Report on non-financial information 2022/2023
for Energie AG Oberösterreich

LETTER BY THE MANAGEMENT BOARD

GRI 2-22

In a year dominated by numerous global challenges and geopolitical turbulence, Energie AG Oberösterreich has taken decisive steps aimed at advancing the Company's ambitions in the fields of sustainability, social responsibility and economic stability. The 2022/2023 fiscal year was characterised by a focus on the Group's strategic alignment with a view to sharpening the business models in order to meet the evolving needs of society while helping to shape a sustainable future.

Our vision of being a driving force in the energy transition, as developed and codified by the "LOOP" strategy project launched in the spring of 2023, will serve as the basis for our goals up to 2035. The initiative signals our commitment to decarbonising the energy cycle, from generation and distribution to recovery, and expresses our response to the urgent imperative of climate change mitigation. One key element on our path to implementing this vision was the decision to build the pumped-storage power plant Ebensee, which involved an approximate investment volume of EUR 450 million. The project, often referred to as the "green battery of Upper Austria", represents a milestone in our efforts to guarantee security of supply and network stability at a time when renewable energies are becoming ever more important.

In keeping with international standards and regulations, the objectives in the area of Environment Social Governance (ESG), the provisions of the Corporate Sustainability Reporting Directive (CSRD) and the adaptation to the European Sustainability Reporting Standards (ESRS) are central elements of our activities, and of transparency in our reporting. The establishment of an expanded ESG organisation within the company was a critical step in securing the necessary resources and investment funds for our goals in the areas of social responsibility, environmental protection and effective corporate management.

As a leading business in the region, Energie AG Oberösterreich puts great value on diversity and inclusion. This commitment is clear from the rising number of women in managerial positions (the ratio currently stands at 18.4%). The positive trend is the result of targeted initiatives, including in particular our support for the START scholarship programme for talented students from a migrant background. In this way, we are actively fostering a corporate culture that values diversity and ensures equality of opportunity across all areas of the company, thereby playing our part in creating a more closely integrated society.

The employees of Energie AG, who are the backbone of our success, have demonstrated dedication, determination and adaptability in these challenging times. Our investment in a working environment that encourages cooperation, innovation and personal growth is reflected in the ongoing development and success of the company. Our strong focus on employees was recognised by the Trend awards for the best employers in Austria in 2022/2023. Energie AG placed third overall and topped the energy sector.

The customer is at the heart of the Group's strategy. We have developed forward-looking offers and are expanding our digital customer services. Alongside our commitment to the field of e-mobility, we are investing more in green hydrogen, continuing to modernise our

electricity grids and committing to innovative solutions that meet customer needs and contribute to the attainment of climate targets.

We are living up to our social responsibilities by supporting local initiatives and strengthening educational programmes. Our commitment ranges from environmental protection projects to partnerships with educational establishments aimed at promoting the next generation of specialists and senior executives.

Despite the many challenges of the future, Energie AG is confident that the strategic initiatives and investments it has enacted will lead to a future characterised by greater sustainability, inclusion and resilience for us all. This report presents a detailed insight into the efforts, plans and goals we have set ourselves for the years ahead.

We look forward to taking this road with you, and to pursuing our forward-looking goals and measures on behalf of future generations.

Dr. Leonhard Schitter MA
CEO

Dr. Andreas Kolar
CFO

Dipl.-Ing. Stefan Stallinger MBA
COO

ABOUT THIS REPORT

GRI 2-2, 2-3, 2-4, 2-14

As per the European Union (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 § 267a of the Austrian Commercial Code (UGB). This report is published on an annual basis together with the Group Annual Report. The reporting period coincides with the fiscal year from 1 October 2022 to 30 September 2023. The last Group annual report for the 2021/2022 fiscal year was published on 20 December 2022. The report on non-financial information is based on the standards published by the **Global Reporting Initiative** (GRI). This report was prepared with reference to the GRI standards 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**.

Since fiscal year 2021/2022, Energie AG Group has been required to disclose information on environmentally sustainable turnover, investments (capex), and operating expenses (opex) in accordance with the EU Taxonomy Regulation (2020/852). The application of Article 8 of the EU Taxonomy Regulation on the basis of the delegated acts already passed for the climate goals of "climate change mitigation" and "climate change adaptation" and the duties of disclosure incumbent on Taxonomy-eligible and Taxonomy-aligned economic activities for the 2022/2023 fiscal year are outlined in the **Environment › Page 54** section. While only the Taxonomy eligibility of the defined economic activities for the environmental goals of "climate change mitigation" and "climate change adaptation" was reported for the 2021/2022 fiscal year, this report also presents the respective proportions of Taxonomy-eligible and Taxonomy-aligned economic activities in relation to turnover, capex and opex.

In addition to this Non-Financial Report, Energie AG provides information about its corporate responsibility in an annual **Group Management Report › Page 135**, in the **› Semi-annual Report** and on its **› company website**.

Please address any questions on this report to Karin Strobl M.A., Group spokesperson and Head of **› Corporate Communications** (karin.strobl@energieag.at, +43 5 9000-3775).

This Non-Financial Report presents **non-financial 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), **see Consolidated Financial Statements › Page 184**. Disclosures about topics of lesser relevance have not been provided. Key figures are also presented, with any discrepancies noted separately. Changes in reporting compared to the previous year's reporting period are detailed in the relevant sections along with corrections and restatements of information from previous non-financial reports.

The **equal treatment of all genders** is an important concern of Energie AG Group. In fiscal year 2021/2022, the company has therefore implemented a gender-neutral style in its external and internal communications. The gender-neutral style has also been adopted in this Non-financial report (German version).

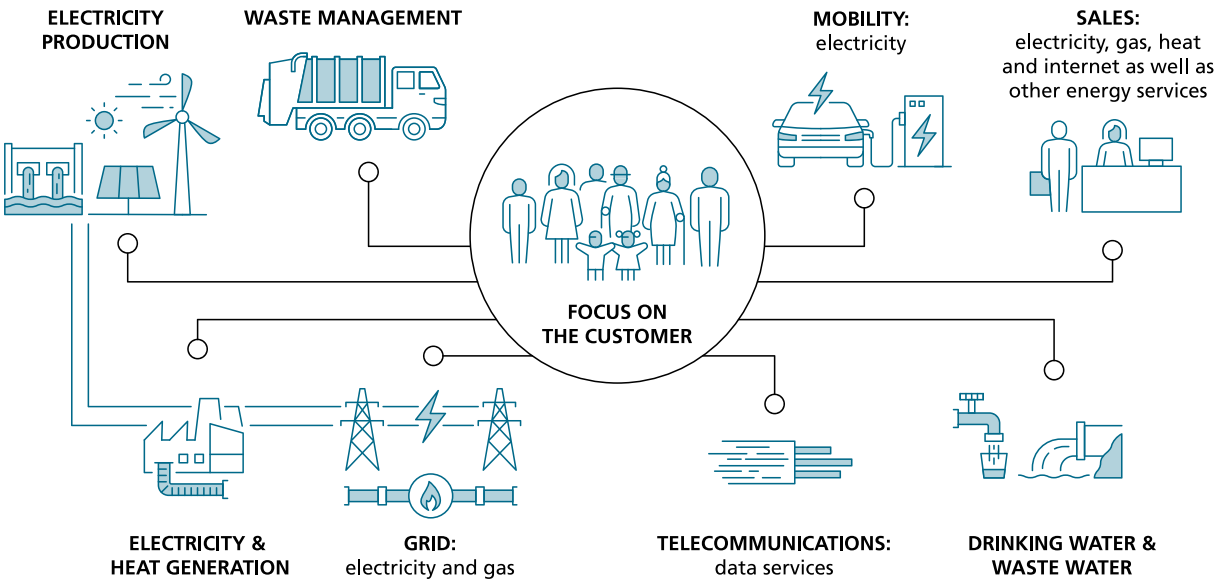
This report was created with the utmost care and attention and was examined by Energie AG **Group Audit, directly commissioned by the Supervisory Board**. The Supervisory Board will report on this after fiscal year end on the next General Meeting.

This Group annual report has been translated from German. In cases of doubt, the **German-language** version shall take precedence. The editorial deadline was 13 December 2023.

THE BUSINESS MODEL OF ENERGIE AG OBERÖSTERREICH

GRI 2-1, 2-6

The business model of Energie AG Group covers the entire **value chain** of energy: from energy generation to the construction and operation of electricity and gas grids as well as the supply of consumers with electricity, gas and heat. Additionally, customers in Austria are also offered telecommunication products and energy-related services. The Group offers an integrated waste management and waste management solutions to its customers in Austria and northern Italy, while those in the Czech Republic are supplied with drinking water, heat and waste water management services.



In 2022, Energie AG celebrated its 130th anniversary. The **› history of Energie AG** is manifest in the milestones achieved by the Group since its **formation** in the year 1892.

Energie AG is headquartered in Linz, Upper Austria. Energie AG's **market area** includes Austria, the Czech Republic, and Northern Italy. In the 2022/2023 fiscal year, a decision was taken to extend the regional focus to Germany, Italy and Slovenia in future.

As a provider of electricity, gas, heat and water as well as energy, waste management, information and communications 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 offers its customers products and services that generate additional value, represent fair value and are regionally available. This helps to assure a **general spirit of partnership** between the Energie AG Group and its customers, employees, suppliers and the general public.

The **Energy Segment › Page 73** is the Company's core business and consists of electricity and heat generation, the trade with energy and energy-related products, electricity and gas sales, heat supply in Austria and sales of telecommunication services. The range of services also encompasses certain energy services, such as energy audits for large organisations, energy

certificates and building modernisation plans, charge cards for electric mobility charging stations, special on-site power purchase agreement (PPA) models and system optimisation strategies.

The **Grid Segment › Page 82** 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 85** offers integrated waste management and individual 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 88** 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 91** comprises the Telecommunications 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 business units.

The organisational goal of "LOOP", the strategy and organisational project, is the planned amalgamation of Energie AG Oberösterreich Telekom GmbH (Telekom GmbH) with Business Services GmbH and Customer Services GmbH. An additional "Innovation" holding unit will also be established, see **Economy, Business models fit for the future - innovation › Page 51**.

Disclosures about changes under corporate law during the 2022/2023 fiscal year are provided in the **Group Management Report, Business development in the Group, Changes under corporate law › Page 144**.

KEY SUSTAINABILITY FIGURES AT A GLANCE

The following diagram shows the key sustainability figures for the Energie AG Group:

80.9%
proprietary electricity procurement from renewable sources
2,552 GWh

43
hydropower plants
2,359 GWh

100
PV systems
17 GWh

14
wind power facilities
33 GWh

1.5 mill. t
Ø waste volume handled*

45.2 mill. m³
waste water in the Czech Republic

58 mill. m³
drinking water
of which 48.9 mill. m³ in the Czech Republic
of which 9.1 mill. m³ in Austria

33,684 km
electricity grid
5,630 km
gas grid

5,880 km
backbone fibre-optic network*

EUR 218.5 mill.
EBIT
of which 94.4% in Austria
of which 5.2% in the Czech Republic
of which 0.4% in Italy

38.2%
company e-cars in Austria

904
charging points managed

5,117
staff
of which 60.1% in Austria
of which 39.1% in the Czech Republic
of which 0.8% in Italy

400,000
short books on energy & sustainability

3,792
visitors at the Timelkam Energy Experience Center

1,571
apprentices trained since 1943

* The average waste volume handled by the Waste Management Segment includes the volumes of RVL Reststoffverwertung Lenzing GmbH.

The overview of financial key figures **Energie AG Oberösterreich at a glance › Page 3** is part of the Group Annual Report.

SUPPLY CHAIN

After some serious market disruption affecting components for power plant construction and the impact of this on prices and supply times in Energie AG's procurement areas over the past two years, the picture is beginning to stabilise. Although prices remain high and delivery times are lengthy, there are no volatile fluctuations to report at this time. Against this background, suppliers are being evaluated on the basis of **preselection criteria**. Consent to the Code of Conduct and confirmation by contractors in Austria is the precondition for successful selection.

In contrast to the aforementioned stabilisation trend for power plant components, the production capacities of the main European manufacturers of network transformers, converters and electricity transmission components are fully utilised for a long time ahead. This is manifesting in lengthy and uncertain **supply times** as well as high and volatile prices. Energie AG addresses this by concluding long-term framework agreements with best bidders and secondary bidders.

Anyone contracting with Energie AG in Austria as a supplier, and subsequently any of their subcontractors, must give an undertaking to perform orders in compliance with the relevant

legal **regulations**, including all employee protection regulations, e.g. the Employee Protection Act, Regulation on the Protection of Construction Workers; the Employment of Foreign Nationals, legally compliant waste disposal, and no prior convictions for wage and social dumping. The associated Code of Conduct for Contractors forms part of agreements every time an order is placed, see **Compliance › Page 120** section.

With regard to the enactment of the future Supply Chain Act (Lieferkettengesetz) in Austria, Energie AG has taken steps to ensure it meets the new requirements. These include the revision of **supplier screening** in line with ESRS standards and the drafting of a strategy paper. If necessary, relevant contractual conditions in this regard will be adapted.

For more information on the supply chain and procurement, see the **Social affairs, Regional responsibility and social commitment › Page 102**.

The operating units of the **Czech Republic Segment** collaborate with various local, national and international suppliers, including the energy suppliers and providers of technological water and waste water solutions required for operational processing. Associations organised by towns and local communities are key partners in the provision of water. Suppliers in the heating area include biomass providers, a biomass power plant and an international production company from which industrial waste heat is procured.

The **procurement of natural gas** for Energie AG customers, for the production of electricity and heat and for the management of gas storage facilities is undertaken via stock exchanges in Germany, Austria and the Netherlands, and via bilateral agreements with trading partners in the EU, Switzerland, the United Kingdom and Norway. Energie AG has no direct contracts with natural gas extractors. For systemic reasons, the physical origins of gas cannot be determined owing to lack of proof of origin. According to the **› European Gas Flow Dashboard** of the European Network of Transmission System Operators for Gas (ENTSOG), the make-up of gas flows into the EU continued to change in the 2022/2023 fiscal year. The proportion of Russian pipeline gas between October 2022 and September 2023 was approximately 7%, compared to around 25% as recently as September 2021 to October 2022. The main increases were in the proportions of liquefied natural gas (LNG, up +10%) and North Sea gas (up +4%).

SHAREHOLDER STRUCTURE

Energie AG Oberösterreich is a joint stock company with the following shareholder structure in the 2022/2023 fiscal year:

OÖ Landesholding GmbH	52.71%
Land Oberösterreich	0.10%
Linz AG für Energie, Telekommunikation, Verkehr und Kommunale Dienste	10.36%
TIWAG-Tiroler Wasserkraft AG	8.28%
Raiffeisenlandesbank 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	0.04%

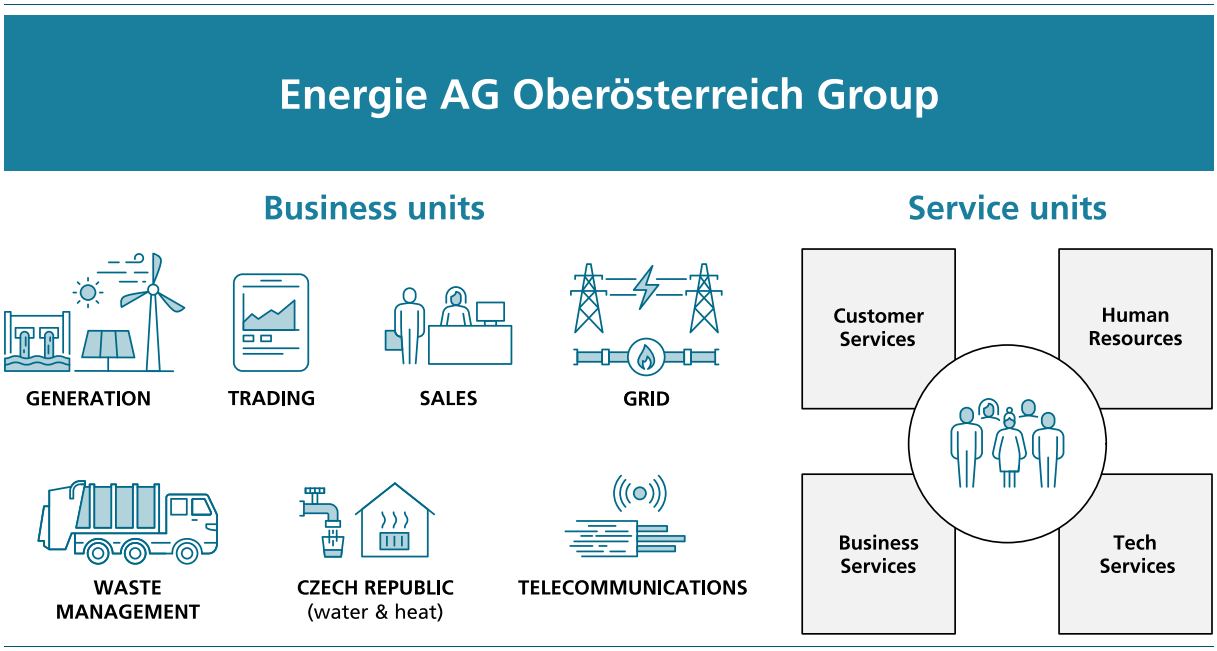
As of **30 September 2023**

GOVERNANCE STRUCTURE

GRI 2-9

The Energie AG Group is organised in a Group structure. Management and Group functions are pooled in the holding company. The **business** and **service areas** are organised in the form of individual companies. In addition to the line and project organisation, the Group has an established crisis and emergency management system with regular drills and meetings convened as required.

The following diagram depicts the seven business units and the four service areas as of 30 September 2023.



In defining the term "**business premises**", Energie AG applies the definition of a "plant" in § 74 of the Austrian Commercial Code. Accordingly, Energie AG regards business premises to be any locally established facility that is used not just temporarily to pursue a commercial activity and which can potentially have negative impacts.

The Energie AG Group also includes Netz Oberösterreich GmbH, all **sites** at which administrative activities are carried out, power plants, support bases, sites belonging to the Waste Management Segment and staffed sites in the Czech Republic. Building sites and service/troubleshooting sites are not included.

CORPORATE MANAGEMENT BODIES

GRI 2-9

Management Board

As of 1 January 2023, **Dr. Leonhard Schitter, MA** took over the position as CEO of Energie AG and Board Member for Sales and Marketing. In this position, he succeeded Chief Executive Officer DDr. Werner Steinecker, MBA, who retired at the end of the 2022 calendar year.

Dr. Leonhard SCHITTER, MA

Chief Executive Officer (CEO), Chairman of the Management Board

born 16 October 1967; doctorate in law, master's in European energy management. Joined Energie AG in 2023, appointed CEO as of 1 January 2023. Term of office ends: 31 December 2027.

Board mandates with other organisations:

Entity	Position
Oesterreichs Energie	Vice president
Verbund Hydro Power GmbH	Supervisory Board member
Association of Industrial Companies (Industriellenvereinigung)	Member of the Federal Board
Association of Industrial Companies Upper Austria (Industriellenvereinigung OÖ)	Member of Management Board

Supervisory Board mandates in major entities included in the Consolidated Financial Statements:

Entity	Position
Energie AG Oberösterreich Umwelt Service GmbH	Supervisory Board member, Vice-Chairman
Netz Oberösterreich GmbH	Supervisory Board member, Vice-Chairman
Ennskraftwerke AG	Supervisory Board member
Salzburg AG für Energie, Verkehr und Telekommunikation	Supervisory Board member

Commercial Council Mag. Dr. Andreas KOLAR

Chief Financial Officer (CFO), member of the Management Board

born 5 July 1961; degree in business administration, doctorate in social sciences and economics. Joined Energie AG in 1997; appointed to Management Board on 1 January 2012. Term of office ends: 31 December 2025.

Supervisory Board mandates in major entities included in the Consolidated Financial Statements:

Entity	Position
Energie AG Oberösterreich Umwelt Service GmbH	Supervisory Board member
Netz Oberösterreich GmbH	Supervisory Board member
Ennskraftwerke AG	Supervisory Board member
Salzburg AG für Energie, Verkehr und Telekommunikation	Supervisory Board member, Deputy Vice-Chairman

Dipl.-Ing. Stefan STALLINGER, MBA

Chief Operating Officer (COO), member of the Management Board

born 28 February 1975; degree in industrial engineering and technical chemistry, Global Executive MBA course. Joined Energie AG in 2003; appointed to Management Board on 1 March 2017. Term of office ends: 31 December 2027.

Supervisory Board mandates in major entities included in the Consolidated Financial Statements:

Entity	Position
Energie AG Oberösterreich Umwelt Service GmbH	Supervisory Board member, Chairman
Netz Oberösterreich GmbH	Supervisory Board member, Chairman
Ennskraftwerke AG	Supervisory Board member
Salzburg AG für Energie, Verkehr und Telekommunikation	Supervisory Board member
Salzburg Netz GmbH	Supervisory Board member

Proceedings and allocation of portfolios

The **Management Board** of Energie AG Oberösterreich is made up of three members, 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 or similar 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. On account of the changes to the Management Board as of 1 January 2023, the allocation of portfolios between members of the Management Board was determined by the Supervisory Board on an interim basis at its meeting held on 20 December 2022. The newly composed Management Board has now ruled on a new allocation of portfolios. This was approved by the Supervisory Board at its meeting on 28 September 2023.

Supervisory Board

GRI 2-11, 2-12, 405-1

Composition of the Supervisory Board

Shareholder representatives

Provincial Councillor Commercial Council Markus ACHLEITNER, Chairman, Aichkirchen
Solicitor Mag. Stefan LANG LL.M., Vice-Chairman, Linz
Chief Executive Officer Dr. Heinrich SCHALLER, Deputy Vice-Chairman, Linz
Head of Administrative Department Dr. Miriam EDER MBA, Linz
Chairman of the Management Board Mag. Dr. Erich ENTSTRASSER, Innsbruck
Managing Director Mag. Dr. Christiane FRAUSCHER, Linz
Member of Management Board Mag. Florian HAGENAUER MBA, Linz
Chief Executive Officer Dipl.-Ing. Erich HAIDER MBA, Linz
Deputy to Chief Executive Officer Commercial Council Mag. Michaela KEPLINGER-MITTERLEHNER, Linz
Dr. Elisabeth KÖLBLINGER, Vöcklabruck
Member of Management Board Mag. Kathrin Renate KÜHTREIBER-LEITNER MBA, Linz
Head of Local Parliamentary Group, Member of State Parliament, Ing. Herwig MAHR, Linz
Gertrude SCHATZDORFER-WÖLFEL, Zipf
Thomas Peter STADLBAUER MSc MBA MPA, Linz

Provincial Councillor Commercial Council Markus Achleitner, chairman of the highest governance body, is not a senior executive of the Energie AG Group.

Employees' representatives

Mag. Dr. Regina KRENN, Head of Works Council, Steyr (retired on 31 December 2022)
Ing. Peter NEISSL MBA MSc, Head of Works Council, Hartkirchen
Edith SCHATZDORFER, Head of Works Council, Pasching
Edith SCHMID, Head of Works Council, Perg (since 1 January 2023)
Ing. Bernhard STEINER, Head of Works Council Group Representatives, Ottensheim
Gerhard STÖRINGER, Head of Central Works Council, Zell am Pettenfirst
Christian STROBL, Head of Works Council, Gampern
Andreas WALZER, Head of Works Council, Wels

The Supervisory Board convenes as necessary, and at least **four times a year**.

The Supervisory Board performs no operational tasks. It advises and oversees the Management Board. The **Supervisory Board** comprises a minimum of six and a maximum of 20 (currently 14) members elected by the annual General Meeting (shareholder representatives) as well as members appointed by the Works Council in line with the Austrian Labour Constitution Act (employee representatives, currently seven). The members of the Supervisory Board (shareholder representatives) are elected by the General Meeting on a rolling basis in accordance with § 87 of the Stock Corporation Act (AktG). Before the election, persons proposed must present to the General Meeting their professional qualifications, vocational or similar functions along with all circumstances that could give rise to cause for concern over partiality. The term of office for Supervisory Board members terminates at the end of the General Meeting that rules on approving actions for the fourth fiscal year following the election or appointment, unless they were elected for a shorter term; the fiscal year in which the election takes place is not counted. Re-elections are possible. Employee representatives are appointed in line with § 110 of the Austrian Labour Constitution Act (ArbVG) and the provisions of the regulation governing the appointment of employee representatives to the Supervisory Board (AR-VO).

In accordance with § 86 para 7 of the Austrian Stock Corporation Act (AktG), women must comprise at least 30% of the Supervisory Board, with this figure rounded up or down to the nearest whole number. **At least six women** must therefore serve on the Supervisory Board of Energie AG Oberösterreich. As the curia of shareholder representatives annually objects to an overall assessment for all elections and appointments for the forthcoming fiscal year, the two Supervisory Board curia (shareholder and employee representatives) are required to meet this quota separately.

The Supervisory Board currently has one permanent committee for Management Board-related matters and one Audit Committee. The **committee for Management Board-related matters** comprises four shareholder representatives appointed by resolution of the full Supervisory Board. When appointing members of the committee for Management Board-related matters, the full Supervisory Board also appoints the chairperson of the committee. The proceedings of the committee for Management Board-related matters is defined in the rules of procedure for the Supervisory Board.

The Supervisory Board has also established a permanent **Audit Committee** in line with § 92 para 4a of the Austrian Stock Corporation Act. The Audit Committee is made up of six shareholder representatives appointed by resolution of the full Supervisory Board and three employee representatives appointed from the ranks of all employee representatives by simple majority in line with § 32a AR-VO. One member of the Audit Committee must be a person with relevant knowledge of the requirements of the company and practical experience in the field of finance and accounting as well as reporting (financial expert). When appointing members of the Audit Committee, the full Supervisory Board also appoints the chairperson of the committee. The proceedings of the Audit Committee are defined in § 92 para 4a AktG and the rules of procedure for the Supervisory Board.

In accordance with § 75 AktG, the Supervisory Board appoints members of the Management Board for a maximum of five years. As Energie AG Oberösterreich is **subject to the rulings of the Court of Auditors**, the provisions of the law on transparency in the filling of positions in state-affiliated companies (Stellenbesetzungsgesetz) are observed.

According to prevailing opinion, members of the Supervisory Board have a **duty of loyalty and allegiance** to the Company, thereby prioritising the well-being of the Company over possible other interests. The Supervisory Board must remain loyal to the Company, and the interests of the Company must always guide its actions.

According to § 95 para 5(12) of the Austrian Stock Corporation Act, the conclusion of contracts with members of the Supervisory Board which oblige those members to perform services outside of their Supervisory Board activities for the Company or a subsidiary (§ 189a(7) of the Austrian Commercial Code) for remuneration of a not inconsiderable value shall require the **consent of the Supervisory Board**. The same applies to contracts with companies in which a Supervisory Board member has a significant business interest.

STRATEGY

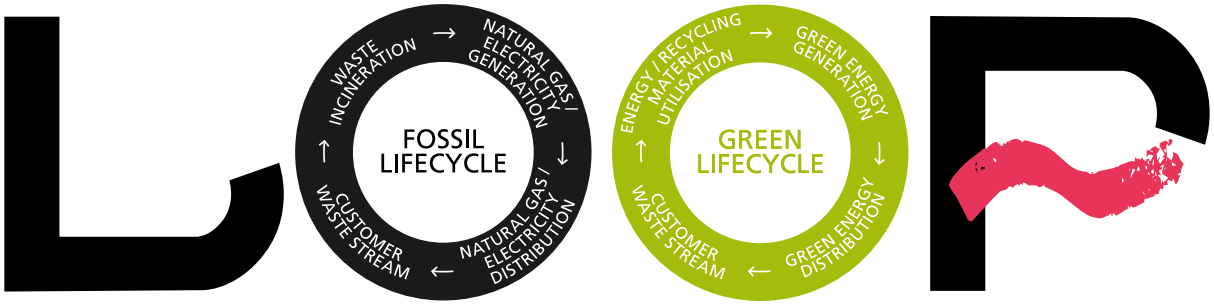
GRI 2-22, 2-23, 2-25, 203-1

The Energie AG Group accepts its responsibilities in the area of sustainable development and is guided by European and national **energy and climate policy**, and in particular the Paris Agreement on climate change and the European Green Deal.

A **structured 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 dialogue with stakeholders and the energy policy environment (new statutory requirements etc.).

The Group actively contributes to the **achievement of the Sustainable Development Goals (SDGs)** of the United Nations with its strategic positioning in combination with its individual products and the services it offers, also see **Sustainability at a glance › Page 39**. The main emphasis is on meeting SDG 7: Affordable and clean energy, SDG 8: Decent work and economic growth, SDG 9: Industry, innovation and infrastructure, SDG 12: Responsible consumption and production and SDG 13: Climate action.

In the first half of the 2023 calendar year, the future strategy of Energie AG was elaborated at Management Board level with the contribution of internal and external experts as part of a strategy and organisational project known as "LOOP", see also **Group Management Report, Business development in the Group, Group-wide strategy and organisational project › Page 144**. The resultant strategic decisions were approved by the Supervisory Board in September 2023. The central element of "LOOP" is the strategic goal of **climate neutrality by 2035**, which Energie AG pursues subject to the proviso that security of supply and disposal will be guaranteed in the process.



In view of rising demands on sustainability reporting linked to the CSRD and the ESRS, the "LOOP" project also defines the Group's strategy with regard to **aspects of ESG**. In particular, the future organisational structure of ESG agendas within the Group was determined, see **Strategy, Internal sustainability management › Page 31**.

In the 2023/2024 fiscal year, an **ESG implementation project** will be undertaken with an external firm of business consultants to define the steps required to ensure CSRD-compliant ESG reporting and comprehensive ESG management within the Group; ESG targets will also be defined in detail.

POLITICAL ENVIRONMENT REGARDING THE ENERGY TRANSITION

According to the **Paris Agreement on climate change**, global greenhouse gas (GHG) emissions should be reduced to close to (net) zero by 2050. Austria has set itself the target of becoming **climate neutral by 2040**. To facilitate the process of energy system transformation that is needed to achieve this, the political priority, alongside climate change measures, must be on the competitiveness of the economy as well as affordable energy and security of supply.

Further information on the fundamental political and regulatory framework can be found in the **Group Management Report, Framework conditions, Energy and climate policy environment › Page 135** and **Statutory and regulatory framework in the Grid Segment › Page 158**.

