that the legally prescribed monitoring tasks are performed.

Control awareness is well anchored in the operating units and is sustainably implemented in the business processes. In addition, maintaining and strengthening risk awareness and awareness of the importance of the ethical values laid down in the vision and mission statement is an essential component of the corporate governance culture.

The legal obligation to equal treatment in accordance with ElWOG and GWG are subject to appropriate ICS controls and are monitored by the Equal Treatment Officer.

The ICS thus satisfied the statutory requirements in the year under review.

## | RISKS AND OPPORTUNITIES

Energie AG's risks and opportunities situation is strongly influenced by the challenging general energy policy and political environment and the associated volatile price developments. Additionally, regulatory changes, the climatic conditions and climate policy, and the potential further impact of the COVID-19 pandemic significantly impact business development.

Highest priority is assigned to performing all system-critical tasks, in particular to ensuring the reliable supply of electricity, gas, heat, telecommunications services and water as well as managing waste and waste water.

In order to maintain financial stability, Energie AG relies on targeted strategic and operational measures. They include value-based investment management and measures to increase efficiency as well as new business models and innovations to open up new earnings potential.

Against the backdrop of the ongoing COVID-19 pandemic and numerous energy policy imponderables, medium- and long-term forecasts are currently only reliable to a limited extent. Energie AG's business activities are still exposed to certain risks, but no risks were identified in the fiscal year 2020/2021 that, either individually or collectively, would have the potential to jeopardize the continued existence of the Company.

## Significant opportunities (+) | risks (-) <sup>1)</sup> and measures

### STRATEGIC OPPORTUNITIES | RISKS

#### +|- Strategic opportunities | risks due to

- Changes in general climatic conditions
  - Extreme events and their consequences (periods of heat | drought, flooding, storms, hail, forest fires, avalanches)
  - Long-term changes in climatic and ecological conditions (precipitation frequency/volume, increase in average temperatures)
- Changes in the general energy policy and energy market environment
- Changes in technological developments, in the market environment, in customer needs ...

#### Measures:

- Continuous intensive monitoring of energy policy developments, markets, competitors, customers, the climate and technologies
- Participation in research projects, ...
- Early and intensive monitoring of strategic opportunities|risks

### VALUE OF ASSETS – OPPORTUNITIES & RISKS

- Write-ups and write-downs of assets, procurement rights, investments
- Allowances for receivables
- Creation of provisions for impending losses

#### Measures:

- Ongoing monitoring, sensitivity analyses
- Long-term contracts
- Counterparty risk management

### PROJECT OPPORTUNITIES | RISKS

- High, long-term investment costs, projects with a high level of complexity
- Underruns and overshooting of the planned values in terms of timing schedule, project costs and quality
- (Energy) policy uncertainty

#### Measures:

- Project management
- Risk management methods in the entire project cycle
- Optimised contract arrangements

### SUSTAINABILITY OPPORTUNITIES | RISKS

In the medium term – in our 5-year planning horizon – we assume that climate-related opportunities | risks will remain within the statistical range of the past few years, and these have been taken into account in our (opportunities | risks) scenarios.

Potential long-term climate-related risks and opportunities beyond this have been taken into account in strategic decision-making.

Opportunities|risks that may affect questions of sustainability as a result of Energie AG's business activities.

<sup>1)</sup> Risk|opportunities, definition:

- A risk is the possibility of an event occurring which has a negative impact on targets (EBT, EBIT, cash flow)

- An opportunity is the possibility of an event occurring which has a positive impact on targets (EBT, EBIT, cash flow)

## MARKET AND COMPETITION RISKS

### +|– Market price changes

(electricity, gas, biomass and emission allowance prices)

#### Measures:

- Bundled management of commodity price risks by Energie AG Oberösterreich Trading GmbH
- Risk strategies geared for the market environment
- Leveraging of internal synergies within the Group

### +|– Electricity generated from hydroelectric power

influenced by development of weather/climate

#### Measures:

- Optimised management of generation portfolio

### +|– Electricity production from thermal power plants

#### Measures:

- Bundled management of commodity price risks by Energie AG Trading
- Long-term contracts
- Leveraging of internal synergies within the Group
- Risk strategies geared for the market environment

### +|– Electricity, gas, heat and telecommunications services sales volumes

influenced by development of weather/climate, competition, economy, policy, ...

#### Measures:

- Bundling of sales organisations
- Price guarantee
- Service and subsidy offerings
- Focus on digitalisation
- Positioning as an energy service provider

### +|– Market price and volume changes in waste management

Recycling materials, industrial waste, domestic waste, delivery prices, thermal, ...

- Increased competition from pretreatment plants and industrial co-incinerators
- Increased re-municipalisation efforts of municipal waste management associations

#### Measures:

- Long-term indexed contracts with defined delivery volumes and prices
- Focused market activities
- Intensification of cooperation with the public sector
- Further development of the digitalisation projects

### +|– Contractual losses|gains and contract changes in the water|wastewater sector

#### Measures:

- Synergy projects
- Ongoing participation in (concession) tenders

## OPPORTUNITIES/RISKS FROM BUSINESS OPERATIONS

### – Facility risks

Impairment of the availability of facilities due to

- Technical malfunctions, sabotage, ...
- Natural disasters such as storms, flooding, ...

#### Measures:

- Maintenance and quality controls
- Optimised maintenance strategy
- Structural (flood) protection measures
- Strategy programmes "Replacing overhead medium-voltage lines that are particularly susceptible to disruption with underground cable", "Replacing low-voltage lines", consistent expansion of grid automation
- Crisis and contingency management
- Insurance

### +|– Physical weather risks

such as periods of heat/drought, flooding, storms, hail, forest fires, avalanches and their impact on third parties

#### Measures:

- Structural (flood) protection measures
- Strategy programmes "Replacing overhead medium-voltage lines that are particularly susceptible to disruption with underground cable", "Replacing low-voltage lines", consistent expansion of grid automation
- Crisis and contingency management
- Insurance

### – Risks from information security, cyber-security and data protection

#### Measures:

- Optimised insurance strategy
- Comprehensive technical measures
- Management systems for information security and data protection

### – Personnel risks

- Health and safety risks for company staff and temporary employees
- Loss of expertise and practical knowledge

#### Measures:

- Safety training courses for employees
- In-house health management project energy@work
- Apprentice/trainee education
- Group policies "Human Resource Management", "Management by Objectives" and "Management Academy"

## POLITICAL, REGULATORY AND STATUTORY OPPORTUNITIES/ RISKS

### +|- Changes in the statutory environment

for the electricity and gas grids

#### Measures:

- Intensive and constructive dialog with the regulatory authorities
- Cooperation with interest groups

### +|- Legal risks

from pending legal disputes

#### Measures:

- Legal support
- Provisions in the balance sheet
- Out-of-court settlements

### +|- Political and statutory environment

- EU climate policy provisions and their implementation in Austria
- Statutory environment for project development and implementation
- Changes to subsidy regime

#### Measures:

- Intensive and constructive dialog with authorities and politicians
- Cooperation with interest groups

## COMPLIANCE RISKS AND DATA PROTECTION INFRINGEMENTS

### – Compliance risks

- Antitrust and corruption risks
- Financial market compliance

#### Measures:

- Group policies “Compliance Management System” and “Anti-Corruption”, “Capital Markets Policy”, “ICT Information Security Management”
- In-person training and e-learning courses

### – Data protection infringements

- Accidental or unlawful destruction, loss, alteration or disclosure of data
- Hacker attacks

#### Measures:

- Group policies “Data Protection Management System” and “Data Protection Compliance Policy”
- In-person training and e-learning courses

## FINANCIAL RISKS

### +|– Changes in interest rates

#### Measures:

- Long-term fixed interest agreements

### +|– Foreign exchange risk

Primarily from the transaction and translation risks of the Czech Group companies

#### Measures:

- Ongoing monitoring
- Currency hedging, where necessary

### +|– Prices changes in financial assets (securities, funds)

resulting from fluctuations in market value on the capital markets

#### Measures:

- Conservative investment policy
- Consistent monitoring
- On-going quantification of share price risks

### +|– Rating change

means lower| higher refinancing costs

#### Measures:

- The management of Energie AG continues to seek to maintain Energie AG's Single A credit rating in the long term
- Ensuring compliance with the required key financial performance indicators

### +|– Opportunities | Risks from investments

- Fluctuations in the returns on investments
- Fluctuations in dividends received

#### Measures:

- Ongoing monitoring
- Representation on the boards of the subsidiaries

### +|– Changes in the discount rate for provisions

The present value of provisions decreases at a higher discount rate and increases at a lower discount rate

#### Measures:

- Ongoing monitoring

### – Counterparty risks

Complete or partial failure of counterparties

#### Measures:

- Ongoing monitoring
- Credit limit systems
- Hedging instruments
- Targeted strategy of diversification of business partners
- COVID-19 counterparty task force

### – Liquidity risk

#### Measures:

- Centralised, forward-looking liquidity planning
- Sufficient liquidity reserves
- Open, partially committed credit lines

## Risk management process

Against the background of the current energy policy environment and associated volatile price developments, the industry as a whole and Energie AG as an industry player are facing numerous uncertainties.

The aim of Energie AG's risk management system is to identify resulting opportunities and risks at an early stage, counter risks with suitable measures, and harness opportunities. As an integral part of the management and control system, risk assessments form part of the strategic and operational decision-making process and support our management team.

The risk management of Energie AG follows the established COSO-II framework as the risk management standard across the Group. The responsible business units follow a structured

quarterly process to identify and evaluate risks/opportunities and measures, and record them in a central management system. The data collected decentrally is then analysed at the Group level and combined to form the Group's overall risk position.

Reporting to the Group's Management Board is done on a quarterly basis and ad hoc as required. The risk management report is an integral part of reporting to the Supervisory Board and is, in accordance with the requirements of the Austrian Company Law Amendment Act (URÄG), also submitted to the audit committee with respect to the efficiency and validity of the processes. The central management system assures proper documentation and verifiability.

## RESEARCH, DEVELOPMENT AND INNOVATION

For Energie AG, research, development and innovation is an essential component to being well prepared for meeting future challenges. Despite the changed economic environment caused by the COVID-19 pandemic, work on numerous projects continued successfully in the period under review.

European and Austrian objectives relating to climate targets are leading to increasingly concrete consequences and regulations, resulting in new projects and fields of research. In the 2020/2021 fiscal year, for example, projects on hydrogen technology were prepared and launched in the scope of the "Hydrogen Initiative Showcase Region Austria Power & Gas" (WIVA P&G). A central role in shifting electricity production from renewable sources from summer to winter and in industrial decarbonisation is attributed to hydrogen as an energy carrier.

Aware of its social responsibility for future generations and its responsibility for the secure supply of Upper Austria, Energie AG is also proactive and highly committed in all Group segments to dealing with fields such as electrification, decarbonisation and greening of sectors, increasing energy production from renewable sources, and integrating this into the existing energy system. Digitalisation and automation play a central role in development and innovation.

Since the 2019/2020 fiscal year, "innovation", an important issue for the future, has been actively promoted by Wertstatt 8 GmbH, which was founded on 1 October 2019. This wholly owned subsidiary focuses its activities on the development of digital solutions and innovative business models relating to energy and the environment.

Furthermore, Energie AG attaches great importance to good networking and intensive collaboration with cooperation partners from science and industry. This guarantees a successful exchange with valuable mutual benefits.

	Unit	2020/2021	2019/2020	Change
Number of R&D&I projects in the Group	Number	128	98	+30.6%
Staff in R&D&I projects	FTE	58.9	51.4	+14.6%
R&D&I expenses in the Group	EUR mill.	5.5	4.1	+34.1%



In fiscal year 2020/2021, research, development and innovation were pursued in the following projects (non-exhaustive list):

### **“Underground Sun Storage 2030”**

In the course of WIVA P&G, the “Underground Sun Storage 2030” project is researching large-volume storage of hydrogen in depleted natural gas deposits in cooperation with eleven consortium partners. Surplus electricity from renewable energy sources is converted into hydrogen by means of electrolysis and stored in this form, making it available as an energy carrier for use at a later date. This is of utmost importance for the future energy system, as the strong expansion of photovoltaics, among other things, will lead to surplus electricity available in the summer months but a deficit of electricity in the winter. Energie AG is involved in work packages for the production of green hydrogen from renewable electricity by means of electrolysis and in feeding the stored green hydrogen into the existing Netz Oberösterreich GmbH (Netz OÖ GmbH) gas grid.

### **"HeatHighway"**

Two 100-km district heating networks in Upper Austria and Styria are being planned in the "HeatHighway" project as part of the NEFI showcase region (" [New Energy for Industry](#)") with partial sections being implemented in practice to the extent possible. Interregional heat transfer networks connecting several industrial waste heat and other sustainable heat sources as well as several district heating networks, industrial process heat sinks and storage facilities are being investigated. In addition to developing an interdisciplinary toolbox for implementing interregional heat transfer networks, the focus is on anticipating the medium-term use of waste heat from innovative processes, developing a cost-effective pipe system and subsequently constructing a "lean pipe prototype". The aim is also to demonstrate the technical controllability of such a system in the form of a "virtual heat transfer network demonstrator" based on 3D simulations.

### **Peer2Peer electricity exchange app "E-Fairteiler" (fair e-distributor)**

Together with Vertrieb GmbH, Wertstatt 8 GmbH developed E-Fairteiler in a strongly customer-centric innovation process; E-Fairteiler is an app that enables customers to exchange, sell, give away or donate self-generated electricity. It allows owners of photovoltaic (PV) systems to supply regionally generated solar electricity to customers without PV systems. Every customer can use the app to obtain local renewable electricity, prioritise their local suppliers in line with their individual needs and come to price agreements with them. Energie AG customers were actively involved in its development and the prototype was successfully tested in a pilot region. The "Ökostrom E-Fairteiler" electricity product now available does not require any additional hardware, as it uses the data from the smart meter electricity meters.

