ANNUAL REPORT **2019/2020**

100% regional advantage.

www.energieag.at/annualreport

ENERGIE AG Oberösterreich

We care about tomorrow

Contents

EVERYTHING NEW FROM A SINGLE SOURCE.

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

www.energieag.at/annualreport

Energie AG Oberösterreich at a glance

	Unit	2019/2020	Change	2018/2019
Sales revenues				
Energy Segment	EUR mill.	1,081.9	2.7%	1,053.3
Grid Segment	EUR mill.	351.6	3.1%	341.0
Waste Management Segment	EUR mill.	224.1	-1.3%	227.1
Czech Republic Segment	EUR mill.	160.4	0.2%	160.0
Holding & Services Segment	EUR mill.	25.7	-19.7%	32.0
Group	**EUR mill.**	**1,843.7**	**1.7%**	**1,813.4**
Result				
Operating result (EBIT)	EUR mill.	147.7	–	73.0
EBIT margin	%	8.0	–	4.0
Earnings before taxes (EBT)	EUR mill.	127.0	–	55.7
Dividend per share	EUR	0.6	–	0.6
Statement of Financial Position				
Balance sheet total	EUR mill.	3,079.7	3.5%	2,975.4
Equity	EUR mill.	1,343.0	2.5%	1,310.3
Equity ratio	%	43.6	-0.9%	44.0
Net debt [1]	EUR mill.	551.3	29.4%	426.0
Net gearing	%	41.0	26.2%	32.5
Cash flow from operating activities	**EUR mill.**	**185.8**	**-6.4%**	**198.6**
Profitability				
ROCE	%	5.9	–	2.8
Workforce (on average)				
Energy Segment	FTE	469	4.5%	449
Grid Segment	FTE	534	-0.6%	537
Waste Management Segment	FTE	828	-3.7%	860
Czech Republic Segment	FTE	1,681	3.9%	1,618
Holding & Services Segment	FTE	1,048	0.6%	1,042
Group	**FTE**	**4,560**	**1.2%**	**4,506**

1) Net debt = interest-bearing current and non-current liabilities minus cash and cash equivalents and short-term securities

Group overview

INTERVIEW WITH THE MANAGEMENT BOARD
OF ENERGIE AG OBERÖSTERREICH

Dr. Andreas Kolar
Member of the Management Board

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

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

Video statements of the members of the Management Board are available as part of the online version of the annual report: **www.energieag.at/annualreport**

The second half of the year under review was strongly affected by the global COVID-19 crisis. What challenges has this presented for the company?

Werner Steinecker: Like the vast majority of Austrian companies, we too have had to adapt to the new environment – most notably, the labour law situation, the sales market and the heavily fluctuating commodity prices. At Energie AG, we took the health crisis seriously at a very early stage and took it as read that we would need to implement stricter measures to give our customers and employees the best protection possible. As an operator of critical infrastructure, we have an extra level of social responsibility in this context.

Stefan Stallinger: Our main focus right from the outset was undoubtedly on maintaining our electricity, gas and heating supply while ensuring a smooth waste management process. The operations rooms and control centres were placed under enhanced protection for electricity and heat generation, grid, and waste incineration activities. Every conceivable measure was taken there to guarantee smooth operations, which we also succeeded in doing across all areas. In this context, I would like to take this opportunity to give my special thanks to all our highly dedicated employees. In terms of the economic impact, we identified major differences between business and private customers – for example, while the volumes disposed of at production plants fell drastically in some cases (due to downtime), they rose sharply in the household customer segment. In many cases, the first lockdown was obviously used for "decluttering".

> "At Energie AG, we took the health crisis seriously at a very early stage and took it as read that we would need to implement stricter measures to give our customers and employees the best protection possible."
>
> **Werner Steinecker**

From a financial perspective, the 2019/2020 fiscal year was a highly successful one for the company. What would you attribute that to?

Andreas Kolar: When we compare it with the previous year, we have to note that the 2018/2019 fiscal year was significantly affected by an impairment of the electricity grid. This became necessary due to a change in measurement method. Despite this, we can look back on a highly successful fiscal year. Once again, sustainable investments in promising areas and continuing optimisation measures were the cornerstones of the past fiscal year. The energy supply and waste management industries have proven comparatively crisis-resistant, even though COVID-19 has also had significant negative impacts on us.

> "The energy supply and waste management industries have proven comparatively crisis-resistant, even though COVID-19 has also had significant negative impacts on us."
>
> **Andreas Kolar**

The Austrian Federal Government has set itself the goal, via the Renewable Energy Expansion Act, of ensuring that 100% of electricity consumption comes from renewable energy sources by 2030. What challenges will this spell for Energie AG?

Stefan Stallinger: We took a clean and environmentally friendly approach to power generation from a very early stage and adopted decarbonisation as a strategic goal. Upper Austria has always been Austria's hydroelectric power capital, but there is now very limited capacity for expansion going forwards. Through our investments in wind power facilities in Burgenland and Lower Austria as well as continuing investments in photovoltaic plants, we have already set the course for a sustainable transition to clean energy in recent years. We plan to accelerate this commitment in the coming years, which will see us clearly focussing our investments on photovoltaics and storage technologies.

Werner Steinecker: One of the effects of pursuing a significantly higher share of solar and wind energy will be that our electricity system becomes more volatile. Its characteristic features will include under- and overcapacity depending on the time of year and the time of day. Our estimates assume that across Austria, up to 10 terawatt hours of electricity storage capacity will be necessary to accommodate the need for flexibility. The most commercially viable of the storage options are pumped-storage power plants. In the medium and long term, however, there is no way around the use of other energy carriers, such as hydrogen or synthetic methane in gas storage facilities. This has the greatest capacity potential among all the storage types.

Presumably, this Austrian Federal Government target also poses financial challenges for the company as a whole?

Andreas Kolar: Of course, this will involve enormous investment challenges for us. Given our status as a public company limited by shares (Aktiengesellschaft) with the different levels of access available to all our stakeholders, it is always necessary to weigh up exactly which investments can and should be made – and when. As a capital-intensive group, however, it is quite clear that investments are necessary to guarantee security of supply in the future, as well as to ensure a sufficient focus on sustainability and to generate the necessary and desired returns. The continuation of our excellent "A (outlook stable)" rating by Standard & Poor's in March 2020 reaffirmed the high standard of due care demonstrated to date in this regard, and the sound nature of previous and planned decisions has been externally confirmed.

> "Our main focus right from the outset was undoubtedly on maintaining our electricity, gas and heating supply while ensuring a smooth disposal process for waste materials."
>
> **Stefan Stallinger**

Even in this digital age, customer focus is a key success factor. What steps is Energie AG taking to stay close to its customers?

Werner Steinecker: Maintaining an ongoing dialogue with our customers is crucially important to delivering long-term success. Through our customer communication, we are able to develop tailor-made products and perfect our services, allowing us to accommodate customer preferences. In the past fiscal year, we therefore held both physical and virtual customer forums for the first time, where we discussed ideas for future services and products with our customers. These were a resounding success and will ensure that we remain closely attuned to our customers and their needs in the future.

The launch of our Austria-wide online brand "sigi" has also seen us develop a customer-friendly second brand, in which electricity and gas prices are always below the average market price. Packaged together with various gas, electricity and telecommunications products, we can offer an extensive product range with the right solution for every customer. Another vehicle that creates added value for our customers is the Energie AG Customer Club, which enables our customers to enjoy numerous advantages and discounts with participating partners.