The national **energy and climate targets for 2030** as well as the decarbonisation path up to 2040 present a major challenge in terms of future energy supply in Austria. From the perspective of Energie AG, the transformation requires taking a holistic, integrated look at the entire energy system, taking into account the electricity, heat, mobility, green gas and hydrogen sectors ("sector coupling/integration"). To ensure a successful energy transition while guaranteeing security of supply and grid security, rapid expansion of grid infrastructure at all voltage levels and the creation of additional storage capacities will be essential.

The progressing expansion of electricity generation from renewable energies gives rise to additional **challenges in safeguarding the security of supply**. In particular, service provision must continue to be safeguarded in times of low water levels, low solar radiation and light winds. At the moment, this is mainly achieved with the help of gas power plants. In the long term, there are plans to operate these power plants with renewable gas and green hydrogen in particular. As part of EU-wide and national energy strategies (in Germany and Austria, for instance), appropriate investment is being sought, including for the operation of electrolysers and the sale of hydrogen (with partners). Energie AG Group is investigating and monitoring the technological possibilities, including by means of participation in research projects.

The further implementation does however require framework conditions that support a sustainable business model. Alongside the accelerated expansion of renewables, there is also a need for more power plants, such as Energie AG's planned **pumped-storage power plant in Ebensee**. This will make it possible to ensure high output that is both flexible and secure.

CORPORATE STRATEGY 2035

As a pioneer in the field of sustainable energy supply and a **reliable partner of the energy transition in Upper Austria**, the Energie AG Group is committed to energy and climate policy targets. Working with its customers, employees and partners, the Group is also committed to an energy future that will ensure prosperity and growth in the regions served by the Company.

On the basis of its strategic goal of achieving **climate neutrality by 2035** while continuing to guarantee reliable energy supplies and waste management, the Group is proactively advancing the energy transition.

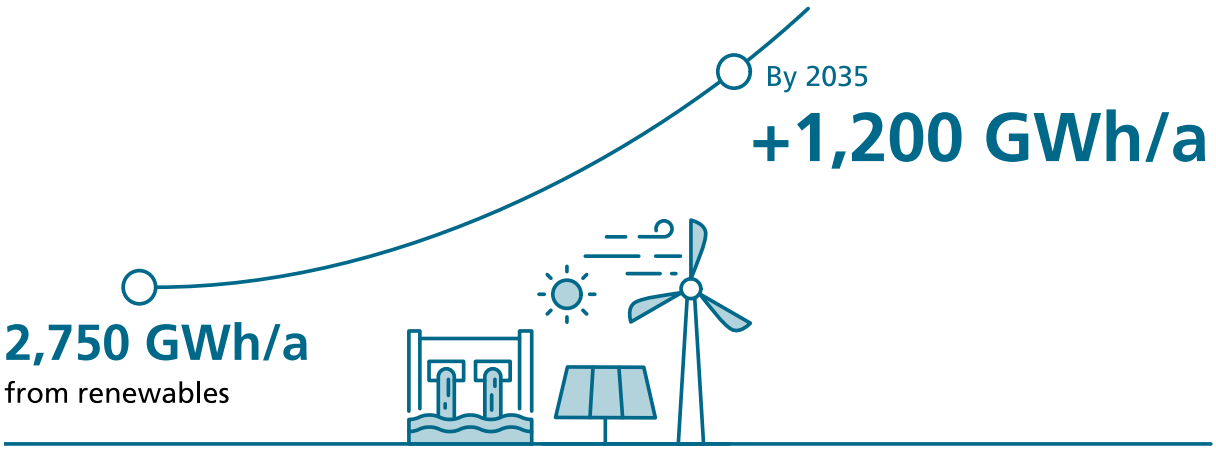
The main aim of the "LOOP" strategy project is to **decarbonise** the Energie AG cycle – from generation and distribution to utilisation – in order to comply with legal and political provisions, uphold access to the financial market and meet the needs of various stakeholder groups.

To this end, concrete **measures** will be implemented from the 2023/2024 fiscal year onwards, taking account of the technical, legal and economic conditions. The massive expansion in systems for generating energy from renewable sources (sun, wind and water) in Upper Austria and other European countries as well as investments in innovative technologies are helping the national economy to phase out fossil energy.

Additional electricity generation from renewables until 2035

The 2030 **targets for renewables expansion** are largely affirmed by the "LOOP" project. By 2035, the goal is to expand renewable energy generation from the current level of approximately 2,750 GWh/a in an average year by some 1,200 GWh/a in total, see **Environment, Generation plants › Page 73**. With this in mind, the regional focus has been extended to Germany, Italy and Slovenia.

The new strategic objective of supplying additional **electricity from renewable energy sources** – through new generation systems as well as the refurbishment or (replacement) construction of existing generation systems – will play a major part in cutting greenhouse gas emissions. In future, this will deliver savings of around 385,000 tonnes of CO_2 equivalent (CO_2 eq) (reference value: Austrian Environment Agency (UBA), imported energy 2021), see also **Environment, Emissions › Page 64**.



Transitioning to a green lifecycle

Alongside additional electricity generation from renewable energy sources, Energie AG continues to work towards energy and climate policy targets by promoting projects aimed at driving the transformation to a **green lifecycle** (for specific measures, see also **Environment › Page 54**).

By using biomass, geothermal energy and industrial waste heat, the Energie AG Group has for many years pursued a consistent **decarbonisation strategy** in the area of sustainable heat supply and thus plays a pioneering role in its market sectors. In the area of **heat pumps**, the number is expected to increase to over 200,000 systems in Upper Austria. Energie AG has set itself the target of supporting roughly half of these through electricity supplies, on-site PPAs or financing by 2035. The maximum expansion of district heating will also be promoted wherever economically feasible.

Proper waste management and the recycling of resources complete the green lifecycle. In the interest of a sustainable **waste management and circular economy**, the operations of the Waste Management Segment will be optimised by maximising the utilisation of synergy effects, additional resource conservation and more efficient recycling processes, see **Environment, Waste Management Segment › Page 85**.

Reliability in supply and waste management services

Even in times of crisis, Energie AG focuses on the **reliable and uninterrupted** delivery of all services when planning and realising projects. The same applies to projects of relevance to energy and climate policy.

Thanks to a solid foundation based on the highest technical and organisational standards, **high security of supply** was maintained in the 2022/2023 fiscal year despite the turbulence on the energy markets. The smooth operation of critical infrastructure (power plants, the electricity and gas grid, telecommunications, water supply and waste disposal) was always assured. In the area of energy procurement, the external electricity and gas volumes needed for customers as well as electricity and heat production are secured in advance through long-term transactions on stock exchanges and over-the-counter (OTC) markets. Due to short-term and long-term usage rights to gas storage facilities, fluctuations between supply and demand are balanced out beyond the legal storage requirements. These operational measures are strategically underpinned by the significantly accelerated expansion of renewable energy sources and thus greater self-sufficiency.

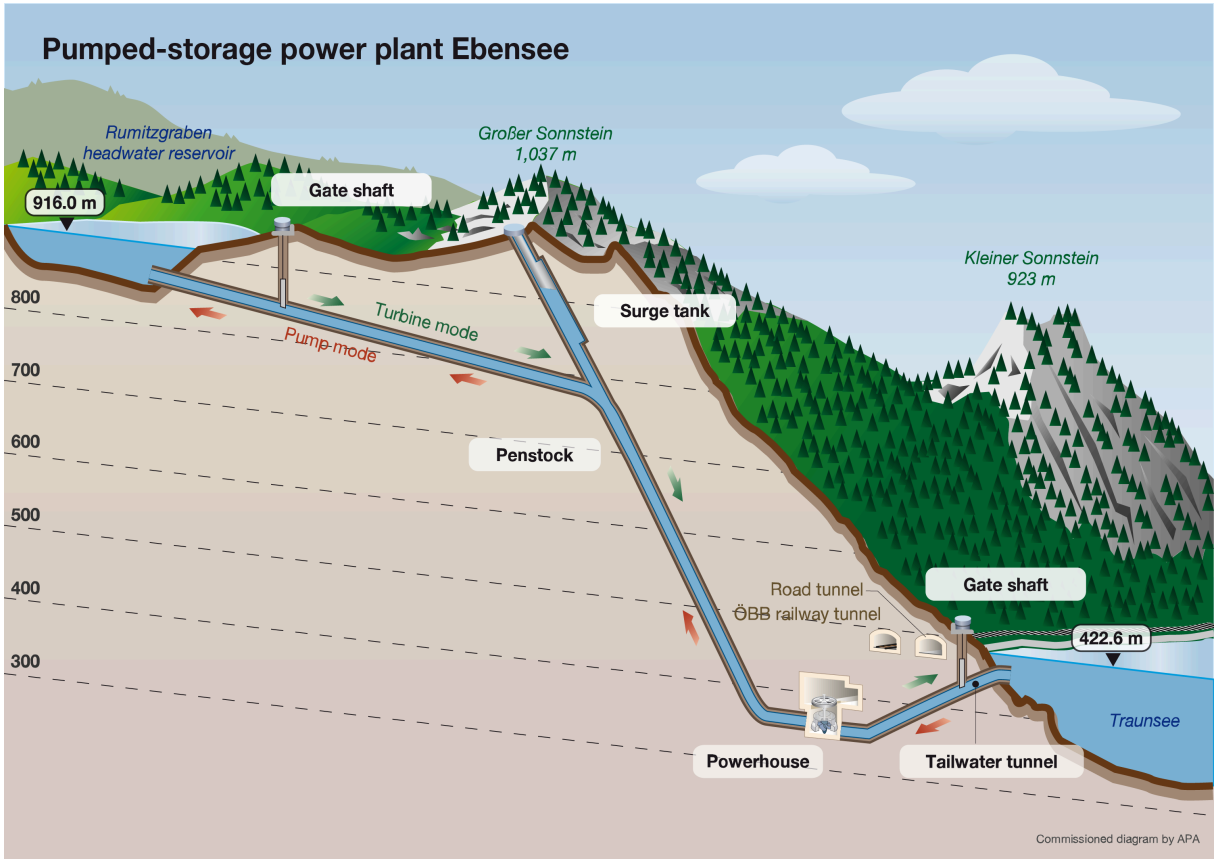
Netz OÖ GmbH secures the energy supply in Upper Austria with a modern and reliable **electricity and gas grid** and is the national pioneer in the by now completed roll-out of smart meter technology, making it the backbone of the supply infrastructure in Upper Austria.

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 investments support the high degree of flexibility, see **Social affairs, Security and quality of supply › Page 93**.

The development and **application of new technologies** and intelligent system solutions for the integration of volatile decentralised electricity generation systems (PV and wind) and flexible consumer systems (battery storage, e-mobility and heat storage) is of particular importance as well.

Pumped-storage power plant Ebensee

Energie AG is investing around EUR 450 million in **building a pumped-storage power plant in Ebensee**, Upper Austria. Construction is due to start in October 2023 and will take four years, with trial operation scheduled for late 2027. To compensate for the volatility of electricity generation from sun and wind as part of a renewable future, industrial-scale storage capacity and flexibility is required in the form of pumped-storage power plants. The planned power plant will have a storage capacity of 1.32 million m^3 and output of 170 MW. This means the operating time to generate electricity will be 10 full-load hours. By responding to changes in demand and electricity generation with speed and flexibility, the planned power plant will deliver a major contribution to security of supply. For more information, see the **Group Management Report, Energy Segment › Page 151** and the video on the website energieabergut.at concerning: **› Our new pumped-storage power plant at Ebensee**.



The **Waste Management Segment, Group Management Report › Page 161** 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.

The Energie AG Group 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, Group Management Report › Page 164**. 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. Since the 2021/2022 fiscal year, the fibre-optic rollout of the "Fibre-to-the-home" (FTTH) unit has been carried out by BBOÖ Breitband Oberösterreich GmbH (BBOÖ), a joint venture with the Province of Upper Austria. Since the local FTTH networks were spun off to BBOÖ, Telekom GmbH has also been supplying them with technical services and fibre-optic backbone data transports.

Energie AG: A reliable partner to customers

Energie AG Group stands for **high-quality, reliable products and services**, which it continuously and consistently adapts to the needs and preferences of existing and potential customers. The strategic direction of all Group units is guided by the need to deliver benefit and personal added value to customers. With forward-looking offers in such areas as heat pumps and on-site PPAs for PV, a significant expansion in digital customer services and a stronger commitment to e-mobility, the services of Energie AG are fully aligned to the needs of customers. In the field of e-mobility, Energie AG has set itself the target of providing as many as 50,000 charging stations for electric vehicles in private homes, at work, for vehicle fleets and in public areas by 2035.

In its business environment, Energie AG stands for **fair and sustainable solutions** that can be guaranteed through consistent process optimisations, see **Social affairs, Customer orientation and satisfaction › Page 96**.

Customers strongly associate the Energie AG Group with **security and regional focus**. Energie AG Group aspires to meet these expectations by developing and investing in renewable energies and the establishment of a sustainable circular economy. Turning to social responsibility, Energie AG contributes to the common good by providing ongoing support in the areas of health, education, sport, arts and culture as well as charitable and not-for-profit activities, also see the section headed **Social Affairs › Page 93** and the section headed **Employees › Page 107**. Energie AG Group clearly showcases its solidarity by actively supporting customers affected by energy poverty.

Safeguarding the legitimate interests of its customers is a top priority for Energie AG. This means not only ensuring ethically sound dealings with customers but also **protecting their personal data**. Internal controls have been implemented to monitor compliance with the relevant regulations, see **Compliance, Data protection › Page 120**.

Regional focus

As the energy supplier for Upper Austria, the Energie AG Group has positioned itself as a **strong regional partner** and an important economic factor for the state. A high degree of regional value creation is achieved by the focus on the local generation of energy (expansion of electricity generation systems), extensive **investments in infrastructure projects** in the sales territory, and the associated creation of jobs.

Digitalisation provides an important impetus for the region. The Energie AG Group 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 six regional and local water utility companies (previous year: seven), four heat utility companies (previous year: five) and one mixed water and heat utility company (previous year: one). Compared to the previous year, the number of subsidiaries has fallen due to mergers.

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 attractive 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.

Workforce

The employees working at Energie AG are the Group's **most important resource**. Energie AG supports the development of the company through participation. The company achieves this on the basis of an open and respectful corporate culture that offers scope for innovation and fresh ideas while creating an environment in which employees can enjoy their work. Every individual should have the chance to reach their full potential and contribute different perspectives. Energie AG promotes **gender equality and equality of opportunity** for all employees so that everyone feels respected and included, see **Employees, Promoting diversity › Page 114**.

Without motivated and committed employees, strategic goals are unachievable. When recruiting new talent, Energie AG focuses on strategically coordinated **recruitment** aimed at specific target groups **and succession management** within the Group. The aim is to appeal to individual groups of applicants according to need, placing a special emphasis on diversity.

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.

INTERNAL SUSTAINABILITY MANAGEMENT

GRI 2-13, 2-14, 3-3

The issue of sustainability is the responsibility of the full Management Board; it is coordinated by the **Group Strategy** holding unit and developed in partnership with all organisational units of the Group.

In the course of the Group-wide strategy project "LOOP", see **Corporate strategy 2035 › Page 26**, organisational and content-related steps have been defined with a view to ensuring timely implementation of the CSRD within the Group. Alongside the implementation of **ESG sustainability management** as part of Group strategy and **ESG data management** in the Controlling and Risk Management holding unit, other committees including an **ESG steering committee** and an **ESG lab** for control and preparation for decision-making have been planned at holding level, with the required interfaces defined. In future, the committees will report directly to the Management Board, which has overall responsibility for sustainability agendas.

In keeping with its legal obligations, the **Supervisory Board** continues to audit the non-financial report as part of the Group Internal Audit, reporting its findings to the General Meeting.

The implementation of strategic goals in the sustainability area is assured by linking them closely to the structured annual strategy process. The relevant management teams are responsible for implementing ESG strategies in the business and service divisions. To ensure ongoing exchanges on ESG topics between the holding company and the business and service divisions in future, we also plan to establish an **ESG Partner Platform** committee with the ESG contact persons already established for all areas of the Group.

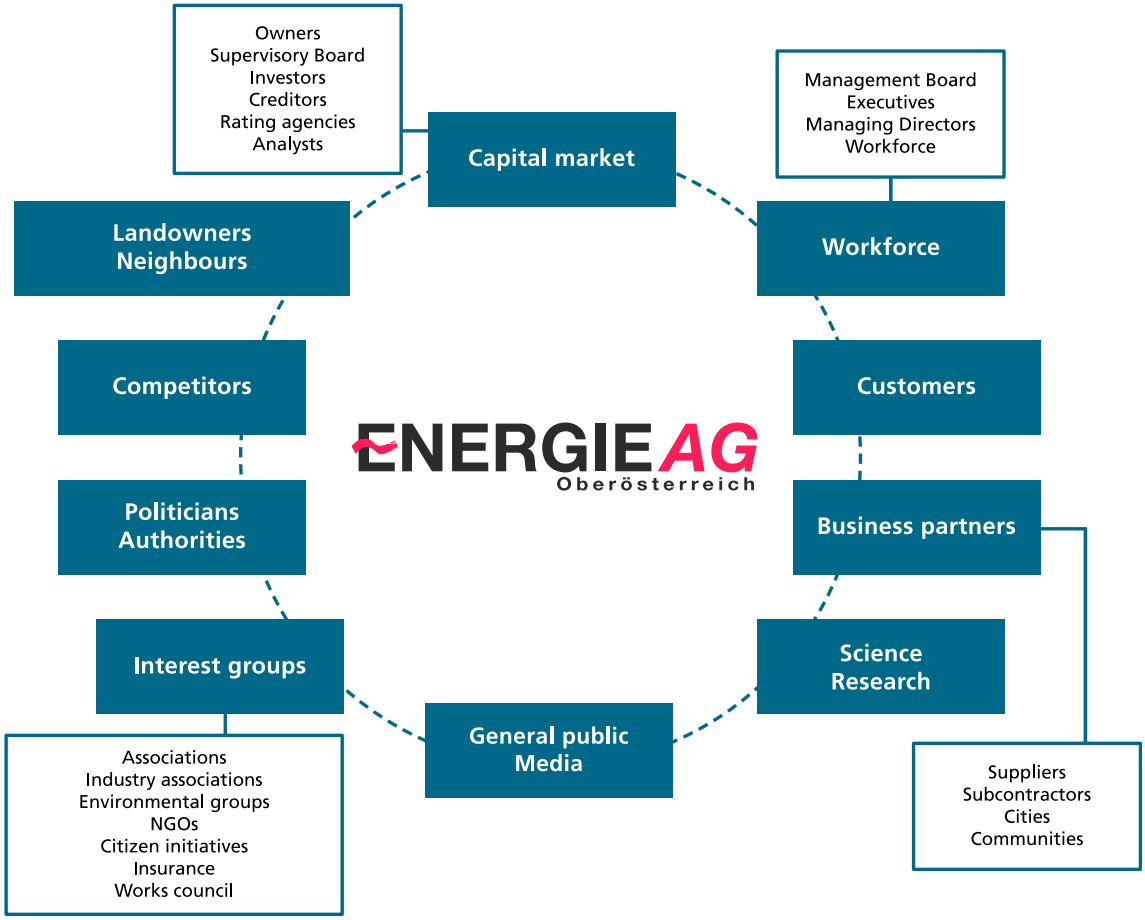
As regards the substantial requirements of the CSRD, a detailed **roadmap**, including the timing for the necessary steps, has been drawn up. More strategic definitions and necessary steps will be devised and implemented as part of a wide-ranging **ESG implementation project** as from the 2023/2024 fiscal year.

DIALOGUE WITH STAKEHOLDERS

GRI 2-23, 2-29, 3-3, 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.

The different interest groups below were identified in the course of the established strategy development process:



Among the Group's many stakeholders, Energie AG affords special attention to its **customers**. The intense exchange with internal and external stakeholders is mainly used to satisfy the needs of customers in the best possible way. To deepen the dialogue with customers, current sales projects are open to critical and constructive dialogue in the context of the **customer forum**, see **Social affairs, Customer orientation and satisfaction › Page 96**.

To meet its socio-political responsibilities, Energie AG seeks direct **contact with stakeholders** at regional and interregional events such as trade shows. In this way, the company presents practical solutions for the responsible use of natural energy resources to customers.

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.

One prime example of sustainable collaboration is the model applied to the waste incineration plant in Wels. Built in 1991, the plant represents the longest successfully practised public participation, mediation and project environment management process in Europe. The central element of this model is an **Environmental Commission**, which acts as a link between the Energie AG Group as the operator of the waste incineration plant and the neighbouring communities. Thanks to open and transparent communication that went hand in hand with assuring a compliant process (compliance with emission limits, minimising noise and smell emissions), this approach has created and sustainably fostered an atmosphere of mutual understanding and trust.

› Energie AG's principles on democratic politics were developed based on this model and they articulate the Group's voluntary commitment to considering the interests of stakeholders affected by infrastructure projects and approval proceedings in particular beyond the scope prescribed by law.

The **› Guidelines for planning processes for (new) high-voltage routes** developed in 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 first applied 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 parties. This process delivered a planning corridor in which the project operators will prepare the detail planning in close consultation and direct dialogue with the landowners. In preparation for the environmental impact assessment that will be carried out, the required environmental impact statement is being drafted.

The Energie AG Group 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.

Among other measures, surveys are used for the purpose of **including the internal stakeholders** (e.g. survey on training needs). Feedback from the individual managers and employees is collected on many measures such as personnel and management development events, projects and regulations with the aim of deriving an action plan from them.

The Group also seeks to stay in contact with existing, new and potential **staff members**. In terms of future employees, this is on the one hand facilitated by the Group's presence at job fairs held at secondary schools, technical colleges and universities. On the other hand, discussions with new employees, apprentices and their parents as well as student interns are held to precisely analyse and adequately accommodate the interests of the various stakeholder groups.

The contact to schools, educational institutions and associations is fostered in cooperation projects and networks, through sponsoring as well as at the various trade exhibitions. The modern job application platform "digiTalent" facilitates the professional communication with job candidates. **Ongoing exchanges** with employees start at the level of student interns. In

the summer of 2023, for example, interns were invited to breakfast at Group headquarters in Linz before taking an excursion to two operational sites.

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 ("Neuland" project, "Loominati" idea management system). Employees' project ideas are practically implemented in various formats. This opportunity to become directly involved in shaping the Company's fortunes affords special appreciation to the team members, while the optimised processes benefit the Group as well as the employees and customers affected by them. Also see **Economy, innovation › Page 51**.

Further information and initiatives pursued by Energie AG Group with the aim of considering the wishes and needs of this important group of stakeholders can be found in section **Employees – responsible employer › Page 107**.

The foundation for the implementation of the Group's stakeholder management is the Energie AG Group's **› Code of Conduct titled "This is how we think, this is how we act"** and the **› "Code of Conduct for Contractors"**, which was introduced in Austria in fiscal year 2021/2022. The **codes of conduct** define the principles that underpin fair, transparent and sustainable business practices. Every single employee and contractor of Energie AG endorses and commits to these principles: responsibility, reliability, quality awareness, sustainability, transparency, respect, integrity and non-discrimination.

Media analysis

The sustainability communications of Energie AG are supplemented with reports on corporate issues in relevant Upper Austrian and national media outlets. In the 2022/2023 fiscal year, two issues dominated media reporting: the **development of energy prices** and Group **activities in support of energy transition and climate neutrality targets**.

As regards the energy price trend, the **price guarantee extended to existing customers** until the end of 2022 received approving mentions in the press. Also acknowledged was the steady stream of measures taken by the Energie AG Group with a view to easing the pressure on the entire customer base following tariff adjustments at the beginning of 2023 necessitated by the market situation.

To give some examples, reports appeared on the waiver of power cut-offs in the event of late payment, the free power days introduced for young families, the relief packages put together for commercial businesses and farmers and the string of **price reductions** with which Energie AG responded to the gradual relaxation on the energy markets during the spring of 2023.

The **adjustments to electricity prices** at the beginning of 2023 also gave rise to legal issues. Given the challenges to the legal conformity of the price increases for electricity introduced by many companies in the industry on the basis of the new legal situation, Energie AG and special interest groups agreed on a quick, customer-friendly and **practicable solution** in order to avoid a legal dispute lasting many years.

The expansion of the services offered by the Energie AG Group to help its customers enhance their energy efficiency was also the subject of reporting, for example in connection with the **Energy Saving Academy newly introduced** at the Energy Saving Trade Fair 2023.

The huge range of activities that Energie AG undertakes in the context of the energy transition and climate neutrality, including the **trebling of feed-in tariffs for producers of**

PV electricity as announced in October 2022, received widespread media coverage. The same applied to Energie AG's support for innovative technologies. Reports covered the funding pledged in February 2023 for the installation of **heat pumps** and the Group's involvement in research projects concerned with the use of hydrogen for energy storage and generation.

In particular, the media focused on the strategy project "LOOP", which will enable the Group to achieve climate neutrality by 2035 while transforming the **energy system of Upper Austria**. In this context, the press devoted many column inches to the pumped-storage power plant Ebensee approved in the 2022/2023 fiscal year as well as the many planned projects aimed at increasing the prevalence of renewable energies.

MAJOR SUSTAINABILITY ISSUES

GRI 3-1, 3-2

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 and external interested parties. 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 last updated in fiscal year 2020/2021 and adapted to the results of the strategy process.

The updating of the GRI Universal Standards, and in particular the ESRS (applicable from the 2024/2025 fiscal year onwards), imply major changes in terms of the identification and evaluation of material topics. During the 2022/2023 fiscal year, Energie AG started to address the new materiality assessment requirements. The realisation of CSRD and ESRS requirements will commence as from the 2023/2024 fiscal year. The ESG implementation project will start with the core module **"Materiality assessment and stakeholder engagement"** in line with the CSRD.

The identification of major sustainability issues as part of the ESG implementation project in the 2023/2024 fiscal year will take into account the **concept of double materiality** to ensure both financial materiality (the outside-in perspective) and impact materiality (the inside-out perspective).

The focus of the 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 the Energie AG Group are described in the following sections:

Economy › Page 50 and **Group Management Report › Page 135**

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

Environment › Page 54

- Climate change mitigation & resource conservation

Social affairs › Page 93

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

Employees › Page 107

- Acting as a responsible employer
- Workplace health and safety

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

- Legal compliance and prevention of corruption

SUSTAINABILITY OBJECTIVES

GRI 2-22, 2-23, 3-3

ECONOMY

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

ENVIRONMENT

- **Climate neutrality by 2035**, subject to the proviso of guaranteed security of supply and waste management
- **Steady expansion of renewable energy: +1.2 TWh/a between now and 2035**
- Company fleet of **electric cars** to rise to **40%** by 2024
- **Resource conservation**
- Warranting an environmentally friendly and legally compliant **circular economy**
- Active positioning on the **hydrogen market**: seeking of appropriate investments, including the operation of up to four electrolysers and the sale of hydrogen

SOCIAL AFFAIRS

- **Reliability in supply and waste management services**
- Positioning ourselves as a **responsible company**
- Building and maintaining sustainable **client relationships**
- **Expansion of e-mobility** by 2035: up to 50,000 charging stations for electric vehicles in private homes, at work, for vehicle fleets and in public areas
- Expansion of **digital customer services**
- Maximum expansion of **district heating** wherever economically feasible
- Support for the expansion of **heat pumps** through electricity supplies, on-site PPAs or financing

EMPLOYEES

- Further development of **employer branding** with a special focus on specific target groups
- **Personnel and management development**, as well as high-quality apprenticeship programmes
- Ensuring **access to qualified personnel** in the long term, for example by positioning the Company as a **family-friendly employer**
- Improving all measures of **diversity, equity and inclusion** (age, gender, origin, etc.)

COMPLIANCE

- Compliance with laws and regulations to ensure **genuinely fair competition**
- Ensuring a legally sound operational framework with regard to **ESG compliance**
- Establishing awareness of compliance to strengthen the **culture of compliance**
- Further development of compliance to **minimise risks**
- **Avoiding** property damage and reputational damage

SUSTAINABILITY OPPORTUNITIES AND RISK MANAGEMENT

GRI 2-23, 2-25

Given the high importance of sustainability issues to business activity, more and more **aspects of ESG** are being incorporated into risk management. This task is performed by the **Group-wide risk management system**, which actively monitors and records potential risks and opportunities. 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 135** and the **Notes to the Consolidated Financial Statements, Management of risks and opportunities › Page 253**.

Based on international standards, the **most significant effects** of Energie AG's activities on the issues resulting from the Austrian Sustainability and Diversity Improvement Act (NaDiVeG) were evaluated in an interactive process conducted together with the relevant business units. The opportunities and risks identified in this way were subjected to a qualitative assessment using a group-wide uniform assessment method. Opportunities and risks were presented as net risks and commensurate measures to reduce these risks were taken.

The focus in the 2022/2023 fiscal year was on further developing the ESG risk management system. The topics and activities pursued by other organisational units within the Group and their **significant impact** on matters regulated under the NaDiVeG were integrated into the Group-wide ESG risk management system. This 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 analysed accordingly and are given due consideration within the strategy.

The following tables summarise the **main opportunities and risks** as well as the main potential impacts that could arise through Energie AG's activities on issues linked to the Austrian Sustainability and Diversity Improvement Act (NaDiVeG). The tables also illustrate the associated concepts and measures that the Energie AG Group deploys, along with relevant SDGs.

SUSTAINABILITY AT A GLANCE

GRI 2-22, 2-23, 2-25, 3-3

CONCEPTS, SIGNIFICANT OPPORTUNITIES (+) / RISKS (-)[1], MEASURES AND SDGS

ECONOMY

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

Economic 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. energy market turbulence)
- Increasing the use of new technologies (digitalisation)

Economic opportunities and risks

see the **Notes to the Consolidated Financial Statements, Management of risks and opportunities › Page 253**

Economic measures

- see the **Group Management Report › Page 135**
- Investments into (grid) infrastructure
- Investments into renewable energy
- Support for investments by customers into renewable energy
- Long-term provision of attractive jobs
- Reliable partner for customers and suppliers
- Provision of energy and services for businesses and their production
- Innovation company Wertstatt 8
- Holding unit "Group Innovation" starting November 2023
- Investments in innovative projects ("Loominati" platform for improvement suggestions, international Startup Innovation Challenge starting November 2023, digitalisation campaign "Neuland" etc.)