### **Ecological research of watercourses with hydroelectric power utilisation**

Research focusing on aquatic ecology is being conducted in sub-projects with various partners on topics such as sediment management in watercourses with hydroelectric power utilisation, downstream fish migration and the ecological potential of high alpine residual flow stretches of watercourses subject to hydropneaking.

## ECOSINT – Energy Community System INTeграtion

A suitable architecture for local energy communities is being developed together with partners from the energy industry, automation technology and energy informatics, as well as representatives of the regulatory authority and other grid operators. The intent is to use this for community plants, renewable energy communities or citizens' energy communities and to enable the use of flexibilities such that local energy communities can be integrated into the overall system in a way that benefits the grid and is conducive for the system as a whole.

## Digitalisation and automation initiatives

Energie AG is consistently pushing forward with its digitalisation and automation initiative. This generates direct benefits for internal processes, such as projects in power plant maintenance where a strategy for the predictive maintenance of power plants was launched, a digital dam monitoring system was developed, and a "digital twin" of a dam was created.

In the waste management area, the handling (sampling, emptying, repackaging) of hazardous liquid substances has been made easier and safer for employees by automated processing and industrial robots.

Customers are also benefitting directly from Energie AG's initiatives such as the "Water under Control" pilot project in the scope of which smart water meters were tested in two Upper Austrian communities. The smart water meters offer customers additional features, such as an overview of consumption trends and an alert in the event of unusual consumption developments, for example due to leaks in the building. Municipalities can benefit from simplified meter readings and plan pool fills in a better way.

## I OUTLOOK

Shortly after the end of the reporting period, the Austrian Federal Government presented the key points of the eco-social tax reform on 3 October 2021; the reform is due to be phased in gradually starting in 2022. In addition to tax relief, this will mean greening of the tax system in the form of CO<sub>2</sub> pricing for energy applications in buildings and transport and for companies outside emissions trading from mid-2022; this in turn will lead to increases in the cost of, for example, non-outsourced logistics and also the price of gas.

Against the backdrop of the ongoing COVID-19 pandemic and imponderables such as supply chain issues, there are limits to the reliability of forecasts on the economic development for the fiscal year 2021/2022. Having said this, experts expect the economy in the euro area to continue to develop dynamically, while inflation rates will be significantly higher than in the past.

At the end of the 2020/2021 fiscal year, prices on the international energy markets showed massive increases with records being broken almost daily. After prices reached their previous peaks at the beginning of October, a phase of high volatility and erratic price changes, which is still ongoing, followed. A highly volatile sideways movement of wholesale prices is expected to continue in the six months of winter. An easing of the situation can be expected subsequently, parallel to an increase in supply or a dip in demand for gas and coal. A return to the favourable energy prices seen immediately after the start of the COVID-19 pandemic is not to be expected. The development on the commodity markets provides an essential basis for pricing in the electricity and gas sectors. If the high level continues in the long term, Energie AG's risk on the procurement side will grow.

In addition to the demanding situation on the procurement markets, the general energy policy conditions – especially the ambitious targets for the expansion of renewable energies and CO<sub>2</sub> reduction – will also pose a major challenge for Energie AG in the 2021/2022 fiscal year.

Vertrieb GmbH intends to keep electricity and gas retail prices for existing private and business customers with standard products (with the exception of float prices) and fibre-optic internet constant, until at least 1 January 2023. Due to the dramatic increase in procurement costs, the prices for new customers in the area of electricity and gas had to be adjusted to market levels as of 16 November 2021.

Work on the Ebensee pumped-storage power plant project will push forward intensively in the coming fiscal year. The focus of the ongoing preparatory project is detailed planning and tender planning. Energie AG's thermal electricity production capacities continue to be highly significant for providing grid reserve management. The Timelkam CCGT power plant is also available to the transmission system operator for congestion management in the 2021/2022 fiscal year.

In the course of the comprehensive strategy project with eww ag, the heat supply to both households and businesses in the Wels area will be significantly expanded and condensed from 2021 onwards. In addition, a second large transport pipeline will be built in the north of the city in 2021 and 2022, while two state-of-the-art hot water generators will be built to secure the district heating supply. This will significantly increase heat extraction from the Wels waste incineration plant. Umwelt Service GmbH will start supplying heat to eww ag from 2022.

Beyond this, Energie AG will be taking over operational management of the new Traunleiten hydropower plant and other small power plants from 2022. Energie AG will therefore manage the entire Traun power plant chain in the future; this will allow for further optimisation in the interaction of the generation plants, leading to a significant increase in efficiency in the production of green electricity.

The general regulatory conditions for the Grid Segment for the fiscal year can continue to be assessed as stable. In terms of the general economic environment for gas, the decision for the year 2020 is still outstanding; having said this, it can be assumed that the parameters based on the decisions taken for the years 2018 and 2019 will be applied throughout the third regulatory period. One special focus will be the cost determination procedure for gas for the fourth regulatory period (probably from 1 January 2023), which was initiated in September 2021. In addition to current projects in the gas and electricity grids, other key areas of focus will be the implementation of the requirements of the Renewable Energy Expansion Act package announced on 27 July 2021 and preparations for certification in line with EN ISO 27001.

In the Waste Management Segment, prices for paper and metal recyclables are expected to flatten off in the fiscal year 2021/2022 after the sharp rise in the reporting period. In addition to cooperation with external partners in the context of recycling used plastics, further considerations are underway on reestablishing a plastic sorting facility.

In the Czech Republic, the upcoming energy transition with the phase-out of coal-based energy generation and a revamped climate policy holds numerous opportunities for Energie AG's Czech Republic Segment. This will require examining EU funding programmes in the area of energy efficiency, and the development projects for heat supply, water supply and waste water management. The current developments on the electricity and gas price market, which are dramatic in terms of costs, are being closely monitored, especially since these drastic price increases are putting suppliers, operators and customers under massive pressure with an outcome that cannot be predicted. In terms of services provided to municipalities and cities, there are no signs of a downturn in order volumes so far.

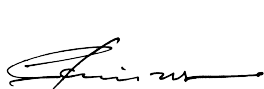
In the new fiscal year, the intent is to combine the Energie AG's capabilities in FTTH expansion with those of the Province of Upper Austria, the aim of which being to create optimal conditions for the comprehensive roll-out of fibre optics in Upper Austria. In the course of this, the intent is to spin off Energie AG's FTTH fibre-optic network into a joint entity. The focus for the fiscal year 2021/2022 in the fibre optics sector is therefore on the operational realisation of the spin-off and the organisational and process-related realignment of the remaining areas. Particularly in the remaining fibre-optic business customer sector, it is important to secure income in an increasingly competitive environment.

The focus of business activities in the 2021/2022 fiscal year will again continue to be on the reliable performance of all system-critical tasks, especially guaranteeing security of supply for customers. In addition to the long-term orientation of all services to customer needs, the focuses of digitalisation, innovation, regionality and financial stability will remain as important strategic objectives. The energy transition and circular economy, but also the turnaround in mobility, will require the industry to assume appropriate responsibility in the coming years on the one hand, but on the other, they also offer new opportunities that Energie AG seeks to leverage in a proactive manner.

Against the backdrop of currently highly volatile price developments on the international energy markets, and assuming a continued economic recovery, a satisfactory development of earnings is expected for the 2021/2022 fiscal year, although this probably will be the very good results of the reporting period.

Linz, 3 December 2021

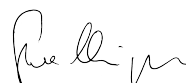
The Management Board of Energie AG Oberösterreich



**Chief Executive Officer**  
**DDr. Werner Steinecker MBA**  
Chairman of the Management Board  
CEO



**Dr. Andreas Kolar**  
Member of the Management Board  
CFO



**Dipl.-Ing. Stefan Stallinger MBA**  
Member of the Management Board  
COO

# AUDITED COMPANY ANNUAL REPORT

## | STATEMENT OF INCOME 2020/2021

	2020/2021 EUR	2019/2020 EUR 1,000
1. Sales revenues	409,488,989.87	369,261
2. Own work capitalised	47.10	7
3. Other operating income	3,985,041.84	7,328
4. Expenses for material and other purchased services	-191,427,509.51	-154,563
5. Personnel expenses	-11,604,769.85	-10,229
6. Depreciation, amortisation and write-downs (thereof write-downs EUR 240,777.16 (previous year: EUR 8,686 thousand))	-123,108,242.82	-128,246
7. Other operating expenses	-27,446,293.32	-20,146
<b>8. Subtotal from 1 – 7 (operating result)</b>	<b>59,887,263.31</b>	<b>63,412</b>
9. Income from investments (thereof from affiliated companies EUR 28,000,000.00; prev. year EUR 42,024 thousand)	29,585,110.10	43,183
10. Income from other securities and lendings from the non-current financial assets (thereof from affiliated companies EUR 365,653.29; prev. year EUR 537 thousand)	771,907.12	601
11. Other interest and similar income (thereof from affiliated companies EUR 0.00; prev. year: EUR 0 thousand)	450,651.77	89
12. Income from the disposal and write-up of financial assets and current securities (thereof from affiliated companies EUR 22,025.82; prev. year: EUR 41 thousand)	22,025.82	200
13. Expenses from financial assets and non-current securities (thereof from affiliated companies EUR 1,523,295.10; prev. year: EUR 5,671 thousand, thereof from write-downs EUR 43,952.78; prev. year EUR 272 thousand)	-1,567,247.88	-5,943
14. Interest and similar expenses (thereof from affiliated companies EUR 3,254,840.87; prev. year: EUR 2,904 thousand)	-24,188,179.54	-21,100
<b>15. Subtotal from 9 – 14 (financial result)</b>	<b>5,074,267.39</b>	<b>17,030</b>
<b>16. Earnings before taxes</b>	<b>64,961,530.70</b>	<b>80,442</b>
17. Income taxes (thereof deferred taxes EUR 6,702,600.07; prev. year: EUR 8,963 thousand)	-1,503,801.58	-2,640
<b>18. Earnings after taxes</b>	<b>63,457,729.12</b>	<b>77,803</b>
19. Reversal of/allocation to retained earnings	3,034,540.08	-24,709
<b>20. Profit for the year</b>	<b>66,492,269.20</b>	<b>53,093</b>
21. Profit carried forward from the previous year	7,730.80	107
<b>22. Balance sheet profit</b>	<b>66,500,000.00</b>	<b>53,200</b>

## STATEMENT OF FINANCIAL POSITION AS OF 30 SEPTEMBER 2021

	30.09.2021	30.09.2020
	EUR	EUR 1,000
<b>ASSETS</b>		
<b>A. Non-current assets</b>		
I. Intangible assets	60,483,652.41	59,792
II. Property, plant and equipment	1,480,976,842.62	1,440,700
III. Financial assets	772,053,801.61	780,024
	<b>2,313,514,296.64</b>	<b>2,280,517</b>
<b>B. Current assets</b>		
I. Inventories	27,658,273.74	30,420
II. Receivables and other assets (thereof with a remaining term of less than 1 year: EUR 4,936.00; prev. year: EUR 6 thousand)	96,724,026.29	32,679
III. Securities	19,949,773.82	19,959
IV. Cash, credit balances with banks	262,376,756.42	94,582
	<b>406,708,830.27</b>	<b>177,640</b>
<b>C. Accruals and deferrals</b>	<b>3,765,281.99</b>	<b>3,545</b>
	<b>2,723,988,408.90</b>	<b>2,461,701</b>

	30.09.2021 EUR	30.09.2020 EUR 1,000
<b>LIABILITIES</b>		
<b>A. Equity</b>		
I. Called and paid share capital (thereof subscribed share capital EUR 88,653,782.00; prev. year: EUR 88,656 thousand)	88,653,782.00	88,656
less nominal value of treasury stocks	-1,224.00	-2
	88,652,558.00	88,654
II. Committed capital reserved	209,136,318.00	209,135
III. Retained earnings		
1. Legal reserves	8,000,000.00	8,000
2. Free reserves	471,213,308.11	474,275
3. Reserves for treasury stocks	1,224.00	2
	479,214,532.11	482,277
IV. Balance sheet profit (thereof profit carried forward EUR 7,730.80; prev. year: EUR 107 thousand)	66,500,000.00	53,200
	<b>843,503,408.11</b>	<b>833,266</b>
<b>B. Investment subsidies</b>	<b>11,382,455.11</b>	<b>11,865</b>
<b>C. Special item for emission allowances allocated free of charge</b>	<b>1,259,806.55</b>	<b>1,260</b>
<b>D. Provisions</b>	<b>71,710,467.48</b>	<b>53,261</b>
<b>E. Liabilities</b> (thereof with a remaining term of up to one year: EUR 915,231,074.83; prev. year EUR 818,435 thousand, thereof with a remaining term of more than one year: EUR 830,072,977.21; prev. year: EUR 678,699 thousand)	<b>1,745,304,052.04</b>	<b>1,497,134</b>
<b>F. Construction cost subsidies</b>	<b>48,599,206.29</b>	<b>55,199</b>
<b>G. Accruals and deferrals</b>	<b>2,229,013.32</b>	<b>9,718</b>
	<b>2,723,988,408.90</b>	<b>2,461,701</b>



## I NOTES TO THE ANNUAL FINANCIAL STATEMENTS 2020/2021

### 1. General notes

The present Annual Financial Statements for the fiscal year 2020/2021 were prepared in compliance with the principles of proper accounting and the general duty to provide a suitable view of the net asset, financial and earnings position of the company in accordance with the Austrian Commercial Code [UGB].