In the year under review, the decision was made to undertake restructuring activities at Wels Strom GmbH, in which Energie AG owns a 49% stake. What do you expect to be the benefits of that process?

Stefan Stallinger: The advantages of the reorganisation will be improved allocation of responsibilities, better leveraging of the synergy that exists, and the associated positive EBIT effects. This creates a win-win-win situation for Wels Strom GmbH (WSG) and Elektrizitätswerke Wels AG, as well as for us. At Energie AG, we will be able to make the expertise of our staff members more readily available to WSG in the future (assuming responsibility for hydroelectric power facility management). The expansion of district heat extraction from Welser Abfallverwertung (WAV) will not only mean that WSG can profit from improved heat generation in the future – it will also mean that the entire Wels urban area can be supplied with sustainable, net zero-emission heating from the "Central Heating for Wels" infrastructure.

The economic and energy policy environment will continue to be dominated by the COVID-19 pandemic in the 2020/2021 fiscal year. What challenges will this spell for the 2020/2021 fiscal year?

Andreas Kolar: Uncertain conditions at large naturally make it more difficult to plan for the future. The economic growth forecast for the first half of the fiscal year is significantly lower than in the previous year. As a result, we have to expect further adverse effects on the sales market. Long-term planning is also made more difficult by laws whose consultation phase or entry into force has been delayed or postponed due to the pandemic. The fluctuations in the commodities market are another not insignificant factor giving rise to uncertainty. However, it is evident from the key financial figures from the fiscal year under review that Energie AG has proven to be an extremely crisis-resistant company in a stable industry. We are confident that we will once again be able to expertly master the challenges that will arise in the coming months.

GROUP MANAGEMENT BODIES

MANAGEMENT BOARD

Chief Executive Officer Professor Commercial Council Ing. DDr. Werner Steinecker MBA,
Chairman of the Management Board
Commercial Council Mag. Dr. Andreas Kolar, Member of the Management Board
Dipl.-Ing. Stefan Stallinger, MBA, Member of the Management Board

SUPERVISORY BOARD

Shareholder representatives

Provincial Councillor Markus ACHLEITNER, Chairman
Solicitor Mag. Stefan LANG LL.M., Vice Chairman
Chief Executive Officer Dr. Heinrich SCHALLER, Deputy Vice Chairman
Unit Director Dr. Miriam EDER MBA
Chairman of Management Board Mag. Dr. Erich ENTSTRASSER
Managing Director Mag. Dr. Christiane FRAUSCHER
Member of Management Board Mag. Florian HAGENAUER MBA
Chief Executive Officer Dipl.-Ing. Erich HAIDER MBA
Secretary General Emerita Mag. Anna-Maria HOCHHAUSER
Thomas Peter KARBINER MSc MBA MPA
Deputy to Chief Executive Officer Counsellor Mag. Michaela KEPLINGER-MITTERLEHNER
Member of Management Board Mag. Kathrin Renate KÜHTREIBER-LEITNER MBA
Member of Provincial Assembly LAbg. Ing. Herwig MAHR
Head of Local Parliamentary Group Josef WALCH, Chartered Accountant and Tax Consultant

Works Council representatives

Ing. Mag. Leopold HOFINGER, Head of Works Council
Mag. Regina KRENN, Head of Works Council
Ing. Peter NEISSL MBA MSc, Head of Works Council
Ing. Bernhard STEINER, Head of Works Council Group Representatives
Gerhard STÖRINGER, Head of Central Works Council
Christian STROBL (from 26 March 2020), Head of Works Council
Andreas WALZER, Head of Works Council

Retired in the 2019/2020 fiscal year

Mag. Helmut LEHNER, Head of Works Council (until 26 March 2020)

SHAREHOLDER STRUCTURE
OF ENERGIE AG OBERÖSTERREICH

In the 2019/2020 fiscal year, the shareholder structure is as follows:

OÖ Landesholding GmbH	52.71%
Province of Upper Austria	0.10%
Linz AG für Energie, Telekommunikation, Verkehr und Kommunale Dienste	10.35%
TIWAG-Tiroler Wasserkraft AG	8.28%
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	0.05%

The remainder are treasury shares. As of **30 September 2020**

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

During the 2019/2020 fiscal year, the Management Board informed the Supervisory Board and the Supervisory Board Audit Committee about the activities of the Group and its subsidiaries in writing and orally on a regular basis, and it discussed all important business events with these bodies. A total of four periodical ordinary meetings of the Group Supervisory Board were held in fiscal year 2019/2020 along with two ordinary meetings of the Audit Committee and three extraordinary meetings of the Audit Committee that dealt with the selection of the auditor in accordance with Article 16 of the Regulation on statutory audits. The management bodies gave their approval to all business events, which is mandatory in specific cases. No objections were raised in the course of the general supervisory activities or the audit.

The annual financial statements of Energie AG Oberösterreich for the 2019/2020 fiscal year, from 1 October 2019 to 30 September 2020, drawn up according to the Austrian accounting regulations, together with the accounts and the management report, were audited by KPMG Austria GmbH, Chartered Accountants and Tax Consultants, Linz. The auditor submitted a written report on his audit findings and assessed that the annual financial statements comply with the statutory requirements, give a a true and fair view of the assets, liabilities, financial position and profit or loss, and that the management report complies with the legal requirements and reconciles with the annual financial statements. The auditor therefore issued its unqualified audit certificate.

The Supervisory Board examined the annual financial statements as of 30 September 2020, together with the notes and the management report, as well as the proposal for the appropriation of the profit. It drew up a written report and recommended that the Supervisory Board approve the auditor's report, together with the auditor's unrestricted certificate, as well as the present annual financial statements as of 30 September 2020, together with the notes and the management report, so as to thus adopt the annual financial statements as of 30 September 2020. The Audit Committee also recommended that the Supervisory Board adopt the proposal by the Management Board for the appropriation of the profit. The Supervisory Board noted with approval the outcome of the review conducted by the Audit Committee and of the audit conducted by the auditor, and established that the Supervisory Board, in turn, has no objections regarding the statements. The Supervisory Board states that it is in agreement with the management report, presented in accordance with § 96 of the Austrian Stock Corporation Act, and with the proposal for the appropriation of the profit, and that it adopts the annual financial statements as of 30 September 2020, which is thus established.

The Consolidated Financial Statements for the 2019/2020 fiscal year from 1 October 2019 to 30 September 2020 drawn up in accordance with the International Financial Reporting Standards (IFRS), were also audited by KPMG Austria GmbH, Chartered Accountants and Tax Consultants, Linz. The Group auditor submitted a written report on his audit findings and assessed that the Consolidated Financial Statements comply with the statutory requirements, give a true and fair view of the assets, liabilities, financial position and profit or loss as well as the Group's cash flows, and that the Management Report complies with the legal requirements and reconciles with the Consolidated Financial Statements. The Group auditor therefore issued its unqualified audit certificate. The Supervisory Board examined the Consolidated Financial Statements and the Group Management Report in detail. The Audit

Committee also examined the Consolidated Financial Statements and the Group Management Report in detail. It drew up a written report and recommended that the Supervisory Board approve the auditor's report, together with the auditor's unqualified audit certificate, as well as the present Consolidated Financial Statements as of 30 September 2020, together with the notes and management report. The Supervisory Board noted with approval the outcome of the review conducted by the Audit Committee and of the audit conducted by the Group auditor, and established that the Supervisory Board, in turn, has no objections regarding the statements.