SDGs tied to the economy

- SDG 7: Affordable and clean energy
- SDG 8: Decent work and economic growth
- SDG 9: Industry, innovation and infrastructure
- SDG 12: Responsible consumption and production

ENVIRONMENT

CLIMATE PROTECTION | RESOURCE CONSERVATION

Environmental concepts

- Consistent QSE management system
- Group's strategic goals for climate change mitigation and resource conservation
- Certified management systems

Environmental opportunities

- Efficient and environmentally friendly energy supply for society and the economy
- Resource preservation empowered by modern and sustainable technologies

[1] Risks/opportunities are defined as events outside of the "ordinary" business activities that entail potential negative/positive consequences; for 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 253**

- Contribution to achieving climate neutrality
- Increasing the share of renewable energy

Environmental 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)
- Consumption of natural resources

Environmental measures

- "Group Mission Statement"
- "Principles of our actions"
- Code of Conduct "This is how we think, this is how we act"
- "Code of conduct for contractors"
- "Principles on democratic politics" for public engagement
- "Quality, Safety and Environmental (QSE) Management" Group Policy
- "Internal Control System (ICS)" Group Policy
- "Strategy Development Process" Group Policy
- "Company Cars and Their Private Use" Group Policy
- Group-wide expansion target for renewable energies: 1,200 GWh/a between now and 2035
- Investments in grid infrastructure in connection with electricity from volatile renewable generation
- Transitioning company fleet to electric cars
- Purchase of electric trucks for selected units
- "LOOP" strategy project
- "Waste Incineration Plant – Decarbonisation" research project
- Fit4Green service
- Heat generation from biomass and heat pumps
- Increasing energy efficiency on the part of customers and within the Group
- Environmental impact assessments and analysis reports
- Reviewed and approved environmental statements, certifications and audits
- Energy audits for customers (IfEA)
- Use of modern and sustainable technologies
- Regular overhaul and maintenance work
- Extensive monitoring activities (e.g. water quality)
- "Loominati" platform for suggested improvements
- Peer-to-peer trading app › **"E-Fairteiler"**
- Storage space optimisation project
- Establishment of "Change Agents" to support cultural changes, e.g. towards sustainability
- Crisis and emergency plans
- Legally compliant corporate management
- Rights management database
- Management of official decisions
- Ensuring that the legally required staff appointments are made
- Seminar on soil restoration starting November 2023
- Financial contribution for employees towards the Austrian rail pass "Klimaticket" starting November 2023
- Project on battery energy storage systems, project kick-off in January 2024

SDGs tied to the environment

- SDG 6: Clean water and sanitation
- SDG 7: Affordable and clean energy
- SDG 9: Industry, innovation and infrastructure
- SDG 12: Responsible consumption and production
- SDG 13: Climate action
- SDG 15: Life on land

SOCIAL AFFAIRS

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

Social concepts

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

Social 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

Social 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

Social measures

- "Group Mission Statement"
- "Principles of our actions"
- Code of Conduct "This is how we think, this is how we act"
- "Code of conduct for contractors"
- "Principles on democratic politics" for public engagement
- "QSE Management" Group Policy
- "ICS" Group Policy
- "Sponsoring and Giving" Group Policy
- Investments into (grid) infrastructure
- Overhaul and maintenance work to ensure security (of supply)
- Monitoring of unplanned supply interruptions
- Extensive monitoring activities (e.g. water quality)
- Crisis and emergency plans
- Group-wide organisational structures for the management of risks and opportunities
- 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"
- "Loominati" platform for suggested improvements
- Complaint management
- Virtual assistant "Anette" (provides support for PV connection assessment)
- Online tools to support energy communities and request information on available grid capacities
- **› www.wir-denken-an-morgen.at**
- **› www.energieabergut.at**
- Various communication channels
- also see measures in **Compliance › Page 120**

SDGs tied to social affairs

- SDG 4: Quality education
- SDG 6: Clean water and sanitation
- SDG 7: Affordable and clean energy
- SDG 9: Industry, innovation and infrastructure

EMPLOYEES

ACTING AS A RESPONSIBLE EMPLOYER | WORKPLACE HEALTH AND SAFETY

Employees 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

Employees opportunities

- Safeguard and creation of jobs for skilled professionals within the region
- Economic contribution by providing education and training
- Long-term safeguarding of fitness to work and quality of life as a result of health promotion measures for the workforce
- Family-friendly employer
- Flexible working conditions
- Varied jobs that contribute to the energy transition
- Focus on strengths through Positive Leadership
- Equal opportunity

Employees risks

- Health and safety risks for company staff and temporary employees
- Breaches of compliance

Employees measures

- "Group Mission Statement"
- "Principles of our actions"
- Code of Conduct "This is how we think, this is how we act"
- Charta for agile collaboration across departments
- "Human Resource Management" Group Policy
- "Management by Objectives" Group Policy
- "Management Academy" Group Policy
- "ICS" Group Policy
- "berufundfamilie" audit for work-life balance
- "Workplace Health Promotion until 2025" seal of approval
- In-house health management project energy@work
- Works agreement on working from home
- Works agreement on sabbaticals
- Holiday activities for children
- In-house childcare facility
- Nursing care platform
- Creation of an attractive work environment
- Flexible work time models
- Dialogue with the employees' representatives
- Various employer branding measures for the individual target groups
- "Kennst wen" initiative
- Personnel and management development
- Apprenticeship|trainee programmes
- Promoting diversity: "Women in technology jobs"
- Trend monitoring
- Strategic succession planning
- Continuous development of the high work safety standards
- Safety training courses for internal and external employees
- Work safety awareness campaign
- Accident prevention
- Compliance training courses
- Group health insurance
- "Loominati" platform for suggested improvements
- Cultural & sport events for the workforce

- Financial contribution for employees towards the Austrian rail pass "Klimaticket" starting November 2023

SDGs tied to employees

- SDG 4: Quality education
- SDG 5: Gender equality
- SDG 8: Decent work and economic growth

COMPLIANCE

LEGAL COMPLIANCE AND PREVENTION OF CORRUPTION

Compliance concepts

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

Compliance opportunities

- Improving legal certainty
- Fair and transparent contract award processes
- Transparency and reliability for customers

Compliance risks

- Risks to fair competition caused by corruption and violations of antitrust law
- Risks to claims by customers and employees under data protection law

Compliance measures

- "Group Mission Statement"
- "Principles of our actions"
- Code of Conduct "This is how we think, this is how we act"
- "Code of conduct for contractors"
- "Principles on democratic politics" for public engagement
- "Compliance Management System" Group Policy
- "Anti-corruption" Group Policy
- "Capital Market Compliance" Group Policy
- "Information Security Management" Group Policy
- "Data Protection Management System" Group Policy
- "Data Protection Compliance Policy" Group Policy
- "ICS" Group Policy
- Self-declaration form for bidders in tenders
- Exclusion of suppliers on sanctions list during tenders
- Whistleblowing instrument "Tell me"
- In-person training and e-learning courses

SDGs tied to compliance

- SDG 5: Gender equality
- SDG 8: Decent work and economic growth

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

Respect for human rights concepts

- Group's strategic goals for climate change mitigation and resource conservation, security and quality of supply, regional responsibility, and acting as a responsible employer
- Compliance management system and officer in place
- Whistleblowing system

Respect for human rights 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

Respect for human rights risks

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

Respect for human rights measures

- "Group Mission Statement"
- "Principles of our actions"
- Code of Conduct "This is how we think, this is how we act"
- "Code of conduct for contractors"
- "Principles on democratic politics" for public engagement
- "Compliance Management System" Group Policy
- "ICS" Group Policy
- Works council
- Whistleblowing instrument "Tell me"
- Procurement sourcing is geared to sustainability criteria and principles
- Training courses
- **› www.wir-denken-an-morgen.at**

SDGs tied to the respect for human rights

- SDG 8: Decent work and economic growth

QUALITY, SAFETY AND ENVIRONMENTAL MANAGEMENT

GRI 403-1, 403-8

Customer proximity, transparency and process traceability are top priorities for Energie AG as a quality provider. The whole of Energie AG Oberösterreich in Austria and two entities in the Czech Republic are fully certified according to the international standard for a **quality management system** under ISO 9001:2015.

An integrated quality, safety and environmental (QSE) management system with a focus on sustainability and maximum efficiency is an integrated component of the management systems used by the Energie AG Group (excluding the Czech Republic Segment). 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 efficient design, continuous improvement and transparent presentation of operational processes and procedures.

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 according to ISO 45001:2018 from the already certified subsidiaries.

The integrated QSE management system ensures the continuous improvement of the Energie AG Group's services through the active involvement of 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 confirmed by the **re-certification audit** carried out by TÜV Süd between 28 April and 23 June 2023.

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. 30.1% of the Austrian and Italian workforce is employed at entities certified to environmental management standard ISO 14001:2015. In addition, 29.2% of employees in Austria work in accordance with the Group's environmental management system EMAS, while 43.3% of Group employees work in units certified under ISO 45001:2018. The additional and specific standards ISO 14001:2015 and EMAS were implemented for the Waste Management Segment, which accounts for 26.9% of employees in Austria, between 2010 and 2013.

The **Grid Segment** is certified to QS-GNB 200 (quality requirements for gas grid operators) and TSM P100 (technical safety management in electricity grids) of the Austrian Association for Gas and Water (ÖVGW). 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. Other certifications held by Netz OÖ GmbH include ISO 9001:2015 and ONR 192500:2011 concerning the **social responsibility of organisations** (CSR). Certification under ISO 17025:2018 (requirements for the competence of testing and

calibration laboratories) was also obtained. The review of the information security management system (ISMS) according to ISO/IEC 27001:2013 standards as part of a follow-up audit confirmed the high level of **information systems security** at Netz OÖ. This constitutes a sound basis for the planned overhaul of the energy system. In the 2022/2023 fiscal year, Netz OÖ also became the first Austrian grid operator to be audited in line with ÖVGW QS-GNB 300 (quality requirements on gas grid operators for calorific value determination).

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 on the basis of the regulation governing the requirements on waste management operators (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. Umwelt Service GmbH has also been certified under EU Regulation 333 (scrap metal ceasing to be waste, Ötztal and Timelkam sites), SURE (Sustainable Resources Verification System), the RAL mark of quality (for the demanufacturing of refrigeration units in Timelkam) and ISO 14024:2018 (resources potential for the demanufacturing plant for refrigeration units in Timelkam).

The entities in the Czech Republic 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**, the two Czech entities ČEVAK, a.s. and VaK Beroun are certified in accordance with the international standards ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018. This means that just over two thirds of the employees in the Czech Republic work in entities that are certified under quality, environmental and occupational safety standards.

Since December 2022, **Energie AG Oberösterreich Erzeugung GmbH** (Erzeugung GmbH) has been documenting compliance with RED-II criteria for sustainably produced biomass in the context of the voluntary certification system SURE. The power plant location in Timelkam is also certified under ISO 14001:2015 in the **environmental management** area; the environmental statement meets the requirements of the EMAS regulation. The companies Gas- und Dampfkraftwerk Timelkam GmbH, Netz OÖ GmbH and the Group IT Services department of Business Services GmbH and Telekom GmbH are additionally certified in accordance with the **information security management standard** ISO 27001:2013.

Energie AG
ISO 9001:2015 [1)]

Additional certifications in the business units:

Grid Segment

- ÖVGW QS-GNB 200
- ONR 192500:2011
- TSM P100
- ISO 17025:2018
- ÖVGW QS-GNB 300
- ISO 27001:2013

Energy segment [2)]

- SURE
- ISO 14001:2015 [3)]
- EMAS [3)]
- ISO 27001:2013 [4)]

Waste Management Segment [5)]

- ISO 45001:2018 [6)]
- ISO 14001:2015 [7)]
- EMAS
- EFB (RAEF)
- EU VO. Nr. 333
- SURE
- RAL mark of quality
- ISO 14024:2018

Czech Republic Segment

- ISO 14001:2015 [1)]
- ISO 45001:2018 [1)]

Additional certifications in the service units and Telekom GmbH:

Business Services

- ISO 27001:2013 [8)]

Telecommunications

- ISO 27001:2013

[1)] The Czech companies ČEVAK, a.s. and VaK Beroun, a.s. are certified under ISO 9001:2015, ISO 14001:2015 and ISO 45001:2018. [2)] Excluding Energie AG Oberösterreich Trading GmbH (Trading GmbH) and Energie AG Oberösterreich Vertrieb GmbH (Vertrieb GmbH). [3)] Timelkam power plant location [4)] Gas- und Dampfkraftwerk Timelkam GmbH [5)] Umwelt Service GmbH [6)] Including WDL-Wasserdienstleistungs GmbH (WDL) [7)] WDL and Energie AG Südtirol Umwelt Service GmbH (Südtirol Umwelt Service GmbH) [8)] Group IT Services department of Business Services GmbH

ISO 27001:2013, TSM P100, ÖVGW QS-GNB 200, ÖVGW QS-GNB 300, ISO 17025:2018, RAL mark of quality, ISO 14024:2018 and SURE are audited and certified separately, not as part of QSE matrix certification.

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) are mapped in this GRC management

system, together with their success factors. The tool has been in use for internal and external audits including the associated action monitoring since fiscal year 2020/2021.

Awards for Energie AG in 2022/2023

Energie AG once again claimed numerous awards in the 2022/2023 fiscal year. Among other things, the Energie AG Group was recognised as a **leading company in 2023**. Following a comprehensive process, the leading company award is conferred on those companies that commit to sustainable corporate success, innovation and social responsibility. For Energie AG, the distinction is motivation to keep on developing.

The company also topped the "raw materials, energy, supply and waste management" sector category in the **"Österreichs Top-Arbeitgeber 2023"** (Austria's Best Employer) trend rankings. Energie AG also placed third in the rankings for best employer in Austria. In the annual MARKET employer branding study "BEST EMPLOYER", Energie AG Oberösterreich was voted third in the overall ranking for Upper Austria by a group of relevance to the labour market. The study rated 235 leading companies active in industry, commerce and services in Upper Austria.

Energie AG was recognised as a **Top Company** in the **kununu ranking**. Employees, applicants, apprentices and even former staff members evaluate companies in such categories as working conditions, career opportunities and salary. Top companies are employers who care about the well-being of their employees and are rated highly by those employees.

Energie AG Oberösterreich has been certified as a family-friendly company since June 2012. Its **"berufundfamilie"' certificate** underlines the pioneering role of Energie AG as a family-friendly employer.

The **"Betriebliche Gesundheitsförderung" (Workplace Health Promotion, BGF) seal** of approval has been reaffirmed for Energie AG and its wholly owned subsidiaries in the Energy Segment for the period from 2023 to 2025. Energie AG was first awarded the seal of approval in 2013. The BGF seal recognises successfully completed projects that promote health in the workplace, or the implementation of such projects in regular operations.

For its dedication to apprentice training, Energie AG has received the **ineo award from the Upper Austria Economic Chamber** until 2025. The i n e o award recognises innovation, sustainability, commitment and orientation – values that define a workplace devoted to the training of young people, day in and day out.

The market research firm management consult Dr. Eisele & Dr. Noll GmbH analysed **customer satisfaction in 2023** for Energie AG in the electricity/gas and internet sectors. In the process, Vertrieb GmbH was certified with the top rating of **"outstanding service quality"**.

On 16 January 2022, the **German Sustainable Building Council** conferred its highest award for sustainable building for the annexe to the PowerTower.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STARTPLATZ MIT ZUKUNFT
AUSZEICHNUNG
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ECONOMY

SDG 7, 8, 9, 12

GRI 201-1 (Group Management Report, Consolidated Financial Statements), EU DMA (formerly EU8), 207-1

The sustainability objectives of Energie AG in the economic domain are:

- Ensuring sustainable financial stability and financial standing
- 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 a 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 the company as a **reliable and stable partner** for equity investors and outside creditors is an important goal of Energie AG Group. This goal is pursued stringently and sustainably by means of a stable dividend policy for shareholders as well as a financial policy that places great importance on safeguarding a good and sustainably solid credit rating.

The goal of the Energie AG Group is to generate an **ROCE** (Return on Capital Employed) that is **higher than the WACC** (Weighted Average Cost of Capital) through consistently value-oriented corporate management and control. For its internal management and assessment of earning power, the Energie AG Group primarily relies on earnings before interest and taxes (EBIT) and ROCE, see **Group Management Report, Business development in the Group, Corporate management and capital costs › Page 141**.

The target for the long-term creditworthiness of Energie AG Group is a rating within the A group. In March 2023, the international **ratings agency S&P Global Ratings** again confirmed the creditworthiness of Energie AG with an "A" rating (with a stable outlook). The analysts assessed the Group's stability and resilience in a highly volatile and crisis-laden environment as particularly positive. For more than two decades, the Energie AG Group has had a credit rating by external experts as one of the top ranking European energy suppliers.

As a consequence of continuing turbulence on the European markets for energy and raw materials combined with the associated, potentially high liquidity requirements from the energy trading business, Energie AG continued to **secure its liquidity needs** in the 2022/2023 fiscal year by maintaining extensive – and partly committed – lines of credit with Austrian and German banks. Lines of credit are available up to a total of EUR 950 million and thus safeguard Energie AG's ability to take action even if markets were to be volatile in the future. Also see the **Group Management Report, Business development in the Group, Funding and investment strategy › Page 141**.

The securing of long-term funding on the capital markets plays an important role, in particular for the **financing of sustainable infrastructure projects** for the expansion and renewal of hydroelectric power and photovoltaic plants as well as the expansion of the electricity grid in Upper Austria. The transformation toward a **sustainable 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 Energie AG Group responds to the **identified macroeconomic risks** from turbulences on the energy market and the implications of multiple crises with efficiency improvement measures, a value-based investment management, and new business models aimed at harnessing additional earning potentials.

Through its business activities, the Energie AG Group is subject to a range of legal and regulatory conditions. Complying with all obligations in the areas of taxes, duties and charges is the main aim of **tax policy**. These obligations include in particular the correct and timely submission of returns as well as payments.

To meet its obligations, the Energie AG Group makes available the necessary resources and pays particular attention to the selection and ongoing training of employees involved in this area. Sophisticated IT systems are used to record transactions on the basis of documented rules. A tax control system has been set up to maintain quality. External advisors are also brought in to review tax returns and analyse complex questions.

Information on the economic position of Energie AG Group can be found in the **Group Management Report › Page 135** and at that location in the chapter headed **Business development in the Group, Macroeconomic environment and Economic environment for the energy sector › Page 135** as well as in the **Consolidated Financial Statements › Page 174**.

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.

Since 1 October 2019, the subsidiary **Wertstatt 8 GmbH** (Wertstatt 8) has been developing innovative solutions as an independent innovation company with the goal of exploring the potential of different subject areas for future business models. A dedicated **innovation lab** geared to the specific needs of innovation work was opened in 2021. 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 energy. The **open innovation approach** is used to develop sustainable service proposals together with customers and **external partners** (e.g. Industry meets Makers (IMM), bizup, the Energy Institute at Johannes Kepler University (JKU) of Linz, or industry partners from the network of Wertstatt 8 GmbH).

Energie AG **implements new technologies** to make internal processes more efficient and offer customers innovative solutions. Work to develop strategies designed to meet the challenges of the future while exploiting opportunities in new business units is continually progressing. Energie AG carries out its own research, development and innovation activities and regularly supports promising research projects. In the 2022/2023 fiscal year, projects focused on the areas of decarbonisation, grid infrastructure, heating systems, digitalisation, IT security and the systematic analysis of the future energy system.

Customer needs in the area of sustainability, against the backdrop of an ageing society, were the focus of **two innovation projects** approved for implementation by the Management Board in the 2022/2023 fiscal year. Artificial intelligence and machine learning will also play a

part in meeting customer needs. In the years ahead, the focus will be on specific product development and validation for the market, working closely with cooperation partners.

To enable customers to **participate actively in the energy transition**, Wertstatt 8 is undertaking intensive innovation in the PV area. One of the ideas being developed aims to help customers obtain PV systems faster and more economically, despite the shortages, see **Social affairs, Customer orientation and satisfaction › Page 96**.

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 groups of other customers (without a PV system) at an individually set price. The price is set in the app by the group administrator. By joining the group, the individual decides whether or not they accept the set conditions. To simplify billing (among other things), the app was fully overhauled in the past fiscal year. New customers have been able to access the app since August 2023; by the end of the 2022/2023 fiscal year, 950 active metering points (previous year: 793) were already in use.

As part of the strategy project "LOOP", a status survey on Energie AG's innovation management was carried out in a separate "Innovation" module. Clear directions for conceptional development and **improving innovative capacity** were defined in the process. In addition to seven strategic principles to guide innovation work, the following innovation focus topics were devised, with customers at the heart of all activities: continually adapting full circularity (thinking and acting in cycles, accelerating decarbonisation, acting sustainably, readiness for climate change) to climate change and its effects, harnessing opportunities presented by decentralisation, energy efficiency and the minimal use of resources and tech tools.

To guarantee **Group-wide innovation management** in future, a new "Corporate innovation" holding unit will be responsible for the theme while a central innovation team will be established in the 2023/2024 fiscal year. The main task of Wertstatt 8 – developing innovative business models in defined fields of innovation – remains unchanged. Various innovation vehicles, such as Energie AG's planned inaugural "International Startup Innovation Challenge", will be implemented to support the future development of the Group.

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 development and optimisation of operational processes by sharing their ideas and expertise.

Suggestions for improvements

	Unit	2022/2023	2021/2022	2020/2021
Ideas submitted	Number	223	130	101

In the 2022/2023 fiscal year, this translated to 223 **suggested improvements** submitted by employees from all units within Energie AG Group in the form of "Loominati" ideas (previous year: 130). The significant increase is due to the focus campaigns established in the last fiscal year as well as increased communications on ideas management.

For the second time, an internal hackathon was organised: employees were asked to program their own **digital solutions** to a problem of their choice using the Microsoft Power Platform.

Expert IT coaches supported the participating teams with advance training sessions, and during the actual development of new apps, workflows and dashboards designed to make everyday working routines easier in future. As part of a supporting programme, a kick-off event was organised for staff. The **focus was on artificial intelligence** (AI), with reputable experts from the fields of business and science making AI clear and comprehensible. Staff were also able to learn more about the new technologies in short, 45-minute webinars held on various days. The "Power Platform" skills developed at the occasion of the hackathon represent solid knowledge that is added to the overall organisation and used sustainably for the development of other digital solutions. At the same time, the "Neuland" format was used to enhance the corporate culture in the specific areas of personal initiative, entrepreneurial thinking and receptiveness to new technologies.

For more information, see the **Group Management Report, Research, development and innovation › Page 146**.

ENVIRONMENT

SDG 6, 7, 9, 12, 13, 15

Energie AG pursues the following environmental objectives:

- Climate neutrality by 2035, subject to the proviso of guaranteed security of supply and waste management
- Steady expansion of renewable energy: +1.2 TWh/a between now and 2035
- Company fleet of electric cars to rise to 40% by 2024
- Resource conservation
- Warranting an environmentally friendly and legally compliant circular economy
- Active positioning on the hydrogen market: seeking of appropriate investments, including the operation of up to four electrolysers and the sale of hydrogen

Energie AG's **major sustainability issues** in the realm of the environment and sustainability are climate protection and the responsible, careful and efficient consumption of natural energy resources. They are covered in the section Environment, broken down according to the Segments **Energy › Page 73**, **Grid › Page 82**, **Waste Management › Page 85**, **Czech Republic › Page 88**, and **Holding & Services › Page 91**.

Waste management is an integral element of the **circular economy**. Across the EU, statutory measures are being implemented to retain goods within the economic cycle and – aiming for the longest possible duration of use – ultimately assure their sustainable processing. The implementation of the measures and their impact are accompanied by EU-wide reporting that, among others, includes (volume) disclosures regarding waste handled and processing paths. Waste management plants that exceed a legal limit of waste volumes are made to comply with special conditions and reporting obligations. This concerns, for example, waste incineration plants and landfills.

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 **› Erzeugung GmbH** (for Timelkam).

EU TAXONOMY

The redirection of capital streams into sustainable investments is one of the EU's main objectives of the action plan for **financing sustainable growth** ("EU Action Plan on Sustainable Finance"). The EU Taxonomy Regulation came into effect in the middle of 2020 and serves as a uniform binding classification system that defines the economic activities in the EU that are deemed "environmentally sustainable". The companies report on the outcomes of this classification on an annual basis. Accordingly, the non-financial reports of the companies include information on how and to what extent their activities are to be classified as environmentally sustainable.

Information pursuant to Article 8 of the EU Taxonomy Regulation (2020/852)

Based on the published delegated acts and regulations, Energie AG assessed which of the Group's activities can be classified as **environmentally sustainable economic activities** (Taxonomy-eligible) and subsequently reviewed their Taxonomy alignment.

Energie AG established **Taxonomy alignment** through an interdisciplinary project. Legal, commercial and technical experts from the Controlling, Human Resources, Purchasing, Occupational Health and Safety, Works Council and Compliance Management units were all involved in the process.

The first step was to identify economic activities of relevance to the Energie AG Group and listed in the delegated act of the EU Taxonomy Regulation (Taxonomy-eligible activities). In the second step, the Taxonomy-eligible economic activities were evaluated to determine whether they made a substantial contribution to the **environmental goal of "climate change mitigation"** (technical evaluation criteria). An assessment was then carried out to determine whether practising these economic activities adversely affects any of the other five environmental goals (DNSH – do no significant harm). Finally, compliance with minimum safeguards was reviewed at Group level. When these steps had been evaluated positively, the relevant economic activities were declared Taxonomy-aligned.

To avoid double counting when **assigning economic activities**, those activities classified as Taxonomy-aligned were exclusively allocated to the environmental goal of "climate change mitigation" in accordance with the technical evaluation.

Technical evaluation criteria and DNSH criteria

The assessment and documentation of technical criteria for the environmental goal of "climate change mitigation" and the review to confirm **avoidance of significant harm** to the other five environmental goals (DNSH) were performed by nominated technical experts from the relevant Group entities.

Only those economic activities that make a substantial contribution to at least one of the six **EU environmental goals** listed below (technical evaluation criteria) and which furthermore do no significant harm to the other environmental targets (DNSH) may be classified as Taxonomy-aligned.

1. Climate change mitigation
2. Climate change adaptation
3. Sustainable use and protection of water and marine resources
4. Transition to a circular economy, waste prevention and recycling
5. Pollution prevention and control
6. Protection and restoration of biodiversity and ecosystems

Minimum safeguards

Energie AG ensures **observance of the social minimum safeguards** under Article 18 of the EU Taxonomy Regulation and thus compliance with the requirements of the social affairs and governance areas through the application of management processes established across the Group as well as organisational regulations (partly through codes of conduct and Group guidelines).

In line with the published **guidelines and codes of conduct**, Energie AG undertakes to comply with, among other things:

- human rights and labour rights
- rules on compliance and combating corruption
- fair competition
- applicable tax provisions

In addition to the aforementioned guidelines and codes of conduct, the **Group-wide whistleblowing system** ("**Tell-me**") and the new Diversity, Equity & Inclusion (DEI) initiative play major roles in the Group's compliance with these obligations.

In addition, Energie AG's **› "Code of Conduct for Contractors"** requires the Group's suppliers and business partners to adhere to the principles above.

Economic activities identified within the meaning of the EU Taxonomy Regulation

Economic sector according to the EU Taxonomy Regulation	Material economic activities identified within Energie AG Group with regard to the environmental goal of "climate change mitigation"
Energy	Electricity generation from hydroelectric power and photovoltaics Storage of electricity, transmission and distribution of electricity Heat generation from bioenergy, waste heat and district heat distribution High-efficiency cogeneration of heat/cool and power from fossil gaseous fuels
Water supply, waste water management and waste management	Construction and operation of systems for water extraction, treatment and supply Construction and operation of waste water collection and treatment systems Collection and transportation of non-hazardous waste
Traffic	Transport using passenger cars and light commercial vehicles On-road freight haulage Construction and operation of infrastructure for low-carbon road traffic
Building industry and real estate	Acquisition and ownership of buildings Installation, maintenance and repair of technologies for renewable energies Installation, maintenance and repair of energy-efficient devices and charging stations for electric vehicles

The economic activity "**electricity generation from wind power**" is not included in Energie AG's disclosures under the EU Taxonomy Regulation because the wind power-related participating interests within Energie AG Group are not consolidated or only consolidated using the equity method.

KPIs for turnover, capex and opex in the 2022/2023 fiscal year

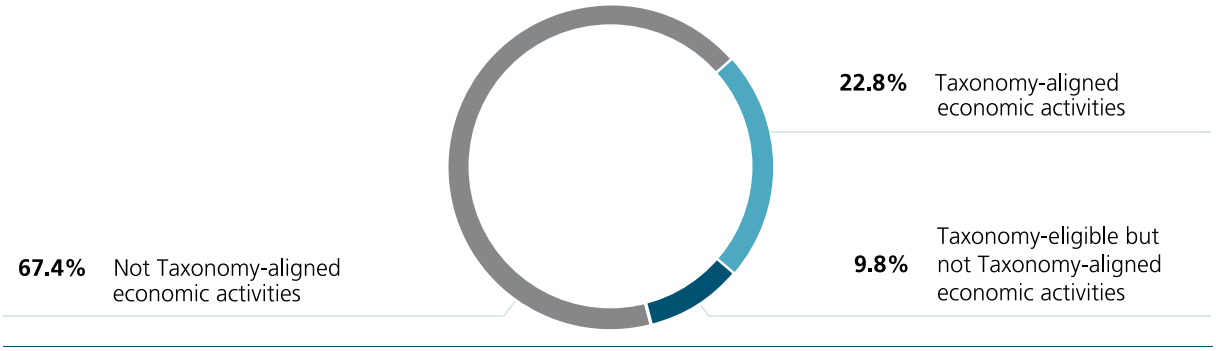
Turnover – definition

In line with the EU Taxonomy Regulation, only goods and services rendered by the Energie AG Group itself are taken into account when calculating sustainable **turnover**. The proportion of sustainable economic activities in total sales was calculated as the share of turnover with goods and services associated with sustainable economic activity (numerator) divided by the Energie AG Group's consolidated net turnover according to the International Accounting Standard (IAS) 1.82(a) (denominator), see **Notes to the Consolidated Financial Statements, Consolidated Statement of Income › Page 174**.