The Company is classified as a large stock corporation pursuant to § 221 of the Austrian Commercial Code (UGB).

In order to achieve a clear presentation, some items have been condensed in the Statement of Financial Position and in the Statement of Income. These items are explained separately in the Notes to the Annual Financial Statements.

For assets and liabilities that are split between different items of the Statement of Financial Position, the respective splitting relationship with other items is disclosed in the Notes.

The Statement of Income is presented in vertical format and was prepared using the total-cost method.

The format used in previous years was continued in the preparation of the present Annual Financial Statements.

Together with individual Group companies, Energie AG Oberösterreich was incorporated into the Group of companies of OÖ Landesholding GmbH (Group parent) as a member company pursuant to § 9 KStG (Austrian Tax Act) starting with the 2010 tax year. The associated inclusion in the group and tax allocation agreement of OÖ Landesholding GmbH was finalised.

The provisions of the OÖ Landesholding GmbH Group contract govern the relationship between Energie AG Oberösterreich and the Group parent, whereas Energie AG Oberösterreich calculates its taxable income in consideration of the taxable income of its subordinate Group companies (accrual principle):

The Group contract provides for the recognition of positive tax allocations from Group members in an amount corresponding to 25% of the allocated positive income. The tax losses allocated to the Group parent reduce the basis for positive tax allocations to be paid to the Group parent in subsequent years. However, the Group parent can ultimately assume the allocated negative result by paying a negative tax allocation to the Group company in the amount of 97% of the tax portion attributable to the assumed negative income.

The option of a deviating tax allocation agreement between Energie AG Oberösterreich and its Group companies provided for in the accession agreement to the Group contract was exercised and a clearing procedure similar to the clearing system described above was approved at the level of Energie AG Oberösterreich and its subordinate Group members.

On 1 October 2004, Energie AG Oberösterreich introduced an effective cash-pooling system that aims at optimising the management of the Group's bank accounts, as well as the intra-group liquidity management and the processing of payment transactions within the Group.

Energie AG Oberösterreich decided in favour of two pooling groups, and since 1 October 2006 Energie AG Group Treasury GmbH has been the lead company of the pool.

A total of 27 (previous year: 26) companies participate in the pooling arrangements as of 30 September 2021.

Energie AG Oberösterreich is Energie AG Group's highest-level parent company and prepares the Consolidated Financial Statements prescribed under § 245a para 1 of the Austrian Commercial Code (UGB). The Consolidated Financial Statements are filed with the Provincial Court of Linz as the competent Commercial Court.

## 2. Accounting policies

The accounting policies applied in the previous year were continued.

### General principles

The Annual Financial Statements were prepared in adherence to the principle of completeness.

The principle of obtaining individual measurements was applied in the measurement of assets and liabilities.

The company observed the principle of prudence by only recognising profits that were realised by the date of the Statement of Financial Position. All discernible risks and impending losses incurred up to the date of the Statement of Financial Position are included in the Annual Financial Statements.

Estimates are based on prudent appraisals. The company has based its estimates on statistical data from its historical experience with similar circumstances.

Measurements were made under the assumption of a continuation of the company.

### Non-current assets

Intangible assets are, to the extent acquired against consideration, measured at their acquisition costs and depreciated over a useful life of 5 to 20 years using the straight-line method.

Property, plant and equipment assets are measured at cost less straight-line depreciation. Buildings are depreciated over a useful life ranging from 15 to 40 years, manufacturing plant and equipment as well as other equipment, furniture and fixtures are depreciated over a useful life of 4 to 25 years.

Low-value assets are fully written off in the year of their acquisition.

Write-downs are recognised for impairments expected to be permanent.

Shares in affiliated companies and other investments are recognised at cost or the lower attributable fair values.

For the purposes of the Annual Financial Statements, shares in affiliated companies and investments are assessed on indications for a significant change in the attributable value. This includes an assessment of whether there are any prevailing external or internal influences that may cause a significant change in value. If necessary, the value is measured on the basis of discounted net cash inflows determined on the basis of the 5-year mid-term planning and/or available external planning data. The perpetual annuity is usually based on the cash inflows assumed in the mid-term planning. The assumptions for an increase in the perpetual annuity are determined in a company-specific approach. The specific discount rate applied by the company is derived from the current market data. The pro-rata equity serves as the lower ceiling for the measurement of participating interests.

Securities (book-entry securities) held investments are measured at their purchase prices or, in the event of a permanent impairment, at the lower stock exchange price.

Non-interest-bearing and low-interest-bearing lendings are shown at their present value.

Write-ups are now always recognised following an upward revaluation or if the reasons for a write-down no longer apply. Pursuant to § 124b para 270 of the Austrian Income Tax Act (EStG), a reserve for taxes assessable on write-ups has been formed in the 2016/2017 fiscal year for write-ups of investment securities unrecognised prior to 30 September 2016. This reserve is recognised as deferred income and reversed in accordance with the tax provisions pursuant to § 906 para 32 of the Austrian Commercial Code (UGB).

### Current assets

Raw materials and supplies are measured at their average acquisition or production costs (moving average price method), lower current values or fixed values.

Work in progress is measured at the attributable production costs.

Receivables are measured at their nominal value, taking their collectability into account. Bad debt allowances are recognised for receivables that may not be collectable. Receivables in foreign currency are measured in strict adherence to the principle of lower of cost or market.

### Deferred taxes

Deferred tax assets are generally recognised for all temporal differences between the values of assets, provisions and liabilities under tax law and their carrying values under corporate law. Pursuant to § 198 para 10 subpara 3 of the Austrian Commercial Code, deferred taxes from shares in affiliated companies are not recognised as deferred taxes if their reversal is plausible but not timeable from today's perspective.

A deferred tax liability will be recognised on the liabilities side of the Statement of Financial Position for taxes payable in future fiscal years. The calculation is based on a tax rate of 25% (previous year: 25%).

### Provisions

Actuarial principles are applied to calculate provisions for severance payments, using the "Projected-Unit-Credit" method, in keeping with IAS 19. The calculation is based on a retirement age of 62 years for females and males in keeping with transitional provisions or an earlier retirement age in individual cases, an interest rate of 0.80% for the calculations (previous year: 1.00%), planned salary increases of 2.90% (previous year: 2.90%) as well as a discount for fluctuations according to probabilities, depending on years of employment from 1.82% for 0 years of employment (previous year: 2.03% for 0 years of employment) to 0.00% from 42 years of employment upwards (previous year: 0.0% from 42 years of employment).

The provision for anniversary bonuses is also calculated using the „Projected-Unit-Credit“ method in keeping with IAS 19, using the same parameters that were employed to calculate the provisions for severance payments. When calculating the provisions for anniversary bonuses, a discount for fluctuations according to probabilities, depending on years of employment from 1.82% for 0 years of employment (previous year: 2.03% for 0 years of employment) to 0.00% from 46 years of employment (previous year: 0.00% from 46 years of employment) was used as a basis.

Actuarial principles are applied to calculate provisions for old-age pensions, stepped pensions and early retirement benefits, using the "Projected-Unit-Credit" method, in keeping with IAS 19. The calculation is based on the AVÖ 2018-P calculation tables, an actuarial interest rate of 0.80% (previous year 1.00%) and a pension trend of 2.00% (previous year 2.00%).

Other provisions were formed in accordance with the principle of prudent accounting.

In accordance with the statutory requirements, the company considered all discernible risks and impending losses in the measurement of the other provisions. Non-current provisions were discounted using an interest rate of 0.00% (previous year: 0.00%).

### **Liabilities**

Liabilities are measured at their repayment amounts and in adherence to the principle of prudent accounting. Liabilities in foreign currencies are measured in keeping with the highest value principle.

### **Emission allowances**

Starting in the 2009/2010 fiscal year, accounting of emission allowances based on AFRAC expert's opinion takes place by capitalising emission allowances obtained at no charge at the time of their acquisition and measuring them at market value applicable on the date of their disposition. A special liability item is recognised in the same amount and reversed in accordance with the actual CO<sub>2</sub> emissions. Emission allowances acquired against consideration are capitalised at cost on the acquisition date. The measurement of capitalised emission allowances strictly adheres to the lower-of-cost-or-market value principle. A provision is created to account for the obligation to surrender emission allowances based on the actual CO<sub>2</sub> emissions.

Starting with the 2013 calendar year, no free allocation is planned for power generation. In calendar year 2020, Energie AG received a free allocation for heat generation for the last time.

### **Construction cost subsidies**

This item primarily includes financing contributions received from electricity and gas customers. They are reversed through profit or loss over a 15 to 40 year period. Since the 2005/2006 and 2015/2016 fiscal years, construction cost subsidies are collected at the time new electricity and gas connections are installed by Netz Oberösterreich GmbH.

### 3. Notes to the Statement of Income

#### Sales revenues

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Electricity	68,292	64,118
Gas	102,425	78,443
Other sales revenues	238,772	226,700
	<b>409,489</b>	<b>369,261</b>

The electricity and gas revenues result from the settlement of electricity procurement agreements and settlements from the 7Fields gas reservoir to Energie AG Oberösterreich .

The other revenues mainly include revenues from the reversal of construction cost subsidies, revenues from warehoused inventory used by Group companies, and lease payments for non-current assets and lease payments made to Group companies.

#### Other operating income

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Income from the disposal and appreciation of non-current assets (excluding financial assets)	1,519	3,845
Other	2,466	3,482
	<b>3,985</b>	<b>7,328</b>

The other operating revenues essentially consist of proceeds from the utilisation of investment subsidies, proceeds from insurance benefits, proceeds from capitalised production activities, and proceeds from onward invoicing.

#### Expenses for material and other purchased services

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Cost of materials	154,401	119,465
Expenses for purchased services	37,027	35,097
	<b>191,428</b>	<b>154,563</b>

The most important items under „Cost of materials“ are the electricity procured from electricity supply contracts that remained with Energie AG Oberösterreich, the use of gas, the cost of materials withdrawn from the inventories by Group companies, as well as materials procured from third parties.

## Personnel expenses

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Wages	1	5
Salaries	8,224	8,573
Social security expenses	3,379	1,651
Thereof expenses for pension payments	503	36
Thereof severance payments and contributions to company pension funds	1,038	302
Thereof expenses for statutory social security contributions and payroll-related levies and statutory contributions	1,682	1,710
	<b>11,605</b>	<b>10,229</b>

The item for salaries includes EUR 52 thousand (previous year EUR 5 thousand) from changes in the provisions for anniversary bonuses.

The expenses for severance payments and payments to company pension funds as well as the expenses for pension benefits include the actuarial profits from 2020/2021 in an amount of EUR 76 thousand (previous year: EUR 513 thousand actuarial losses).

The interest expenses resulting from the provisions for severance payments, old-age pensions, anniversary bonuses, stepped pensions and early retirement benefits is reported in the financial result under interest and similar expenses.

The expenses for severance payments and payments to company pension funds include expenses for members of the Management Board and senior executives amounting to EUR 39 thousand (previous year: EUR 39 thousand).

The expenses for old-age pensions include expenses for members of the Management Board and senior executives in the amount of EUR 344 thousand (previous year: EUR 342 thousand).

The expenses for pension payments consist of EUR 387 thousand related to contribution-based commitments (previous year: EUR 398 thousand).

The item „Expenses for severance payments and payments to company pension funds“ includes expenses for pension funds in the amount of EUR 81 thousand (previous year: EUR 86 thousand).

## Depreciation, amortisation and write-downs

Depreciation and amortisation expenses fully relate to non-current intangible assets and property, plant and equipment and are reported in the assets analysis. Write-downs in an amount of EUR 241 thousand was recognised for buildings in the reporting year. In the previous year, write-downs of EUR 8,686 thousand were recognised for the 7Fields gas reservoir.

**Other operating expenses**

	<b>2020/2021</b>	<b>2019/2020</b>
	EUR 1,000	EUR 1,000
Taxes other than income tax	198	200
Other	27,249	19,946
	<b>27,446</b>	<b>20,146</b>

The other operating expenses comprise administrative expenses, allowances, insurance premiums, rental expenses, consultancy expenses, losses from the disposal of property, plant and equipment, and marketing expenses.

The losses from the disposal of non-current assets amount to EUR 1,286 thousand (previous year: EUR 1,435 thousand) and essentially relate to redistribution systems, power plants, and communication systems.

As the Company's auditors are also the auditors of the Consolidated Financial Statements of Energie AG Oberösterreich, Linz, in which the Company is included (as a fully consolidated company), reference is made to the corresponding disclosures with regard to the expenses for the auditor in fiscal year 2020/2021 contained in that Company's Notes to the Consolidated Financial Statements.

**Revenues from investments in other companies**

Revenues from investments in other companies in the amount of EUR 28,000 thousand (previous year: EUR 42,000 thousand) relate to profit disbursements in the same period.

**Other interest and similar income**

	<b>2020/2021</b>	<b>2019/2020</b>
	EUR 1,000	EUR 1,000
Interest	451	89

**Income from the disposal and write-up of financial assets and current securities**

	<b>2020/2021</b>	<b>2019/2020</b>
	EUR 1,000	EUR 1,000
Income from the disposal of financial assets	22	41
Write-ups of financial assets	0	159
	<b>22</b>	<b>200</b>

**Expenses from financial assets and current securities**

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Write-downs	44	272
Loss absorption	1,523	5,671
	<b>1,567</b>	<b>5,943</b>

Write-offs relate to current securities in an amount of EUR 10 thousand (previous year: EUR 238 thousand) and investment securities in an amount of EUR 34 thousand (previous year: EUR 35 thousand).

The expenses resulting from loss-assumption arrangements amount to EUR 1,523 thousand (previous year: EUR 5,671 thousand).