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

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

The Supervisory Board would like to express its thanks to the Management Board and all company staff members for their successful work during the 2019/2020 fiscal year.

Linz, 16 December 2020

On behalf of the Supervisory Board
The Chairman of the Supervisory Board

Provincial Counsellor Markus Achleitner

Group Management Report 2019/2020
for Energie AG Oberösterreich [1), 2)]

GENERAL CONDITIONS

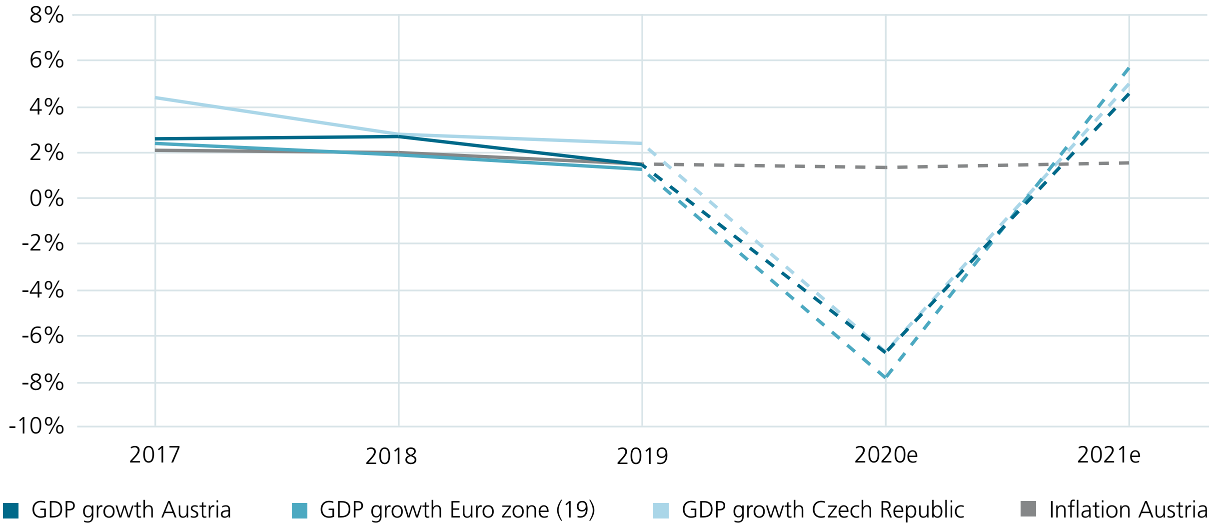
Economic environment [3)]

Following what can still be termed moderate economic development in the first six months, the second half of Energie AG Oberösterreich's (Energie AG's) 2019/2020 fiscal year (1 October 2019 to 30 September 2020) was fraught by the global COVID-19 pandemic and, in the context of it, by a significant slump in economic growth. Further geopolitical uncertainties, such as international trade conflicts and trouble spots, Brexit and climate change, receded into the background in view of the COVID-19 pandemic but will continue to characterise the economic environment in the future. Uncertainty about the future course of the COVID-19 crisis limits the reliability of forecasts by economic research institutes on the extent of the economic downturn and the speed of the expected recovery.

In its World Economic Outlook in October 2020, the International Monetary Fund (IMF) published slightly more optimistic forecasts than in April and June and anticipates a drop in global economic output by -4.4% in 2020. This slightly more optimistic assessment compared to the spring is primarily based on the extensive economic stimulus packages and monetary policy support in the major economies. Economic experts anticipate global growth of +5.2% once again in 2021.

Economic growth and inflation

YoY real change (in %)
Sources: IHS, IMF, WIFO



e = expected; forecast values

1) The Group Management Report presented here was prepared in accordance with the requirements of § 267 of the Austrian Commercial Code (UGB) and refers to the IFRS consolidated financial statements of Energie AG Oberösterreich in terms of § 245a UGB.
2) In conformity with EU Directive 2014/95/EU on the disclosure of non-financial information and diversity information and its implementation in the Austrian Sustainability and Diversity Improvement Act (NaDiVeG 2017), Energie AG prepares the consolidated report on non-financial information (Non-Financial Report) 2019/2020 at the same time as the Group Management Report 2019/2020. In accordance with legal requirements, this Group Management Report refers to the information contained in the NFI Report 2019/2020 of Energie AG Oberösterreich, which is part of the Group Annual Report 2019/2020 and is also published online at › **http://www.energieag.at/sustainability**.
3) Sources: IMF (International Monetary Fund): World Economic Outlook, October 2020. IHS (Institute for Advanced Studies): Forecast of the Austrian Economy, 9 October 2020. WIFO (Austrian Institute of Economic Research): Economic Outlook, 9 October 2020 and Economic Data, URL: › **www.energieag.at/2020-110**, 20 October 2020.

The IMF expects economic output to decline by -8.3% in the **euro zone** in 2020 (2019: +1.3%). By contrast, IMF experts expect a recovery with expected economic growth of +5.2% in 2021.

While the **Austrian economy** showed moderate growth of +1.4% in 2019, domestic economic research institutes have massively downgraded their forecasts for 2020 in the course of the reporting period, which had anticipated growth at +1.2% and +1.3% before the pandemic. For 2020, the Austrian Institute of Economic Research (WIFO), the Institute for Advanced Studies (IHS) and the IMF all predicted a decline in economic output of -6.7% to -6.8% in their forecasts from the beginning of October. However, they anticipated positive economic growth in the region of +4.4% to +4.7% for the 2021 calendar year. A further large-scale lockdown will probably lower these figures by -2.5 to -4.0 percentage points. The assumption for the inflation rate is +1.4% on average for 2020 (2019: +1.5%).

For the **Czech Republic** market, also relevant to Energie AG, a decline in the gross domestic product of between -6.2 and -7.5% is forecasted for calendar year 2020 (2019: +2.4%), while a significant recovery amounting to +5.0% is expected for 2021. Further downward corrections due to the intensifying COVID-19 situation in the last few months of the 2020 calendar year are also realistic for the Czech Republic.

Energy and climate policy environment

On 11 December 2019, the European Commission published its "**Green Deal**", which envisages binding climate neutrality by 2050 throughout the EU as a central objective. In this context, the Commission announced on 16 September 2020 that the EU's greenhouse gas reduction target for 2030 would be increased from 40% to at least 55% compared to 1990. In addition, the Commission announced an upward revision of the target for the share of renewable energies in final energy consumption by 2030 from the current 32% to around 38.5% and an increase in the energy efficiency target by 2030 from 32.5% to around 36%. This will be accompanied by a doubling of the building renovation rate to 2%, a 50% reduction in CO_2 emissions from new cars, an extension of the EU emissions trading system to the building and transport sectors, and a tightening of the upper limit for total emissions. The Commission will present concrete legislative proposals by June 2021 to implement the renewable energy and efficiency targets. For Austria this will mean significantly more ambitious energy and climate targets in the coming years up to 2030.

On 11 March 2020, the European Commission presented a new **action plan for the circular economy**. The new action plan includes legislative and non-legislative measures that cover the entire life cycle of products. All measures of the action plan are intended to contribute towards reducing the EU's carbon and material footprint.