The largest proportion of **Taxonomy-aligned turnover** derives from the economic activity of electricity generation from hydroelectric power (Energy Segment) and from the transmission and distribution of electricity (Grid Segment). Alongside a range of other listed economic activities, the collection of non-hazardous waste (Waste Management Segment) and the operation of water and waste water treatment systems (Czech Republic Segment) deliver major contributions to sustainability for the Energie AG Group.

The proportion of **Taxonomy-aligned economic activities** in net turnover is 22.8%, significantly lower than in the capex and opex key figures. This is largely due to the fact that

net turnover from trading and sales of electricity and gas are not considered under the EU Taxonomy Regulation.

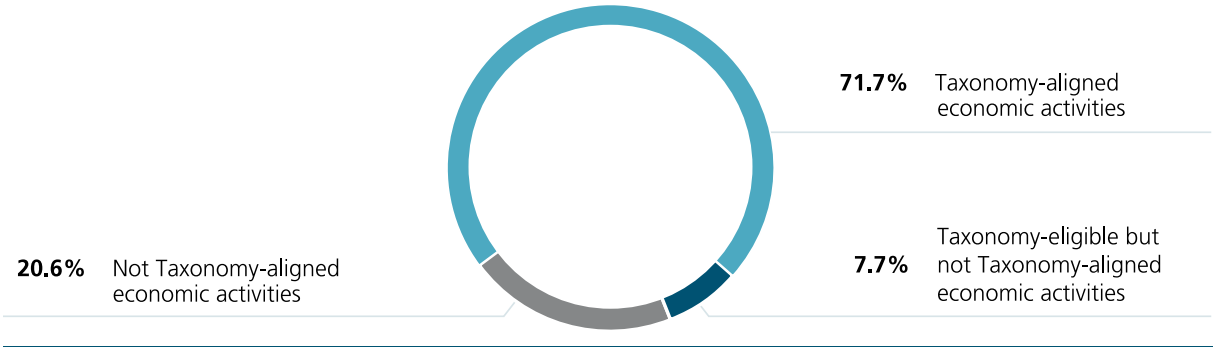


Investment expenditure (capex) - definition

The **capex key figure** indicates the proportion of investment expenditure either linked to a sustainable economic activity or relating to the procurement of products and services from sustainable economic activity.

The capex key figure is defined as **sustainable investment expenditure** (numerator) divided by total investment expenditure on intangible assets, property, plant and equipment and IFRS 16 leasing investment (denominator), see **Group Management Report, Business development in the Group › Page 139**.

The proportion of **Taxonomy-aligned economic activities** in investments (capex) is 71.7%. The largest proportion of Taxonomy-aligned capex derives from the economic activity of transmission and distribution of electricity (Grid Segment), followed by electricity generation from hydroelectric power (Energy Segment). Taxonomy-aligned investments include proportionate preliminary project costs for the pumped-storage power plant in Ebensee as approved by the Supervisory Board. Construction on the biggest single investment in the history of the Group started in October 2023.

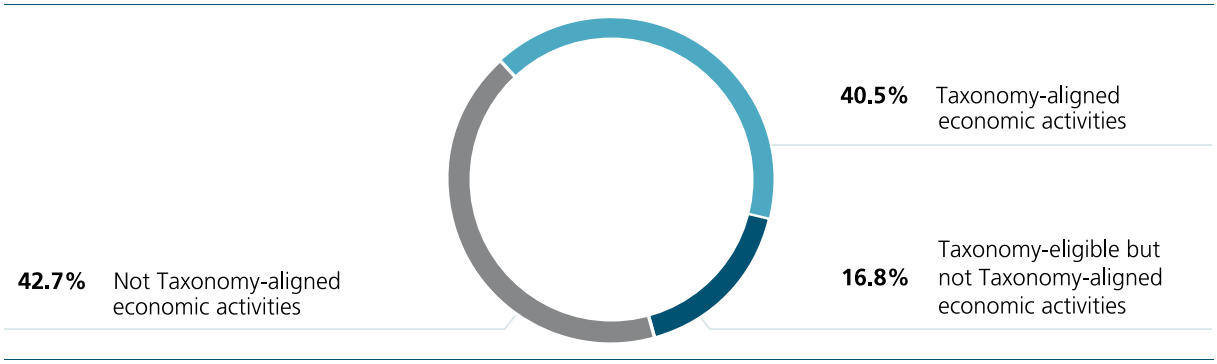


Operating expenses (opex) - definition

The **opex key figure** expresses the proportion of operating expenses within the meaning of the EU Taxonomy Regulation that is associated with sustainable economic activity or the procurement of products from sustainable economic activity. The opex key figure is defined as sustainable operating expenses (numerator) divided by the total defined operating expenses (denominator).

Operating expenses essentially comprise expenditure in connection with ongoing maintenance, servicing and repair of intangible assets and property, plant and equipment. Expenditure on research and development (R&D) and expenditure on short-term leases can also be recognised as operating expenses.

The proportion of **Taxonomy-aligned economic activities** in operating expenses (opex) is 40.5%. The largest proportion of Taxonomy-aligned opex derives from the economic activity of transmission and distribution of electricity (Grid Segment), followed by electricity generation from hydroelectric power (Energy Segment) and the collection and transportation of non-hazardous waste (Waste Management Segment).



Taxonomy information

Share of net turnover from goods or services associated with Taxonomy-aligned economic activities; disclosure for 2022/2023

		Consolidated turnover		Substantial contribution criteria					
Economic activities (1)	Code(s) (2)	Absolute turnover (3)	Proportion of turnover (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)
		EUR mill.	%	%	%	%	%	%	%
A. Taxonomy-eligible activities									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
Electricity generation using solar photovoltaic technology	4.1	1.1	0.0	100.0	0.0	0.0	0.0	0.0	0.0
Electricity generation from hydropower	4.5	439.1	10.6	100.0	0.0	0.0	0.0	0.0	0.0
Transmission and distribution of electricity	4.9	339.0	8.2	100.0	0.0	0.0	0.0	0.0	0.0
Storage of electricity	4.10	27.8	0.7	100.0	0.0	0.0	0.0	0.0	0.0
District heating/cooling distribution	4.15	5.1	0.1	100.0	0.0	0.0	0.0	0.0	0.0
Production of heat/cool from bioenergy	4.24	0.6	0.0	100.0	0.0	0.0	0.0	0.0	0.0
Construction, extension and operation of water collection, treatment and supply systems	5.1	17.4	0.4	100.0	0.0	0.0	0.0	0.0	0.0
Construction, extension and operation of waste water collection and treatment systems	5.3	31.8	0.8	100.0	0.0	0.0	0.0	0.0	0.0
Collection and transport of non-hazardous waste in source segregated fractions	5.5	61.2	1.5	100.0	0.0	0.0	0.0	0.0	0.0
Composting of bio-waste	5.8	0.9	0.0	100.0	0.0	0.0	0.0	0.0	0.0
Material recovery from non-hazardous waste	5.9	7.5	0.2	100.0	0.0	0.0	0.0	0.0	0.0
Infrastructure enabling low-carbon road transport and public transport	6.15	1.8	0.0	100.0	0.0	0.0	0.0	0.0	0.0
Installation, maintenance and repair of renewable energy technologies	7.6	7.7	0.2	100.0	0.0	0.0	0.0	0.0	0.0
Professional services related to energy performance of buildings	9.3	0.8	0.0	100.0	0.0	0.0	0.0	0.0	0.0
Turnover from environmentally sustainable activities (Taxonomy-aligned) (A.1)		**941.7**	**22.8**						
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)									
District heating/cooling distribution	4.15	7.5	0.2						
Cogeneration of heat/cool and power from bioenergy	4.20	23.3	0.6						
Production of heat/cool from bioenergy	4.24	0.5	0.0						
Production of heat/cool using waste heat	4.25	8.3	0.2						
High-efficiency cogeneration of heat/cool and power from fossil gaseous fuels	4.30	229.2	5.5						
Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	4.31	8.7	0.2						
Construction, extension and operation of water collection, treatment and supply systems	5.1	76.9	1.9						
Construction, extension and operation of waste water collection and treatment systems	5.3	50.8	1.2						
On-road freight haulage	6.6	1.8	0.0						
Turnover from Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		**407.1**	**9.8**						
Total (A.1 + A.2)		**1,348.8**	**32.6**						
B. Taxonomy non-eligible activities									
Turnover from Taxonomy non-eligible activities (B)		**2,791.1**	**67.4**						
Total (A + B)		**4,139.9**	**100.0**						

	Do no significant harm criteria										
	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of turnover, 2022/2023 (18)	Taxonomy-aligned proportion of turnover, 2021/2022 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
		Y	Y	Y	Y	Y	Y	0.0			
		Y	Y	Y	Y	Y	Y	10.6			
		Y	Y	Y	Y	Y	Y	8.2		E	
		Y	Y	Y	Y	Y	Y	0.7		E	
		Y	Y	Y	Y	Y	Y	0.1			
		Y	Y	Y	Y	Y	Y	0.0			
		Y	Y	Y	Y	Y	Y	0.4			
		Y	Y	Y	Y	Y	Y	0.8			
		Y	Y	Y	Y	Y	Y	1.5			
		Y	Y	Y	Y	Y	Y	0.0			T
		Y	Y	Y	Y	Y	Y	0.2			T
		Y	Y	Y	Y	Y	Y	0.0		E	
		Y	Y	Y	Y	Y	Y	0.2		E	
		Y	Y	Y	Y	Y	Y	0.0		E	
								22.8			
								0.2			
								0.6			
								0.0			
								0.2			
								5.5			T
								0.2			T
								1.9			
								1.2			
								0.0			T
								9.8			

Capex share from goods or services associated with Taxonomy-aligned economic activities; disclosure for 2022/2023

		Consolidated capex		Substantial contribution criteria					
Economic activities (1)	Code(s) (2)	Absolute capex (3)	Proportion of capex (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)
		EUR mill.	%	%	%	%	%	%	%
A. Taxonomy-eligible activities									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
Electricity generation using solar photovoltaic technology	4.1	1.8	0.8	100.0	0.0	0.0	0.0	0.0	0.0
Electricity generation from hydropower	4.5	11.4	5.4	100.0	0.0	0.0	0.0	0.0	0.0
Transmission and distribution of electricity	4.9	115.8	54.4	100.0	0.0	0.0	0.0	0.0	0.0
Storage of electricity	4.10	4.0	1.9	100.0	0.0	0.0	0.0	0.0	0.0
District heating/cooling distribution	4.15	0.7	0.3	100.0	0.0	0.0	0.0	0.0	0.0
Production of heat/cool from bioenergy	4.24	0.8	0.4	100.0	0.0	0.0	0.0	0.0	0.0
Construction, extension and operation of water collection, treatment and supply systems	5.1	1.0	0.5	100.0	0.0	0.0	0.0	0.0	0.0
Construction, extension and operation of waste water collection and treatment systems	5.3	1.3	0.6	100.0	0.0	0.0	0.0	0.0	0.0
Collection and transport of non-hazardous waste in source segregated fractions	5.5	3.1	1.5	100.0	0.0	0.0	0.0	0.0	0.0
Composting of bio-waste	5.8	0.0	0.0	100.0	0.0	0.0	0.0	0.0	0.0
Material recovery from non-hazardous waste	5.9	0.1	0.0	100.0	0.0	0.0	0.0	0.0	0.0
On-road freight haulage	6.6	0.4	0.2	100.0	0.0	0.0	0.0	0.0	0.0
Infrastructure enabling low-carbon road transport and public transport	6.15	0.2	0.1	100.0	0.0	0.0	0.0	0.0	0.0
Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	7.4	0.3	0.2	100.0	0.0	0.0	0.0	0.0	0.0
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5	0.1	0.0	100.0	0.0	0.0	0.0	0.0	0.0
Installation, maintenance and repair of renewable energy technologies	7.6	3.0	1.4	100.0	0.0	0.0	0.0	0.0	0.0
Acquisition and ownership of buildings	7.7	8.4	4.0	100.0	0.0	0.0	0.0	0.0	0.0
Capex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**152.4**	**71.7**						
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)									
Storage of hydrogen	4.12	0.6	0.3						
District heating/cooling distribution	4.15	1.2	0.5						
Production of heat/cool using waste heat	4.25	0.5	0.3						
High-efficiency cogeneration of heat/cool and power from fossil gaseous fuels	4.30	0.7	0.3						
Construction, extension and operation of water collection, treatment and supply systems	5.1	4.2	2.0						
Construction, extension and operation of waste water collection and treatment systems	5.3	4.0	1.9						
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	1.9	0.9						
On-road freight haulage	6.6	2.1	1.0						
Acquisition and ownership of buildings	7.7	0.9	0.4						
Data processing, hosting and associated activities	8.1	0.5	0.2						
Capex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		**16.4**	**7.7**						
Total (A.1 + A.2)		**168.8**	**79.4**						
B. Taxonomy non-eligible activities									
Capex of Taxonomy non-eligible activities (B)		**43.9**	**20.6**						
Total (A + B)		**212.7**	**100.0**						

	Do no significant harm criteria										
	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of capex, 2022/2023 (18)	Taxonomy-aligned proportion of capex, 2021/2022 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
		Y	Y	Y	Y	Y	Y	0.8			
		Y	Y	Y	Y	Y	Y	5.4			
		Y	Y	Y	Y	Y	Y	54.4		E	
		Y	Y	Y	Y	Y	Y	1.9		E	
		Y	Y	Y	Y	Y	Y	0.3			
		Y	Y	Y	Y	Y	Y	0.4			
		Y	Y	Y	Y	Y	Y	0.5			
		Y	Y	Y	Y	Y	Y	0.6			
		Y	Y	Y	Y	Y	Y	1.5			
		Y	Y	Y	Y	Y	Y	0.0			T
		Y	Y	Y	Y	Y	Y	0.0			T
		Y	Y	Y	Y	Y	Y	0.2			T
		Y	Y	Y	Y	Y	Y	0.1		E	
		Y	Y	Y	Y	Y	Y	0.2		E	
		Y	Y	Y	Y	Y	Y	0.0		E	
		Y	Y	Y	Y	Y	Y	1.4		E	
		Y	Y	Y	Y	Y	Y	4.0		E	
								71.7			
								0.3		E	
								0.5			
								0.3			
								0.3			T
								2.0			
								1.9			
								0.9			T
								1.0			T
								0.4		E	
								0.2		E	
								7.7			

Opex share from goods or services associated with Taxonomy-aligned economic activities; disclosure for 2022/2023

		Consolidated opex		Substantial contribution criteria					
Economic activities (1)	Code(s) (2)	Absolute opex (3)	Proportion of opex (4)	Climate change mitigation (5)	Climate change adaptation (6)	Water and marine resources (7)	Circular economy (8)	Pollution (9)	Biodiversity and ecosystems (10)
		EUR mill.	%	%	%	%	%	%	%
A. Taxonomy-eligible activities									
A.1 Environmentally sustainable activities (Taxonomy-aligned)									
Electricity generation using solar photovoltaic technology	4.1	0.1	0.1	100.0	0.0	0.0	0.0	0.0	0.0
Electricity generation from hydropower	4.5	7.9	7.8	100.0	0.0	0.0	0.0	0.0	0.0
Transmission and distribution of electricity	4.9	22.5	22.3	100.0	0.0	0.0	0.0	0.0	0.0
Storage of electricity	4.10	0.5	0.5	100.0	0.0	0.0	0.0	0.0	0.0
District heating/cooling distribution	4.15	0.1	0.1	100.0	0.0	0.0	0.0	0.0	0.0
Construction, extension and operation of water collection, treatment and supply systems	5.1	0.5	0.5	100.0	0.0	0.0	0.0	0.0	0.0
Construction, extension and operation of waste water collection and treatment systems	5.3	0.4	0.4	100.0	0.0	0.0	0.0	0.0	0.0
Collection and transport of non-hazardous waste in source segregated fractions	5.5	4.1	4.1	100.0	0.0	0.0	0.0	0.0	0.0
Composting of bio-waste	5.8	0.1	0.1	100.0	0.0	0.0	0.0	0.0	0.0
Material recovery from non-hazardous waste	5.9	0.2	0.2	100.0	0.0	0.0	0.0	0.0	0.0
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	0.2	0.2	100.0	0.0	0.0	0.0	0.0	0.0
On-road freight haulage	6.6	0.2	0.2	100.0	0.0	0.0	0.0	0.0	0.0
Infrastructure enabling low-carbon road transport and public transport	6.15	1.0	1.0	100.0	0.0	0.0	0.0	0.0	0.0
Installation, maintenance and repair of energy efficiency equipment	7.3	0.1	0.1	100.0	0.0	0.0	0.0	0.0	0.0
Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	7.5	0.1	0.1	100.0	0.0	0.0	0.0	0.0	0.0
Installation, maintenance and repair of renewable energy technologies	7.6	0.4	0.4	100.0	0.0	0.0	0.0	0.0	0.0
Acquisition and ownership of buildings	7.7	2.3	2.3	100.0	0.0	0.0	0.0	0.0	0.0
Opex of environmentally sustainable activities (Taxonomy-aligned) (A.1)		**40.9**	**40.5**						
A.2 Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned)									
District heating/cooling distribution	4.15	0.7	0.7						
Cogeneration of heat/cool and power from bioenergy	4.20	1.2	1.2						
Production of heat/cool using waste heat	4.25	0.5	0.5						
High-efficiency cogeneration of heat/cool and power from fossil gaseous fuels	4.30	6.7	6.7						
Construction, extension and operation of water collection, treatment and supply systems	5.1	1.0	1.0						
Construction, extension and operation of waste water collection and treatment systems	5.3	0.6	0.5						
Transport by motorbikes, passenger cars and light commercial vehicles	6.5	1.8	1.8						
On-road freight haulage	6.6	0.8	0.8						
Acquisition and ownership of buildings	7.7	3.6	3.6						
Opex of Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned) (A.2)		**17.0**	**16.8**						
Total (A.1 + A.2)		**57.9**	**57.3**						
B. Taxonomy non-eligible activities									
Opex of Taxonomy non-eligible activities (B)		**43.1**	**42.7**						
Total (A + B)		**101.0**	**100.0**						

	Do no significant harm criteria										
	Climate change mitigation (11)	Climate change adaptation (12)	Water and marine resources (13)	Circular economy (14)	Pollution (15)	Biodiversity and ecosystems (16)	Minimum safeguards (17)	Taxonomy-aligned proportion of opex, 2022/2023 (18)	Taxonomy-aligned proportion of opex, 2021/2022 (19)	Category (enabling activity) (20)	Category (transitional activity) (21)
	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	E	T
		Y	Y	Y	Y	Y	Y	0.1			
		Y	Y	Y	Y	Y	Y	7.8			
		Y	Y	Y	Y	Y	Y	22.3		E	
		Y	Y	Y	Y	Y	Y	0.5		E	
		Y	Y	Y	Y	Y	Y	0.1			
		Y	Y	Y	Y	Y	Y	0.5			
		Y	Y	Y	Y	Y	Y	0.4			
		Y	Y	Y	Y	Y	Y	4.1			
		Y	Y	Y	Y	Y	Y	0.1			T
		Y	Y	Y	Y	Y	Y	0.2			T
		Y	Y	Y	Y	Y	Y	0.2			T
		Y	Y	Y	Y	Y	Y	0.2			T
		Y	Y	Y	Y	Y	Y	1.0		E	
		Y	Y	Y	Y	Y	Y	0.1			T
		Y	Y	Y	Y	Y	Y	0.1		E	
		Y	Y	Y	Y	Y	Y	0.4		E	
		Y	Y	Y	Y	Y	Y	2.3		E	
								40.5			
								0.7			
								1.2			
								0.5			
								6.7			T
								1.0			
								0.5			
								1.8			T
								0.8			T
								3.6		E	
								16.8			

CLIMATE PROTECTION & RESOURCE CONSERVATION

Energie AG is a steadfast supporter of the Austrian government's **climate policy**. In addition to utilising and expanding electricity generation from renewable sources, Energie AG Group's climate protection action is assisted by the principles of resource preservation and energy efficiency. The company takes measures aimed at increasing the energy efficiency of existing plants and systems and at the same time advises customers in the implementation of their own energy efficiency measures. It is implementing projects focused on **decentralising the market** 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.

Moreover 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. Energie AG works to counter emissions by making substantial positive impacts on the environment through efficient low-CO_2 energy and heat generation, and by harnessing the benefits of primary fuel and primary raw material substitution. In addition, a treatment plant for old refrigerators saves a considerable volume of hydrocarbons with a greenhouse effect.

Fiscal year 2022/2023 accounts for the generation of 1,260 kt of **direct greenhouse gas emissions** (GHG emissions) (Scope 1; previous year: 1,502 kt), of which 941 kt are attributable to fossil energy sources (previous year: 1,184 kt) and 319 kt to biogenic energy sources (previous year: 318 kt). Energie AG Group accounted for 29 kt of indirect market-based GHG emissions (Scope 2; previous year: 27 kt) and 100 kt site-based GHG emissions (previous year: 101 kt). GHG emissions are indicated in tonnes CO_2eq. An adjustment to the calculation method for biogenic emissions by Erzeugung GmbH led to data changes in previous years.

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 GHG 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 and mobile facilities plus direct emissions from processes (CO_2 and CH_4).

Direct greenhouse gas emissions are released when primary energy sources are converted in the Company's facilities, vehicles and building heating. This includes all fuels such as natural gas, heating oil, 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 district heating. For Group units located within Austria, the generation mix of Vertrieb GmbH is used to measure the market-based GHG emissions from electricity purchases. Electricity sales have been assigned the value of 0.00 g CO_2/kWh since fiscal year 2020/2021. 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, the electricity supply to Energie AG buildings, grid purchases during system shutdowns/overhauls and pumped-storage electricity.

GHG emissions in tonnes per year

Total direct (Scope 1) CO_2 emissions

	2022/2023	2021/2022	2020/2021
Total in t CO_2eq [1)]	**1,260,081**	**1,501,707**	**1,262,260**

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

Direct (Scope 1) CO_2 emissions, fossil

Business unit	2022/2023	2021/2022	2020/2021
Erzeugung GmbH	353,028	626,386	390,503
Waste Management Segment	530,609	495,679	468,552
Czech Republic Segment	29,301	31,316	33,561
Vertrieb GmbH	23,356	25,567	25,169
Netz OÖ GmbH	3,238	3,188	3,575
Business Services GmbH	1,907	1,978	1,629
Total in t CO_2eq [1)]	**941,439**	**1,184,115**	**922,990**

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_2 emissions, biogenic

Business unit	2022/2023	2021/2022	2020/2021
Erzeugung GmbH [1)]	168,126	152,355	171,612
Waste Management Segment	142,868	157,300	160,046
Czech Republic Segment	7,554	7,840	7,502
Vertrieb GmbH	93	96	110
Netz OÖ GmbH	0	0	0
Business Services GmbH	1	1	0
Total in t CO_2eq [2)]	**318,642**	**317,592**	**339,270**

1) An adjustment to the calculation method for biogenic emissions by Erzeugung GmbH led to data changes in previous years.

2) 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 market-based GHG emissions (Scope 2)

Business unit	2022/2023	2021/2022	2020/2021
Erzeugung GmbH	0	12	14
Waste Management Segment	0	0	0
Czech Republic Segment	28,772	26,684	29,005
Vertrieb GmbH	0	0	0
Netz OÖ GmbH	0	0	0
Business Services GmbH	415	421	0
Total in t CO_2eq	**29,187**	**27,117**	**29,018**
Total Scope 1 + 2, market based (in t CO_2eq)	**1,289,268**	**1,528,824**	**1,291,278**

Indirect site-based GHG emissions (Scope 2)

Business unit	2022/2023	2021/2022	2020/2021
Erzeugung GmbH	6,260	5,758	7,173
Waste Management Segment	17,296	17,400	21,814
Czech Republic Segment	28,772	26,684	29,005
Vertrieb GmbH	607	592	960
Netz OÖ GmbH	45,315	48,618	61,404
Business Services GmbH	2,058	1,797	0
Total in t CO_2eq	**100,308**	**100,849**	**120,355**
Total Scope 1 + 2, site based (in t CO_2eq) [1)]	**1,360,389**	**1,602,556**	**1,382,615**

[1)] The values for the fiscal year 2022/2023 come from direct measurements, from environmental statements, or were calculated using conversion factors (for direct GHG emission factors see the Environment Agency Austria (UBA)). 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 Vertrieb GmbH 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 2022. For availability reasons, the data for buildings and the Czech Republic Segment is from the fiscal year 2021/2022. 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 GHG emissions are included at 100% in accordance with the operative controlling approach.

Preventing emissions through generation from renewable energy sources

The expansion of electricity generation from renewable energy, see **Strategy, Additional electricity generation from renewables until 2035 › Page 26** and **Environment, Energy Segment › Page 73**, will make a significant contribution to the **reduction and avoidance of greenhouse gas emissions**. 2,552 GWh of electricity from renewable sources were generated (previous year: 2,442 GWh) and 819,200 tonnes of CO_2eq were saved in the fiscal year 2022/2023 (previous year: 784,000 tonnes).

CO_2emissions from electricity procurement by Vertrieb GmbH

The CO_2 emissions from **electricity procurement by Vertrieb GmbH**[1)] have been reduced to 0.00 g/kWh since fiscal year 2019/2020 as a result of implementing the exclusive use of environmentally-friendly energy sources. This means that the customers of Vertrieb GmbH are supplied with CO_2-free electricity, see **Environment, Sales › Page 73**.

[1)] Fuel mix disclosure figures of Vertrieb GmbH excl. Energie AG Oberösterreich Businesskunden GmbH and Energie AG Oberösterreich Öko GmbH (Öko GmbH); the data for the CO_2 emissions for the electricity procurement in the 2022/2023 fiscal year was not available at the time the report for 2022/2023 was prepared.

Electric mobility

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. The share of Company-owned electric passenger vehicles (excluding the Czech Republic Segment) rose to 76 vehicles in the 2022/2023 fiscal year (previous year: 54) and now represents 38.2% (previous year: 26.9%). The aim of raising the proportion of electric cars in Austria to around 40% in 2024 came close to being achieved ahead of time in the 2022/2023 fiscal year. The Energie AG Group continues to strive to raise the proportion steadily. To achieve this objective, there will be a massive **expansion of the internal charging infrastructure** at existing and numerous new Energie AG locations in Austria. In fiscal year 2022/2023, Energie AG operated 169 charging points in Austria with 22 kW (previous year: 152), 1 direct-current rapid charger with 24 kW, as well as 2 rapid chargers with 2x75kW. The initial goal of expanding the charging infrastructure to 161 charging points at existing and numerous new sites by 2024 has already been overachieved.

Internal charging infrastructure

	Unit	2022/2023	2021/2022	2020/2021
Charging points	Number	169	155	76
Sites with charging infrastructure	Number	29	28	23

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_2 emissions and the dependence on fossil energy sources.

In the first half of 2023, Umwelt Service GmbH carried out intensive testing on the use of electric-drive trucks. The first three **electric waste collection vehicles** are due to come in operation before the end of the 2023 calendar year. By 2030, the majority of the 100-plus collection trucks should have been converted to electric drive.

Energie AG's charging card is the key to Austria's largest charging network, giving customers a convenient way to charge their electric cars. A total of 3,518 charge cards were issued to date (previous year: 2,480). More than 11,400 electric car charging stations across Austria are provided by cooperation partners and can be used with the **Energie AG charging card** (previous year: 9,100). In Upper Austria, Energie AG has established a dense charging network to provide public and fast charging facilities for electric cars. Existing plans for further expansion (in cooperation with municipalities and local partners) in different capacity categories are being intensified. 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 target groups.

In addition to charging solutions for private and business customers, the Energie AG 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 the general population. Energie AG currently operates 212 publicly accessible charging stations (previous year: 164) with various output ranges from 3.7 kW to 150 kW, including a billing system, and manages a total of 904 charging points (previous year: 604). As of the reporting date, rapid charging stations were in operation at 17 sites (previous year: 13). The goal is to install up to **50,000 charging stations** for electric vehicles in private homes, at work, for vehicle fleets and in public areas by 2035.

E-mobility services

	Unit	2022/2023	2021/2022	2020/2021
Charging points that accept the Energie AG charge card	Number	11,400	9,100	7,200
Public charging stations operated	Number	212	164	128
Charging points managed	Number	904	604	425
Rapid charging locations	Number	17	13	8

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 and the next audit will take place in fiscal year 2023/2024. The energy audit analyses and audits key energy consumption areas for the relevant sites in detail. These processes encompass operational processes and industrial facilities, e.g. electric drives and systems, as well as hot water systems used in industrial activities.

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, especially for power plant construction. Energie AG is also implementing measures to improve ecological conditions and reduce the environmental footprint.

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	2022/2023	2021/2022	2020/2021
Dams with fish bypasses	Number	26	26	26
Dams without fish bypasses	Number	19	19	19

Energie AG holds more than 20 **fishing rights** in Upper Austria and Salzburg 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.

Resources

Energy consumption

Energie AG Group requires **energy** in various forms in order to operate its business activities. The administration buildings of Energie AG in Austria (excluding the Waste Management Segment) consume around 5.46 GWh for heating. The biggest source is district heat, which accounts for 38% (previous year: 42%). Other sources are gas 24% (previous year: 32%), electricity from heat pumps 19% (previous year: 13%), direct electricity 14% (previous year: 9%) and pellets 5% (previous year: 3%). The pure electricity demand is 5.34 GWh. Photovoltaic systems installed at Energie AG sites in Austria (excluding the Waste Management Segment) generated 0.2 GWh of electricity in fiscal year 2022/2023 (previous year: 0.2 GWh).

Energie AG exclusively uses **100% renewable electricity** (excluding the Waste Management Segment) for the operation of its office, workshop and canteen buildings in Upper Austria. The sustainable consumption of resources has been a longstanding tradition in the management of Energie AG's real estate assets in Austria.

In fiscal year 2021/2022, the **CO_2 footprint** of the entire portfolio of real estate assets in Upper Austria (office, workshop and storage buildings) was analysed. Room for improvement was identified, e.g. replacing certain gas supply systems. For the Waste Management Segment, the CO_2 footprint is recalculated on a yearly basis at the same time the environmental statement is prepared.

The micro gas turbine at Haid has been replaced by district heat. In Gmunden, thermal building modernisation measures such as window, facade and roof renovations were carried out in the 2022/2023 fiscal year to bring about significant improvements to the overall energy efficiency of the building. Energy certificates were renewed at a large number of sites in order to evaluate overall energy efficiency and subsequently define optimisation proposals. Other revisions of the heating system aiming at an integrated energy concept as well as a wide range of **measures to reduce the CO_2 output** are being analysed and will be implemented over the coming fiscal years.