**Interest and similar expenses**

This item includes the interest expenses attributable to the provisions for severance benefits, pensions, anniversary bonuses, stepped pensions and early retirement benefits in the amount of EUR 308 thousand (previous year: EUR 296 thousand), and the interest income from plan assets in the amount of EUR 76 thousand (previous year: EUR 74 thousand).

**Income taxes**

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Ongoing tax expenses	31,218	24,061
Tax expenses from tax audit	200	-45
Positive tax allocations	-25,299	-15,446
Negative tax allocations	2,088	3,033
Deferred tax liabilities	-6,703	-8,963
	<b>1,504</b>	<b>2,640</b>

Pursuant to the Tax Allocation Agreement, the option of settling losses carried forward was exercised and losses of EUR 1,215 (previous year: EUR 2,057 thousand) of Energie AG Oberösterreich Umwelt Holding GmbH were absorbed.

The receivables from and liabilities to affiliated companies include receivables for outstanding tax allocation repayments from Group companies in the amount of EUR 1,825 thousand (previous year: EUR 2,570 thousand), as well as liabilities for additional tax allocation payments in the amount of EUR 13,301 thousand (previous year: EUR 6,907 thousand). The liability reported for an additional tax allocation payment to the Group parent, OÖ Landesholding GmbH, amounts to EUR 9,223 thousand (previous year: EUR 7,075 thousand).

The difference of receivables or liabilities from tax allocations against the resulting tax expenses or revenue is due to advance payments received from the Group companies during the fiscal year.



**Income or expense items of extraordinary magnitude or significance**

The individual items recognised in the Statement of Income do not contain expenses or revenues of an extraordinary magnitude or significance pursuant to § 237 para 1 subpara 4 of the Austrian Corporate Code, with the exception of the aforementioned write-downs recognised for property, plant and equipment and the write-ups recognised for financial assets.

**4. Notes to the Statement of Financial Position****Non-current assets**

The „Changes in non-current assets“ (Annex 2 to the Notes) shows, in addition to the legally required outline and annual development, the company-specific composition of the non-current assets.

**Intangible assets**

In addition to electricity procurement rights, the intangible assets also comprise various computer software programmes, user rights for various systems, leasehold interests etc.

**Property, plant and equipment**

Low-value assets amounting to EUR 1,293 thousand were fully written off in the year of acquisition (previous year: EUR 1,052 thousand).

The individual assets in item „Land and buildings“ show real property assets in the amount of EUR 33,160 thousand (previous year: EUR 32,431 thousand).

The use of property, plant and equipment not recognised in the Statement of Financial Position on the basis of long-term rent, lease and leasing agreements results in liabilities in the amount of EUR 1,924 thousand (previous year: EUR 3,410 thousand) for the next fiscal year. The liabilities for the next five years amount to EUR 9,286 thousand (previous year: EUR 16,284 thousand).

**Financial assets**

The table below provides information about the relevant data as of 30 September 2021 with respect to participating interests of 20% or more.

	Share capital	Interest in the company		Equity of the company	Profit/loss for the year
	EUR 1,000	%	EUR 1,000	EUR 1,000	EUR 1,000
<b>Affiliated companies</b>					
Oberösterreichische Gemeinnützige Bau- und Wohnungsgesellschaft mit beschränkter Haftung, Linz <sup>1)</sup>	730	100	730	12,193	1,158
Energie AG Oberösterreich Service- und Beteiligungsverwaltungs-GmbH, Linz	35	100	35	329,113	18,433
Energie AG Oberösterreich Umwelt Holding GmbH, Linz	150	100	150	96,792	11,419
Energie AG Group Treasury GmbH, Linz	35	100	35	31,024	3,147
Energie AG Oberösterreich Bohemia GmbH, Linz	500	100	500	33,435	3,858
Netz Oberösterreich GmbH, Linz	5,000	100	5,000	110,078	3,469
Energie AG Oberösterreich Trading GmbH, Linz	150	100	150	40,289	2,005
Energie AG Oberösterreich Erzeugung GmbH, Linz	150	100	150	85,383	17,356
Energie AG Oberösterreich Tech Services GmbH, Linz	150	100	150	11,616	3,591
Energie AG Oberösterreich Business Services GmbH, Linz	35	100	35	5,458	1,922
Energie AG Oberösterreich Customer Services GmbH, Linz	35	100	35	2,738	283
Energie AG Oberösterreich Telekom GmbH, Linz <sup>3)</sup>	150	100	150	6,245	-1,000
Energie AG Oberösterreich Personalmanagement GmbH, Linz	35	100	35	1,268	137
Energy IT Service GmbH, Linz	45	33.3	15	139	5
Cogeneration-Kraftwerke Management Oberösterreich GmbH, Linz	100	99.9	100	— <sup>2)</sup>	— <sup>2)</sup>
Wertstatt 8 GmbH, Linz <sup>3)</sup>	35	100	35	1,082	-524
Energie AG Oberösterreich Vertrieb GmbH, Linz	35	100	35	117,201	16,464
<b>Other investments</b>					
Ennskraftwerke Aktiengesellschaft, Steyr <sup>1)</sup>	3,400	50	1,700	27,464	397

1) Figures as of 31 December 2020

2) Discretionary non-disclosure as per § 242 para 2 subpara 2 of the Austrian Commercial Code (UGB)

3) The loss for the year is absorbed by Energie AG Oberösterreich in accordance with the loss absorption agreement

Lendings in the amount of EUR 3,650 thousand will mature in the next fiscal year.

With effect on 1 October 2016, write-ups of investment securities recognised in fiscal year 2015/2016 were transferred into a provision for value adjustments pursuant to § 124b

para 270 subpara a of the Austrian Income Tax Act (EStG) and recognised as deferred income pursuant to § 906 para 32 of the Austrian Corporate Code.

## Current assets

### Inventories

	30.09.2021 EUR 1,000	30.09.2020 EUR 1,000
Raw materials and supplies	27,658	30,420

### Receivables and other assets

	Carrying value 30 Sept 2021 EUR 1,000	Thereof remaining term > 1 year EUR 1,000	Thereof securitised by bills of exchange EUR 1,000	Accrued assets EUR 1,000
Trade receivables	42	5	0	0
Previous year	15	6	0	0
Receivables from affiliated companies	40,086	0	0	0
Previous year	28,445	0	0	0
Receivables from companies in which an interest is held	309	0	0	0
Previous year	64	0	0	0
Other receivables and other assets	56,286	0	0	2,327
Previous year	4,155	0	0	2,162
	<b>96,724</b>	<b>5</b>	<b>0</b>	<b>2,327</b>
<b>Previous year</b>	<b>32,679</b>	<b>6</b>	<b>0</b>	<b>2,162</b>

The item Receivables from affiliated companies in the amount of EUR 40,086 thousand (previous year: EUR 28,445 thousand) consists of trade receivables in the amount of EUR 10,057 thousand (previous year: EUR 211 thousand), financial receivables in the amount of EUR 314 thousand (previous year: EUR 299 thousand), other receivables in the amount of EUR 39,179 thousand (previous year: EUR 28,496 thousand) (including EUR 10,981 thousand [previous year EUR 5,909 thousand] receivables from positive tax allocations and EUR 28,000 thousand (previous year EUR 22,000 thousand) from same-year dividend payments, trade liabilities in the amount of EUR 9,432 thousand (previous year: EUR 536 thousand) and other liabilities from tax allocations in the amount of EUR 32 thousand (previous year: EUR 25 thousand).

Emission allowances worth EUR 49,201 thousand were acquired for investment purposes in the 2020/2021 fiscal year. The carrying amount of the allocated free-of-charge CO<sub>2</sub> emission allowances on 30 September 2021 was EUR 1,260 thousand. The carrying amount of the CO<sub>2</sub> emission allowances acquired against payment was EUR 49,213 thousand as of 30 September 2021. The CO<sub>2</sub> emission allowance price on the reporting date was EUR 61.74, which means that it was not necessary to write down the CO<sub>2</sub> emission allowances.

## Accruals and deferrals

The discount on cost of finance, carried under assets, and the portions of issuing costs for bonds are written off in keeping with the terms of these bonds.

## Equity

### Called share capital and paid-in share capital

By resolution of the Annual General Meeting on 16 December 2020, the share capital of Energie AG was reduced by EUR 1,742.00 from EUR 88,655,524.00 to EUR 88,653,782.00 by means of a simplified capital reduction by cancellation of 1,742 no-par value registered shares of treasury stock in the form of non-voting preferred shares.

The share capital is broken down into 88,653,782 no-par-value shares (of which 88,600,000 are ordinary shares and 53,782 non-voting preference shares) with a nominal value per share of EUR 1.00. All ordinary shares as well as the non-voting preference shares are registered in the bearer's name.

The company has formed appropriated reserves in the amount required by law.

### Capital reserves

The reserves take the form of appropriated capital reserves.

The appropriated capital reserve provides cover of the statutory reserve in the amount of EUR 865,378.20.

### Retained earnings

	30.09.2021 EUR 1,000	30.09.2020 EUR 1,000
Legal reserves	8,000	8,000
Other reserves (free reserves)	471,213	474,275
Reserves for treasury stocks	1	2
	<b>479,215</b>	<b>482,277</b>

In the 2020/2021 fiscal year, free reserves in the amount of EUR 1 thousand (previous year: EUR 2 thousand) were transferred to the reserves for treasury stocks.

The free reserves were reduced by the acquisition of treasury stocks in the amount of EUR 28 thousand.

Free reserves from retained earnings were reversed in the amount of EUR 3,035 thousand in the fiscal year (previous year: allocation of EUR 24,709 thousand).

In the context of the introduction of an employee-shareholding model, the shares transferred in the 2006/2007 fiscal year as a shareholder contribution free of charge from the State of Upper Austria, amounting to EUR 7,879 thousand, were purchased at favourable conditions by a defined group of employees of the Energie AG Oberösterreich Group. 1,742 treasury stocks with a nominal value of EUR 2 thousand and acquisition costs of EUR 38 thousand were redeemed in the reporting year. As of the reporting date, the Company held treasury stocks with a nominal value of EUR 1 thousand (previous year: EUR 2 thousand) and acquisition costs in the amount of EUR 28 thousand (previous year: EUR 38 thousand) from retired and former employees, as well as from employees who exercised the option allowing

them to sell employee shares after a five-year holding period. 1,224 of these shares were repurchased in fiscal year 2020/2021.

### Investment subsidies

The position „Changes in Investment Subsidies“ (Appendix 3 to the Notes) shows the composition and movement over the year.

### Provisions

	30.09.2021 EUR 1,000	30.09.2020 EUR 1,000
Provisions for severance payments	2,398	2,234
Provisions for pensions	18,272	18,704
Provisions for tax (thereof deferred taxes EUR 1,477 thousand; prev. year EUR 176 thousand)	13,827	14,212
Other provisions	37,213	18,111
	<b>71,710</b>	<b>53,261</b>

### Tax provisions

The calculation of the deferred tax liabilities is based on the tax rate of 25 percent as applicable on the reporting date. Differences between the values recognised in the Statement of Financial Position for tax purposes and the commercial Statement of Financial Position only contain deferred taxes that have a limited term. Differences that remain on the accounts are assumed to be relevant for taxation. Deferred tax assets are offset against deferred tax liabilities.

A provision for tax arrears in the amount of EUR 12,350 thousand (previous year: 14,036 thousand) was formed for tax losses from Group members already utilised by the parent company.

The deferred tax liabilities in the amount of EUR 1,477 thousand (previous year: EUR 176 thousand) are non-current liabilities.

The accrual item for deferred taxes results from differences between the commercial and tax balance sheets for expenses that will only become tax-deductible in future years. This item recognises the balance from deferred tax assets and liabilities to the extent the prerequisites for offsetting deferred tax assets from deferred tax liabilities have been met. The deferred tax item resulting from the difference between the commercial and tax balance sheets under corporate law is shown in the following:

	Statement of Financial Position 30.09.2021 EUR 1,000	Tax balance sheet 30.09.2021 EUR 1,000	Difference 2020/2021 EUR 1,000	Change in deferred taxes 2020/20201 EUR 1,000
<b>Deferred tax assets:</b>				
Property, plant and equipment	1,480,977	1,475,344	-5,632	-26,789
Inventory measurement	0	1,604	1,604	145
Cost of finance	0	594	594	49
Provision for severance payments	2,398	1,387	1,012	82
Provision for pensions	18,272	6,106	12,166	-421
Provision for early retirement	1,593	1,356	236	-71
Provision for stepped pensions	305	291	14	-27
Provision for anniversary bonuses	778	436	342	46
Allowances in kind (electricity)	5,004	623	4,380	58
Allowances in kind (gas)	269	129	140	-58
Current provisions	28,888	0	28,888	19,578
			<b>43,744</b>	<b>-7,408</b>
Permanent differences from property, plant and equipment			0	-1
<b>Deferred tax liabilities:</b>				
Measurement of receivables	-2	-15	-13	-13
Untaxed reserves	0	49,641	-49,641	2,217
			<b>-49,654</b>	<b>2,204</b>
<b>Balance from deferred tax assets and liabilities</b>			<b>5,910</b>	<b>5,205</b>
<b>Resulting deferred tax liability (25%)</b>			<b>1,477</b>	<b>1,301</b>
<b>Total deferred tax liabilities</b>			<b>1,477</b>	<b>1,301</b>

### Other provisions

The other provisions mainly comprise obligations to personnel (stepped pensions, anniversary benefits, early retirement benefits, electricity and gas used by employees), uncertain liabilities such as for the decommissioning of the Riedersbach coal power station, an environmental provision, a provision for impending losses from the 7Fields gas reservoir and obligations from emission allowances that must be surrendered.