The **Coal Exit Act**, which provides for a reduction and termination of coal-fired electricity generation in Germany, came into force on 14 August 2020. In combination with the nuclear phase-out by 2022, some 48 GW of power plant capacity will be taken off the grid by 2038 at the latest. The coal phase-out in Germany can therefore be expected to also have a significant impact on the Austrian electricity market and its prices.

Starting in 2021, the German government will introduce a **national CO_2 pricing system** for the heating and transport sectors. The income will partly be used to relieve the levy under the Renewable Energy Sources Act as well as the burden on long-distance commuters. A double burden for industrial plants which already take part in the European emissions trading system has also been ruled out.

In due time at the end of 2019, the Austrian transitional government submitted a revised **integrated national energy and climate plan 2030** to the EU Commission, taking into account the Commission's recommendations. Besides reducing greenhouse gases, the plan's objectives are massive expansion of renewable energies, increasing energy efficiency and reducing dependence on imports of fossil fuels. Information released by the Commission on 17 September 2020 relating to an EU-wide assessment of national energy and climate plans concluded that the current EU targets for greenhouse gas emission reductions and the share of renewable energies will be achieved by 2030, but that there is a lack of ambition in the field of energy efficiency.

The first federal coalition government between the Austrian People's Party and the Greens launched its **government programme 2020 – 2024** for Austria on 2 January 2020. Both a more stringent national energy and climate plan and an ecological and social tax reform are envisaged as contributing factors to achieving climate neutrality as early as the year 2040. The building sector must also avoid the combustion of heating oil, coal and fossil gas for space heating and water heating in future. For coal and oil, the phase-out in new buildings will begin in 2020 and is due to be completed for all boilers by 2035 at the latest. In terms of the expansion of green electricity, the very ambitious balance-sheet target of 100% renewable energy (measured in terms of Austrian electricity consumption) is envisaged for 2030.

On 16 September 2020, after protracted negotiations, the draft of the **Renewable Energies Expansion Act** package was submitted for review. The comprehensive legislative package provides for a massive expansion of energy generation from renewable sources in Austria and, by implementing new market players such as "renewable energy communities", will lead to increased competition and reinforces the trend towards a decentralised energy supply. By 2030, gradual expansion is expected to achieve an increase in installed capacity of about 17,000 MW and thus generate an additional 27 TWh of renewable electricity in 2030, which corresponds to almost 50% of current generation from renewable energy sources. In addition, the draft evaluation report contains numerous other provisions, for example, simplified grid access for small renewable generation plants and new transparency requirements for grid operators. Provisions on grid reserve management have also been included, and there are regulations to end the double tariff burden on newly constructed pumped storage power plants and provide for procedural simplifications in the law on high-voltage electricity transmission. In the course of the review phase, national expert groups and industry associations introduced clarifications and amendment requirements relating to individual topics to the discussion process.

BUSINESS DEVELOPMENT IN THE GROUP

Assets, liabilities, financial position and profit or loss

Group overview

	Unit	2019/2020	2018/2019	Change
Sales revenues	EUR mill.	1,843.7	1,813.4	1.7%
Operating result (EBIT)	EUR mill.	147.7	73.0	–
EBIT margin	%	8.0	4.0	100.0%
Financial result	EUR mill.	-20.7	-17.3	-19.7%
Earnings before taxes	EUR mill.	127.0	55.7	–
Balance sheet total	EUR mill.	3,079.7	2,975.4	3.5%
Equity	EUR mill.	1,343.0	1,310.3	2.5%
Equity ratio	%	43.6	44.0	-0.9%
Net debt	EUR mill.	551.3	426.0	29.4%
Net gearing	%	41.0	32.5	26.2%
Investments in property, plant and equipment and intangible assets	EUR mill.	197.2	213.1	-7.5%
Cash flow from operating activities	EUR mill.	185.8	198.6	-6.4%
Cash flow from investing activities	EUR mill.	-181.5	-183.4	1.0%
Cash flow from financing activities	EUR mill.	12.7	-86.9	–
ROCE	%	5.9	2.8	–
WACC	%	4.2	4.3	-2.3%

The 2019/2020 fiscal year was shaped by the global COVID-19 pandemic. Despite what was generally a more difficult market environment, sales revenues of EUR 1,843.7 million (previous year: EUR 1,813.4 million) and an operating result of EUR 147.7 million (previous year: EUR 73.0 million) were generated in the reporting period. The increase in sales revenues was mainly due to the first full-year inclusion of ENAMO GmbH, ENAMO Ökostrom GmbH and Energie AG Oberösterreich Vertrieb GmbH & Co KG in the Energy Segment.

The impact of the COVID-19 pandemic included lower earnings contributions from electricity sales, provisions for anticipated losses from pending sales transactions and a remeasurement of receivables.

In fiscal year 2019/2020, the EBIT of the Energy Segment amounted to EUR 59.5 million (previous year EUR 117.3 million). In the previous year, upward revaluations in the amount of EUR 56.1 million had a positive effect on the operating result of the Energy Segment.

The Grid Segment achieved an operating result of EUR 36.9 million. The EBIT of the previous year was EUR -77.4 million and included an impairment of the electricity grid in the amount of EUR 109.3 million. In the electricity grid, lower upstream grid costs and an increase in the regulatory grid tariffs had a positive impact on results. Reductions in regulatory gas grid tariffs and volume reductions partially offset this effect.

The Waste Management Segment generated an EBIT of EUR 27.1 million (previous year: EUR 13.4 million). The Hörsching sorting plant was severely damaged by fire. An impairment in the amount of EUR 2.4 million was made for the plant components destroyed by the fire. The effect on earnings ensuing from the insurance compensation amounts to EUR 9.8 million and positively influenced the results of the Waste Management Segment in the reporting period. Price increases for commercial and industrial waste, hazardous waste and services had a negative influence on the operating result. In contrast, the development of prices for certain recycling materials impacted on earnings.

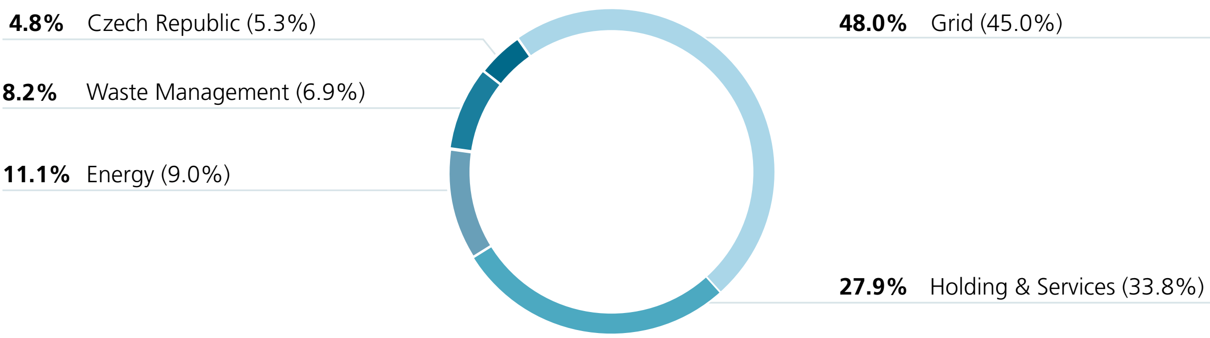
In the Czech Republic Segment, an operating result in the amount of EUR 9.8 million was generated in the reporting period (previous year: EUR 10.9 million).