The input materials needed for the Group to operate its business activities are procured by Energie AG's centralised **purchasing unit** (with the exception of the Czech Republic Segment). This allows for an optimised allocation of resources and avoids the storage of reserves in selected areas.

For Energie AG, focusing on the future means doing business in harmony with the environment and in line with the principle of sustainability. The **contractors** of the Energie AG Group also act with a view to conserving the environment to the greatest possible extent, using available resources sparingly while promoting the deployment of environmentally sound technologies. Correct handling of waste and hazardous substances is of particular importance to contractors. They undertake to store, treat or dispose of such materials properly.

Purchasing for the **Czech Republic Segment** is regulated via guidelines and a purchasing manual that defines the criteria for selecting suppliers. Of particular importance here are quality, scope of supply and delivery times as well as QSE standards. Contracts that apply to all Group companies are tendered and managed via the Czech holding company or ČEVAK, a.s. Local company-specific procurement is performed independently by operating units or through a sister company that specialises in wholesale.

The office buildings in particular need an input of resources in the form of electricity, heating energy, paper and water. In fiscal year 2022/2023, the Energie AG Group in Austria (excluding the Waste Management Segment) consumed 31 tonnes of **paper for printing and copying** (previous year: 18 tonnes). The increase was due to the high flow of information to customers of Energie AG in connection with the crises of recent years. As part of a digitalisation drive, more and more processes are being digitalised in order to effect further paper savings. The Energie AG Group's sites in Austria mainly use paper that is FSC- (Forest Stewardship Council) and PEFC- (Programme for the Endorsement of Forest Certification) certified.

The process to **reduce physical mail** started in fiscal year 2017/2018 is continuing. After switching to the digital inbox for correspondence from government authorities and automatic forwarding to the respective organisational units with the help of robotics technology, the future focus will increasingly shift to reducing the number of outgoing paper-based mail items. Ongoing digitalisation and the **storage space optimisation project** initiated in the

2021/2022 fiscal year have made it easier to save and reuse office materials. In the course of this project, the reuse of old folders will continue. Used folders will almost completely meet demand in the years ahead in the interests of a circular economy.

Paper consumption

	Unit	2022/2023	2021/2022	2020/2021
Paper consumption	t	31	18	20

The reported paper consumption relates to the Austrian sites and excludes the Waste Management Segment.

Water management

The **› "Wasserschatz Österreichs"** study (2021) on behalf of the Federal Ministry of Agriculture, Regions and Tourism (BMLRT) shows that Austria is not currently affected by water stress and will be able to meet its demand from groundwater in the long term. On the basis of the document **› "Second Voluntary National Review of the 2030 Agenda in the Czech Republic (2021)"**, the **› United Nations** conclude that water stress in the Czech Republic is average for Europe. Since it is aware that available ground water resources could decrease due to the impact of climate change, Energie AG will monitor potential water stress areas in Austria and the Czech Republic in the future.

In the thermal power plants, **water** is used as both an energy source (steam, warm water, cooling water) as well as process and cleaning materials. It is supplied from (company-owned) wells, running waters, and the public drinking water grid. The exhaust coolant water and waste water together with water from precipitation is pre-treated in accordance with the legal requirements. The hydropower plants use water for energy conversion.

Both the **extraction of process water** from the underground and running waters as well as the infeed of waste water have been issued official permits. The use of water for electricity generation is also subject to approvals under the pertinent water management laws that must be renewed at certain intervals. This includes an assessment by the public authorities on whether the systems represent state-of-the-art technology.

A rainwater utilisation system has already been installed in 2007 at Energie AG's historic location in **Gmunden**. The rainwater cisterns supply the toilet facilities of the office and canteen building, the office tower of the adjacent building, and the carwash.

In addition to using rainwater in Gmunden, Energie AG returns its household-similar waste water into the water cycle and carries out **drinking water hygiene testing** on an annual basis.

A comprehensive **water management** has also been implemented for all technical plants that use waste input. The Waste Management Segment has made the environmentally-friendly extraction and return infeed of water one of its top priorities. The use of oil separators together with the taking and analysis of samples from waste water before being fed into the receiving water are integral elements in Energie AG's operation of waste management plants.

In fiscal year 2021/2022, the Waste Management Segment began covering a closed landfill with a so-called **water management layer**; it is now completely covered. The layer consists of soil that has received a special treatment to reduce the infiltration of rain water into the landfill underneath.

Employees in Austria (excl. the Waste Management Segment) whose workplace (field service) situation entitles them to a daily serve of mineral water will in the future receive freshly carbonised **drinking water** directly from the well or local water outlet of their respective

support base. All taps used in the field offices in Austria (excl. the Waste Management Segment) will successively be retrofitted with a technical system that uses an activated carbon filter to purify, chill and carbonise drinking water using an active carbon filter. This will cut down on plastic packaging.

Water that is extracted from the groundwater or a running water for being used as a heat medium (steam, warm water or cooling water) or as **process water** is usually treated (softened), ozone is added and the pH value is adjusted as required. Any waste water that exceeds certain legal limits is treated internally or externally before being fed into the receiving water or public sewer network.

Internal waste management

All waste internally generated in Austria, mainly consisting of waste from maintenance and servicing works to the generation plants, is separated by material and logged at each individual site (in accordance with § 10 Waste Management Act 2002). Recyclable waste (e.g. scrap metal, paper) are handed over to **recycling** companies.

All other waste in Austria (ash from the biomass incineration Timelkam, slag from the waste incineration plant in Wels, scrap metal, workshop refuse, contents of oil separators, or flotsam arriving at hydropower plants) is handed over to a licensed **waste collection company**.

In addition to the usual household waste from office buildings, the operation of water supply and waste water management systems in the **Czech Republic Segment** produces additional waste as specified in the waste catalogue. Sewage treatment plants produce such waste as fat and oil mixtures or sewage sludge. By contrast, companies active in the heating area are faced with ash from burning biomass as a waste product.

Waste generated in tonnes [1)]

	Calendar year 2022	Calendar year 2021	Calendar year 2020
Non-hazardous waste (Austrian sites)	2,510	2,794	11,301
Non-hazardous waste (Waste Management Segment)	130,294	125,961	115,028
Hazardous waste (Austrian sites)	162	202	144
Hazardous waste (Waste Management Segment)	1,280	1,260	1,242

[1)] For the purposes of EMAS certification, volumes in the Waste Management Segment include residual waste from waste incineration plants such as slag, ash and scrap metal. Waste generated by Südtirol Umwelt Service GmbH and RVL Reststoffverwertung Lenzing GmbH (RVL) are not included.

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.

Steady expansion of renewable energy

Energie AG's 2030 **targets for renewables expansion** were largely affirmed by the strategy project "LOOP". The original target of +630 GWh/a by 2030 has been **doubled to +1,200 GWh/a by 2035**. The further expansion of the existing generation portfolio from renewable sources is a focal point of the strategic development. According to technical and commercial potential estimates, Energie AG Group has the capacity to **generate 1,200 GWh/a of renewable electricity** between now and 2035 by utilising new plants (hydroelectric power, wind power, and PV) and improving the efficiency of existing plants. The existing capacities of the Energie AG Group regarding electricity generation from renewable energy sources will be increased by almost 50%, from around 2,750 GWh/a in an average year to approximately 3,950 GWh/a.

Achieving the very ambitious energy goals across all of Austria will require **optimum framework conditions** and the coordinated joint efforts of political and economic players as well as the general population. In addition to the streamlining and simplification of the environmental impact assessment and individual approval processes for energy generation systems, the necessary expansion of the electricity grid infrastructure for all voltage levels is an important building block for a sustainable future with regard to energy and climate change.

The increasing **public acceptance of the expansion** of renewable electricity generation is in stark contrast to the acceptance of concrete projects. Energie AG is responding to this development by establishing processes that facilitate the participation of the citizenry along with the concerned municipalities, neighbours and other stakeholder groups, see **Strategy, Dialogue with stakeholders › Page 32**.

Hydroelectric power

Energie AG operates 43 of its own **hydropower plants** with a total capacity of around 280 MW and around 1,160 GWh in standard production capacity (previous year: 1,160 GWh). In addition, the Group holds procurement rights to run-of-river power plants along the Enns and Donau as well as to the pumped-storage power plant Malta/Reisseck II with a proportionate standard production capacity of around 1,410 GWh (previous year: 1,410 GWh).

Energie AG mainly engages in the long-term management of hydropower plants on the electricity market while supplying important grid services such as the provision of balancing energy.

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. Projects involving the construction of the Weissenbach power plant and replacement of the Traunfall power plant have been submitted with a view to maximising the potential for clean electricity by 2030. The Weissenbach project not only delivers environmentally friendly electricity but is also a valuable contribution to flood protection in the region. Environmental measures will be designed with a view to minimising and compensating for the loss of works water for hydroelectric power generation.

Storage expansion, including construction of the **pumped-storage power plant in Ebensee**, creates flexibility with regard to electricity supply in Austria, see **Corporate strategy 2035, Reliability in supply and waste management services › Page 27**.

Photovoltaics

The **expansion of photovoltaics** will be implemented with the help of Group-owned PV plants as well as on-site PPAs for rooftop-mounted photovoltaic plants. Energie AG operates in accordance with the "Photovoltaic Strategy for Upper Austria 2030".

Energie AG Group is operating 100 **PV power plants** (previous year: 84) with an output of approximately 21 MW (previous year: 18 MW) and a standard production capacity of 21 GWh (previous year: 19 GWh).

Two **Group-owned PV plants were being implemented** during the 2022/2023 fiscal year. One PV system with an output of 1.46 MWp was installed on the roof of an equestrian facility. In the second project, the capacity of the existing PV plant at the Energie AG site in Timelkam was expanded by around 1.15 MWp, ensuring the closed landfill site will be used as effectively as possible to generate electricity. Both plants went into operation at the start of the 2023/2024 fiscal year.

In the 2022/2023 fiscal year, Umwelt Service GmbH took additional significant steps towards **decarbonising** energy supply **at its operational sites**. Following the construction and commissioning of a PV plant, for example, the Mühldorf site in Carinthia has been operating with energy self-sufficiency, i.e. fully independently of external suppliers, since spring 2023.

Wind power

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, Energie AG Group owns interest stakes in four wind parks with 14 wind turbines (previous year: 13) 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 38 GWh (previous year: 36 GWh). A new wind turbine generating 3.45 MW was built at the Munderfing wind farm in October 2022.

An expansion of wind power generation is planned for the Kobernaußerwald region by 2030. The construction of up to 19 **new wind turbines** in the communities of Schalchen, Maria Schmolln, Lengau and St. Johann am Walde is under study.

Generation plants

	Unit	2022/2023	2021/2022	2020/2021
Hydropower plants	Number	43	43	43
Total output	MW	280	280	280
Standard production capacity	GWh	1,160	1,160	1,160
Procurement rights from hydroelectric power	MW	380	380	380
Procurement rights from hydroelectric power, standard production capacity	GWh	1,410	1,410	1,410
Thermal power plants (locations)	Number	6	6	6
Electricity output	MWe	400	400	400
Standard production capacity [1]	GWh	2,250	2,250	2,250
District heating grid Austria	Number	12	12	12
Heat contracting plants	Number	626	614	607
Wind power facilities	Number	14	13	13
Output	MW	15	15	15
Standard production capacity	GWh	38	36	36
PV systems	Number	100	84	75
Output	MW	21	18	14
Standard production capacity	GWh	21	19	14

[1] The standard production capacity has been revised from 2,260 GWh to 2,250 GWh. The combined heat and power plant (CHP) in Attnang-Redlham was decommissioned in 2019.

Proprietary electricity procurement

	2022/2023		2021/2022		2020/2021	
	GWh	%	GWh	%	GWh	%
Natural gas power plants	483	15.3	1,015	28.4	465	14.7
Waste incineration	120	3.8	120	3.4	118	3.7
Hydroelectric power	2,359	74.8	2,232	62.4	2,381	75.1
Biomass and biogenic waste	143	4.5	154	4.3	157	5.0
Wind power	33	1.1	38	1.1	35	1.1
Photovoltaics	17	0.5	18	0.5	13	0.4
Total proprietary procurement	**3,155**		**3,577**		**3,169**	
Share of renewable energies	**2,552**	**80.9**	**2,442**	**68.3**	**2,586**	**81.6**

In the 2022/2023 fiscal year, 80.9% of Energie AG's proprietary electricity procurement came **from renewable sources** (previous year: 68.3%), with around 92.4% of this coming from hydroelectric power (previous year: 91.4%[1]) and the remainder from PV systems, wind power, biomass and biogenic waste. One reason for the higher proportion of electricity production from renewable sources has been the rise in river water levels. Although, with a

[1] The share of hydroelectric power in proprietary electricity procurement (62.4%) was replaced by the proportion of hydroelectric power in proprietary electricity procurement from renewables (91.4%).

hydro coefficient of 0.93, this figure was 7.0% below the long-term average, it exceeded the previous year's value by 5.0%. Another reason was the fact that the use of thermal power plants more than halved because of market conditions.

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 changes in precipitation and prolonged periods of drought 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.

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

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% renewable energy sources" target in electricity generation in the year 2030, the summer months are expected to deliver a clear surplus production of PV electricity. In winter, on the other hand, it is not possible to cover the higher electricity demand - mainly resulting from heat pumps, e-mobility and industrial electrification - due to the insufficient output of the PV and wind power plants. "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.

To provide flexible capacity at short notice, which may be necessary due to deviations from forecasts of actual electricity production via wind power and PV plants, Energie AG is implementing the **pumped-storage power plant in Ebensee**, see **Corporate strategy 2035 › Page 26**. While battery storage and controlling consumption behaviour may be sensible additions from today's perspective, they fall a long way short of covering the total additional need for flexibility on their own. 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-intense investments.

Thermal power plants & district heating

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 for the use of renewable energy.

Energie AG has six locations [1] for **thermal power plants** with an output of around 400 MW_e and a standard production capacity of up to 2,250 GWh [2]. The power plant with the highest output in Upper Austria is the **CCGT power plant in Timelkam** with an output of 405 MW_e [3]. It warrants the flexibility needed to guarantee the security of supply on the energy market and allows for a stabilisation of the electricity grid during congestion management. The Timelkam plant is particularly relevant to the Austrian control area manager with regard to the security of supply.

The **biomass power plant at Timelkam** (output: 9.5 MW_e, 28 MW_t) uses forest and herbaceous biomass as well as biogenic waste in accordance with the Austrian Green Electricity Act to generate green electricity and district heating.

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

Energie AG operates 12 **district heating distribution networks** (previous year: 12) and manages 626 **heating systems under service contracts** on behalf of customers (previous year: 614). A large share of the district heating is generated from highly efficient CHP plants and biomass power plants. Alongside the operation of geothermal plants, industrial waste heat is being utilised.

Energie AG's portfolio of power plants and district heat generation facilities provide a solid foundation for further developments in the area of renewable heat.

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. Until the year 2030, all of the measures combined will lead to a quota of 80% for sustainable, **CO_2-neutral heat generation** from biomass with more than 260 GWh from biomass (Erzeugung GmbH, district heating networks

1) Riedersbach, Timelkam, Wels, Kirchdorf, Steyr, Laakirchen

2) Including Timelkam CCGT power plant (70%) and Riedersbach (location only)

3) Timelkam CCGT power plant (100%)

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. 27 GWh from industrial waste heat utilisation (Kirchdorf and Gmunden). As part of the "Future initiative electricity and heat supply Wels" project, the climate-friendly and resource-efficient expansion of heat supply was expanded for the city of Wels in the form of waste heat utilisation via the local waste incineration plant (WAV). In the 2022/2023 fiscal year, heat extraction from WAV stood at 283 GWh; in the long term, an increase to around 390 GWh is envisaged. The use of fossil fuels is being reduced by maximising the utilisation of heat from waste incineration. The strategy of **densification and optimisation of the existing district heating networks** is being continued. Expansion of the district heating site at Freistadt is planned. The cornerstones of the project are the expansion of biomass generation facilities by 2.5 MW, and of the district heating network by 1,900 metres of pipework. Commissioning is scheduled for the 2023/2024 fiscal year.

For more information about energy generation, see the **Group Management Report, Key performance indicators › Page 149** as well as the **Energy Segment › Page 73**.

Sales

GRI EU DMA (formerly EU7), 417-1

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 support their customers on-site, e.g. on trade fairs or in the business customer sector, on the basis of concrete analyses.

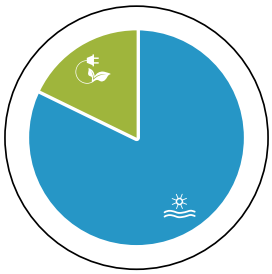
As a **provider of energy audits** in accordance with the Federal Energy Efficiency Act 2023, Vertrieb GmbH and its wholly owned subsidiary IfEA Institut für Energieausweis GmbH (IfEA) employ nine listed energy auditors (previous year: 12), making them one of the largest providers of this service in Austria. IfEA offers a wide range of other energy services for individuals and companies that seek to promote a sustainable and conscious consumption of energy and enable customers to benefit from easily accessible high-quality services. Energy performance certificates, thermograms and blower door tests are the most common services offered to individuals. The IfEA supports businesses on the road to greater sustainability and resource-efficiency by offering energy audits, energy advice for small and medium-sized companies (SMEs), CO_2 footprint analyses, load profile analyses for electricity and natural gas, optimisation concepts and the ZukunftsFIT check. Delivered in cooperation with an external cooperation partner, IfEA's **› Fit4Green** service creates significant additional value for customers. The focus is on energy efficiency, decarbonisation, development of a climate strategy and concrete implementation planning. It also includes a public funding strategy. To raise awareness of greater sustainability among the employees of Energie AG, staff were offered energy performance certificates and building thermograms at discounted rates as part of a special campaign in 2023.

Vertrieb GmbH offers its customers **CO_2-free electricity labelling** for residential and commercial customers. The energy mix amounts to 0 grams CO_2/kWh. The fuel mix disclosure uses 100% renewable energy sources. Additionally, Öko GmbH is supplying municipal public and business customers with electricity that is certified with the Austrian **Ecolabel** UZ46. The Ecolabel distinguishes tariff models and products offered by green electricity traders who fully source their electricity from renewable energy sources and conform with transparent, clearly defined requirements and criteria.

Following the legally required change of reporting period to one calendar year, the **disclosure** for the delivery period from 1 January 2022 to 31 December 2022 is shown in the diagrams below. Also new is the distinction between a primary fuel mix disclosure, which provides a general overview, and a secondary fuel mix disclosure with the same level of detail as before. Since the primary fuel mix disclosure must be applied to invoices, advertising materials and the website and is legally standardised as regards layout, this depiction is also chosen here.

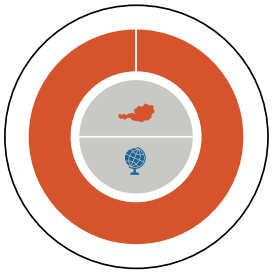
For the most part, Energie AG supplies its electricity customers with **electricity from environmentally friendly hydroelectric power**. The following presentations of the energy mix of the product label "Upper Austria hydroelectric power" ("OÖ Wasserkraft") and the product label "Upper Austria green electricity" ("OÖ Ökostrom") of the Vertrieb GmbH relate to the 2022 calendar year.

Technology



82.08% from hydroelectric power
17.92% from other renewables

Origin

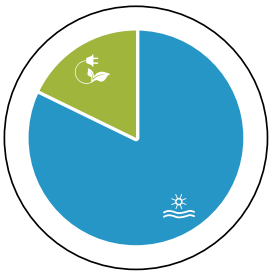


100% Austrian proof of origin

Primary fuel mix disclosure according to § para 2 of the Austrian Electricity Industry and Organisation Act (Elektrizitätswirtschafts- und -organisationsgesetz, ElWOG) in conjunction with the fuel mix disclosure ordinance (Stromkennzeichnungsverordnung, KenV) 2022

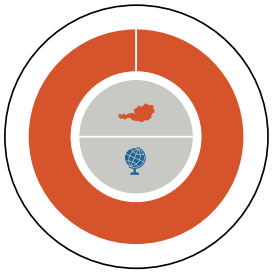
The majority of Energie AG's residential and commercial customers use the **product mix "Upper Austria hydroelectric power"**:

Technology



83.41% from hydroelectric power
16.59% from other renewables

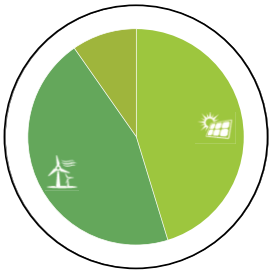
Origin



100% Austrian proof of origin

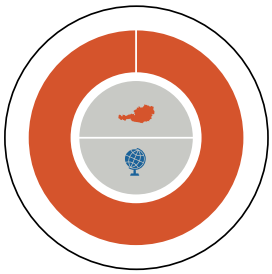
The **product mix "Upper Austria green electricity"** presents as follows:

Technology



45.26% from solar energy
45.26% from wind energy
9.48% from other renewables

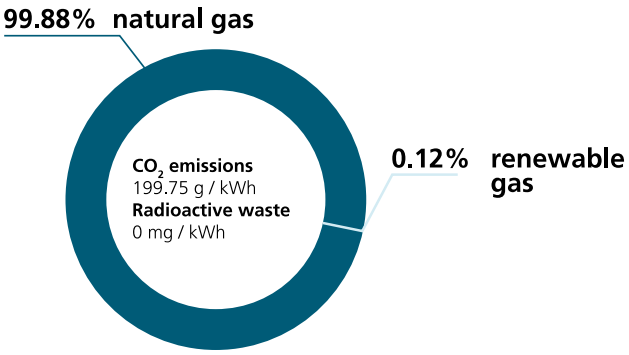
Origin



100% Austrian proof of origin

Vertrieb GmbH also offers a **CO_2-reduced gas product**, which contains biogas from the biogas plant in Engerwitzdorf. The biomethane plant in Engerwitzdorf supplied around 12.0 GWh (previous year: 11.9 GWh) of renewable gas (biomethane) into the natural gas grid in fiscal year 2022/2023.

In accordance with the provisions of § 130 of the Gas Industry Act (GWG) 2011 and the Gas Labelling Ordinance (Gaskennzeichnungsverordnung), the **origins of gas supplied** were required to be specified for the first time in calendar year 2022. Since no fixed standard is yet specified regarding the form of presentation, the energy mix for Energie AG was based on the previous fuel mix disclosure. The composition of total gas sales to Energie AG customers is as follows:



Energy efficiency at the customer

The **Federal Energy Efficiency Act** (Bundes-Energieeffizienzgesetz) of 2014 was to the largest part rescinded at the end of calendar year 2020. The amendment announced on 14 July 2023 re-enacts a number of obligations. One key obligation is the performance of an energy audit or the introduction of an energy or environmental management system. Energy suppliers are also required to set up an advice centre for households. To meet its obligations, Energie AG depends on expert staff at its subsidiary IfEA.

In addition to legal obligations, the products and services of the Vertrieb GmbH focus on **advancing renewable energies** and **improving the energy efficiency at the customer**. It therefore devises numerous incentives based on funding and campaigns to support the efficient use of energy and the use of energy-efficient, sustainable products and technologies. The portfolio aimed at enhancing energy efficiency is linked to funding programmes from the Province of Upper Austria and expanded in line with trends.

In calendar year 2022, some 19,000 free **LED lights** (previous year: 27,000) were distributed to customers as part of the Energy Saving Trade Fair and a regional tour.

The **household appliance exchange** campaign promotes the replacement of old energy-hungry household appliances with energy-efficient new appliances. In cooperation with the network of partner stores, the number of customers who replaced one of their household appliances was further increased in the year 2022. 1,041 old household appliances were replaced with more efficient new models (previous year: 845), 1,002 of them were in the white goods category (e.g. fridges, freezers, washing machines; previous year: 813). In the past fiscal year, the campaign also included a **repair voucher** to encourage sustainability.

The provisioning of heat accounts for a significant portion of the total energy demand of households in Austria and is the reason behind Energie AG's support of various campaigns and initiatives that promote the replacement of old heating systems with **state-of-the-art heating solutions**. The advice Energie AG gives its customers in the form of energy advisory services is complemented by a continued push for energy-efficient heating with the help of heat pumps.

In calendar year 2022, Energie AG funded a total of 808 **heat pumps**, a significant increase on the previous year's figure of 394. Of these, 162 (previous year: 113) were installed in new buildings, 171 (previous year: 68) were in renovated older buildings and 445 (previous year: 197) were in unrenovated older buildings. Funding was also made available to 30 projects that sought to replace hot water heat pumps (previous year: 16). The number of heat pumps in Upper Austria is expected to increase to over 200,000 by 2035. Energie AG plans to support roughly half of these through electricity supplies, on-site PPAs or financing.

Heat pump funding

	Unit	Calendar year 2022	Calendar year 2021	Calendar year 2020
Funded heat pumps	**Number**	**808**	**394**	**115**
In new buildings		162	113	61
In renovated older buildings		171	68	45
In unrenovated older buildings		445	197	-
In replacement of domestic hot water heat pump		30	16	9

Working with the network of market partners, the successful **"Raus aus Öl"** ("Exit Oil") campaign continued in calendar year 2022, encouraging customers to switch from old oil-fired heating systems to new, environmentally friendly and energy-efficient heat pumps. Similarly, the funding programme was expanded to include a **"Raus aus Gas"** ("Exit Gas") bonus at the end of December 2022.

The **"energy saver package"** campaign, which in recent fiscal years encouraged the replacement of old heating systems with efficient natural gas-fired condensing boilers, has not been actively promoted since Russia's war of aggression against Ukraine broke out. In line with contractual terms, however, the campaign did remain current until the end of 2022.

Heat purchase agreements (HPAs) for efficient heating systems were also offered in the public institution, housing, commerce and industry sectors. The focus was on supplying heat from renewable energy sources using heat pumps and pellets. For existing HPAs, the focus is on decarbonisation, usually via a district heating connection.

Energie AG has extensive expertise in the area of photovoltaics. **On-site PV power purchase agreements** (PPAs) enable business and industrial customers to harvest the benefits of an environmentally friendly PV electricity generation without having to finance the installation of the system and take care of its operation. Vertrieb GmbH is operating a total of 74 PV on-site PV PPAs for customers (previous year: 61) with an output of around 12.3 MWp (previous year: 9.9 MWp) on the roofs of companies in Upper Austria. Additional PV plants are currently under construction at customers' premises under on-site power purchase agreements.

PV contracting plants

	Unit	2022/2023	2021/2022	2020/2021
PV contracting plants	Number	74	61	50
Output	MWp	12.3	9.9	8.4

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**. By 2035, some EUR 2 billion will have been invested in the expansion, retrofitting and maintenance of grids. These investments will assure a reliable and efficient energy supply for around 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 and 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. Netz OÖ GmbH has been certified to **ONR 192500:2011 "Social responsibility of organisations" (CSR)** since the 2020/2021 fiscal year. The CSR goals are closely linked with the QSE management system of Netz OÖ GmbH. As with the QSE management system, internal and external audits are regularly carried out in the CSR area to review compliance with the standard and to uphold and renew certification.

As of 30 September 2023, 61,739 **PV plants** with an approximate installed capacity of 1,014 MW were connected to the Netz OÖ GmbH electricity grid (previous year: 39,276 PV plants, approx. 589 MW).

The integration of the mainly decentralised PV generation systems into the electricity grid provokes a **high capital expenditure** for adapting the grids to the additional requirements in terms of capacities and grid-balancing capability. On the basis of Upper Austria's expansion goals for renewable energy, a significant increase in investment requirements is expected over the next 10 years. Local sourcing generates added value in Upper Austria.

The headlong rush to connect decentralised generation systems to the **Netz OÖ GmbH** electricity grid has led to significant expansion requirements. The widespread effectiveness of various technologies for voltage stability and output limitation solutions was analysed down to the low-voltage grid in **Project 567**, in order to deploy these to specific effect subsequently, see **Group Management Report, Research, development and**

innovation › Page 146. Key next steps were taken through preparatory work on the pilot phase of Industry4Redispatch and work on System Management 2.0 in order to exploit potential for flexibility while adapting the system to meet rising demands.

Important sub-projects in support of the "**Electricity Grid Master Plan Upper Austria 2032**", such as the "Ohlsdorf substation" project (Electricity Grid Master Plan project no. 25), have already been completed. Other projects are currently in the implementation or 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.

Between now and 2028, around EUR 59.1 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. Specifically, work is under way to realise the "hydrogen roadmap" of Austrian Gas Grid Management AG, which, as the distribution area manager, envisages conversion of the existing gas system for the distribution of hydrogen. The investment costs will be determined according to the results of safety-related and operational feasibility studies as well as legal feasibility and ownership-related feasibility.

In addition to the measures focusing on security and quality of supply, the distribution grid operator plays 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 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 systems contribute to the further reduction of grid losses.

Grid losses

	Unit	2022/2023	2021/2022	2020/2021
Electricity grid losses	GWh	206.9	222	238
Electricity grid losses	%	2.68	2.7	2.8
Gas grid losses	m^3	44,495	10,798	31,367
Gas grid losses in CO_2eq	t	897.02	217.69	632.36

In the 2022/2023 fiscal year, the **losses in the electricity grid** amounted to 2.68% or 206.9 GWh (previous year 2.7%/222 GWh). The **gas grid losses** caused by venting (cold flaring) for repairs and maintenance works amounted to 44,495 m^3 in the 2022/2023 fiscal year (previous year: 10,798 m^3). The gas grid losses correspond to 897.02 t of CO_2eq (previous year: 217.69 t of CO_2eq). Due to the number and nature of the projects, the venting quantity has increased greatly in comparison to the previous year. In the preparation and realisation of projects, Netz OÖ GmbH takes pains to minimise venting quantities. When disconnecting and venting high-pressure natural gas pipelines, gases are discharged into downstream grids through specific gas quantity controls (operational programmes). Owing to a failure in a high-pressure natural gas pipeline and subsequent urgent measures to avert danger, there was a one-time increase in the venting quantity during the 2022/2023 fiscal year which led to higher gas grid losses.