Obligations from outstanding supplier invoices are reported in the trade payables item. Certain obligations to personnel (accrued paid leave, accruals for holiday, vacation and other bonuses, etc.) are reported in the other liabilities.

## Liabilities

	Carrying value 30.09.2021 EUR 1,000	Thereof remaining term < 1 year EUR 1,000	Thereof remaining term 1-5 years EUR 1,000	Thereof remaining term > 5 years EUR 1,000	Secured in rem EUR 1,000	Type of security	Thereof accrued liabilities EUR 1,000
Bonds	300,000	0	300,000	0	0	–	0
Previous year	300,000	0	300,000	0	0	–	0
Liabilities to banks	222,532	5,108	369	217,055	0	–	0
Previous year	147,605	92	5,361	142,152	0	–	0
Advances received on account of orders	154	154	0	0	0	–	0
Previous year	0	0	0	0	0	–	0
Trade payables	9,383	9,383	0	0	0	–	0
Previous year	12,067	12,061	6	0	0	–	0
Liabilities to affiliated companies	1,167,104	857,300	67,500	242,304	0	–	0
Previous year	956,467	728,930	0	227,537	0	–	0
Liabilities to companies in which an interest is held	0	0	0	0	0	–	0
Previous year	5,293	5,293	0	0	0	–	0
Other liabilities	46,131	43,286	2,480	364	0	–	18,326
Previous year	75,702	72,060	2,834	808	0	–	18,889
	<b>1,745,304</b>	<b>915,231</b>	<b>370,349</b>	<b>459,724</b>	<b>0</b>	–	<b>18,326</b>
<b>Previous year</b>	<b>1,497,134</b>	<b>818,435</b>	<b>308,201</b>	<b>370,497</b>	<b>0</b>	–	<b>18,889</b>

The liabilities to affiliated companies in the amount of EUR 1,167,104 thousand (previous year EUR 956,467 thousand) are broken down into trade liabilities with EUR 1,540 thousand (previous year: EUR 3,375 thousand), financial liabilities with EUR 913,077 thousand (previous year: EUR 731,371 thousand), the security deposit to Netz Oberösterreich GmbH with EUR 242,304 thousand (previous year: EUR 227,537 thousand), other liabilities with EUR 12,539 thousand (previous year: EUR 15,316 thousand), trade receivables with EUR 36 thousand (previous year: EUR 133 thousand), other receivables with EUR 2,320 thousand (previous year: EUR 20,999 thousand), with the latter including EUR 2,320 thousand (previous year EUR 999 thousand) in receivables from the positive tax appropriation and EUR 0 thousand (previous year: EUR 20,000 thousand) of same-period distributions.

The other liabilities to affiliated companies in the amount of EUR 12,539 thousand include an amount of EUR 1,523 from the assumption of losses from Energie AG Oberösterreich Telekom GmbH and Wertstatt 8 GmbH, as well as tax appropriation refunds to Group companies in an amount of EUR 1,793 thousand.

The liabilities to companies in which an interest is held amount to EUR 0 thousand (previous year: EUR 5,293 thousand) and include trade liabilities of EUR 0 thousand (previous year: EUR 5,520 thousand) and receivables from tax appropriations of EUR 0 thousand (previous year: EUR 227 thousand).

The greatest part of the remaining liabilities pertain to tax liabilities in the amount of EUR 8,211 thousand (previous year: EUR 53,329 thousand), liabilities concerning social security contributions in the amount of EUR 689 thousand (previous year: EUR 1,213 thousand), outstanding interest charges in the amount of EUR 13,216 thousand (previous year: EUR 12,805 thousand), as well as liabilities in relation to hedging transactions in the amount of EUR 16,900 thousand (previous year: EUR 0 thousand).

### Disclosures on financial instruments

As of the reporting date, the **derivative financial instruments** are composed as follows:

	Contract value	Term	Fair value		Carrying amount EUR 1,000	Balance sheet item
			Positive EUR 1,000	Negative EUR 1,000		
Interest swaps bond (fixed interest received)	EUR 75 mill.	2025	1,244	0	0	–
Previous year	EUR 75 mill.	2025	1,611	0	0	–
Interest swaps loans (fixed interest paid)	EUR 40 mill.	2023	0	1,345	0	–
	EUR 32 mill.	2028	0	9,769	0	–
	EUR 100 mill.	2035	2,443		0	–
	<b>EUR 172 mill.</b>		<b>2,443</b>	<b>11,114</b>	<b>0</b>	
<b>Previous year</b>	<b>EUR 178 mill.</b>		<b>0</b>	<b>16,288</b>	<b>0</b>	

Derivative financial instruments that are not recognised in the Statement of Financial Position are used to partially hedge the risks of interest rate changes inherent in bonds and loans. A provision item will be formed if there is no hedging relationship and the present value is negative. Negative market values of derivatives in a hedging relationship amounted to EUR 11,114 thousand and were not recognised in the accounts.

The measurement of the swaps results from discounting the future cash flows (present value method) on the basis of an expected interest curve from 30 September 2021. The interest curve is provided by a department that is not involved in trading the respective financial instrument.

The derivative financial instruments used for hedging purposes are regularly tested on effectiveness in order to assess their compensating effect and in turn the effectiveness of the hedging relationships.

### Construction cost subsidies

This item primarily includes financing contributions received from electricity and gas customers. They are reversed through profit or loss over a 15 to 40 year period. Since the 2005/2006 and 2015/2016 fiscal years, construction cost subsidies are collected at the time new electricity and gas connections are installed by Netz Oberösterreich GmbH.

### Accruals and deferrals

The deferred income and accrued expense items are essentially composed of the premium spread over the term of issued bonds and accruals of income received.



Pursuant to § 124b para 270 letter a of the Austrian Income Tax Act, write-ups for investment securities in the amount of EUR 310 thousand not recognised in the 2015/2016 fiscal year were transferred into a provision for value adjustments under tax law with effect on 1 October 2016 and recognised as deferred income pursuant to § 906 para 32 of the Austrian Commercial Code (UGB).

In accordance with the accounting changes from the Austrian Accounting Changes Act 2014 (RÄG 2014), deferred taxes in the amount of EUR 32,016 thousand were reallocated to deferred income in the 2016/2017 fiscal year. They stem from shares in affiliated companies and are reversed over four fiscal years in accordance with § 906 para 34 of the Austrian Commercial Code (UGB), with the final reversal amount recognised in the reporting year.

### Contingent liabilities

	30.09.2021 EUR 1,000	Thereof to affiliated and associated companies EUR 1,000	30.09.2020 EUR 1,000	Thereof to affiliated and associated companies EUR 1,000
Guarantees from cash pooling	800,587	800,587	598,895	598,895
Guarantees related to electricity trade	57,905	57,905	23,939	23,939
Other guarantees	58,509	58,509	76,241	76,241
<b>Total guarantees</b>	<b>917,001</b>	<b>917,001</b>	<b>699,076</b>	<b>699,076</b>
Liabilities from bills of exchange	2,000	2,000	2,000	2,000
	<b>919,001</b>	<b>919,001</b>	<b>701,076</b>	<b>701,076</b>

Energie AG Oberösterreich assumed an obligation, in the form of a letter of guarantee, to ensure the contracting parties' claims from the cash-pooling agreement. As of 30 September 2021, these receivables amount to EUR 801 million. In consideration of Energie AG's own pooling liabilities, the net financial guarantee item amounts to EUR 111 million. Letters of guarantee and letters of comfort were issued to the business partners of Energie AG Oberösterreich Trading GmbH in relation to energy trading transactions. The other guarantees pertain to assumptions of liability for loans that affiliated companies of Energie AG were granted from various financial institutions.

## 5. Other disclosures

### Other financial obligations

Energie AG Oberösterreich has entered into loss absorption agreements that require the company to cover the full losses of Energie AG Oberösterreich Telekom GmbH, and Wertstatt 8 GmbH for fiscal year 2020/2021 only. The losses assumed from these entities amount to EUR 1,523 thousand.

On 28 October 2021, Energie AG Oberösterreich gave an undertaking to absorb the losses of Energie AG Oberösterreich Business Services GmbH, Energie AG Oberösterreich Telekom GmbH, Energie AG Oberösterreich Tech Services GmbH, and Wertstatt 8 GmbH for fiscal year 2021/2022 and further issued a non-binding letter of comfort to these entities. This letter of comfort, which Energie AG Oberösterreich can only terminate after expiry of 24 months from signing, was not recognised in the Annual Financial Statements as of

30 September 2021, but may give rise to financial obligations for Energie AG Oberösterreich in fiscal year 2021/2022.

### Corporate bodies, employees

The remuneration of the Management Board and the Supervisory Board presents as follows:

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Management Board	827	824
Former Management Board and their survivors	695	692
Supervisory Board	94	92

The average number of employees (FTE) in the fiscal year presents as follows:

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
Employees	70	73

The data pertaining to the members of the Management Board and the members of the Supervisory Board are disclosed separately (Annex 1 to the Notes).

## Unbundling

In addition to the already existing functional and accounting unbundling, Energie AG Oberösterreich implemented the unbundling requirement under corporate law (statutory unbundling) by setting up legally autonomous companies during fiscal 2006/2007.

Pursuant to § 8 para 3 ElWOG and § 8 para 3 GWG, the following disclosable transactions are executed with affiliated companies:

Management of electricity and gas assets, trading services	Energie AG OÖ Trading GmbH,
Electricity procured from third parties, energy services, technical services, heat supplies	Energie AG OÖ Vertrieb GmbH
Grid services	Netz OÖ GmbH
Fuel purchases	Energie AG OÖ Umwelt Service GmbH
Data/telecommunication	Energie AG OÖ Telekom GmbH
Commercial/legal services	Energie AG OÖ Business Services GmbH
Personnel management services	Energie AG OÖ Personalmanagement GmbH
Personnel leasing	Energie AG OÖ Personal Power GmbH
Cash pooling, financing	Energie AG Group Treasury GmbH
Provisioning of personnel	Wertstatt 8 GmbH
Assets, holding services	Energie AG OÖ Vertrieb GmbH, Netz OÖ GmbH, Energie AG OÖ Erzeugung GmbH, Energie AG OÖ Telekom GmbH, Energie AG OÖ Trading GmbH, Energie AG OÖ Business Services GmbH, Energie AG OÖ Tech Services GmbH, Cogeneration-Kraftwerke Management OÖ GmbH, Energie AG OÖ Umwelt Holding GmbH

The breakdown of the Statement of Financial Position as of 30 September 2021 and the Income Statement for fiscal year 2020/2021 into the areas of electricity generation and electricity trade, electricity and gas grid and other activities (Annex 5 and 6 to the Notes) in accordance with the breakdown principles described in Annex 7 to the Notes serves the purpose of establishing the capital structure for the cost audit by Energie-Control Austria for the regulation of the economic sectors electricity and natural gas.

**Events after the reporting date**


No material events within the meaning of § 238 para 1 subpara 11 of the Austrian Commercial Code occurred after the balance sheet date.

**Proposed appropriation of the profit**

The Management Board proposes to distribute an amount of EUR 66,500,000.00 from the balance sheet profit in the form of a dividend payment of EUR 0.75 per each ordinary share and to carry the difference forward to new account.

Linz, 3 December 2021

The Management Board of Energie AG Oberösterreich



**Chief Executive Officer**  
**DDr. Werner Steinecker MBA**  
Chairman of the Management Board  
CEO



**Dr. Andreas Kolar**  
Member of the Management Board  
CFO



**Dipl.-Ing. Stefan Stallinger MBA**  
Member of the Management Board  
COO

## I ANNEXES TO THE NOTES

### Corporate bodies

#### Supervisory Board

Markus Achleitner	Provincial Councillor, Chairman
Mag. Stefan Lang, LL.M.	Solicitor, Vice Chairman
Dr. Heinrich Schaller	Chief Executive Officer, Deputy Vice Chairman
Dr. Miriam Eder, MBA	Head of Administrative Department
Mag. Dr. Erich Entstrasser	Chairman of Management Board
Mag. Dr. Christine Frauscher	Managing Director
Mag. Florian Hagenauer, MBA	Member of Management Board
Dipl.-Ing. Erich Haider, MBA	Chief Executive Officer
Mag. Anna Maria Hochhauser	Secretary General Emerita
Thomas Peter Stadlbauer MSc MBA MPA	
Commercial Council Mag. Michaela Keplinger-Mitterlehner	Deputy to Chief Executive Officer
LABg. Ing. Herwig Mahr	Head of Local Parliamentary Group
Mag. Kathrin Renate Kührtreiber-Leitner, MBA	Member of Management Board
Walch Josef	Chartered Accountant and Tax Consultant

#### Works Council representatives:

Ing. Mag. Leopold Hofinger	Head of Works Council
Mag. Dr. Regina Krenn	Head of Works Council
Ing. Peter Neißl, MBA MSc	Head of Works Council
Christian Strobl	Head of Works Council
Andreas Walzer	Head of Works Council
Ing. Bernhard Steiner	Head of Works Council Group Representatives
Gerhard Störinger	Head of Central Works Council

#### Management Board

KommR Ing. DDr. Werner Steinecker, MBA	Chief Executive Officer, Chairman of the Management Board
KommR Mag. Dr. Andreas Kolar	Member of the Management Board
Dipl.-Ing. Stefan Stallinger, MBA	Member of the Management Board