The operating result of the Holding & Services Segment amounted to EUR 14.4 million in the reporting period, an increase of EUR 5.6 million compared to the previous year. The result includes higher contributions to earnings from the Telecommunications business area and higher shares of earnings from investments consolidated at-equity. In addition, cost savings were also realised.

In the fiscal year 2019/2020, investments in intangible assets and property, plant and equipment amounted to EUR 197.2 million, and were thus EUR 15.9 million or 7.5% below the previous year's level. With a share of 48.0%, the Grid Segment accounted for the largest part. Capital investments in the Holding & Services Segment include expanding the fibre-optic cable network and the smart meter rollout.

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

2019/2020; previous year's figures in brackets



Net debt (non-current and current financial liabilities minus cash and cash equivalents) increased by EUR 125.3 million year-on-year from EUR 426.0 million to EUR 551.3 million. This was mainly due to an increase in non-current financial liabilities.

Cash flow from operating activities in the fiscal year 2019/2020 was EUR 185.8 million, compared with EUR 198.6 million in the previous year.

The financial result decreased from EUR -17.3 million in the previous year to EUR -20.7 million in the 2019/2020 fiscal year, due to higher interest expenses and lower revenue from other investments and securities.

Financing and investment strategy

When a new type of virus appeared in China at the end of 2019, it was not foreseeable that social and economic life worldwide would be massively affected within a very short time. Only the coordinated provision of billions of euros in liquidity lines by central banks and the rapid implementation of government support measures and aid programmes prevented a collapse of the global economy. In view of the ongoing crisis-induced situation, the financial and capital markets are continuing to react with abrupt price swings and valuation distortions in the short term.

More than ever, the strategy of a conservative funding and investment policy again proved its value for Energie AG during the year under review.

Top rating highlights the Group's strong credit standing

An excellent credit standing is a valuable anchor for financial stability and continuity, particularly in these challenging and unsettled times.

In March 2020, Standard & Poor’s (S&P) confirmed the creditworthiness of Energie AG again with a rating of “A with a stable outlook”. With the renewed confirmation of its excellent rating, Energie AG continues to secure unimpeded and cost-optimised access to the financial and capital markets, in order to be able to continue to realise its ambitious investment targets for sustainable projects at economically attractive conditions in the future.

Stable and future-proof finances

In the year under review, Energie AG issued registered bonds with a volume of EUR 100 million to cover long-term funding requirements. The tranches were placed with international investors at very attractive conditions and have a final maturity of 20 years. This ensures the Company's long-term financial flexibility. The increase in financial liabilities as of 30 September 2020 to EUR 597.6 million (previous year: EUR 455.7 million) is also due to recognising lease liabilities in accordance with IFRS 16 for the first time.

At the reporting date, the Energie AG Group had cash and cash equivalents of EUR 46.3 million, as well as short-term fixed term deposits and money-market instruments with a total value of EUR 109.8 million. In view of the major distortions on financial and capital markets, Energie AG entered into negotiations with financial institutions at an early stage in order to secure additional credit lines. As of 30 September 2020, the Company had unused and readily available credit lines of EUR 385.3 million at its disposal, partly in the form of credit commitments. By proactively securing sufficient sources of funding and liquidity, the Energie AG Group is also well prepared for unexpected future crisis scenarios.

In the year under review, the Group's internal financial management was again implemented centrally in the holding company. In the scope of cash pooling operations, short-term liquidity management was secured between the 26 Austrian Group companies (figures valid as at 30 September 2020).

Value-based corporate management and capital costs

Energie AG's value management strategy is an instrument for measuring the economic success of the Group's business activities. It serves to assess the attractiveness of investing activities and secures the company value while generating a capital market-oriented return for the owners. The weighted average cost of capital (WACC) is of essential importance. The WACC serves as the basis for determining the minimum yield requirements for Group management and is therefore used as a yardstick for value generation in the Company.

Energie AG calculates the cost of capital as the weighted average of equity and borrowing costs. The parameters specified by the regulatory authority are used for the regulated business units. The capital costs of the business units with activities on non-regulated markets are determined using the reporting-date principle and based on market conditions. In a further step, the bottom-up method is used to weigh these costs up unto the Segment and Group capital costs.

This WACC method is subjected to on-going evaluation taking current publications and expert opinions into consideration. Adaptations are made as needed. The costs of capital are continuously monitored, especially against the background of a volatile financial market environment. The consolidated WACC for the fiscal year 2019/2020 was 4.2% (previous year: 4.3%).

One of the most important key indicators for operational Group management during the fiscal year is the ROCE (Return on Capital Employed), which indicates how efficiently and profitably the available capital is utilized. The ROCE is calculated as the quotient of Net Operating Profit After Tax (NOPAT) and average Capital Employed. The ROCE minus the WACC results in the relative value contribution. The absolute value added is calculated by multiplying it by the capital employed. The higher this value is, the more economically successful the respective activity has been.

The value contribution is influenced by various variables. In addition to the development of operating earnings, the level of ROCE and value added specifically depends on the capital employed. NOPAT corresponds to EBIT less related taxes in the amount of EUR -33.2 million and other items of EUR -12.7 million. For information on Capital Employed, please refer to the **Notes to the Consolidated Financial Statements › page 131**.

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

In the 2019/2020 fiscal year, the ROCE of the Energie AG Group was 5.9%, 3.1 percentage points above the previous year (2.8%). The increase in the 2019/2020 ROCE is attributable to a higher NOPAT. The low ROCE in the 2018/2019 fiscal year was mainly attributable to various exceptional accounting measures.

Treasury stocks

By resolution of the Annual General Meeting on 18 December 2019, the share capital of Energie AG Oberösterreich was reduced by EUR 73,682.00 from EUR 88,729,206.00 to EUR 88,655,524.00 by means of a simplified capital reduction by cancellation of 73,682 no-par value registered shares of treasury stock in the form of non-voting preferred shares. As a result, § 4 of the Company's Articles of Association was amended accordingly.

In certain cases, the Energie AG Oberösterreich employee stock option plan provides for the right or the obligation to purchase Energie AG Oberösterreich employee shares. In fiscal year 2019/2020, the following changes in treasury stock resulted from this security:

Treasury stocks

	Treasury stocks Shares	**Share in capital stock** %	**Share in capital stock** EUR 1,000
Treasury stocks as of 30.09.2019	73,682	0.083	73.7
Disposals 2019/2020	-73,682	-0.083	-73.7
Additions 2019/2020	1,742	0.002	1.7
Treasury stocks as of 30.09.2020	**1,742**	**0.002**	**1.7**

Related party disclosures

For Energie AG's transactions with related parties in the reporting period, please refer to the disclosures in the **Notes to the Consolidated Financial Statements › page 189**.

Changes under corporate law

In the course of finalising the reorganisation in Sales, the investment in ENAMO GmbH was transferred to Energie AG Oberösterreich Vertrieb GmbH. Furthermore, the "Key Accounts Sales" operational unit of ENAMO GmbH was transferred to the newly founded Energie AG Oberösterreich Businesskunden GmbH, and the investment in ENAMO Ökostrom GmbH was transferred to Energie AG Oberösterreich Vertrieb GmbH. All contributions were made retroactively as of 30 September 2019. In a further step, the operational unit "stromdiskont.at" of ENAMO Ökostrom GmbH was spun off to Energie AG Oberösterreich Vertrieb GmbH with retroactive effect as of 31 March 2020. Subsequently ENAMO GmbH was liquidated on 8 August 2020.