Netz OÖ GmbH publishes its **Sustainability report** on the company's website: **› Netz OÖ GmbH Sustainability Report.**

Use of land

EU-DMA (formerly EU 20)

Electricity and gas are **grid-bound energy sources** that require corresponding pipelines and systems to transport them to consumers. As a grid operator, Netz OÖ GmbH 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 of public land for grids that ensure the **energy supply** (in the public interest) whenever possible. In most cases, however, such land for the erection and construction is not sufficiently available. This means that it is necessary to use land owned by third parties.

In the run-up to major supply line projects, a framework agreement defining the essential contract parameters is generally negotiated with the Chamber of Agriculture for Upper Austria. This guarantees the **interests of affected landowners are taken into account**. The use of land is pursued by concluding civil law agreements with the relevant landowners, who are compensated as appropriate.

Where a civil law agreement cannot be reached despite intensive efforts on the part of the Company, the necessary **easement rights** are granted by authorities in line with the legislative situation and the compensation due is determined.

The company affords maximum **consideration to the settlement structure** and neighbours from the planning phase onwards. It is usually possible to reach mutual agreement with regard to the use of land before constructing the necessary systems for the supply and discharge of energy.

Social responsibility of Netz OÖ GmbH

Netz OÖ GmbH performs an **ESG risk analysis** in the area of gas and electricity that examines issues related to social affairs, environment, work and customers in terms of the ensuing opportunities and risks to the company. Success factors have been developed for all important core CSR issues and allow for the achievement of strategic business 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 the Energie AG Group. Dedicated sustainability issues were developed for a more specific presentation of Netz OÖ GmbH together with quantitative and qualitative key performance indicators to be measured were set in the form of success factors based on these issues. The business activities of Netz OÖ GmbH are focused on a **positive development of the material sustainability topics** and are monitored yearly on the basis of dedicated success factors. The following 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). Reports on the above and ongoing projects can be found on the homepage of Netz OÖ GmbH (**› www.netzooe.at/nachhaltigkeit**).

In the Network Technology division, the Schalchen pilot project "**E-mobility in network technology**" will be expanded. A corresponding plan is currently being devised. This division has the potential to save several hundred tonnes in CO_2 emissions per year, with necessary business trips accounting for approximately two million kilometres of car journeys.

When Netz OÖ GmbH **transferred its head offices** to a new office building, IfEA was charged with estimating the savings achieved by the move in terms of heating, final energy and primary energy as well as CO_2 emissions. The result of the survey revealed that the move to the new, energy-efficient building and the significant reduction in the area used has lowered the environmental impact in terms of energy consumption.

WASTE MANAGEMENT SEGMENT

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

The Waste Management Segment handles a **total waste volume** of around 1.5 million tonnes a year (previous year: 1.6 million t) at 24 facilities. 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 **environmental targets** of the Waste Management Segment are stated in the current **› environmental declaration 2023 pursuant to EMAS**.

The Waste Management Segment always strives to find new ways of disposing waste that work hand in hand with the **circular economy**. A comprehensive and integrated back-to-back circular economy is only made possible by uncompromising changes in the product design to be adopted by the manufacturers.

The majority of the waste volumes handled 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.

Waste management services are always provided with an eye on **preserving and substituting fossil fuels as much as possible**. Key plans in this area include reducing CO_2 emissions with a modern fleet of trucks, rolling out e-business (automating commercial processes), increasing energy efficiency and decreasing overall energy consumption.

The recycling of the residual **slag** from waste incineration at Energie AG's Wels plant has been ongoing for more than 10 years. About a quarter of the input mass remains after the incineration process in the form of inert residual substances (slag) that also contain various

types of metals. In a multi-stage mechanical separation process using a mobile treatment plant, ferrous and non-ferrous metals are extracted from the slag. These raw materials (aluminium, copper, brass and stainless steel) are separated, recycled and returned into the metal processing cycle to replace primary raw materials, which also saves CO_2 emissions in comparison to primary production. 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. For more than 30 years, biomonitoring has not detected any environmental impact.

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.

A key objective of the Waste Management Segment lies in **compensating for emissions** caused by own plants and reducing the consumption of resources. The **CO_2 footprint** determined in cooperation with the Environment Agency Austria in the 2019/2020 fiscal year forms the basis of the climate change mitigation strategy that the Waste Management Segment is implementing in order to achieve CO_2 neutrality. According to Environment Agency Austria (UBA), the direct and indirect emissions amount to a total of 530,000 t of CO_2eq (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_2eq for the Umwelt Service GmbH.

Based on the insights from the investigation conducted by UBA, 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 photovoltaics. The positive development of these projects with respect to the CO_2 footprint is monitored continuously.

The site in 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 Umwelt Service GmbH. In Wels, Energie AG makes a positive contribution to the circular economy and climate change mitigation by returning humified organic substances and nutrients to the natural cycle by means of pre-treated compost materials. The **compost material** of Energie AG is of quality class A+, which means that it can not only be used for soil maintenance with fruits and vegetables, but also for the establishment of new vegetation and lawn areas.

All of the Waste Management Segment's departments with **centralised functions** were consolidated in Wels in fiscal year 2021/2022.

Total waste volume in tonnes [1)]

	2022/2023	2021/2022	2020/2021
By waste type			
Non-recyclable waste	1,172,791	1,196,742	1,298,784
Paper	197,738	197,651	211,231
Plastics & packaging	37,619	46,444	47,677
Glass	45,771	54,538	54,409
Organic waste	52,520	56,701	58,981
Metals	22,692	23,240	30,156
By hazardous substance			
Hazardous waste	94,233	98,164	100,540
Non-hazardous waste	1,434,897	1,477,151	1,600,697
By waste management method [1)]			
Recycling	524,061	567,685	639,077
Incineration			
High-caloric	46,974	49,629	54,880
Medium-caloric	914,481	909,762	943,282
Low-caloric			
Landfill	43,614	48,240	63,998

[1)] The waste management method relates to the prevalent waste management method after waste generation. The total waste volume for the Waste Management Segment includes the volumes from Energie AG Südtirol Umwelt Service GmbH.

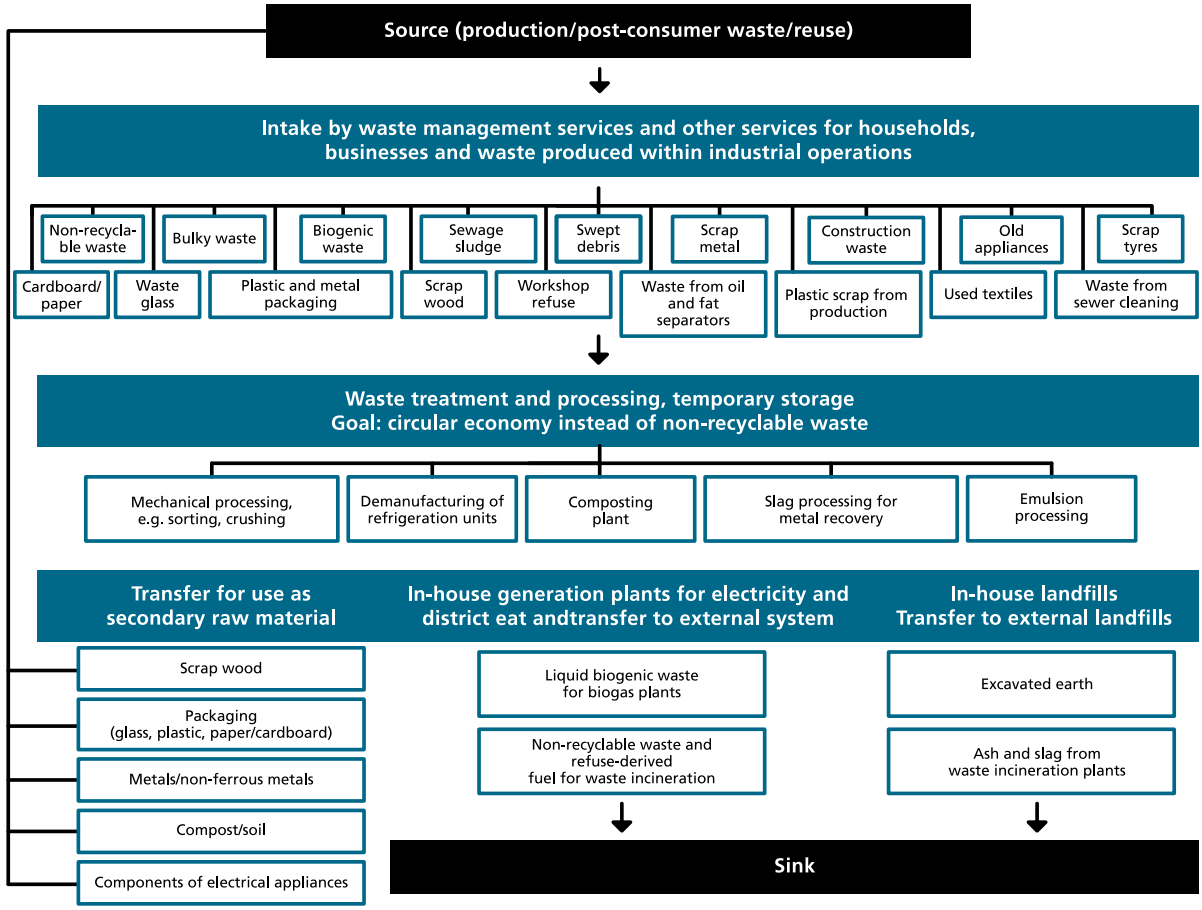
Note 1: So-called non-recyclable waste is generated in private households. The first treatment stage takes place at the waste incineration plant. The incineration produces residual substances that are then processed in additional steps. The subsequent processing steps are disregarded as the waste volumes are significantly smaller than the originally produced non-recyclable waste.

Note 2: Batches of separately collected packaging materials (such as paper, glass, plastic) always contain wrongly discarded packaging materials. A sorting machine separates these misplaced materials from the recyclable materials. The by far biggest portion of the waste materials can be recycled. As a result, the collected paper, plastic and packaging materials as well as glass items come under the recycling category in terms of their disposal method.

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.

The following diagram illustrates the **transition from a linear economy to a circular economy**. A large quantity of waste is already being recycled or reused. Ultimately, at the end of a product's useful life, the only option still is landfill or incineration.

Through its waste management services and other services, Umwelt Service GmbH performs many activities within the **circular economy**, including the production of quality compost, the degassing and dismantling of refrigeration units, the mechanical processing of mixed waste to obtain recyclable fractions and the generation of electricity and heat from the incineration of non-recyclable waste.



Water supply and waste water management services

The Waste Management Segment also offers **water supply and waste water management services** to cities and municipalities across Austria. In fiscal year 2022/2023, the Waste Management Segment, via WDL, supplied around 150,000 persons (previous year: 130,000) with approx. 9.1 million m^3 of drinking water (previous year: 9.0 m^3) that is sourced from wells in a number of waterworks and delivered to the customers (municipal customers) at defined transfer points.

No noteworthy water losses occur within the transport pipe network, which is owned by the Waste Management Segment. The differences between the measuring points at wells or tanks and water meter chambers at the customer's end fall 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.

CZECH REPUBLIC SEGMENT

In the Czech Republic, Energie AG is pursuing two different operational models on the **water and waste water management market**. The operator model is defined as the public sector (cities, municipalities, communities) owning the infrastructure and outsourcing its operation by means of awarding long-term contracts (concessions, leases, leaseholds). In the asset owner model, Energie AG both operates and owns the infrastructure.

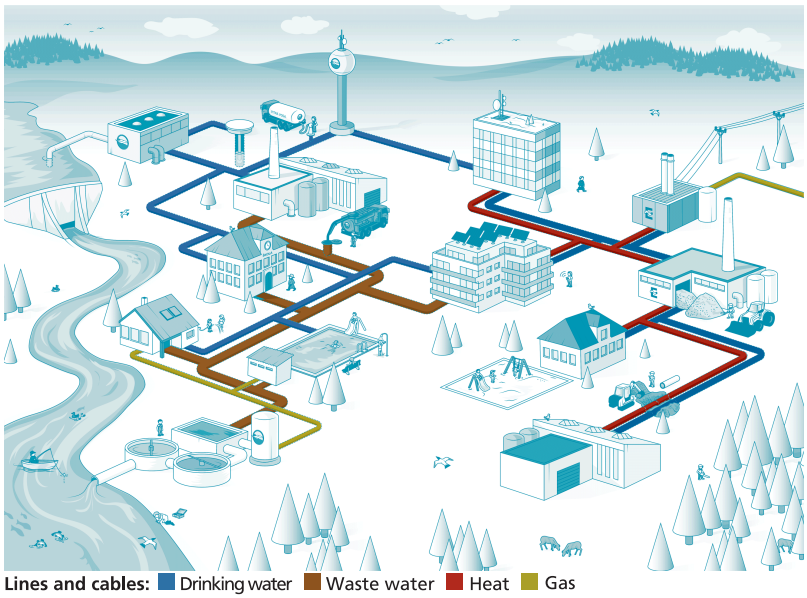
The Czech Republic Segment supplies its customers with drinking water as follows:

Drinking water in m³ mill.

	2022/2023	2021/2022	2020/2021
Total procurement	**58.4**	**58.6**	**58.4**
Of which produced water	34.8	35.1	35.3
Of which water acquired from third parties	23.6	23.5	23.1
Total volume of drinking water invoiced	**48.9**	**49.2**	**48.2**

Energie AG's **Heating business unit** is supplying district heat and warm water to residential, commercial and industrial customers in the Czech Republic. The supply is, for example, supported by CHP plants and biomass heating plants as well as industrial exhaust heat.

The activities in the Czech Republic are illustrated using the key figures below.



180
water extraction and treatment plants operated or owned

13,761 km
water and wastewater network operated or owned

690
water/wastewater contracts with cities, municipalities and communities

344
sewage treatment plants operated or owned

82.4 km
heating network

197 GWh
heat sales

The key figures in the diagram (excluding heating sales) relate to the 2021/2022 fiscal year. The slight deviations from the previous year's figures were due to contract periods or tenders won or lost. Due to the acquisition of RATE s.r.o., the length of the heating pipeline network increased in comparison with the previous year 2020/2021. The heat sales volume in the Czech Republic amounted to 197 GWh in the reporting period, almost matching the level of the previous year (198 GWh). In total, the decreases linked to the milder winter and savings on the part of customers compensated for the rise linked to the acquisition of RATE s.r.o. on 3 January 2022.

In fiscal year 2022/2023, the Czech Republic Segment supplied just short of 1 million people with approx. 48.9 million m³ of drinking water (previous year: approx. 49.2 million m³) and provides **waste water management services** to around 700,000 residents with around 45.2 million m³ waste water (previous year: approx. 45.2 million m³). Given that local authorities are responsible as the owners for **renovating networks** (except for one

investment – VaK Beroun a.s.), Energie AG's measures focus on locating and repairing leaks. 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.

The measures taken in response to the turbulences on the **European procurement market** in fiscal year 2022/2023 include, for example, a distribution of the procurement risks among a number of suppliers and an intensified monitoring of market price trends. Despite the sometimes difficult political and economic conditions in Europe, drinking water supplies, waste water management services and heating supplies to homes, businesses and industry have never been at risk in the Czech Republic.

A **benchmarking** in accordance with the internationally accepted "unit water leakage" method paints a positive overall picture for the 90 supply areas (previous year: 69) that each have a population of more than 5,000. In fiscal year 2020/2021, 88% of the networks were in good condition, 9% in average condition and 3% in poor condition. For the 2021/2022 fiscal year, these values have changed to 88% in good condition, 6% in average condition and 6% (representing six municipalities) in poor condition. The results have deteriorated marginally at first glance, largely because of the (significantly) higher number of supply areas evaluated which were not subject to similar benchmarking in the past. The purpose of such evaluations is to extend the process to smaller supply areas and thereby continually improve water losses in those areas.

The **business area "Heat"** in the Czech Republic Segment supplies over 80,000 residents with district heat and provides installation services for municipalities and private customers with a focus on energy efficiency and CO_2 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_2 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. 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** 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. At the same time, these new

developments and the rising demand for cooling supply offer the opportunity to develop additional 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** and **› www.energieag.cz**, as well as in the **Group Management Report, Czech Republic Segment › Page 164**.

HOLDING & SERVICES SEGMENT

Building management

In the interest of a sustainable and resource-optimised building, all larger new buildings, conversions and extensions of Energie AG Group in Austria (with the exception of the Waste Management Segment) have been made to comply with **climate-friendly building standards** since fiscal year 2020/2021. In addition to securing highly attractive jobs, this is also implemented in anticipation of the Taxonomy Regulation-relevant requirements for real estate assets.

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).

Together with other prominent Austrian companies and corporate groups, Energie AG again participated in a **building benchmarking** during the 2022/2023 fiscal year. Among other things, the result from the 2021/2022 fiscal year clearly document the pioneering character of the included buildings with respect to economic operations and efficiency. Building techniques used for the PowerTower, such as the facade or component activation technique, were also used in the construction of the tower's extension, which conformed with the standard promulgated by the Austrian Society for a Sustainable Real Estate Economy (ÖGNI). In addition to health-oriented and modern workplaces, Energie AG employees also have access to flexible meeting facilities, socialising zones and a state-of-the-art "conference level". Living up to its social responsibility, Energie AG also runs a childcare facility for the children of employees at its Linz site. The PowerTower annexe has been recognised as Platinum standard, the highest award in the German Sustainable Building Council system of the Austrian Society for Sustainable Real Estate (ÖGNI).

As of 30 September 2023, administration buildings in Austria owned by Energie AG (with the exception of the Waste Management Segment) had seven **PV systems** (previous year: four) with an output of around 545 kWp (previous year: 344 kWp) and an average yearly production of 550 MWh installed on their roofs (previous year: 317 MWh). These PV plants have an approximate module surface of 3,200 square metres (previous year: 2,400). A further nine new systems with 730 kWp bottleneck capacity are planned between now and the year 2027.

The **building yard project in Gmunden** (PSG-PowerService Gmunden) was planned in accordance with climate-friendly standards. Work up to and including furnishing was carried out in the 2022/2023 fiscal year; occupancy followed in November 2023.

Energie AG is firmly committed to a **sustainable real estate strategy** for its properties in Austria. The up-to-date energy certificate for each property is complemented by an energy monitoring report (not applicable to the Waste Management Segment). The report recapitulates the status quo with regard to the CO_2 footprint of the subject matter real estate

portfolio. Various scenario calculations formed the basis on which measures were derived that will also be reflected in the Group's sustainability action to be seen in the years ahead. One of these measures involves a full switchover to LED lighting at the PowerTower Linz, which will be completed during 2024 – 2025.

The **issue of security** came under the spotlight in the 2022/2023 fiscal year, partly because of events on the energy market. In response, a project group was set up to devise a Group-wide security plan. The primary aim of this plan is to protect both employees and the various offices, storage facilities and workshops of Energie AG.

Expansion of the training workshop and apprentice accommodation began in the 2022/2023 fiscal year. Alongside the new residential and leisure options, a planned car park will ease the difficult parking situation at the Gmunden site.

Staff catering

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. Direct partnerships with regional suppliers of produce and meat continue to be sought out and established with increased intensity. In the 2022/2023 fiscal year, the canteens prepared a total of 182,319 fresh servings of food for employees (previous year: 136,567). The increase compared to the 2021/2022 fiscal year underlines the quality of food on offer. In the interest of a balanced diet, the menus also feature vegetarian meal options. The pilot project "Veganuary" (vegan January) was also launched in January 2023. In response to its strong popularity, the initiative was extended to February and vegan alternatives were also permanently added to the breakfast buffet, making it more sustainable and varied. A quarter of all lunches served are vegetarian. The menu planning system is evaluated regularly with the aim of preventing or minimising food waste. The company canteen in Linz is also very popular with the staff of Netz OÖ GmbH, who have transferred from the new building section to the PowerTower annexe.

Servings of food

	Unit	2022/2023	2021/2022	2020/2021
Servings of food for employees	Number	182,319	136,567	93,078

IT services

To reduce electronic waste, the **useful life of user devices** such as laptops and PCs was increased to five years. Once the equipment has reached the end of its useful life, a sheltered workshop performs a certified data deletion and refurbishes the device. When looking for devices, the Company relies on a supplier that is reducing its CO_2 footprint in terms of lifecycles or compensates for this through appropriate measures.

Efficiency gains and **energy consumption reductions** are the predominant objectives in the operation of the data centre. The virtualisation of over 95% of the server network has led to significant savings in electricity consumption, air conditioning and hardware resources. Additionally, the exhaust warm air is used to heat the building.

The **use of central multi-function devices** delivers savings in consumables such as toner and ink, which in turn save money and resources. Relocating the printers to central collection points is improving the air quality for office workplaces.

SOCIAL AFFAIRS

SDG 4, 6, 7, 9

GRI EU-DMA (formerly EU6), EU4, EU28, EU29

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 the quality of life of society is a top priority for the Group. In the area of social affairs, the following goals and fields of work have been defined:

- Reliability in supply and waste management services
- Positioning ourselves as a responsible company
- Building and maintaining sustainable client relationships
- Expansion of e-mobility by 2035: up to 50,000 charging stations for private homes, at work, for vehicle fleets and in public areas
- Expansion of digital customer services
- Maximum expansion of district heating wherever economically feasible
- Support for the expansion of heat pumps through electricity supplies, on-site PPAs or financing

SECURITY AND QUALITY OF SUPPLY

Security of supply is the fundamental basis for general business growth, job creation and quality of life. The services of the Energie AG Group are a major driver of **Upper Austria's international competitiveness as a business location**.

A major contribution to the supply security is made by Energie AG's power plants and Netz OÖ GmbH's electricity grid. On the one hand, Energie AG operates a **power plant pool for balancing energy**, making it a significant contributor to the primary and secondary balancing in Austria. On the other hand, the congestion management of Energie AG's power plants, and the **CCGT power plant in Timelkam** in particular, make a significant contribution to supporting the grid.

In response to Russia's war of aggression against Ukraine, the Austrian government and E-Control Austria are currently making **preparations to further improve the security of supply**. They include far-reaching measures such as the provisioning of a government-mandated reserve stock of natural gas, measures that facilitate the substitution of natural gas, and many others. Austrian Strategic Gas Storage Management GmbH (ASGM), a subsidiary of Austrian Gas Grid Management AG (AGGM) in which Netz OÖ GmbH holds a 15% interest, was commissioned with storing 20 TWh of gas in Austria's gas storage facilities (in the interest of strategic **gas reserves** in line with § 18a of the Gas Industry Act (GWG) 2011). The reserve will be used to meet any supply shortages. According to Statistik Austria, the storage level early in October 2023 was 94 TWh, equivalent to 96% of the country's total possible storage capacity. National gas consumption stands at around 90 TWh per year. Gas storage capacities also serve the purpose of meeting the provisioning obligations pursuant to Article 6 (1) lit. c of the Gas SoS Regulation (EU) 2017/1938 in conjunction with § 121 para 5 GWG and the national supply obligations in line with § 121 para 5a GWG. Under these statutory provisions, Vertrieb GmbH as the supplier of protected customers is obliged to evidence the corresponding volumes in storage for up to 45 days. In addition, there will be a mandatory provision of gas volumes of up to 45 days for thermal gas power plants over

50 MW from 1 January 2024. This provision will apply for two winter half years and expire in 2026.

Measures to improve the security of supply include not only precautions for gas customers but also place a particular focus on **assuring the secure supply with district heat**. Congestion management via the CCGT power plant at Timelkam is also playing a major part in upholding security of supply. Taking account of the measures planned at national level, the supply situation is good, although uncertainties do arise from the difficulty in anticipating Russian gas deliveries, Germany's exit from nuclear energy and the currently insufficient nuclear power plant capacity in France. An EU-wide coordinated approach in the current energy crisis would be of great importance for the security of supply but also with regard to the development of energy prices.

The **black start and island operation capability of power plants** allows for these plants to be started up without access to an external electricity supply. In fiscal year 2022/2023, Netz OÖ GmbH has successfully carried out a number of inspections of the black start and island operation functions with the generation resources available for a grid restoration. Netz OÖ GmbH is conducting regular **training with grid simulators** to evaluate coordinated grid restoration scenarios. Regularly recurring functional testing of the generation plants relevant to a grid restoration along with testing of the operational processes are an important element in assuring the security of supply.

Measures aimed at **improving the security of natural gas supply** are being considered in the face of the current energy crisis triggered by the Ukraine conflict. These include the optimisation of fuel procurement, additional storage of natural gas reserves and the exploration of conversion and substitution potential in relation to natural gas. The Group is also preparing the substitution of natural gas in response to the expected 1st Regulation on Natural Gas Steering Measures.

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.

Energie AG is taking steps to secure a high-quality **supply with drinking water and waste water treatment services**, especially in regions affected by water shortages, and also contributes technological know-how in the area of waste water treatment that will be used to create a solid infrastructure (e.g. leak localisation).

The **Waste Management Segment** of Energie AG Group covers the entire value creation chain from waste collection to sorting and recycling/management on the highest technical level. The services are geared closely to the needs of residential, commercial/industrial and municipal customers.

The unconditional assurance of security of supply, including under **extraordinary conditions** (threat of supply shortages on the energy market, dramatic price increases), and the ensuing strengthening of the Company's resilience are among the top priorities of Energie AG Group.

In all activities, the **asset management** of Netz OÖ GmbH aims to maximise efficiency as regards security, quality and costs.

To assess the ability to perform and the security and quality of supply, key performance indicators such as available grid capacity, 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 33,684 km of power lines (previous year: 33,445 km), in addition to a 5,630 km **gas grid** (previous year: 5,634 km). These reliable and modern grids warrant the secure energy supply for around 575,000 grid customers.

Grids in km

	2022/2023	2021/2022	2020/2021
Electricity	33,684	33,445	33,185
Gas	5,630	5,634	5,624
Fibreglass	5,880	5,820 [1)]	7,021

[1)] The loss in the kilometre length of the fibre-optic network in fiscal year 2021/2022 in comparison to the previous years' figures is explained with the demerger of the FTTH unit.

The electricity grid's **supply reliability**, measured in terms of service-related unavailability (ASIDI; "Average System Interruption Duration Index"), was 32.72 min/a in calendar year 2022 (2021: 44.53 min/a). It was 1.07 [1/a] (2021: 1.10 [1/a]) when measured on the basis of the ASIFI ("Average System Interruption Frequency Index"), with the statistic in both cases disregarding regionally exceptional events. The customer-related system unavailability (SAIDI – "System Average Interruption Duration Index") stood at 40.11 min/a (2021: 52.89 min/a), while the customer-related average interruption frequency (SAIFI - "System Average Interruption Frequency") was 1.31 [1/a] (2021: 1.34 [1/a]). Calendar year 2022 was characterised by a number of hurricane lows in February and a striking cluster of thunderstorms in the summer month of June. As a result of the geographic realities of the supply territory of Netz OÖ GmbH, the unavailability figures in Upper Austria are usually higher than the national average for all of Austria. The availability of the gas grid in calendar year 2022 was unchanged from the previous years at 99.99%.

Supply reliability [1)]

	2022	2021	2020
SAIDI (min/a)	40.11	52.89	53.58
ASIDI (min/a)	32.72	44.53	50.82
SAIFI (1/a)	1.31	1.34	1.68
ASIFI (1/a)	1.07	1.10	1.52

[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.

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.

Telekom GmbH is responsible for the **provision of preliminary telecommunications service products** throughout the supply area of Energie AG as well as telecommunications and telematics services for the Group, and for setting up and operating the backbone for the external market. Telekom GmbH provides not only bandwidth but also services in the layer 3 area (internet connectivity and telephone equipment) for Vertrieb GmbH.

The **availability of data connections in the fibre-optic network** is determined by analysing fault resolution times from the trouble ticket system; in the reporting period, it stood at 99.98% (previous year: 99.99%). The fault resolution time designates the timespan between receipt of the fault report and the resolution of the fault. The internet data volume transported in the Telekom business area has continued to increase and stood at 111,920 terabytes (TB) in the 2022/2023 fiscal year (previous year: 88,670 TB). At the end of the reporting period, the Group's own fibre-optic network comprised around 5,880 km (previous year: 5,820 km).

Supply reliability customer connections in %

	2022/2023	2021/2022	2020/2021
Data connection availability	99.98	99.99	99.99

Supply reliability is calculated using the following formula: availability = observation period less (-) total fault resolution times divided (/) by observation period multiplied (x) by 100%. In fiscal year 2021/2022, supply reliability was 99.985% (rounded up to 99.99%).

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 weather conditions in winter. 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.

CUSTOMER ORIENTATION AND SATISFACTION

GRI 2-25, EU-DMA (formerly EU23)

For the customers and all other stakeholders of Energie AG, the values of **continuity, reliability, safety, sustainability and transparency** are at the heart of Energie AG's corporate strategy. In light of unpredictable crisis events, these values have gained enormous importance.

As announced, Energie AG was able to extend its **price guarantee** on standard electricity and gas products, which has been in place since 2017, to 1 January 2023. Stable prices have only been possible thanks to a far-sighted procurement strategy. Volumes of energy are procured on a rolling basis, i.e. distributed evenly at various points in time to create an average price and smooth out any price peaks. On account of the exceptional market situation, Energie AG was obliged to raise the prices of its standard electricity and gas products for existing customers as of 2 January 2023. At the same time, a wide-ranging package was unveiled to help customers save energy while measures aimed at providing active help in cases of hardship were devised.

To cushion the effects of the necessary price adjustment, Energie AG offered various types of **funding** for individual customer groups as of February 2023.

Commercial enterprises and farmers who are regular customers were granted up to 50 **days of free electricity**, starting in February 2023. The discount was applied to annual invoices, with the businesses benefiting from savings of around 14%.

Customers with **heat pumps** or **storage heaters** also received support from Energie AG. Those with storage heaters qualified for the Energie AG electricity price cap, under which Energie AG capped electricity prices at 10 cents per kWh up to a consumption level of 2,900 kWh. For heat pump customers with basic meters, Energie AG invested in product development and collected customer data in order to create new offers for this specific group. Participation in this survey was rewarded with EUR 500.0.

For more information on the **price adjustments** enacted for electricity and gas as of 2 January 2023, see the **Group Management Report, Energie AG: A reliable partner to customers › Page 151**.

In June 2023, Energie AG was able to pass on the lower purchase prices to customers as announced, reducing **prices** for electricity customers with standard products and annual consumption of up to 100,000 kWh. Gas customers (with annual consumption < 400,000 kWh) received a 20% discount on standard products for the period from 1 June 2023 to 31 May 2024.