## Changes in non-current assets

	Costs				Balance as of 30.09.2021 EUR
	Balance as of 01.10.2020 EUR	Additions EUR	Disposals EUR	Transfers EUR	
<b>I. Intangible assets</b>					
1. Procurement rights	224,355,537.38	2,950,238.00	0.00	0.00	227,305,775.38
2. Other rights	103,447,392.18	2,652,639.03	1,231,484.11	0.00	104,868,547.10
<b>Total intangible assets</b>	<b>327,802,929.56</b>	<b>5,602,877.03</b>	<b>1,231,484.11</b>	<b>0.00</b>	<b>332,174,322.48</b>
<b>II. Property, plant and equipment</b>					
1. Electricity plants					
1. 1 Power plants, land and buildings	466,980,006.02	2,444,154.11	710,301.16	5,832,812.74	474,546,671.71
Manufacturing plant and equipment	591,698,816.05	2,682,739.62	1,052,580.90	2,352,054.21	595,681,028.98
Advance payments made and facilities under construction	12,783,815.54	3,897,731.43	155,879.29	-8,163,687.64	8,361,980.04
<b>Total power plant assets</b>	<b>1,071,462,637.61</b>	<b>9,024,625.16</b>	<b>1,918,761.35</b>	<b>21,179.31</b>	<b>1,078,589,680.73</b>
1. 2 Transformer and distribution systems					
Land and buildings	148,467,568.17	4,595,754.78	444,653.71	413,285.38	153,031,954.62
Manufacturing plant and equipment	605,386,066.20	11,150,535.17	5,959,887.26	3,630,154.98	614,206,869.09
Lines and cables	1,363,294,310.52	46,674,029.34	5,370,673.00	2,316,450.52	1,406,914,117.38
Advance payments made and facilities under construction	38,231,753.18	32,072,851.59	31,295.07	-6,380,538.46	63,892,771.24
Total transformer and distribution systems	2,155,379,698.07	94,493,170.88	11,806,509.04	-20,647.58	2,238,045,712.33
<b>Total electricity assets</b>	<b>3,226,842,335.68</b>	<b>103,517,796.04</b>	<b>13,725,270.39</b>	<b>531.73</b>	<b>3,316,635,393.06</b>
2. Gas supply assets					
Land and buildings	12,139,632.75	34,113.13	140,150.03	0.00	12,033,595.85
Pipes and pipelines	644,116,600.72	5,515,817.85	137,700.00	446,803.03	649,941,521.60
Gas stations and measurement systems	63,338,722.29	3,072,200.71	208,224.07	48,139.98	66,250,838.91
Advance payments made and facilities under construction	1,657,626.96	1,328,760.22	165,068.04	-494,943.01	2,326,376.13
<b>Total distribution systems</b>	<b>721,252,582.72</b>	<b>9,950,891.91</b>	<b>651,142.14</b>	<b>0.00</b>	<b>730,552,332.49</b>

Accumulated depreciation						Carrying amounts	
Balance as of 01.10.2020 EUR	Additions EUR	Value appreciation EUR	Disposals EUR	Transfers EUR	Balance as of 30.09.2021 EUR	Carrying amount 30.09.2020 EUR	Carrying amount 30.09.2021 EUR
180,562,599.64	1,169,297.54	0.00	0.00	0.00	181,731,897.18	43,792,937.74	45,573,878.20
87,448,005.54	3,728,188.90	0.00	1,217,421.55	0.00	89,958,772.89	15,999,386.64	14,909,774.21
<b>268,010,605.18</b>	<b>4,897,486.44</b>	<b>0.00</b>	<b>1,217,421.55</b>	<b>0.00</b>	<b>271,690,670.07</b>	<b>59,792,324.38</b>	<b>60,483,652.41</b>
365,827,940.59	6,852,527.22	0.00	364,152.90	0.00	372,316,314.91	101,152,065.43	102,230,356.80
548,339,410.63	4,551,572.18	0.00	1,002,955.89	-20,647.58	551,908,674.50	43,359,405.42	43,772,354.48
0.00	0.00	0.00	0.00	0.00	0.00	12,783,815.54	8,361,980.04
<b>914,167,351.22</b>	<b>11,404,099.40</b>	<b>0.00</b>	<b>1,367,108.79</b>	<b>-20,647.58</b>	<b>924,224,989.41</b>	<b>157,295,286.39</b>	<b>154,364,691.32</b>
112,461,270.88	2,272,219.94	0.00	413,981.42	0.00	114,319,509.40	36,006,297.29	38,712,445.22
417,034,981.97	21,221,820.85	0.00	5,332,400.37	20,647.58	432,903,754.87	188,351,084.23	181,303,114.22
913,812,616.39	39,500,487.34	0.00	4,834,458.34	0.00	948,478,645.39	449,481,694.13	458,435,471.99
0.00	0.00	0.00	0.00	0.00	0.00	38,231,753.18	63,892,771.24
1,443,308,869.24	62,994,528.13	0.00	10,580,840.13	20,647.58	1,495,701,909.66	712,070,828.83	742,343,802.67
<b>2,357,476,220.46</b>	<b>74,398,627.53</b>	<b>0.00</b>	<b>11,947,948.92</b>	<b>0.00</b>	<b>2,419,926,899.07</b>	<b>869,366,115.22</b>	<b>896,708,493.99</b>
5,969,445.36	215,432.73	0.00	115,011.92	0.00	6,069,866.17	6,170,187.39	5,963,729.68
379,707,475.36	12,109,181.32	0.00	132,626.99	0.00	391,684,029.69	264,409,125.36	258,257,491.91
38,008,559.95	2,147,546.95	0.00	199,215.80	0.00	39,956,891.10	25,330,162.34	26,293,947.81
0.00	0.00	0.00	0.00	0.00	0.00	1,657,626.96	2,326,376.13
<b>423,685,480.67</b>	<b>14,472,161.00</b>	<b>0.00</b>	<b>446,854.71</b>	<b>0.00</b>	<b>437,710,786.96</b>	<b>297,567,102.05</b>	<b>292,841,545.53</b>

	Costs				Balance as of 30.09.2021 EUR
	Balance as of 01.10.2020 EUR	Additions EUR	Disposals EUR	Transfers EUR	
	EUR	EUR	EUR	EUR	
3. District heat systems					
Land and buildings	4,963,779.52	0.00	0.00	0.00	4,963,779.52
Manufacturing plant and equipment	30,133,978.57	186,682.00	6,778.44	0.00	30,313,882.13
Pipes and pipelines	95,950,795.62	736,018.39	0.00	684,127.11	97,370,941.12
Advance payments made and facilities under construction	1,167,412.72	626,414.87	539.51	-684,127.11	1,109,160.97
<b>Total district heat systems</b>	<b>132,215,966.43</b>	<b>1,549,115.26</b>	<b>7,317.95</b>	<b>0.00</b>	<b>133,757,763.74</b>
4. Other facilities, furniture and fixtures					
Land and buildings	90,877,998.91	107,345.23	213,513.11	97,376.01	90,869,207.04
Manufacturing plant and equipment	388,540,450.97	29,073,620.20	1,774,359.11	9,667,415.08	425,507,127.14
Furniture and fixtures	81,952,011.28	4,549,601.38	7,285,282.91	193,516.70	79,409,846.45
Advance payments made and facilities under construction	11,833,132.23	12,489,149.80	188,963.75	-9,958,839.52	14,174,478.76
<b>Total other facilities, furniture and fixtures</b>	<b>573,203,593.39</b>	<b>46,219,716.61</b>	<b>9,462,118.88</b>	<b>-531.73</b>	<b>609,960,659.39</b>
<b>Total property, plant and equipment</b>	<b>4,653,514,478.22</b>	<b>161,237,519.82</b>	<b>23,845,849.36</b>	<b>0.00</b>	<b>4,790,906,148.68</b>
<b>III. Financial assets</b>					
1. Shares in affiliated companies	738,554,589.86	35,000.00	0.00	0.00	738,589,589.86
2. Loans to affiliated companies	26,802,711.26	157,269.79	8,262,816.13	0.00	18,697,164.92
3. Investments	23,293,508.40	0.00	0.00	0.00	23,293,508.40
4. Non-current securities (book-entry securities)	8,846,662.90	0.00	0.00	0.00	8,846,662.90
<b>Total financial assets</b>	<b>797,497,472.42</b>	<b>192,269.79</b>	<b>8,262,816.13</b>	<b>0.00</b>	<b>789,426,926.08</b>
<b>Total non-current assets</b>	<b>5,778,814,880.20</b>	<b>167,032,666.64</b>	<b>33,340,149.60</b>	<b>0.00</b>	<b>5,912,507,397.24</b>



Accumulated depreciation					Carrying amounts		
Balance as of 01.10.2020 EUR	Additions EUR	Value appreciation EUR	Disposals EUR	Transfers EUR	Balance as of 30.09.2021 EUR	Carrying amount 30.09.2020 EUR	Carrying amount 30.09.2021 EUR
4,118,585.07	45,166.66	0.00	0.00	0.00	4,163,751.73	845,194.45	800,027.79
24,253,266.92	969,405.66	0.00	6,617.48	0.00	25,216,055.10	5,880,711.65	5,097,827.03
81,633,896.24	1,409,158.68	0.00	0.00	0.00	83,043,054.92	14,316,899.38	14,327,886.20
0.00	0.00	0.00	0.00	0.00	0.00	1,167,412.72	1,109,160.97
<b>110,005,748.23</b>	<b>2,423,731.00</b>	<b>0.00</b>	<b>6,617.48</b>	<b>0.00</b>	<b>112,422,861.75</b>	<b>22,210,218.20</b>	<b>21,334,901.99</b>
52,207,348.99	1,752,205.19	0.00	72,378.23	0.00	53,887,175.95	38,670,649.92	36,982,031.09
198,804,531.87	20,982,437.22	0.00	1,338,587.89	0.00	218,448,381.20	189,735,919.10	207,058,745.94
70,635,003.30	4,181,594.44	0.00	7,283,396.61	0.00	67,533,201.13	11,317,007.98	11,876,645.32
0.00	0.00	0.00	0.00	0.00	0.00	11,833,132.23	14,174,478.76
<b>321,646,884.16</b>	<b>26,916,236.85</b>	<b>0.00</b>	<b>8,694,362.73</b>	<b>0.00</b>	<b>339,868,758.28</b>	<b>251,556,709.23</b>	<b>270,091,901.11</b>
<b>3,212,814,333.52</b>	<b>118,210,756.38</b>	<b>0.00</b>	<b>21,095,783.84</b>	<b>0.00</b>	<b>3,309,929,306.06</b>	<b>1,440,700,144.70</b>	<b>1,480,976,842.62</b>
16,862,221.98	0.00	0.00	0.00	0.00	16,862,221.98	721,692,367.88	721,727,367.88
134,622.98	0.00	0.00	134,622.98	0.00	0.00	26,668,088.28	18,697,164.92
0.00	0.00	0.00	0.00	0.00	0.00	23,293,508.40	23,293,508.40
476,484.60	34,417.89	0.00	0.00	0.00	510,902.49	8,370,178.30	8,335,760.41
<b>17,473,329.56</b>	<b>34,417.89</b>	<b>0.00</b>	<b>134,622.98</b>	<b>0.00</b>	<b>17,373,124.47</b>	<b>780,024,142.86</b>	<b>772,053,801.61</b>
<b>3,498,298,268.26</b>	<b>123,142,660.71</b>	<b>0.00</b>	<b>22,447,828.37</b>	<b>0.00</b>	<b>3,598,993,100.60</b>	<b>2,280,516,611.94</b>	<b>2,313,514,296.64</b>

## Changes in investment subsidies

	Balance as of 01.10.2020 EUR	Allocation 2020/2021 EUR	Reversal/ consumption 2020/2021 EUR	Balance as of 30.09.2021 EUR
<b>I. Intangible assets</b>				
Other rights	1,651,893.12	67,499.43	351,616.05	1,367,776.50
<b>Total intangible assets</b>	<b>1,651,893.12</b>	<b>67,499.43</b>	<b>351,616.05</b>	<b>1,367,776.50</b>
<b>II. Property, plant and equipment</b>				
1. Electricity plants				
1. 1. Power plants land and buildings	8,408,177.70	446,234.61	850,159.76	8,004,252.55
Manufacturing plant and equipment	720,037.31	51,543.23	114,849.11	656,731.43
Advance payments made and facilities under construction	0.00	275,014.35	0.00	275,014.35
<b>Total power plant assets</b>	<b>9,128,215.01</b>	<b>772,792.19</b>	<b>965,008.87</b>	<b>8,935,998.33</b>
1. 2. Transformer and distribution systems				
Lines and cables	97,500.00	0.00	13,000.00	84,500.00
<b>Total transformer and distribution systems</b>	<b>97,500.00</b>	<b>0.00</b>	<b>13,000.00</b>	<b>84,500.00</b>
<b>Total electricity assets</b>	<b>9,225,715.01</b>	<b>772,792.19</b>	<b>978,008.87</b>	<b>9,020,498.33</b>
2. District heat systems				
Land and buildings	68,781.36	0.00	2,345.31	66,436.05
Manufacturing plant and equipment	285,627.66	0.00	71,406.92	214,220.74
Pipes and pipelines	24,857.25	0.00	1,657.15	23,200.10
<b>Total district heat assets</b>	<b>379,266.27</b>	<b>0.00</b>	<b>75,409.38</b>	<b>303,856.89</b>
3. Other facilities, furniture and fixtures				
Land and buildings	216,171.35	0.00	10,643.78	205,527.57
Manufacturing plant and equipment	64,371.67	317,970.88	30,429.03	351,913.52
Furniture and fixtures	0.00	120,511.76	51,028.01	69,483.75
Advance payments made and facilities under construction	0.00	63,398.55	0.00	63,398.55
<b>Total other facilities, furniture and fixtures</b>	<b>280,543.02</b>	<b>501,881.19</b>	<b>92,100.82</b>	<b>690,323.39</b>
<b>Total property, plant and equipment</b>	<b>9,885,524.30</b>	<b>1,274,673.38</b>	<b>1,145,519.07</b>	<b>10,014,678.61</b>
<b>Total investment subsidies (thereof allocated COVID bonus EUR 994,708.53)</b>	<b>11,537,417.42</b>	<b>1,342,172.81</b>	<b>1,497,135.12</b>	<b>11,382,455.11</b>