To complete the restructuring of the Czech Republic Segment, which occurred in the 2018/2019 fiscal year, Vodospol s.r.o. was merged with ČEVAK a.s. with effect as of 1 October 2019. Furthermore, VODOS s.r.o. was merged with MTH Kolín s.r.o. with effect as of 1 October 2019 and converted into a joint stock company, in which the city of Kolín holds a 2.7% investment. The entity now trades under the name of Energie AG Kolín a.s. Furthermore, 100% of the shares in the Czech water supply and waste water management company VaK Zapy s.r.o. were acquired on 6 December 2019.

Trend in staff levels

In the 2019/2020 fiscal year, the Group's average consolidated workforce stood at 4,506 full time equivalents (FTE), representing an increase of 1.2% over the average of the 2018/2019 fiscal year (4,506 FTE).

The increase in the Energy Segment is essentially due to the full consolidation of the staff figures from the former ENAMO GmbH and the former Energie AG Oberösterreich Vertrieb GmbH & Co KG, which have not been taken into account so far.

Staff levels [1)]

	Unit	2019/2020	2018/2019	Change
Energy Segment	FTE	469	449	4.5%
Grid Segment	FTE	534	537	-0.6%
Waste Management Segment	FTE	828	860	-3.7%
Czech Republic Segment	FTE	1,681	1,618	3.9%
Holding & Services Segment	FTE	1,048	1,042	0.6%
Group total	**FTE**	**4,560**	**4,506**	**1.2%**

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

INTERNAL CONTROL SYSTEM

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

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

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

The core processes of the above-mentioned departments, as well as the process-inherent, **material risks** and the corresponding controls, are recorded in a separate IT tool.

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

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

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

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

The legal obligation to equal treatment in accordance with the Electricity Industry and Organisation Act (ElWOG) and the Gas Industry Act (GWG) are subject to appropriate ICS controls and are monitored by the Equal Treatment Officer.

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

RISKS AND OPPORTUNITIES

Like all infrastructure companies, Energie AG bears a special responsibility against the backdrop of the COVID-19 pandemic and, as an operator of system-critical infrastructure, understands how to deal with such challenges. Energie AG has responded to the developments of the past few months with appropriate strategic and operational measures, such as the rapid establishment of a task force and proactive risk management by the intra-Group Risk Committee.

The workforce at the power plants, grid control centres, in water supplies, waste management and telecommunications – supported by many employees working from home – are ensuring that the infrastructure continues to function safely and reliably during this period.

From today's perspective, infrastructure companies are not as badly affected economically as other sectors. However, the COVID-19 outbreak in spring 2020, as well as the extensive economic and socio-political measures to prevent a further spread of the pandemic, are also making Energie AG's risks and opportunities more volatile. Thus, Energie AG expects the economic measures and the economic consequences to have an impact. For example, the decline in energy consumption of (business) customers, price trends on international markets and the risk of higher receivables and credit losses. Energie AG is meeting these and other challenges – such as changes in the market environment of the energy industry, as well as adjustments in the general energy-policy and regulatory conditions – with measures designed to improve efficiency, strict, value-based investment management, as well as new business models and innovations to open up additional revenue potential.

Energie AG's business activities are still exposed to certain risks, but no risks were identified in the fiscal year 2019/2020 that, either individually or collectively, would have the potential to jeopardize the continued existence of the Company.

For more details on the risks and opportunities situation, see the **Notes to the Consolidated Financial Statements › page 183**.

RESEARCH, DEVELOPMENT AND INNOVATION

Continuous improvement through research, development and innovation is one of Energie AG Group's key focuses.

The goal of Austria's climate neutrality set by the Federal Government poses great challenges. Energie AG meets these challenges proactively and with great commitment, in awareness of its social responsibility for future generations and for ensuring security of supply to its clients in all areas of the Group.

This gives rise to questions regarding the electrification and decarbonisation of sectors, the increase in energy production from renewable sources and its integration into the existing energy system while maintaining the accustomed high level of security of supply. Digitalisation and automation are important tools for development and innovation. Good networking with cooperation partners from science and industry guarantees an intensive exchange with valuable mutual benefits.

In addition, the subsidiary Wertstatt 8 GmbH launched its activities in the 2019/2020 fiscal year, focusing on the development of digital solutions and innovative business models relating to energy and the environment as driven by customer needs.

R&D&I key performance indicators

	Unit	2019/2020	2018/2019	Change
Number of R&D&I projects in the Group	Number	98	104	-5.8%
Staff involved in R&D&I projects	Number	418	364	14.8%
R&D&I expenses in the Group	EUR mill.	4.1	4.5	-8.9%

In fiscal year 2019/2020, research, development and innovation were pursued in the following projects (non-exhaustive list):

Gmunden HighTLink

This project seeks innovative solutions for the extraction of industrial high-temperature heat from the Gmunden cement plant in order to supply industrial, commercial and private customers with process heat and thus reduce greenhouse gases. In addition to flue gas treatment and the development and design of the heat extraction system itself, the use of alternative process media in the primary circuit is also being evaluated, research is being carried out into innovative and cost-optimised heat storage concepts and variants of high-temperature district heating transport are being tested.

Flex+

In the Flex+ project, different strategies are being developed and tested in large-scale real-life operation in order to economically leverage the flexibility of remotely controllable prosumer components such as heat pumps, boilers, PV storage systems and e-mobility for system-beneficial services, such as marketing on spot and control energy markets and minimising balancing energy. Taking into account the interests of all stakeholders, algorithms enable the cross-market use and marketing of the available flexibility. Based on the research results, remuneration models and tariffs for prosumers are being developed and essential processes are being implemented on the prosumer side and in companies along the entire value chain.

Efficiency of the purification performance of sewage treatment plants in the removal of non-priority substances

At several sewage treatment plants, the purification performance in the degradation of non-priority substances such as pharmaceuticals, pesticides, drugstore chemicals, drugs and hormones is being analysed. Investigations are being made as to whether these substances trigger androgenic and anti-androgenic effects that increase the risk of masculinisation or feminisation of aquatic fauna. Waste water samples from treatment stages are being assessed, each using different technologies. The project is part of the monitoring of illegal drugs in waste water in over 90 cities worldwide. Partners in this project are the University of South Bohemia in České Budějovice, the Vodňany Fisheries and Hydrobiology Research Institute and the T. G. Masaryk Water Management Research Institute.

RestoreGrid4RES

In the course of this project, Netz Oberösterreich GmbH (Netz OÖ GmbH) in cooperation with the Technical University of Vienna and the Technical University of Kaiserslautern as well as KNG-Kärnten Netz GmbH has developed reconstruction strategies for the electricity grid, paying special attention to the role of renewable energy technologies and their potential positive contributions. One particular challenge was the location of connections for renewable energy technologies, which are often found at the distribution grid level to which the transmission system operator does not have direct access. In the RestoreGrid4RES project, appropriate software tools were developed and implemented in the simulator at the grid management training centre. Among other activities, the Austrian distribution grid operators use the centre to train grid operators in measures for avoiding grid outages, and for ensuring grid reestablishment, in cooperation with the transmission grid operator. In the future, several of the functions developed in the scope of the project will be integrated into the grid control systems to support the grid operators in the grid reestablishment process with specific regard to renewable energy technologies, and with a view to providing meaningful information on potential next steps and their consequences.