Customers switching to Energie AG after December 2021 were affected by the disruption on the energy markets at an earlier stage as it was not possible to procure their required energy at the lower long-term rates. Energie AG was able to cut prices for these and other **new customers** in February 2023. Young families among the new electricity customers also received 30 free days as a one-time offer.

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, also see **Dialogue with stakeholders › Page 32**.

Customer satisfaction is also increased by an open and transparent communication, 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.

Since the introduction of the **customer forum** four years ago, Energie AG has collected valuable feedback from customers on offers and services as well as current themes and general conditions. In the past fiscal year, two focus areas were the changes on energy markets (customer forum, October 2022) and the realisation and communication of price adjustments (customer forum, March 2023). Discussions with customers include professional moderation and the involvement of Energie AG employees to ensure feedback is applied directly to day-to-day working situations. In the reporting period, the **customer club "My Bonus"** introduced in the 2020/2021 fiscal year grew significantly, with the number of participants doubling to around 29,000. Special customer club campaigns have included the ticket offer for the Energy Saving Trade Fair and discounts on energy efficiency products on Black Friday.

Collaborative generation systems play a major role in the advancement of renewable energies and the minimisation of environmental impact. During the 2022/2023 fiscal year, Energie AG implemented the requirements of the Renewable Energy Expansion Act (EAG 2021), enabling individuals to make shared use of decentrally generated energy. Through

participation in citizens' energy communities, the energy generated can be used across Austria's grid regions, see › Energy Communities: Sharing Energy - Netz Oberösterreich GmbH.

Via the eService portal of Energie AG, customers can use the **Energy Manager** to continuously monitor the energy they generate and consume, and to gain a clear overview of energy consumption. This enables them to analyse patterns of consumption, take specific measures aimed at improving energy efficiency and cut costs in the process. To ensure data is up to date and of high quality, core internal expertise in the areas of consumption records and data management is continually being expanded.

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. This includes the development of a WiFi reader unit for smartphones that can detect energy-wasting household appliances.

The **Energy Saving Trade Fair**, the leading trade event for Energie AG, attracted crowds of visitors in the last fiscal year. Over the three days open to the public, some 2,500 consultations were held at the Energie AG stand (compared to 2,100 in the previous year). At the Energy Saving Academy, which was introduced in 2023, experts on the stand held talks on such subjects as PV plants, e-mobility, heat pumps and the efficient use of energy.

Together with the Province of Upper Austria and their joint venture BBOÖ, Energie AG is responding to the increasing consumer demand for online services by **expanding the fibre-optic network** in urban and rural areas. 19,495 customers were already actively using the high-speed internet service offered by Energie AG as of 30 September 2023 (previous year: 16,723).

	Unit	2022/2023	2021/2022	2020/2021
Residential internet customers	Number	19,495	16,723	13,166

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

Netz OÖ GmbH, the electricity grid operator, offers its customers a wide range of information and **support in installing their own photovoltaic systems**. The steep rise in demand from residential customers who, as a result of higher energy prices, wish to sell the PV electricity produced on their roofs led to a sharp increase in applications for grid access. To cut waiting times for applicants significantly, Netz OÖ GmbH provided full information and online customer support tools via its website › www.netzooe.at/photovoltaik. This information and support programme was upgraded in the 2022/2023 fiscal year and now includes more detailed information on energy communities along with a largely automated and digitalised application process for grid access for PV plants. The **PV connection assessment** was further optimised and sped up, improved and simplified through, among other things, the introduction of a virtual assistant known as Anette to assist with the assessment process.

Digitalisation: a powerful asset

Energie AG places a **focus on the digitalisation of services, processes and customer interaction** along the entire value chain. For Energie AG, digitalisation presents many opportunities for the future; customers will also benefit from new solutions linked to the development of digital platforms. 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. 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 and to offer self-services such as switching plans, registering as a new customer, the Energy Manager, consumption alerts, invoice download etc.

The use of innovative technologies such as Artificial Intelligence (AI) and "Machine Learning Algorithms" enable – when applied in consideration of the framework under data protection law – better and more cost-efficient customer services in the area of **data analytics** as well as more rapid and efficient service and decision making processes. Merging customer data from the Electricity, Gas, Heat and Telecommunications areas while harmonising the system accordingly has created the basis for the best possible service from a single source.

Continual improvements to the Netz OÖ GmbH **customer portal** **› https://eservice.netzooe.at** were made during the 2022/2023 fiscal year. Several features linked to grid access agreements have been added to the information tool implemented last year (extension of the grid commitment, additional agreements for energy communities). The process is adjusted on a regular basis and thereby improved continuously.

The digitalisation in the **Waste Management Segment** launched Austria's first **waste management online shop** back in 2012 (**› containerdienst24.at**). This internet portal enables users 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 key account customers**, who can now access waste management services, invoices, weighing and freight notices, and check on the status of their orders. The old customer portal was replaced with the new solution (**› entsorgung24.at**). This focuses on improved usability, clearer design and new functions. Individually configurable authorisation settings can be used by key account customers 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 within the Waste Management Segment.

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 service staff that has received extensive training and boasts strong communication skills. The current developments on the energy market are leading to a massive rise in customer enquiries, with various tools being used to process these as effectively as possible. Simple enquiries are handled automatically using artificial intelligence. An additional intelligent "peak management" allows for calls to be rescheduled to less busy times of the day. This increases the availability for the customers and in turn also their satisfaction with the Company. The above-average volume of calls around the turn of the year was managed by deploying additional employees from across the Group ("**Team Energie AG**").

In the event of failures, which cause a substantial increase in calls from those affected within a very short period of time, calls need to be answered and processed quickly. A flexible **on-call service model** for the customer service employees and a suitable infrastructure (remote work) enable an improved handling of unexpected or high call volumes.

Introduction and Use of New Technologies

Energie AG is actively committed to introducing and using new technologies, but always keeps the 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. The proven "AMIS" system features several smart-grid functions that support grid operations and assist in securing a high quality supply with electricity.

To cope with the necessary data quantities, higher data availability and ever more complex demands expected in the future, a suitable new **smart metering target architecture** will need to be planned and implemented. With this in mind, Netz OÖ launched a smart meter upgrade (SMU) project aimed at equipping smart meters with useful and advanced additional functions.

Energie AG uses the new smart meter technology for developing new business models. The Company 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 an ideal 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 also 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 within the renewable energy communities, and they can also serve as the foundation for the peer-to-peer trading app " **› E-Fairteiler**".

Through this future-oriented project, **Netz OÖ GmbH**, a pioneer in the field, is applying its experience and input to discussions and working groups devoted to the issue. In this way, the company is playing a major part in ensuring the enactment of relevant Community law requirements, something that is seen as a key contribution towards liberalisation and energy efficiency.

The Czech water investments have been using smart **digital water meters** for several years at this point. The digitalisation projects are focused on smart metering in Beroun, Kolín and other parts of eastern Bohemia. More studies on the digitalisation of control centres and operations are under way. The "digital twin" for a sewage treatment plant was further developed in the 2022/2023 fiscal year. "Digital twins" are models that e.g. virtually simulate the operation of a sewage treatment plant in order to probe the effects of different measures taken within the simulation before they are implemented in live operations.

Customer satisfaction surveys

GRI 2-16

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. In the 2022/2023 fiscal year, 600,452 **calls** were recorded in total (previous year: 369,594). The average length of a call to the Netz OÖ GmbH service hotline was 4.48 minutes (previous year: 5.12), while the average call time to the Energie AG service hotline was 6.13 minutes (previous year: 5.36). The high number is partly due to the willingness of customers to switch from other electricity providers to Vertrieb GmbH, and partly due to uncertainty among existing customers in view of the media coverage of energy and the questions this raises concerning price rises, product combinations, tariff changes, PV issues, etc. In partnership with Customer Service, contacts are analysed on a monthly basis, topics are evaluated and possible courses of action are defined. 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.

The **number of complaints in Austria and the handling thereof** are reported to the Management Board of the Energie AG Group in the course of the quarterly general meetings of the Grid Segment and Sales unit.

Customers and other stakeholders in the operational units of the **Czech Republic Segment** can submit **complaints** either in person at customer centres, or via an online contact form. The number of complaints is reported to the Management Board of Energie AG Oberösterreich Bohemia GmbH.

As part of customer campaigns, the Customer Service specifically analyses complaints from affected customers in order to forward **potential for improvements** directly to Campaign Management and internal departments.

The continuous **evaluation of the needs** of existing and new customers has shown that prices are the issue closest to their heart. Greater consideration is also being given to such factors as security of supply, confidence in energy suppliers and the reputation of suppliers. Having offered fair pricing, attractive customer campaigns and numerous additional offers for many years, Energie AG is regarded as a consistently reliable partner.

Regular **market studies and customer surveys** are conducted among various target groups as a due diligence measure to ensure their satisfaction. Valuable information for the ascertainment of the most important key performance indicators and their development over time was once again collected through basic surveys conducted in fiscal year 2022/2023.

The majority of customers of Vertrieb GmbH continue to exhibit a high **loyalty**: 83.4% of them, for example, are very satisfied or rather satisfied with the sales unit (previous year: 95.6%). The generally turbulent market situation is also reflected in evaluations, with a brief survey in August 2023 revealing a slight improvement in ratings among electricity customers. Continually measuring loyalty levels in defined categories (e.g. product range, price communication, provision of information, regional commitment etc.) provides specific focal points that allow the company to improve services on an ongoing basis.

Energie AG's **strong customer focus and high service quality** was confirmed by a study carried out in fiscal year 2022/2023 by market research agency Jaksch & Partner, according to which new customers were particularly satisfied by and loyal to the Energie AG Group.

The customer satisfaction survey conducted by **Netz OÖ GmbH** regarding gas grid operators in autumn of 2022 once again delivered a very good result. The highest level of satisfaction was expressed for keeping with agreed dates, followed by the satisfaction with the availability of the gas supply, the performance of works, the technical expertise, and the performance of meter readings. Using a 1 to 5 scale based on Austria's school grades system, Netz OÖ GmbH's customers rated their distribution grid operator's reliability (grade 1.35, previous year: grade 1.42), safety (grade 1.50, previous year: grade 1.48) and quality (grade 1.47, previous year: grade 1.54).

Annual customer satisfaction surveys are also carried out at all the **Waste Management Segment**'s sites. These include a school marking-style assessment system, in which the segment received a 1.37 (previous year: 1.42) during the reporting period 2022/2023.

Customer satisfaction survey results

	Unit	2022/2023	2021/2022	2020/2021
Vertrieb GmbH (electricity/total)				
Very or rather satisfied	%	83.4	95.6	95.9
Netz OÖ GmbH				
Reliability	Grade	1.35	1.42	1.15
Security	Grade	1.50	1.48	1.24
Quality	Grade	1.47	1.54	1.28
Waste Management Segment	Grade	1.37	1.42	1.36

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**, the press portal **› news.energieag.at**, the project websites **› www.wir-denken-an-morgen.at** for children and adolescents, **› www.sportfamilie.at** for sport enthusiasts, the blog pages (**› blog.energieag.at** and **› hochspannungsblog.at**), the Facebook page **› Energie AG – Energie. Aber Gut.** the Instagram account **› energie.ag** and the accounts of the sports family on Instagram (**› energieagsportfamilie**) and Facebook (**› Energie AG-Sportfamilie**). These services are complemented by additional websites for specific Energie AG products such as **› www.energieabergut.at**.

Responding to the customers' needs and preferences, Energie AG offers functional **self-service portals**, mainly in the mass market areas. 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.

Social affairs

To meet its moral and ethical obligations to customers and wider society, Energie AG has launched a range of programmes and initiatives to provide support during the energy crisis. These include the forming of a solidarity budget, advice on energy efficiency and help for low-income households in paying their energy costs. Austrian customers who were facing difficulties due to the energy crisis were supported with **special arrangements**, e.g. a moratorium on electricity disconnections and the option to defer due payments or pay in instalments.

Energie AG prioritised the adaptation of its **internal processes** so that billing would take account of the financial aid initiated by federal and state governments in Austria at the earliest possible point.

Energie AG Group seeks to position itself as a strong and **reliable partner** for its stakeholders at all times and especially in exceptional situations. The company has proven its reliability in the past by meeting the multiple crisis situations with concrete actions. In line with its campaign slogan "100% for Upper Austria", the company stands for stability and security and remains dedicated to social issues and regional value creation.

As in the past, the Energie AG Group has clearly demonstrated its **solidarity** with customers affected by energy poverty. Support took the form of goodwill offers and a new electricity aid package of vouchers worth EUR 150.0. There were also measures to ease the pressure on gas customers, who were credited with a one-time offer of 30 free days on presentation of exemption of charges from Info Service GmbH (GIS).

REGIONAL RESPONSIBILITY AND SOCIAL COMMITMENT

GRI 2-6, 204-1

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

The Energie AG Groups delivers on its **regional responsibility** through operating sites and systems across Upper Austria. Ongoing infrastructure investments,the continuous training of skilled professionals and the creation and preservation of jobs are important contributions to **increasing value generation in the regions**. Energie AG is fulfilling the inter-generational contract and securing the future viability of the region through wide-ranging investment, for example in power plants to generate electricity from renewable energy sources. Energie AG's own apprentice workshop, which marked its 80th anniversary in 2023, offers talented young people the chance to embark on careers with good prospects in their home region.

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 continued expansion of the fibre-optic network and development of innovative digital services support the positive economic development of the regions in Upper Austria and contribute to **increasing quality of life** of the population.

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.

In its supply chains, Energie AG aims at procuring from **companies with a regional connection**. Orders worth a total of EUR 494.8 million were placed with 2,328 suppliers in the 2022/2023 fiscal year (previous year: EUR 216.2 million with 2,281 suppliers). 83.4 % of suppliers were headquartered in Austria (previous year: 92.5%), while 16.5% were based in other European countries (previous year: 7.4%). The sharp rise in volume is due to both significant price rises and orders already included for the planned pumped-storage power plant in Ebensee.

Regional procurement

	Unit	2022/2023	2021/2022	2020/2021
Contracted suppliers	Number	2,328	2,281	2,303
Of which in Austria	%	83.4	92.5	93.2
Of which in other European countries	%	16.5	7.4	6.7
Others	%	0.1	0.1	0.1
Order volume	EUR mill.	494.8	216.2	208.2

The online platform **› wasserkarte.info** is a good example for the support of **non-profit organisations** in the regional and interregional area. It shows fire brigade crews the quickest way to a hydrant.

Activities in the fields of sports, culture and social affairs

GRI 2-28

Energie AG supports **cultural and sports activities** on a regional level, including by sponsoring local events and sports promotion programmes (" **› Energie AG sports family**").

In 2000, Energie AG started to sponsor individual sportspeople in Upper Austria alongside its other **sports sponsorship activities**. Entitled "**Energie AG sports family**", the sports sponsorship programme has gained recognition far beyond the boundaries of Upper Austria.

The emphasis of the funding is on long-term **support for up-and-coming sportspeople** based in Upper Austria. For these individuals and the athletes who have already made it to the top of the world, the company offers an environment for sporting and personal development. Energie AG also makes an important social contribution to aspiring sportspeople in Upper Austria by promoting sports with a low public profile.

The **Energie AG sports family team** currently has 16 members, including 15 active athletes led by captain Hannes Trinkl. Representing 11 different sports, the team members are some of Upper Austria's most successful elite sportspeople. The Energie AG sports family also has two para athletes, one male and one female. The team is characterised by such qualities as togetherness, authenticity, mutual learning and shared enjoyment.

Energie AG is firmly committed to social engagement, with the Group initiating and supporting institutions and projects of significance for the economy as well as projects in the areas of **science, art and education** on a local level. The Company takes its function as a **role model in terms of social responsibility** very seriously and also fulfils this role by pro-actively taking initiative and supporting charitable organisations.

On the **cultural scene**, the company has for many years acted as a partner to exhibition projects organised by OÖ Landes-Kultur GmbH (formerly OÖ Kulturquartier) in Linz. Regular exhibitions are also held at the PowerTower in Linz.

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.

As a **partner of the volunteer fire brigade and the Red Cross**, the Energie AG Group makes an effort to support rescue organisations with a high level of voluntary commitment.

Enhancing awareness

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. Energy AG is a supporter of **initiatives run by youth organisations** in the area of sustainability, energy and environment. 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.

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 2022/2023 fiscal year was visited by 3,792 interested children and parents (previous year: 1,800). Following a break of two fiscal years due to the Covid-19 pandemic, workshops for schools (attracting around 240 young people) and a Start of School Festival (attracting 1,800 visitors) resumed in the summer of 2023 near the site of the Energy Experience.

Timelkam Energy Experience Centre

	Unit	2022/2023	2021/2022	2020/2021
Visitors	Number	3,792	1,800	400

Visitor numbers for the 2021/2022 and 2020/2021 fiscal years have been rounded.

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.

Energie AG takes initiative in **strengthening the media competency** of children and adolescents in connection with digitalisation and, by means of school materials and the website › **www.wir-denken-an-morgen.at**, familiarises them 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.

In addition, the Group has a selection of **short books** for the youngest programme participants, which cover topics relating to energy and sustainability. The eight books published so far can be ordered by private persons, schools and kindergartens free of charge. Approximately 400,000 copies of these short books are already in circulation (previous year: 390,000). This is supplemented with a workshop for kindergartens, which introduced children from the age of four to sustainability issues in a playful way.

In the Czech Republic, Energie AG maintains a **partnership** with the United Nations International Children's Emergency Fund (UNICEF) aimed at supplying drinking water to children and families in crisis-hit regions around the world. The regions in question are impacted by prolonged drought, natural disasters or political conflicts.

Also in the Czech Republic, the DOODPADU campaign seeks to **raise awareness** of the need to conserve water. Citizens are educated as to how major problems can be caused by what enters the sewage system. A workbook on the subject has been published alongside online course content for schools.

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 24 years. Since 1999, over 30,000 projects for environmental protection and climate change mitigation have been submitted in the areas of earth, water, fire, air, and youth.

FEDERATION, ASSOCIATION AND ORGANISATION MEMBERSHIPS

GRI 2-28

Energie AG is a member of 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 reap the benefits from these memberships in the form of newsletters, events, webinars, as well as access to online portals, publications, studies, models, analytical findings and more. The following memberships are particularly noteworthy:

› **Association of Austrian E-Businesses (Verein Österreichs E-Wirtschaft)**

› **Association of Industrial Companies** (Industriellenvereinigung, IV)

› **Chamber of commerce** (Wirtschaftskammer, WK)

› **Initiative for Upper Austria as a business location** (Initiative Wirtschaftsstandort Oberösterreich, IWS)

› **Österreichische Energieagentur** (Austrian Energy Agency GmbH, AEA)

› **Federal Association of Energy and Water Companies** (Bundesverband der Energie und Wasserwirtschaft, BDEW)

› **Energy Saving Association of Upper Austria (Energiesparverband Oberösterreich)**

› **Association for Ecology and Environmental Research** (Verein für Ökologie und Umweltforschung, VÖU)

› **Federal Association of Electric Mobility** (Bundesverband Elektromobilität, BEÖ)

› **Austrian Association of Water and Waste Management Companies** (Österreichischer Wasser- und Abfallwirtschaftsverband, ÖWAV)

› **Verband österreichischer Entsorgungsfachbetriebe** (Verband österreichischer Entsorgungsfachbetriebe, VÖEB)

› **Sdružení oboru vodovodů a kanalizací ČR, z.s** (SOVAK)

› **Austrian Gas and Water Association** (ÖVGW)

› **Austrian Electrotechnical Association** (OVE)

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** (JKU) in Linz. As a founding member, Energie AG Group 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 projects linked to new grid tariffs ("INNOnet"), the utilisation of sustainable heat sources (e.g. industrial waste heat), the distribution of this heat via district heating networks and the future possibilities of hydrogen-based energy storage systems.

Through the new "**Strategy board of the Upper Austrian hydrogen network**" created by the Province of Upper Austria in the 2022/2023 fiscal year, Energie AG discusses and coordinates current developments and activities with other companies and research institutes involved in the application of hydrogen technology.

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 seeks to establish a 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

SDG 4, 5, 8

GRI 2-7, 2-8, 2-30, 401-1, 401-2, 401-3, 402-1, 404-1, 404-2, 404-3, 405-1

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

- Further development of employer branding with a special focus on specific target groups
- Personnel and management development, as well as high-quality apprenticeship programmes
- Ensuring access to qualified personnel in the long term, for example by positioning the Company as a family-friendly employer
- Improving all measures of diversity, equity and inclusion (age, gender, origin, etc.)

ACTING AS A RESPONSIBLE EMPLOYER

Energie AG has, in particular with regard to marked transitions in the work and life reality of its employees, positioned itself as a **crisis-safe and responsible employer** by establishing additional flexible work time models, creating the necessary framework for working from home etc., as well as providing various demand-oriented childcare options for employees.

In the past fiscal year, there was a strong emphasis on the **theme of diversity**. Our vision up to 2025 is as follows: "We create a corporate climate in which people can enjoy working through our open, respectful and appreciative attitude and honest communications". For more information, see **Employees, Promoting diversity › Page 114**.

The **implementation of sustainability objectives** requires committed and satisfied 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**. Target group-oriented employer branding and dedicated trainee programs are intended to give external target groups an excellent career start at Energie AG Group. Flexible work time models, high quality work equipment, and a wide range of training and professional education options are important contributions to staff loyalty.

STAFF LEVELS AND PERSONNEL STRUCTURE

	Unit	2022/2023	2021/2022	2020/2021
Staff [1] (number of employees)	**Persons**	**5,117**	**5,041**	**5,030**
Workplace				
Full-time equivalents (FTE) [1]	**Number**	**4,651**	**4,606**	**4,593**
In Austria		2,889	2,858	2,843
Female		547	537	541
Male		2,342	2,321	2,302
In the Czech Republic		1,725	1,711	1,715
Female		416	408	410
Male		1,309	1,303	1,305
In other European countries		37	37	35
Female		5	5	4
Male		32	32	31
Part-time	**Persons**	**532**	**508**	**477**
Female	%	67.2	68.3	69.0
Male	%	32.8	31.7	31.0
Diversity				
Female percentage	%	23.2	23.5	23.5
Newly hired	**Persons**	**523**	**593**	**520**
Of which under 30		212	-	-
Of which between 30 and 50		249	-	-
Of which over 50		62	-	-
Women		136	-	-
Men		387	-	-
In Austria		365	-	-
In the Czech Republic		156	-	-
In other European countries		2	-	-
Share of newly hired	**%**	**10.2**	**11.8**	**10.3**
Of which under 30		40.5	-	-
Of which between 30 and 50		47.7	-	-
Of which over 50		11.8	-	-
Women		26.0	27.0	-
Men		74.0	73.0	-
In Austria		69.8	-	-
In the Czech Republic		29.8	-	-
In other European countries		0.4	-	-
Turnover rate (excluding retirements) [2]	**%**	**5.1**	**6.8**	**5.9**
Demographics				
Average age of workforce	Years	45.0	44.5	44.2
Average time served in company [3]	Years	12.1	12.2	-

[1] The information stated regarding employees relates to full-time equivalents (FTE) as a yearly average of the fully-consolidated and proportionately consolidated companies.
[2] Turnover rate incl. dismissals during probation period
[3] Workforce is recognised based on time served in fully-consolidated and proportionately consolidated entities.

As of 30 September 2023, Energie AG Group had 5,187 employees or 4,695 FTE in **three countries** (previous year: 5,082 employees; 4,630 FTE).

Alongside the salaried employees, there are **temporary staff** who are not employed by the Energie AG Group but are engaged by the Energie AG Group to work on limited-time projects and assist during peak periods. In the 2022/2023 fiscal year, the Group employed an average of 178 temporary staff members (138 FTE; previous year 184 staff, 154 FTE). The Energie AG Group is responsible for issuing work instructions and for monitoring as well as defining and shaping the work area. In Austria, 10 women and seven men were employed on a case-by-case basis with no guaranteed working hours in the 2022/2023 fiscal year.

Of the Group employees, 88.3% are governed by **collective bargaining agreements**. Those employees not covered by collective agreements are subject to voluntary contractual arrangements (works agreements, individual agreements and unions).

There are no general statutory **minimum notification periods** in relation to significant operational changes. However, the statutory rights of information under the Labour Constitution Act (ArbVG) are observed and employee representatives are notified of relevant changes in good time.

All part-time and full-time employees (unless in marginal employment) are offered **company benefits** to the same extent. Statutory entitlements such as parental leave, care leave, hospital leave, etc. are generally granted and supported beyond the legal requirements where operationally possible. Temporary staff have the same entitlements.

Energie AG Group employs personnel from 37 different countries (previous year: 32).

A **staff turnover rate** of 5.1% in fiscal year 2022/2023 is mainly attributable to the Waste Management Segment and the company Market Calling Marketinggesellschaft mbH (previous year: 6.8%).

Turnover [1)]

	Unit	2022/2023	2021/2022	2020/2021
Employees leaving (excluding retirements)	**Persons**	**263**	**-**	**-**
Of which under 30		58	-	-
Of which between 30 and 50		144	-	-
Of which over 50		61	-	-
Women		77	-	-
Men		186	-	-
In Austria		163	-	-
In the Czech Republic		98	-	-
In other European countries		2	-	-
Employees leaving (excluding retirements)	**%**	**5.1**	**6.8**	**5.9**
Of which under 30		22.1	-	-
Of which between 30 and 50		54.7	-	-
Of which over 50		23.2	-	-
Women		29.3	-	-
Men		70.7	-	-
In Austria		62.0	-	-
In the Czech Republic		37.3	-	-
In other European countries		0.7	-	-

[1)] Turnover incl. dismissals during probation period

The Group offers **indefinite employment contracts** to the vast majority of its personnel. Only 414 staff members had fixed-term employment contracts in fiscal year 2022/2023 (previous year: 368), 373 of them in the Czech Republic Segment (previous year: 334).

Employment contracts

	Unit	2022/2023	2021/2022
Fixed-term contracts	**Number**	**414**	**368**
Female		111	94
Male		303	274
In Austria		35	28
In the Czech Republic		373	334
In other European countries		6	6
Indefinite contracts	**Number**	**4,703**	**4,673**
Female		1,073	1,055
Male		3,630	3,618
In Austria		3,039	2,996
In the Czech Republic		1,630	1,644
In other European countries		34	33

LIFE AND WORK AT ENERGIE AG OBERÖSTERREICH

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. A cooperation agreement has also been signed for the development and usage of the Alles Clara app during its pilot phase. Alles Clara is an app designed to help, inform, guide and support people across Austria who are looking after and caring for loved ones at an early stage. Where necessary, employees in participating companies and their relatives can access online assistance and care advice from qualified caregivers, psychologists and other experts.

To make holiday planning easier, Energie AG supported its employees through the summer months of 2023 by providing a varied **programme for children** between the ages of six and 12. 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. The **company's in-house childcare facility** "Loomiland" has been set up in the new extension to the Group headquarters in Linz and started its second year of operation on 1 September 2023. The little ones are cared for by three qualified early childhood teachers from the Family Alliance Upper Austria (OÖ Familienbund). In addition to the child-friendly rooms with sophisticated designs, the facility offers exterior grounds of almost 300 m^2 with play equipment, a sand pit and pavilions. The **holiday week for children** of Energie AG employees took place for two weeks each in Linz and Gmunden in July and August 2023, with the catering being provided by Energie AG's in-house restaurant.

All of Energie AG's employees are entitled to take **parental leave**. In fiscal year 2022/2023, 99 employees took maternity/paternity leave. The retention rate shows that 92.1% of

women and 92.7% of men who returned from parental leave in the previous reporting periods were still employed by the company one year after their return.

Parental leave

	Unit	2022/2023
Entitled to parental leave	**Persons**	**5,117**
Women		1,185
Men		3,932
Parental leave	**Persons**	**99**
Women		79
Men		20
Returned after parental leave	**Persons**	**46**
Women		28
Men		18
Continued employment 1 year after parental leave	**Persons**	**34**
Women		24
Men		10
Return to work rate women	**%**	**100**
Return to work rate men	**%**	**100**
Retention rate women	**%**	**92.1**
Retention rate men	**%**	**92.7**

As part of its strategic realignment, Energie AG is also focusing on cultural development. From the outset, the strategy project "LOOP" ran in parallel with a cultural and change project aimed at harmonising cultural alignment with strategic objectives. The result was a "**cultural compass**" for Energie AG covering the six action areas of future viability, cooperation agreements and partnerships, customer experience, responsibility, sustainability and diversity.

In order to derive relevant topics for cooperation within an organisational unit from Energie AG's **"Charter of agile, interdisciplinary cooperation"**, numerous small groups discussed the content and developed appropriate measures.

Many employees are active participants in one of the many **culture & sports sections** (such as fishing, hiking, family excursions, photography, football, cultural events, music, jogging, bike riding, sailing, skiing, rifle shooting, volleyball, scuba diving, tennis) and also establish private relationships with their colleagues.

As from 1 November 2023, the company will grant all employees of Energie AG Oberösterreich or one of its Group companies a financial subsidy for a "**KlimaTicket**". The move is designed to promote the use of public transport in Austria and thereby serve the cause of environmental protection.

The **"work from home" works agreement** in place since October 2021 establishes the conditions for home working in the Energie AG Group (excluding the Czech Republic Segment). An evaluation was carried out to collect the opinions of senior executives and employees in the Group, with the primary aim of analysing and, if necessary, adapting the provisions of the current works agreement on working from home. At the same time, employees of one organisational unit took part in a pilot project designed to trial a flexible home working model, arranging their home working days as needed. Two corresponding works agreements were duly formulated, facilitating further flexibility.

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 **training programme** 2022/2023 offered employees a wide range of options to improve their own skills and competencies. In addition to a proven series of seminars, the programme was expanded by adding new contemporary contents, mainly in the area of methodology and media competence. One focus was on methods for optimising collaboration; at the same time, techniques for improving self-management were taught in seminars so that participants could complete their tasks in a balanced and focused manner, even in challenging times.

The **learning platform EINSTEIN** offers an extensive training programme and is available 24/7 to all employees and managers in Austria.