## Cash Flow Statement 2020/2021

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
<b>Net cash flow from ongoing business activities:</b>		
Net profit for the year	63,458	77,802
Gains from the disposal of assets	-1,541	-3,886
Reversal of investment subsidies	-1,497	-2,038
Reversal of construction cost subsidies	-6,636	-7,516
Write-up of financial assets	0	0
Write-up of non-current securities	0	-159
Income from investments, securities and lendings as well as interest and similar expenses	-6.620 <sup>1)</sup>	-22.773 <sup>1) 5)</sup>
Losses from the disposal of assets	1,287	1,435
Write-down of property, plant and equipment and intangible assets	123,108	128,246
Change in social capital	-771 <sup>2)</sup>	-2,144
Change in other non-current provisions	6,678	131
Change in non-current provisions for deferred taxes	1.301 <sup>3)</sup>	-10.336 <sup>3)</sup>
Write-down of financial assets	34	35
Write-down of current securities	10	238
<b>Cash flow from earnings</b>	<b>178,811</b>	<b>159,036</b>
Change in inventories	2,762	15
Change in other receivables and assets, deferrals and accruals (excl. financial receivables)	12.950 <sup>4)</sup>	40.324 <sup>4)</sup>
Change in current provisions	11,229	92
Change in advance payments received	154	0
Change in current liabilities and deferrals and accruals (excl. financial liabilities)	-29,897	-36,340
Change in non-current liabilities and deferrals and accruals (excl. financial liabilities)	-976	-738
<b>Cash flow from operations</b>	<b>175,033</b>	<b>162,390</b>

1) including phase-congruent distributions of EUR 28,000 thousand (previous year: EUR 42,000 thousand)

2) exclusive of personnel transfer outside of profit or loss

3) plus change in the deferred income for the reversal of deferred taxes

4) less phase-congruent distributions of EUR 28,000 thousand (previous year: EUR 42,000 thousand)

5) Previous year figures adapted or restructured

	2020/2021 EUR 1,000	2019/2020 EUR 1,000
<b>Cash flow from investing activities</b>		
Investments into non-current assets	-167,033	-163,643
Income from the disposal of non-current assets	11,147	18,735
Income received from investments, securities and interest	2,808	1.873 <sup>1)</sup>
Investment subsidies received	1,015	0
Construction subsidies received	37	33
	<b>-152,026</b>	<b>-143,004</b>
<b>Cash flow from financing activities:</b>		
Change in bonds and bank liabilities	74,927	81,659
Change in treasury stocks	-28	-39
Distribution to shareholders	-53,193	-53,193
Interest payments and similar expenses	-24,188	-21.100 <sup>1)</sup>
Change in financial receivables and financial liabilities within the Group	147,258	-24,006
	<b>144,776</b>	<b>-16,679</b>
Cash flow from operations	175,033	162,390
Cash flow from investment activities	-152,026	-143,004
Cash flow from financing activities	144,776	-16,679
<b>Change in cash and cash equivalents</b>	<b>167,783</b>	<b>2,707</b>
Cash and cash equivalents opening balance	94,582	91,875
Transfer of personnel provisions to/from subsidiaries	12	0
<b>Cash and cash equivalents closing balance</b>	<b>262,377</b>	<b>94,582</b>

1) Previous year figures adapted or restructured

## Statement of Financial Position of Energie AG Oberösterreich as of 30 September 2021 pursuant to § 8 EIWOG and § 8 GWG

		Electricity generation/ sales EUR 1,000	Electricity grid EUR 1,000	Gas grid EUR 1,000	Other EUR 1,000	Total for the Company EUR 1,000
<b>ASSETS</b>						
<b>D.3.1.</b>	<b>Total non-current assets</b>	<b>350,511.4</b>	<b>851,223.0</b>	<b>299,835.3</b>	<b>811,944.6</b>	<b>2,313,514.3</b>
D.3.1.1.	Intangible assets	49,382.0	8,809.6	196.0	2,095.0	60,483.7
D.3.1.2.	Property, plant and equipment	176,353.0	820,656.0	299,026.0	184,941.8	1,480,976.8
D.3.1.3.	Financial assets	124,776.4	21,757.4	612.3	624,907.7	772,053.8
<b>D.3.2.</b>	<b>Total current assets</b>	<b>128,842.8</b>	<b>99,856.4</b>	<b>36,382.4</b>	<b>141,627.2</b>	<b>406,708.8</b>
D.3.2.1.	Inventories	15,821.0	7,476.2	3,738.1	623.0	27,658.3
D.3.2.2.	Total receivables and other assets	66,834.9	741.5	249.0	28,898.6	96,724.0
D.3.2.2.1.	Trade receivables	-1.6	38.6	0.0	5.4	42.4
D.3.2.2.2.	Receivables from affiliated companies	13,168.1	0.0	0.0	26,918.3	40,086.4
D.3.2.2.3.	Receivables from companies in which an interest is held	69.1	0.0	0.0	239.7	308.8
D.3.2.2.4.	Other receivables and other assets	53,599.3	702.9	249.0	1,735.2	56,286.4
D.3.2.3.	Securities	0.0	0.0	0.0	19,949.8	19,949.8
D.3.2.4.	Cash, cheques, credit balances with banks	46,186.9	91,638.7	32,395.4	92,155.8	262,376.8
<b>D.3.3.</b>	<b>Accruals and deferrals</b>	<b>156.9</b>	<b>311.3</b>	<b>110.1</b>	<b>3,187.0</b>	<b>3,765.3</b>
	<b>Total assets</b>	<b>479,511.1</b>	<b>951,390.8</b>	<b>336,327.8</b>	<b>956,758.8</b>	<b>2,723,988.4</b>

		Electricity generation/ sales EUR 1,000	Electricity grid EUR 1,000	Gas grid EUR 1,000	Other EUR 1,000	Total for the Company EUR 1,000
<b>LIABILITIES</b>						
<b>D.3.4.</b>	<b>Equity</b>	<b>130,334.9</b>	<b>338,776.7</b>	<b>85,257.4</b>	<b>289,134.4</b>	<b>843,503.4</b>
<b>D.3.6.</b>	<b>Investment subsidies</b>	<b>9,732.2</b>	<b>86.9</b>	<b>842.0</b>	<b>721.3</b>	<b>11,382.5</b>
<b>D.3.7.</b>	<b>Total provisions</b>	<b>25,322.0</b>	<b>7,407.3</b>	<b>744.7</b>	<b>39,496.2</b>	<b>72,970.3</b>
D.3.7.1.	Severance payments	0.0	0.0	0.0	2,398.2	2,398.2
D.3.7.2.	Pensions	0.0	0.0	0.0	18,272.3	18,272.3
D.3.7.3.	Other interest-bearing provisions	0.0	0.0	0.0	2,676.0	2,676.0
D.3.7.4.	Other provisions	25,322.0	7,407.3	744.7	16,149.7	49,623.7
<b>D.3.8.</b>	<b>Total liabilities</b>	<b>308,651.6</b>	<b>599,206.5</b>	<b>210,917.6</b>	<b>626,528.3</b>	<b>1,745,304.1</b>
D.3.8.1.1.	Trade payables	-8,595.8	3,800.3	740.4	13,592.3	9,537.1
D.3.8.1.2.	Liabilities to affiliated companies	203,055.7	404,057.1	142,663.8	417,327.6	1,167,104.3
D.3.8.1.3.	Liabilities to companies in which an interest is held	0.0	0.0	0.0	0.0	0.0
D.3.8.1.4.	Other liabilities	114,191.7	191,349.1	67,513.4	195,608.4	568,662.6
<b>D.3.9.</b>	<b>Construction cost subsidies</b>	<b>3,973.6</b>	<b>5,913.3</b>	<b>38,566.1</b>	<b>146.3</b>	<b>48,599.2</b>
<b>D.3.10.</b>	<b>Accruals and deferrals</b>	<b>1,496.8</b>	<b>0.0</b>	<b>0.0</b>	<b>732.3</b>	<b>2,229.0</b>
<b>Total liabilities and equity</b>		<b>479,511.1</b>	<b>951,390.8</b>	<b>336,327.8</b>	<b>956,758.8</b>	<b>2,723,988.4</b>

## Statement of Income of Energie AG Oberösterreich for the 2020/2021 fiscal year pursuant to § 8 EIWOG and § 8 GWG

	Electricity generation/ sales EUR 1,000	Electricity grid EUR 1,000	Gas grid EUR 1,000	Other EUR 1,000	Total for the Company EUR 1,000
1. Sales revenues	196,575.1	105,523.1	27,733.1	79,657.8	409,489.1
2. Changes in inventory	0.0	0.0	0.0	0.0	0.0
3. Own work capitalised	0.0	0.0	0.0	0.0	0.0
4. Other operating income	1,215.5	222.1	35.6	2,511.8	3,985.0
5. Cost of materials and other services	-133,283.3	-8.2	0.0	-58,136.1	-191,427.5
6. Personnel expenses	0.0	0.0	0.0	-11,604.8	-11,604.8
7. Depreciation, amortisation and write-downs	-15,443.5	-75,890.2	-15,144.1	-16,630.5	-123,108.2
8. Other operating expenses	-21,892.1	-1,666.5	-227.8	-3,659.9	-27,446.3
<b>9. Operating result (l. 1 to 8)</b>	<b>27,171.7</b>	<b>28,180.3</b>	<b>12,396.8</b>	<b>-7,861.5</b>	<b>59,887.3</b>
10. Income from investments in other companies	8,458.5	4.8	8.7	21,113.2	29,585.1
11. Income from other securities and lendings from the non-current financial assets	32.4	0.0	0.0	739.5	771.9
12. Other interest and similar income	0.0	0.0	0.0	450.7	450.7
13. Income from the disposal and write-up of financial assets and current securities	0.0	0.0	0.0	22.0	22.0
14. Expenses from financial assets and current securities	0.0	0.0	0.0	-1,567.2	-1,567.2
15. Interest and similar expenses	-4,217.2	-8,367.2	-2,957.9	-8,645.9	-24,188.2
<b>16. Financial result (l. 10 to 15)</b>	<b>4,273.8</b>	<b>-8,362.5</b>	<b>-2,949.3</b>	<b>12,112.2</b>	<b>5,074.3</b>
<b>17. Earnings before taxes</b>	<b>31,445.5</b>	<b>19,817.8</b>	<b>9,447.5</b>	<b>4,250.7</b>	<b>64,961.5</b>
18. Income taxes	-727.9	-458.8	-218.7	-98.4	-1,503.8
<b>19. Earnings after taxes = net profit for the year</b>	<b>30,717.5</b>	<b>19,359.1</b>	<b>9,228.8</b>	<b>4,152.3</b>	<b>63,457.7</b>
20. Reversal of/allocation to retained earnings	1,468.9	925.7	441.3	198.6	3,034.5
21. Profit carried forward from the previous year	0.0	0.0	0.0	7.7	7.7
<b>22. Balance sheet profit</b>	<b>32,186.4</b>	<b>20,284.8</b>	<b>9,670.2</b>	<b>4,358.6</b>	<b>66,500.0</b>

## Reporting pursuant to ElWOG 2010 as amended and § 8 GWG 2011

The UNBUNDLING concept is based on the use of SAP-R/3 with the “cost center” and “profit center” standard functions from the financial management with the support of the fixed asset accounting and cost accounting departments.

All own power plants, the procurement rights, and the 7Fields gas reservoir have been allocated to the production sector.

The Grid segment includes the 110 kV grid, the electrical substations, the medium and low-voltage grid, the transformer stations, the high-pressure and low-pressure natural gas grid, the gas pressure control and measuring stations, as well as the automated metering infrastructure. In the course of incorporating the “Grid” operational unit into Netz Oberösterreich GmbH in the 2014/2015 fiscal year, the operation of the distribution grid was leased out from Energie AG Oberösterreich.

The general rule of directly allocating the assets and directly attributable capital to the individual segments in the Statement of Financial Position has been followed. In cases where the relationship to the individual activities was indirect, or a further breakdown would require a disproportionately great effort, the allocation was based on relevant and cause-related classifications.

The static method was used for the allocation of capital. Interest-bearing liabilities have been allocated on the basis of the directly attributable net assets (total assets less cash/bank credit balances) in accordance with the overall situation in the company. The difference between calculated assets and directly or indirectly attributed capital was subsequently replenished from equity.



# AUDIT CERTIFICATE

## | REPORT ON THE ANNUAL FINANCIAL STATEMENTS

### Audit opinion

We have audited the Annual Financial Statements of Energie AG Oberösterreich, Linz, comprising the Statement of Financial Position as of 30 September 2021, the Statement of Income for the fiscal year ending as of that date, as well as the Notes to the Annual Financial Statements.

It is our opinion that the attached Annual Financial Statements comply with the statutory requirements and present an in all material respects suitable view of the asset and financial position of the Company as of 30 September 2021, as well as the earnings position and cash flows of the Company during the fiscal year ending on that date, in accordance with Austrian corporate law and the statutory provisions of the Electricity Industry and Organisation Act 2010 and the Gas Industry Act 2011.