110 kV earth fault detection and extinction

To help locate single-pole faults in the 110 kV electricity grid (earth faults), the behaviour of the 110 kV grid in the event of an earth fault was investigated by means of appropriate tests. In the process, new findings on the extinguishing behaviour and the characteristics of the earth fault current occurring in the extended grid were made. The suitability for operation of the earth fault detection method based on travelling waves, a prototype of which had already been installed in previous fiscal years, was thus demonstrated. This new technical development in the area of 110 kV electricity grids is expected to bring about operational improvements in the future, thus ensuring even greater security for people and supply.

KEY PERFORMANCE INDICATORS

Group overview

	Unit	2019/2020	2018/2019	Change
Electricity procurement	GWh	15,965	16,794	-4.9%
Electricity procured from third parties	GWh	12,511	12,978	-3.6%
Proprietary electricity procurement [1]	GWh	3,454	3,816	-9.5%
Thermal power plants	GWh	816	1,115	-26.8%
Renewable energy	GWh	2,638	2,701	-2.3%
Group's own hydropower plants	GWh	1,112	1,160	-4.1%
Procurement rights from hydroelectric power	GWh	1,321	1,358	-2.7%
Other renewable energy (photovoltaics, wind, biomass)	GWh	205	183	12.0%
Electricity grid distribution volume to end customers	GWh	7,677	8,067	-4.8%
Electricity sales volume [2]	GWh	7,327	7,898	-7.2%
Natural gas grid distribution volume to end customers	GWh	19,205	20,831	-7.8%
Natural gas sales volume	GWh	6,113	6,031	1.4%
Heat procurement	GWh	1,685	1,758	-4.2%
Heat sales volume	GWh	1,566	1,625	-3.6%
Total waste volume handled	1,000 t	1,691	1,745	-3.1%
Thermally processed waste volume	1,000 t	624	614	1.6%
Invoiced drinking water volume	m^3 mill.	56.6	56.6	0.0%
Invoiced waste water volume	m^3 mill.	44.3	44.3	0.0%
Length of fibre-optic network	km	6,600	6,100	8.2%

1) of which in the fiscal year 2019/2020 3,451 GWh on the domestic market (previous year: 3,814 GWh)
2) of which in the fiscal year 2019/2020 5,354 GWh distribution to consumers on the domestic market (previous year: 5,587 GWh)

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

DEFINITION OF SEGMENTS

In accordance with internal reporting and pursuant to IFRS 8 "Operating Segments", the Energy, Grid, Waste Management, Czech Republic and Holding & Services Segments will be reported on in the Notes to the Consolidated Financial Statements › page 131.

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

ENERGY SEGMENT

Energy Segment overview

	Unit	2019/2020	2018/2019	Change
Total sales	EUR mill.	1,087.8	1,057.5	2.9%
EBIT	EUR mill.	59.5	117.3	-49.3%
Investments in property, plant and equipment and intangible assets	EUR mill.	22.0	19.1	15.2%
Workforce (on average)	FTE	469	449	4.5%
Electricity procurement [1)]	GWh	15,759	16,617	-5.2%
Proprietary electricity procurement	GWh	3,248	3,639	-10.7%
Electricity sales volume	GWh	7,327	7,898	-7.2%
Natural gas sales volume	GWh	6,113	6,031	1.4%
Heat procurement	GWh	1,299	1,381	-5.9%
Heat sales volume	GWh	1,197	1,264	-5.3%

1) incl. third-party procurement

ECONOMIC ENVIRONMENT FOR THE ENERGY SECTOR

During the first half of the 2019/2020 fiscal year, the forward market prices for electricity for delivery in 2021 in Austria showed a clear downward trend, which had already started before the outbreak of the COVID-19 pandemic and was subsequently accelerated by it. After prices reached their lowest point in March 2020, the trend was slightly upwards again in a volatile environment by the end of the fiscal year. The main influencing factors here were the prices for coal, gas and CO_2 emission allowances. The price for the annual base of 2021 in the price zone Austria reached its highest value on 16 October 2019 at EUR 52.7/MWh, the lowest value was reached on 23 March 2020 at EUR 36.5/MWh. In the 2019/2020 fiscal year, the average value for the front year base was EUR 44.5/MWh.

On the spot market, prices dropped by around a quarter compared with the same period of the previous year. The average European Power Exchange (EPEX) spot price base for delivery in Austria in the reporting period was EUR 32.6/MWh with a volatile development.

The oil price for delivery in December 2020 fell from a high of USD 63.0/barrel of Brent crude oil on 6 January 2020 to a low of USD 31.1/barrel on 28 April 2020. The massive slump from the end of February can be explained on the one hand by the drop in demand in the wake of the COVID-19 pandemic and on the other by a price war between Saudi Arabia and Russia. There was a slight recovery on the oil market from May onwards, but the price of oil is still well below the levels at the beginning of the fiscal year due to the global economic crisis.

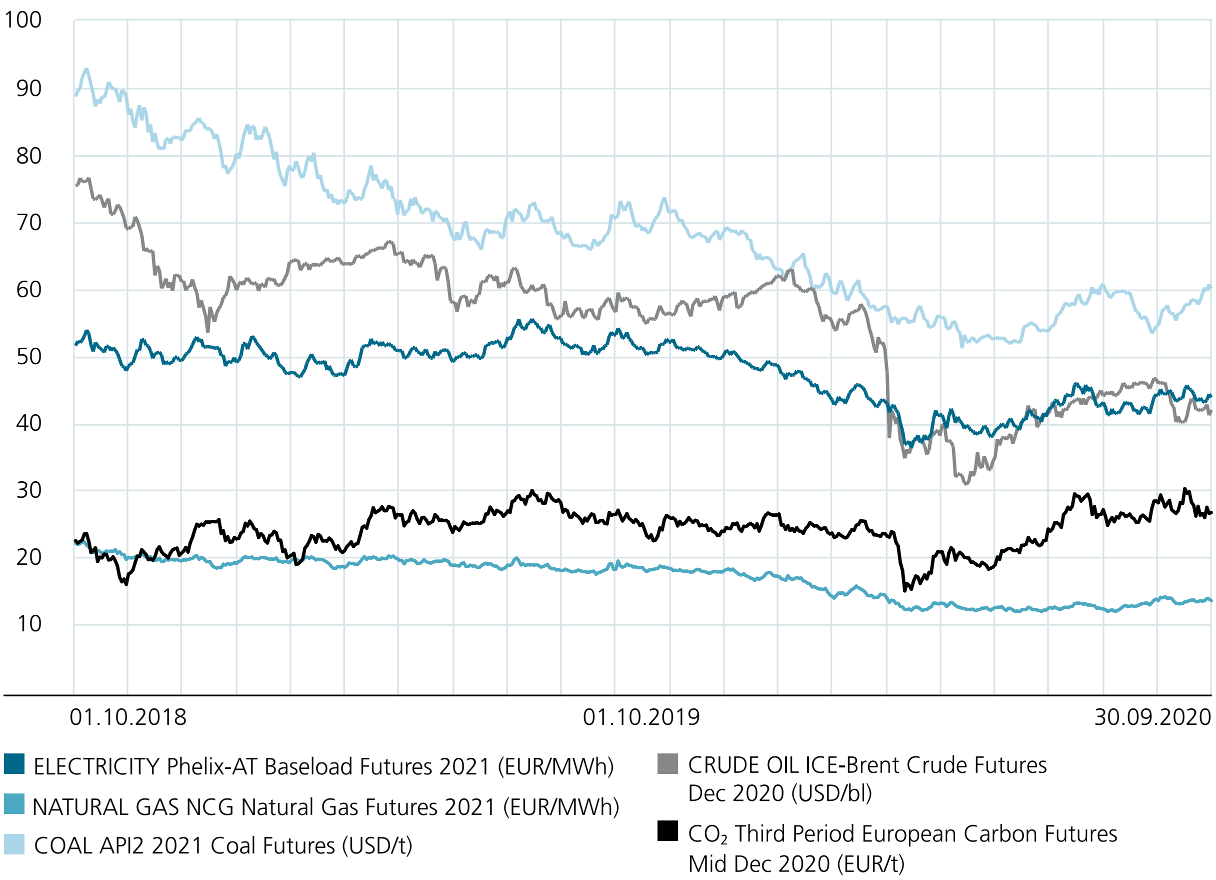
The NetConnect Germany (NCG) gas price for the front year 2021 fell in the first half of the 2019/2020 fiscal year from EUR 18.8/MWh at the beginning of October 2019 to EUR 12.5/MWh at the end of March 2020. In the second half of the fiscal year, gas prices moved sideways with a slight recovery towards the end. Coal prices also declined over the course of the fiscal year, although the slump was less severe than for other commodities.