Occupational development

Occupational development

	Unit	2022/2023	2021/2022	2020/2021
Training per employee [1)]	**Hours**	**13.9**	**11.3**	**8.6**
Women [2)]		9.3	-	-
Men [2)]		14.9	-	-
Second management level [2)]		29.7	-	-
Third management level [2)]		29.9	-	-
Fourth management level [2)]		17.1	-	-
Employees [2)]		12.4	-	-
Performance review rate [2)]	**%**	**83.8**	**69.3**	**69.3**
Women		25.3	-	-
Men		74.7	-	-
Of which second management level		0.9	-	-
Of which third management level		2.1	-	-
Of which fourth management level		8.9	-	-
Of which employees		88.1	-	-
Apprentices	**Persons**	**88**	**76**	**76**
Apprenticeships completed	**Persons**	**22**	**17**	**26**

1) Incl. hire personnel and apprentices, excl. training at the management academy, safety inductions and e-learning.

2) Fiscal year 2022/2023 excl. Czech Republic Segment

As part of Digithek 365, entertaining knowledge units on current IT topics were offered once a month on a virtual basis. Further information on the digitalisation campaign "Neuland" can be found in the section headed **Business models fit for the future – innovation › Page 51**.

Managing directors and department heads were introduced to the topic of positive leadership in workshops and individual coaching sessions. In future, this strengths-oriented management approach will be applied at Energie AG. Accordingly, the performance review was revised so that **employee dialogue** is focused on strengths (excluding the Waste Management and Czech Republic Segments). As part of this project, the decision was taken to separate bonus-relevant evaluation interviews from performance reviews.

In the 2022/2023 fiscal year, the **"Leadership Experience Discussion Circle"** for team and group lead was continued, consisting of three yearly sessions that deal with leadership topics in small groups that are guided 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 **"Manager Group Coaching"** tool was evaluated at the level of managing directors and department heads and a new round was started.

Alongside strategy-related tasks, the strategic project "LOOP" placed a particular emphasis on cultural transformation and **change management** in support of the strategic realignment. Change agents were appointed in all areas of the company to influence the transformation actively, exchanging ideas in regular workshops. In performing their roles and tasks, they received professional support from change trainers. The managing directors and department heads were specifically familiarised with important skills and methods for transformation processes through upskilling formats.

PowerTalents participants completed a **development programme for junior staff** (the "Energie AG Management Advanced Program") designed by the LIMAK Austrian Business School, an external partner.

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 and of opportunities to apply for jobs at an early stage. An employer branding campaign was launched to make interested persons aware of the range of attractive jobs and the relevant role the company plays in the energy transition. The emphasis here was on the **purpose** of Energie AG's activities, thereby maintaining the focus on target groups.

The objective of the many personal conversations held at technical college and university jobs fairs, individually designed pop-up cafés and **advertising tailored** to social media (Instagram, TikTok) is to raise awareness of Energie AG as an employer.

To present as broad and authentic an image as possible, employees from different departments act as **Corporate Influencers**, reporting on their day-to-day work in short videos.

An **initiative known as "Kennst wen"** invites employees and retirees to draw attention to the sheer range of career opportunities at Energie AG and in their private lives, and to encourage friends, acquaintances and relatives to submit applications.

The focus in fiscal year 2022/2023 was on technical college trainees, scholarship students and summer interns. To harness the potential of this target group, two events were arranged (breakfast for summer interns plus an excursion) to offer them a more detailed insight into the range of Group activities. Various measures are in place to retain the most outstanding interns for the long term. In fiscal year 2022/2023, as part of an initiative aimed at the advancement of women, **scholarships were awarded to four female technicians** (two in the previous year). 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.

PROMOTING DIVERSITY

To promote the diversity of Energie AG for the long term, the **DiversiTeam** project group was set up with the involvement of representatives from different units. The group is active in the areas of positive and inclusive management, culture and change, barrier-free access, regionality, women and communications.

Diversity Café events are held to promote broad-based discussion of the issue with employees, from which appropriate measures for Energie AG are derived.

The **e-learning unit** "Diversity Basics" was rolled out across the company to raise awareness of the issue among employees. As of 30 September 2023, 1,131 employees had taken the course.

To ensure it 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.

Diversity

	Unit	2022/2023	2021/2022	2020/2021
Women	%	**23.2**	**23.5**	**23.5**
Of which first management level		0.0	-	-
Of which second management level		10.6	-	-
Of which third management level		6.7	-	-
Of which fourth management level		1.9	-	-
Of which employees		80.8	-	-
Men	%	**76.8**	**76.5**	**76.5**
Of which first management level		0.1	-	-
Of which second management level		8.5	-	-
Of which third management level		9.2	-	-
Of which fourth management level		5.5	-	-
Of which employees		76.7	-	-
Women in management positions [1)]	%	**18.4**	**14.6**	**15.2**
Men in management positions	%	**81.6**	**85.4**	**84.8**
Age groups	%			
First management level				
Under 30 years		0	-	-
Between 30 and 50 years		33.3	-	-
Over 50 years		66.7	-	-
Second management level				
Under 30 years		0.3	-	-
Between 30 and 50 years		29.1	-	-
Over 50 years		70.6	-	-
Third management level				
Under 30 years		0.2	-	-
Between 30 and 50 years		48.4	-	-
Over 50 years		51.4	-	-
Fourth management level				
Under 30 years		4.1	-	-
Between 30 and 50 years		51.7	-	-
Over 50 years		44.2	-	-
Employees				
Under 30 years		14.6	-	-
Between 30 and 50 years		47.9	-	-
Over 50 years		37.5	-	-
People with special needs	%	**1.8**	**-**	**-**
Of which first management level		0	-	-
Of which second management level		0.4	-	-
Of which third management level		0	-	-
Of which fourth management level		1.7	-	-
Of which employees		97.9	-	-

[1)] Definition of management positions: Management Board (first management level), managing directors and heads of holding companies (second management level), department heads (third management level), team and group leads (fourth management level)

MAINTAINING THE HIGH QUALITY OF APPRENTICESHIP PROGRAMMES

Energie AG's **in-house apprenticeship programme** is an important competitive advantage. Since 1943, 1,571 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 2023, 24 youngsters (previous year: 22), began their apprenticeships at Energie AG in the areas of electrical engineering and metals engineering, as well as for the first time in **IT systems engineering**. In keeping with Energie AG's mission to promote diversity, apprentices of immigrant descent and asylum seekers also have their place in the Group. Through special early-stage campaigns and events, Energie AG seeks to retain these individuals while encouraging mutual exchange.

The **cooperation with mandatory-attendance schools** (electrical engineering polytechnic course, PowerGirls, Girls Day) and the job shadowing options continued in the past fiscal year.

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, as well as a three-part communication training that is spread across the full length of the apprenticeship programme.

A **comprehensive feedback tool** for trainees was introduced in September 2023. Apprentices are now able to rate their current training situations every two weeks.

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 2022/2023 fiscal year, receiving an outstanding result. Between them, the 18 current graduates (previous year: 16) earned 14 distinction grades in vocational school and 15 good or outstanding results in their final examinations. At the **Apprentice Awards held by the industrial sector in Upper Austria**, the team of Energie AG apprentices in their second year took the first, second and third place in the category energy technology.

In terms of sustainability with regard to the next generation of skilled workers, work on **modernising and expanding the training workshop and apprentice residence** in Gmunden began in fiscal year 2022/2023. The apprentice workshop currently operates with 20 energy technicians, three metal technicians and one IT technician per year. The expanded workshop will have room for 20 more apprentices, with modern technology deployed to ensure facility is adapted to train and support the professionals of tomorrow.

The **recruiting process** is continuously adapted to the situation on the market. Due to a multi-faceted approach geared to the qualification, local demand and place of residence of the candidates, all apprenticeship positions were filled with qualified 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. On 26 January 2023, Robert Machtlinger was elected to succeed DDr. Werner Steinecker, MBA as the new chairman of the Association Board. 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 both today and in the future. 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.

WORKPLACE HEALTH AND SAFETY

GRI 403-2, 403-3, 403-4, 403-5, 403-6

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 the quality of work and occupational safety among its employees.

The **"in-house psychological service hotline"** of Energie AG Group offers employees free advice and help in conflicts, stress, work overload, anxiety, sleep disorders and personal crises (bereavements, sickness etc.). The service offers advice in person or over the phone and aims at carving out possible solutions that the employees can implement in their own responsibility. A series of seminars conducted by ProMente entitled "First aid for the soul" instructed employees in how to give first aid to people showing signs of mental illness.

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 bis 2025" (Workplace Health Promotion) seal of approval** (except for the Czech Republic and Waste Management Segments).

Numerous programmes contribute to **safeguarding the employees' health** (e.g. "healthy 15 minutes", first-aid courses, shiftwork fitness basics workshop).

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.

Workplace safety

	Unit	2022/2023	2021/2022	2020/2021
Work accidents	Number	70	69	70
Accident rate	‰	13.9	14.10	14.80
Days of sick leave	Number	29.8	19.90	29.20
LTIF [1)]		8.6	8.3	9.7
Deaths after work-related injuries	Number	0	0	0
Workplace and construction site inspections [2)]	Number	189	157	169

[1)] Lost Time Injury Frequency Index – frequency of work accidents per one million work hours
[2)] Workplace and construction site inspections excluding the 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 2022/2023 fiscal year, the Group (excl. Czech Republic Segment) saw around 189 announced and unannounced **workplace, external 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 (previous year: 157). 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: 69), which corresponds to an accident rate of 13.90 accidents per 1,000 employees (previous year: 14.10 accidents per 1,000 employees) [1)]. The accident severity amounted to an average of 29.8 days of sick leave per work accident (previous year: 19.9). Converted to an international indicator value, this corresponds to an LTIF (Lost Time Injury Frequency) of 8.6 per 1 million working hours (previous year: 8.3). As in the previous year, there were no fatal work accidents.

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. Workplaces and activities are also subjected to a continuous evaluation and the necessary measures are adjusted as required.

Energie AG takes workplace safety (i.e. potential hazards and risks in and around the buildings) very seriously. **Building security inspections** for all office, workshop and storage buildings are carried out annually to check how safe they are. The results of these inspections are used to develop measures both to comply with legal requirements and to serve as a way of preventing hazards from arising in the first place.

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.

The legally required **inductions** with respect to health and safety at work 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.

Austrian employees have access to a **wide range of training options** on workplace safety; these courses may also be attended if necessary by staff of external contractors active in the technical and electrical engineering areas. 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 construction-site security and working with lifting equipment. In the field of health and safety, Energie AG also offers e-learning modules on such topics as fire prevention, protection against falls and working in enclosed spaces.

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.

In accordance with § 4 of the Employee Protection Act (ASchG), **potential hazards** are ascertained and assessed by the respective managerial staff or the responsible commissioned staff member pursuant to § 9 Administrative Penal Act (VStG)) and § 23 Work Inspection Act (ArbIG) with the help from the relevant work safety and occupational health experts. This forms the foundation for the determination of measures (workplace evaluation). The **"Safety**

1) Up to cut-off date of 30 September 2023, including partially consolidated companies.

Manual" of the Austrian lobby group "Österreichs Energie" serves to evaluate 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.

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. In accordance with § 82 of the Work Safety Act (ASchG), employees have access to an occupational health specialist for initial medical consultations.

According to article 8 of the Employee Protection Act (ASchG) and the Construction Work Coordination Act (BauKG) on construction sites, Energie AG is obliged to **coordinate risk prevention steps**. External companies active for Energie AG are informed of dangers posed by Energie AG (through electrical systems, hydraulic risks in hydroelectric power plants, traffic on company premises, etc.).

COMPLIANCE

SDG 5, 8

GRI 2-23, 2-24, 3-3

Energie AG's compliance goals are:

- Compliance with laws and regulations to ensure genuinely fair competition
- Ensuring a legally sound operational framework with regard to ESG compliance
- Establishing awareness of compliance to strengthen the culture of compliance
- Further development of compliance to minimise risks
- Avoiding property damage and reputational damage

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 the Group's actions with the relevant laws and regulations. It forms the foundation for all business activities and decisions within Energie AG Group as well as for a **morally, ethically and legally flawless conduct** of all employees of the Group. 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.

The " **› Code of Conduct for Contractors**" deals with safeguarding human dignity, responsible communications and data processing, environmental conduct and sustainability, as well as integrity and also sets out the consequences of violations of these principles and rules. This Code of Conduct also provides an important link to suppliers and enables Energie AG to pass on its high standards to business partners.

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.

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-raising measures were implemented. The content, responsibilities, distributions of skills, and required documentation and reporting have all been decided. Information on compliance is provided to employees via e-learning and classroom-based training. Employees can decide for themselves when to access e-learning modules, allowing them to fit the sessions into their everyday work routines as they wish.

Whistleblowing system

GRI 2-26

Employees may use Energie AG's web-based **whistleblowing system** to report, including anonymously, suspected compliance breaches to the Compliance Officer. Employees and external persons have additional reporting channels available to report their observations, including a compliance email address and telephone number. Reports about suspicious activities (including from external persons) that are received elsewhere within the Group must be forwarded to the Compliance Officer without delay. All whistleblowers are assured strict confidentiality with regard to their identity and the contents of reported circumstances; reports are processed according to data protection regulations. During the 2022/2023 fiscal year, no reports were submitted via Energie AG's internal whistleblower system "Tell Me!". Moreover, no compliance cases were reported via external reporting channels.

As part of the Energie AG Group's **due diligence measure**s, 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.

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.

Internal control system

For further information about Energie AG's internal control system, see the **Group Management Report, Internal control system › Page 145**.

Anti-corruption

GRI 205-3

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 81.0% of the employees in the country (previous year: 80.0%).

As in previous years, there were **no confirmed cases of corruption** leading to dismissals or the issuing of warning notices within the Energie AG Group in the 2022/2023 fiscal year. Nor were any violations were confirmed in connection with corruption at business partner companies.

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/

competition law to ensure that new staff and employees active in sales and distribution demonstrably have access to clearly presented and structured information on the subject. The primary target groups for graduating this module are all sales and sales-related units as well as procurement staff.

The investigations throughout Austria into the area of collection and transport in the waste management industry initiated by the Federal Competition Authority (BWB) in 2021 are still in progress. Umwelt Service GmbH is actively involved in the investigation and has submitted a report. The response of the BWB is still outstanding. 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 (Datenschutzgesetz; DSG 2018) that has been in effect since 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, security, integrity and trust is 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. As was the case in the previous year, no reportable data protection violations pursuant to GDPR Article 33 were identified in the past fiscal year.

An awareness campaign started in the autumn of 2019 has focused on raising employees' awareness for the prudent **handling of personal data** and potential risks (cyber crime etc.). The campaign aims at increasing the awareness for information security among employees. To this end, an information security topic was presented each month using a range of materials such as posters, flyers and e-learning units. The main focus was on phishing as well as email and internet security, with a practical component ("Friendly Phishing") added to the awareness campaign.

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 standards and the values from the **› Code of Conduct "This is how we think, this is how we act"** 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.

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 in line with its legal obligations as an electricity and gas distribution grid operator.

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.

Compliance controls

The compliance management system regulates systematic access to compliance and defines content, responsibilities and the division of authorities as well as documentation and reporting obligations. At the heart of the Group's compliance with laws and regulations is the **› Code of Conduct entitled "This is how we think, this is how we act"**. In establishing its compliance management system, Energie AG ensures the principles laid down in this Code of Conduct are acted upon. Implementation requires regular **compliance controls**, which were implemented at Group level for the first time in fiscal year 2022/2023 and reported to the Audit Committee meeting held on 27 June 2023. Compliance controls deal with management, business and service processes and are based on defined compliance risks at the level of these processes.

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. A risk-based assessment is made on the basis of a group-wide analysis of the impact on the process landscape (business impact analysis). It is carried out using the newly established governance risk compliance (GRC) system and forms the starting point for the subsequent risk assessment, in which 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 has been updated and forms part of the information security management risk assessment 2022/2023. Key areas of activity have an **information security management system (ISMS)** and are certified under ISO 27001:2013 and reviewed regularly. A supervisory audit pursuant to ISO 27001:2013 was carried out in the 2022/2023 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 Informationssystemsicherheitsgesetz; NISG), which aim to ensure a high degree of security for networks and information systems, were gradually implemented in the relevant areas in a timely manner. The Group-wide awareness campaign "Schlaufuchs" regularly informs users about the risks and dangers related to information security and offers yearly (electronic) training programmes. As part of a Group assessment and governance project, the requirements of the successor regulations to the NISG (NIS 2) are analysed and processed by the responsible units in a structured manner. In this, Energie AG benefits from the high degree of maturity of the various Group companies.

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 when it comes to modern technology in the area of 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.

RESPECT FOR HUMAN RIGHTS

SDG 8

GRI 406-1, 2-23

Energie AG is committed to unreserved **respect for human rights** in all areas of the company, and in its wider sphere of influence. In its responsible corporate activities, Energie AG is guided by internationally recognised principles and practices such as the Guidelines for Multinational Enterprises of the Organisation for Economic Co-operation and Development (OECD), the Declaration on Fundamental Principles and Rights at Work of the International Labour Organization (ILO) and the UN Guiding Principles on Business and Human Rights.

As well as upholding human rights, the Energie AG Group accepts responsibility for observing laws and standards in the areas of environment, compliance and working conditions. In upholding the **right to privacy and freedom of expression**, the Energie AG Group adheres to private law and the principle of human dignity, which is recognised by the European Union (EU) as a fundamental and inviolable right. The right to privacy and the right to a private life are enshrined in the Universal Declaration of Human Rights (Article 12), the European Convention on Human Rights (Article 8) and the Charter of Fundamental Rights of the European Union (Article 7). Freedom of expression is based on the Charter of Fundamental Rights of the EU (Article 11, Freedom of expression and information) and the European Convention on Human Rights (Article 10, Freedom of expression).

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.

Energie AG expects all business partners to adhere to the statutory framework, along with the applicable laws and standards on human rights. Risks in the earlier links of the supply chain cannot be entirely ruled out. In order to promote respect for human rights within its scope of possible actions and outside its direct sphere of influence, the Energie AG Group applies due diligence in its procurement activities. Since early 2022, bidders and contractors who wish to do business with Energie AG (excl. Czech Republic Segment) must accept the "**› Code of Conduct for Contractors**" in addition to the General Terms and Conditions. The latter includes the principles related to human dignity.

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. Employees may contact the Compliance Officer, the Works Council or their respective supervisors if they have concerns about a possible discrimination. As in the previous years, no incidents of discrimination were reported through the whistleblowing system in the 2022/2023 fiscal year, nor were any legal proceedings underway.

For more information on diversity at Energie AG, see **Employees, Responsible employer › Page 107**.

Energie AG does not tolerate any discriminatory conduct or any unequal treatment, whether on the basis of national, social or ethnic origin, skin colour, religion, political beliefs, 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 is committed to tolerant and respectful conduct as well as open communication. This encourages a

climate of mutual appreciation and respect which applies to both Company employees and all external stakeholders. Behaviours aiming towards fair and trusting interaction with one another are supported. The Energie AG "cultural compass", for example, will consolidate measures aimed at strengthening the willingness to cooperate and work in partnership.

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" and its new purpose "**We are creating a fossil-free future for our children**". The Energie AG Group will continue to develop its sustainability management in the 2023/2024 fiscal year on the basis of environmental, social and societal aspects.

Linz, 4 December 2023

The Management Board of Energie AG Oberösterreich

Dr. Leonhard Schitter MA
CEO

Dr. Andreas Kolar
CFO

Dipl.-Ing. Stefan Stallinger MBA
COO

GRI CONTENT INDEX 2022/2023

The GRI content index describes, in reference with the GRI Standards of the "**Global Reporting Initiative**" (GRI), where in this non-financial report 2022/2023 the reader can find standard disclosures and the farther-reaching supplementary indicators.

UNIVERSAL STANDARDS

GRI 1: Foundation 2021

GRI 2: General Disclosures 2021

The organization and its reporting practices

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
2-1	Organizational details	**Business model › Page 15** **Shareholder structure › Page 18**	
2-2	Entities included in the organization's sustainability reporting	**About this report › Page 13** **Notes to the Consolidated Financial Statements, Scope of consolidation › Page 184**	
2-3	Reporting period, frequency and contact point	**About this report › Page 13**	The 2022/2023 Group annual report was published on 20 December 2023.
2-4	Restatements of information	**About this report › Page 13** **Emissions › Page 65** **Generation plants › Page 75** **Proprietary electricity procurement › Page 75** **Changes under corporate law › Page 144**	Restatements of information from previous non-financial reports are disclosed in the individual sections. An adjustment to the calculation method for biogenic emissions by Erzeugung GmbH led to data changes in previous years.
2-5	External assurance	**About this report › Page 13**	The 2022/2023 non-financial report was reviewed by the Energie AG Group audit on behalf of the Supervisory Board. An external assurance did not take place.

Activities and workers

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
2-6	Activities, value chain, and other business relationships	**Group Management Report › Page 135** **Business model › Page 15** **Regional responsibility › Page 102** **Group Management Report, Business development in the Group, Changes under corporate law › Page 144**	
2-7	Employees	**Acting as a responsible employer › Page 107**	

2-8	Workers who are not employees	**Acting as a responsible employer › Page 107**	

Governance

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
2-9	Governance structure and composition	**Governance structure › Page 19** **Corporate management bodies › Page 20** **Group Management Report, Change in the Management Board › Page 144**	
2-11	Chair of the highest governance body	**Supervisory Board › Page 22**	
2-12	Role of the highest governance body in overseeing the management of impacts	**About this report › Page 13** **Governance structure › Page 19** **Internal sustainability management › Page 31**	
2-13	Delegation of responsibility for managing impacts	**Internal sustainability management › Page 31**	
2-14	Role of the highest governance body in sustainability reporting	**About this report › Page 13** **Internal sustainability management › Page 31**	
2-16	Communication of critical concerns	**Customer satisfaction surveys › Page 100**	The supervisory board is not informed about complaint management.

Strategy, policies and practices

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
2-22	Statement on sustainable development strategy	**Interview with the Management Board › Page 4** **Letter by the Management Board › Page 11** **Corporate strategy 2035 › Page 26** **Major sustainability issues › Page 36** **Sustainability objectives › Page 37** **Sustainability at a glance › Page 39**	The sustainability objectives 2022/2023 were restated in alignment with the new strategic orientation of Energie AG Group.

2-23	Policy commitments	**Dialogue with stakeholders › Page 32** **Strategy › Page 24** **Sustainability objectives › Page 37** **Sustainability opportunities and risk management › Page 38** **Sustainability at a glance › Page 39** **Quality, safety and environmental management › Page 45** **Compliance › Page 120** **Respect for human rights › Page 124**	
2-24	Embedding policy commitments	**Compliance › Page 120**	**› Code of Conduct "This is how we think, this is how we act"** **› "Code of conduct for contractors"**
2-25	Processes to remediate negative impacts	**Strategy › Page 24** **Sustainability opportunities and risk management › Page 38** **Sustainability at a glance › Page 39** **Quality, safety and environmental management › Page 45** **Customer orientation and satisfaction › Page 96**	
2-26	Mechanisms for seeking advice and raising concerns	**Whistleblower system › Page 121** **Dialogue with stakeholders › Page 32**	
2-28	Membership associations	**Federation, association and organisation memberships › Page 106** **Activities in the fields of sport, culture and social affairs › Page 104**	

Stakeholder engagement

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
2-29	Approach to stakeholder engagement	**Dialogue with stakeholders › Page 32**	
2-30	Collective bargaining agreements	**Employees › Page 107**	

GRI 3: Material Topics 2021

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
3-1	Process to determine material topics	**Strategy › Page 24**	The identification of major sustainability issues as part of the CSRD implementation project in the 2023/2024 fiscal year will take into account the concept of double materiality.
3-2	List of material topics	**Major sustainability issues › Page 36**	
3-3	Management of material topics	**Internal sustainability management › Page 31** **Dialogue with stakeholders › Page 32** **Sustainability objectives › Page 37** **Sustainability at a glance › Page 39** **Compliance › Page 120** **Group Management Report › Page 135** **Group Management Report, Internal control system › Page 0**	

TOPIC-SPECIFIC STANDARDS

Economic

GRI 201: Economic Performance 2016

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
201-1	Direct economic value generated and distributed	**Economy › Page 50** **Group Management Report › Page 135** **Consolidated Financial Statements › Page 174**	
201-2	Financial implications and other risks and opportunities due to climate change	**Sustainability at a glance › Page 39** **Energy Segment, Effects of climate change on the business model › Page 76** **Czech Republic Segment, Effects of climate change on the business model › Page 90** **Consolidated Financial Statements, Management of risks and opportunities › Page 253**	The financial implications of climate change on the Company will be evaluated in the course of the CSRD implementation project.
201-3	Defined benefit plan obligations and other retirement plans	**Consolidated Financial Statements, Non-current provisions › Page 245**	

201-4	Financial assistance received from government	**Consolidated Financial Statements, Changes in investment subsidies › Page 0**	

GRI 203: Indirect Economic Impacts 2016

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
203-1	Infrastructure investments and services supported	**Corporate strategy 2035 › Page 26** **Energy Segment › Page 73** **Grid Segment › Page 82** **Group Management Report › Page 135** **Group Management Report, Business development in the Group › Page 139**	

GRI 204: Procurement Practices 2016

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
204-1	Proportion of spending on local suppliers	**Regional responsibility › Page 102**	

GRI 205: Anti-corruption 2016

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
205-3	Confirmed incidents of corruption and actions taken	**Anti-corruption › Page 121**	

GRI 206: Anti-competitive Behavior 2016

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	**Antitrust compliance › Page 121**	

Environmental

GRI 305: Emissions 2016

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
305-1	Direct (Scope 1) GHG emissions	**Emissions › Page 65** **GHG emissions in tonnes per year › Page 66**	

305-2	Energy indirect (Scope 2) GHG emissions	**Emissions › Page 65** **GHG emissions in tonnes per year › Page 66**	

GRI 306: Waste 2020

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
306-1	Waste generation and significant waste-related impacts	**Waste Management Segment › Page 85**	
306-2	Management of significant waste-related impacts	**Waste Management Segment › Page 85**	
306-3	Waste generated	**Waste Management Segment › Page 85**	

Social

GRI 401: Employment 2016

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
401-1	New employee hires and employee turnover	**Staff levels and personnel structure › Page 107**	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	**Acting as a responsible employer › Page 107**	
401-3	Parental leave	**Life and work at Energie AG › Page 110**	

GRI 402: Labor/Management Relations 2016

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
402-1	Minimum notice periods regarding operational changes	**Acting as a responsible employer › Page 107**	

GRI 403: Occupational Health and Safety 2018

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
403-1	Occupational health and safety management system	**Sustainability at a glance › Page 39** **Quality, safety and environmental management › Page 45**	
403-2	Hazard identification, risk assessment, and incident investigation	**Workplace health and safety › Page 116**	
403-3	Occupational health services	**Workplace health and safety › Page 116**	

403-4	Worker participation, consultation, and communication on occupational health and safety	**Workplace health and safety › Page 116**	
403-5	Worker training on occupational health and safety	**Workplace health and safety › Page 116**	
403-6	Promotion of worker health	**Workplace health and safety › Page 116**	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	**Workplace health and safety › Page 116**	Not relevant
403-8	Workers covered by an occupational health and safety management system	**Quality, safety and environmental management › Page 45** **Workplace health and safety › Page 116**	

GRI 404: Training and Education 2016

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
404-1	Average hours of training per year per employee	**Occupational development › Page 112**	
404-2	Programs for upgrading employee skills and transition assistance programs	**Personnel and management development › Page 111**	No transition assistance programmes to facilitate career endings resulting from retirement were provided in the 2022/2023 fiscal year.
404-3	Percentage of employees receiving regular performance and career development reviews	**Occupational development › Page 112**	

GRI 405: Diversity and Equal Opportunity 2016

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
405-1	Diversity of governance bodies and employees	**Promoting diversity › Page 114** **Corporate management bodies › Page 20**	
405-2	Ratio of basic salary and remuneration of women to men		Will be made more concrete in the course of the CSRD implementation project

GRI 406: Non-discrimination 2016

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
406-1	Incidents of discrimination and corrective actions taken	**Respect for human rights › Page 124**	

GRI 417: Marketing and Labeling 2016

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
417-1	Requirements for product and service information and labeling	Sales › Page 78	For the Waste Management Segment, see § 24a of the Waste Management Act (AWG) 2002 (Authorisation for the collection and treatment of waste).
417-2	Incidents of non-compliance concerning product and service information and labeling		No breaches
417-3	Incidents of non-compliance concerning marketing communications		No breaches

GRI 418: Customer Privacy 2016

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data protection › Page 122	

Sector Disclosures Electric Utilities 2013

General disclosures

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
EU1	Installed capacity, broken down by energy source	Energy Segment › Page 73 Proprietary electricity procurement › Page 75	
EU2	Net energy output	Energy Segment › Page 73 Proprietary electricity procurement › Page 75	
EU3	Number of customer accounts	Grid Segment › Page 82	
EU4	Length of transmission and distribution lines	Security and quality of supply › Page 93	

Economic disclosures

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
EU-DMA (form. EU6)	Management approach to ensure short and long-term electricity availability and reliability	Security and quality of supply › Page 93	
EU-DMA (form. EU8)	Research and development	Research, development and innovation › Page 146 Business models fit for the future – innovation › Page 51	
EU12	Transmission and distribution losses	Grid Segment › Page 82	

Social disclosures

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
EU-DMA (form. EU16)	Programs and processes to ensure the availability of a skilled workforce (formerly EU14) Policies and requirements regarding health and safety of employees	**Acting as a responsible employer › Page 107** **Workplace health and safety › Page 116**	
EU-DMA	Freedom of Association and Collective Bargaining	**Acting as a responsible employer › Page 107**	
EU-DMA (form. EU19)	Stakeholder participation in decision making processes related to energy planning and infrastructure development	**Dialogue with stakeholders › Page 32**	
EU-DMA (form. EU20)	Approach to managing the impacts of displacement	**Use of land › Page 84**	
EU22	Number of people displaced		No compulsory purchase orders were made in the 2022/2023 fiscal year.
EU-DMA (form. EU21)	Crisis management	**Governance structure › Page 19** **Sustainability at a glance › Page 39**	
EU-DMA (form. EU23)	Programmes for the improvement and maintenance of access to electricity and services, including partnerships with the government	**Dialogue with stakeholders › Page 32** **Customer orientation and satisfaction › Page 96**	
EU28	Power outage frequency	**Security and quality of supply › Page 93**	
EU29	Average power outage duration	**Security and quality of supply › Page 93**	