### Basis for our audit opinion

We have conducted our audit in accordance with Directive (EU) No. 537/2014 (EU Directive hereinafter) and the Austrian Principles of Proper Auditing of Financial Statements. These principles require the application of the International Standards on Auditing (ISA). Our responsibilities under these regulations and standards are set out in more detail in section "Responsibilities of the Auditor in Auditing the Annual Financial Statements" of the audit certificate. We are independent from the Company in compliance with the Austrian corporate law and professional regulation and have discharged our other professional duties in accordance with these requirements. We are of the opinion that the audit evidence obtained by us by the date of our audit certificate is sufficient and suitable for forming the basis for our audit opinion expressed as of that date.

### Highly significant audit findings

Highly significant audit findings are findings concerning circumstances that, in our professional judgement, had the highest significance for our audit of the Annual Financial Statements for the fiscal year. These findings were considered in the context of our audit of the Annual Financial Statements in their entirety, as well as in forming our audit opinion. We do not issue a separate opinion on these findings.

## 1. Measurement of shares in affiliated companies

### Circumstances and problem

As of the reporting date, shares in affiliated companies with a carrying amount of EUR 721.7 million represent approx. 26.5% of the total assets. An amount of approximately EUR 1.5 million in expenses from loss absorption agreements was recognised in the year under review. No impairment was recognised for shares in affiliated companies.

When preparing the Annual Financial Statements, Energie AG Oberösterreich analyses all material shares in affiliated companies on the presence of indications for a material change in value. For shares in affiliated companies that were impaired in previous years, it is examined whether the reasons for an impairment no longer apply and an upward revaluation is required. Where such indications are present, the value of the affiliated company is measured and any resulting difference in value recognised as an impairment/write-up to the carrying amount.

Measuring the company's value requires a number of discretionary decisions and is subject to significant components derived by estimation, e.g. selection of the method for measuring the company's value, estimation of future cash flows, and determination of a reasonable discounting rate. There is a risk that inadequate estimates and/or discretionary decisions have a significant impact on the resultant company value and in turn on the carrying amounts recognised for the shares in affiliated companies in the Statement of Financial Position and the financial result reported in the Statement of Income.

Details on the measurement of shares in affiliated companies can be found in the Notes, section "II. Accounting policies", subsection "Non-current assets".

### Audit methodology

We have carried out our audit of the measurement of shares in affiliated companies as follows:

- We have analysed and critically examined the process for measuring shares in affiliated companies on the basis of the documentation available at the company and information received with respect to whether the process is suitable to assure a reasonable measurement of the shares in affiliated companies.
- We have critically examined the Company's analyses of indications for a necessary material impairment or value appreciation, and assessed them in consideration of the insights gained from our audit of the Annual Financial Statements.
- Where such indicators were present, we examined the Company's own valuation with a particular focus on discretionary decisions and estimations as follows:
  - We have reviewed the selection of the valuation model, the planning assumptions, and the valuation parameters.
  - Our valuation specialists have assessed the assumptions made in connection with the discounting rate on their adequacy by verifying them against market- and industry-specific reference values.
  - We have assessed the formal and substantial plausibility of the internal planning calculations that form the foundation for the assumptions made in relation to expected cash flows.
  - The results of the company valuation was juxtaposed against the carrying amounts for the concerned shares in affiliated companies and we assessed any potential need for the recognition of an impairment or value appreciation.

### Note regarding other circumstances – Annual Financial Statements for the previous fiscal year

The Company's Annual Financial Statements as of 30 September 2020 were audited by different auditors, who issued an unqualified audit certificate for said annual financial statements on 2 December 2020.

### Other Disclosures

The legal representatives are responsible for the other required disclosures. The other disclosures encompass all information presented in the Annual Financial Report, with the exception of the Consolidated Financial Statements, the Management Report and Group Management Report, and the associated audit certificates. The Non-financial Report was received by us prior to the date of this audit certificate, the other components of the Annual Financial Report are expected to be made available to us after that date.

Our audit opinion on the Annual Financial Statements does not extend to these other disclosures, which are excluded from the assurances given by our firm. We refer to the section contained in the "Report on the Management Report" with regard to the information contained in the Management Report.

Our audit of the Annual Financial Statements comes with the responsibility to read and consider the other disclosures with the objective of determining whether they contain significant discrepancies from the Annual Financial Statements and the insights gained during our audit, or whether they are significantly misrepresented in another way.

We are compelled to report if the work carried out in relation to the other disclosures received before the date of the audit certificates leads us to the conclusion that these other disclosures are significantly misrepresented. Our audit has not resulted in any reportable circumstances.

### **Responsibilities of the legal representatives and the Audit Committee for the Annual Financial Statements**

The legal representatives are responsible for compiling the Annual Financial Statements in compliance with Austrian corporate law, the statutory provisions of the Electricity Industry and Organisation Act 2010 and the Gas Industry Act 2011, and for assuring that they provide a true and fair view of the Company's assets, liabilities, financial position and profit or loss. The legal representatives are further responsible for the internal controls deemed necessary by them for preparing a set of Annual Financial Statements that is free from significant misrepresentations caused by fraud or human error.

In compiling the Annual Financial Statements, the legal representatives have the duty to form an opinion on the Company's ability to continue its business operations, to disclose any relevant circumstances relating to the continuation of the business operations and to base their considerations on the principle of continued business operations, unless they intend to liquidate the Company, cease business operations or find themselves in lack of any viable alternative to such course of action.

The Audit Committee is responsible for supervising the Company's accounting processes.

### **Responsibilities of the auditors for the audit of the Annual Financial Statements**

Our objective is to assure an adequate degree of certainty on whether the Annual Financial Statements in their entirety are free from significant misrepresentations caused by fraud or human error, and to issue an audit certificate that reflects our audit findings. An adequate degree of certainty means a high degree of certainty, but is not an absolute guarantee that the audit conducted in accordance with the EU Directive and the Austrian Principles of Proper Auditing, which require application of ISA, has in fact identified all significant misrepresentations that may be contained in the audited financial statements. Misrepresentations may result from malicious acts or misconceptions and are deemed significant if they could, individually or collectively, have a potential influence on the commercial decisions made by their readers on the basis of these Annual Financial Statements.

In conducting our audit in accordance with the EU Directive and the Austrian Principles of Proper Auditing, which require application of ISA, we form our opinions on the basis of our professional judgement and maintain a critical view of the circumstances presented to us throughout the entire course of the audit.

We further adhere to the following:

- We identify and assess the risks stemming from any significant misrepresentations in the Financial Statements caused by fraud or human error, plan our audit activities as a response to these risks, perform our audit activities and gain sufficient and suitable audit evidence to serve as the basis for our audit findings. The risk of significant misrepresentations resulting from malicious acts remaining undetected is higher than the risk resulting from misconceptions, because malicious acts may include collusion, fraudulent acts, forgery, intentional omissions, deceiving representations or the circumvention of internal controls.
- In order to plan audit activities that adequately address the prevailing circumstances, we gain an understanding of the system of internal controls bearing relevance for our audit, but without the objective of forming an audit opinion on its effectiveness.
- We evaluate the appropriateness of the accounting methods applied by the legal representatives, as well as the tenability of values estimated by the legal representatives and represented in the accounts and the disclosures associated with such estimates.
- We draw inferences about the appropriateness of the legal representatives operating under the accounting principle of continued business operations, as well as, on the basis of the evidence presented to us for our audit, whether any events or circumstances are subject to a considerable uncertainty that would give rise to doubts about the viability of the Company continuing its business operations. If we arrive at the conclusion that a material uncertainty exists, we are obliged to draw attention to the associated disclosures contained in the Annual Financial Statements in our audit certificate, or to modify our audit certificate if these disclosures are inappropriate. We draw our conclusions on the basis of the audit evidence gathered by the date of our audit certificate. Future events or circumstances may however result in the Company resolving to discontinue its business operations.
- We form an opinion on the overall presentation, structure and contents of the Annual Financial Statements including the disclosures therein, as well as on whether they present a suitable view of the underlying business transactions and events.

We consult with the Audit Committee on matters such as the planned scope and timing of the audit as well as significant audit findings, including any significant defects in the system of internal control system detected during our audit.

We also issue a statement to the Audit Committee confirming our adherence to the relevant professional requirements pertaining to our independence, and exchange information with the Audit Committee on all relationships and other circumstances that may reasonably be expected to affect our independence and, if applicable, any associated precautionary measures.

From the circumstances discussed with the Audit Committee, we determine those that have the highest significance for the audit of the Annual Financial Statements for the fiscal year and that therefore represent the circumstances bearing special significance for the audit. We describe these circumstances in our audit certificate, unless public disclosure of a certain circumstance is prohibited by law or other legal requirement, or determine in very rare cases that certain circumstances should not be disclosed in our audit certificate because the negative implications of disclosing them could reasonably be expected to exceed the benefits for the public interest.

## Audit report on the Management Report

Austrian corporate law requires an assessment of whether the Management Report reconciles with the Annual Financial Statements and whether it was compiled in accordance with the applicable legal requirements.

The legal representatives are responsible for compiling the Company Management Report in compliance with the requirements under Austrian corporate law.

We have conducted our audit on the basis of the professional principles for the auditing of management reports.

### Audit opinion

We have formed the opinion that the attached Management Report complies with the applicable legal requirements and that it reconciles with the Annual Financial Statements.

### Declaration

Our audit of the Annual Financial Statements and the understanding formed about the Company and its business environment has not identified any material misrepresentations in the Management Report.

### Additional information pursuant to Article 10 EU Directive

Our firm was elected auditors of the Financial Statements for the fiscal year ending on 30 September 2021 by the General Meeting held on 16 December 2020. On 6 April 2021, the Supervisory Board has granted our firm the mandate to audit the Company's Financial Statements for the fiscal year ending on 30 September 2021. The fiscal year ending on 30 September 2021 is the first year the Company was audited by our firm.

We hereby declare that our audit opinion presented in section "Report on the Annual Financial Statements" reconciles with the additional report to the Audit Committee pursuant to Article 11 of the EU Directive.

We hereby declare that we have not performed any prohibited non-audit services pursuant to Article 5 para 1 EU Directive and that we have maintained our independence from the audited company during the conduct of our audit of the Financial Statements.

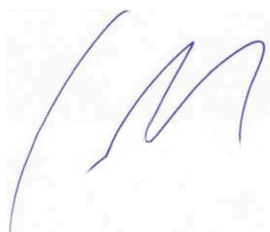
### Responsible auditor

The responsible auditor for this assignment was Mag. Gerhard Marterbauer.

Vienna

3 December 2021

### Deloitte Audit Wirtschaftsprüfungs GmbH



Mag. Gerhard Marterbauer  
Auditor



Mag. Christof Wolf  
Auditor

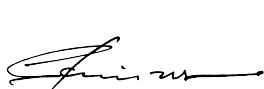
The Annual Financial Statements bearing our audit certificate may only be published or disclosed in the version certified by us. This audit certificate refers exclusively to the full original Annual Financial Statements and the Management Report issued in German. The provisions of § 281 para 2 of the Austrian Commercial Code (UGB) must be observed for any other versions.

## STATEMENT BY THE MANAGEMENT BOARD PURSUANT TO § 124 PARA 1 SUBPARA 3 OF THE STOCK EXCHANGE ACT [BÖRSEGESETZ (BÖRSEG)]

The Management Board of Energie AG Oberösterreich confirms to the best of its knowledge that the Annual Financial Statements of Energie AG Oberösterreich give a true and fair view of the assets, liabilities, as well as the financial and earnings position of the Company as required by the applicable accounting standards, and that the Management Report represents the development and performance of the business and the position of the Company in such a way, that it gives a true and fair view of the assets, liabilities, as well as the financial and earnings position of the Company, together with a description of the principal risks and uncertainties faced by the Company.

Linz, 3 December 2021

The Management Board of Energie AG Oberösterreich



**Chief Executive Officer**

**DDr. Werner Steinecker MBA**

Chairman of the Management Board

CEO



**Dr. Andreas Kolar**

Member of the Management Board

CFO



**Dipl.-Ing. Stefan Stallinger MBA**

Member of the Management Board

COO

## DISCLAIMER

Any gender-specific terms used in this report should be understood as referring to both genders, unless explicitly stated.

When “Energie AG” is referred to in the financial statement, Energie AG Oberösterreich is meant.

This report contains forward-looking statements subject to risks and uncertainties that could cause actual results to differ substantially from those predicted. Terms used such as “presumed”, “assumed”, “estimated”, “expected”, “intended”, “may”, “planned”, “projected”, “should” and comparable expressions serve to characterise forward-looking statements. No guarantees can therefore be given that the forecasts and planned values will actually materialise regarding economic, currency-related, technical, competition-related and several other important factors that could cause actual results to differ from those anticipated in the forward-looking statements. Energie AG does not intend to update such forward-looking statements and refuses any responsibility for any such updates. We have exercised utmost diligence in the preparation of this report and checked the data contained therein. The present English version is a translation of the German report. The German version of the report is the only authentic version.

## LEGAL NOTICE

**Responsible publisher:**

Energie AG Oberösterreich, Böhmerwaldstraße 3, 4020 Linz, Austria

**Editors:**

Michael Frostel MSc, Mag. Margit Lang, Mag. Iveta Strnadova MBA, Mag. Gerald Seyr,  
Mag. Klaus Oberparleiter

**Concept, graphic design and implementation:** nexxar GmbH, Wien

**Cover design:** upart Werbung & Kommunikation GmbH, Linz

**Translation:** GORNIK translators for industry GmbH

**Photo Credits:** Energie AG Oberösterreich, Wolfgang Zopf, Hermann Wakolbinger

Subject to errors and misprints.

Linz, December 2021



Energie AG Oberösterreich  
Böhmerwaldstraße 3  
4020 Linz, Austria  
[www.energieag.at](http://www.energieag.at)