In the reporting period, prices for CO_2 emission allowances fluctuated between EUR 15.3/t and EUR 30.5/t. Initially, the concern about an unregulated Brexit and the associated effects on the European emissions trading system repeatedly provoked rapid price movements.

In March, however, this receded into the background, and the decline in CO_2 pricing was largely driven by concerns about economic development. Subsequently there was a significant recovery with prices rising to the highest levels seen during the reporting period. This increase was mainly triggered by discussions on tightening the EU climate targets.

Price development on international energy markets

Sources: EEX, Reuters



BUSINESS DEVELOPMENT IN THE ENERGY SEGMENT

In the 2019/2020 fiscal year, sales revenues in the Energy Segment amounted to EUR 1,087.8 million. Compared to the previous year, this represents an increase of EUR 30.3 million or 2.9%. The increase in sales revenues was mainly due to the full-year consolidation of ENAMO GmbH, ENAMO Ökostrom GmbH and Energie AG Oberösterreich Vertrieb GmbH & Co KG, which were not fully consolidated until 1 April 2019 in the previous year. Declining sales revenues from power plants were compensated for by increased sales revenues in gas management.

The Energy Segment generated an operating result of EUR 59.5 million in the reporting period (previous year: EUR 117.3 million). In the previous year, an upward revaluation in the amount of EUR 48.2 million due to the acquisition of shares in ENAMO GmbH and Energie AG Oberösterreich Vertrieb GmbH & Co KG, as well as reversals of impairment in the amount of EUR 7.9 million for the combined-cycle gas turbine power plant (CCGT) at Timelkam had a positive impact on the EBIT of the Energy Segment. In the 2019/2020 fiscal year, lower expectations of future earnings contributions led to impairments in the amount of

EUR 1.8 million for the CCGT power plant at Timelkam. In addition, impairments in the amount of EUR 7.0 million for the 7Fields gas storage facility and impairments in the amount of EUR 2.1 million for district heating plants were recognised in the reporting period.

In addition to the stated one-off special effects, the EBIT in the reporting period was characterised by lower profit contributions in sales, not least due to the COVID-19 lockdown. Moreover, the expiration of a contract concluded with Cogeneration-Kraftwerke Management Oberösterreich GmbH (CMOÖ GmbH), lower use of the CCGT power plant Timelkam, higher maintenance costs for power plants and a decline in proprietary electricity procurement on account of the lower water level impacted on the operating result of the Energy Segment. Positive effects in gas storage management partially compensated for the negative effects.

LOWER PROPRIETARY ELECTRICITY PROCUREMENT FROM THERMAL AND HYDROELECTRIC POWER

Total electricity procurement in the Energy Segment in the 2019/2020 fiscal year totalled 15,759 GWh and was 5.2% lower than in the previous year (16,617 GWh). The main reasons for the negative development were lower levels of electricity procured from third parties, the low use of thermal power plants and the lower water level compared to the previous year. As a result, proprietary electricity procurement of 3,248 GWh in the reporting period was 10.7% lower than in the previous year (3,639 GWh).

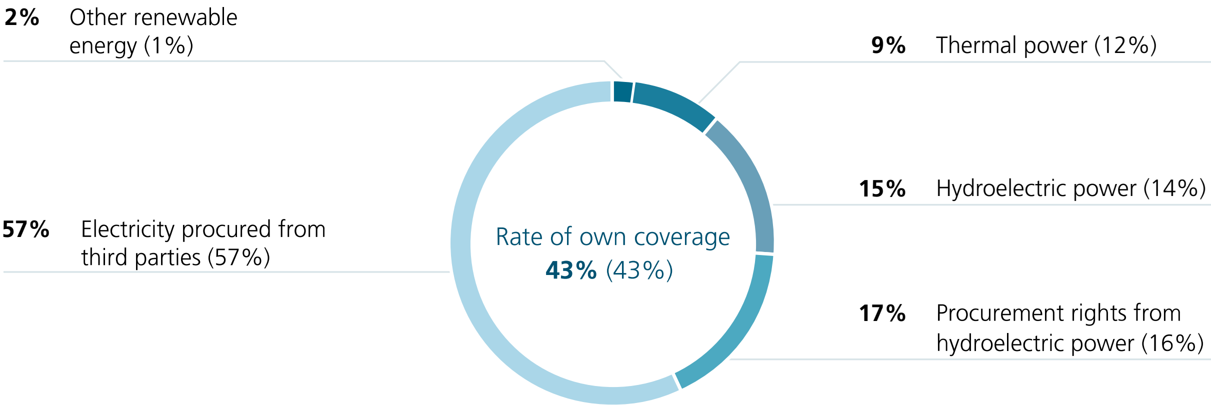
Electricity production from thermal capacities in the Energy Segment dropped sharply by -31.2% from the previous year's value of 1,000 GWh to 688 GWh. This development is attributable on the one hand to the lower utilisation of the CCGT power plant Timelkam compared to the previous year; in the reporting period, the plant recorded lower levels of deployment on the electricity market, beyond year-round provisions for grid reserve management and congestion management, than in the previous year.

As the water level was 5.3% lower compared with the previous year, **proprietary electricity procurement in the hydraulic power plants** during the 2019/2020 fiscal year totalled 2,433 GWh, which is 3.4% below the previous year's figure of 2,518 GWh. Compared with the long-term average, water levels were 3.6% below average in the reporting period. The hydro coefficient of the Group's own power plants and procurement rights was 0.96 during the reporting period (previous year: 1.02).

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

Electricity procurement structure without electricity trading

2019/2020; previous year's figures in brackets



Work on building a replacement facility for the Dürnau hydropower plant continued in the 2019/2020 fiscal year. The old facility was shut down and dismantled at the beginning of March.

To expand electricity generated from renewable energies, the preliminary projects for the construction of the new Weissenbach power plant and the preliminary environmental impact assessment (EIA) procedure for the replacement of the Traunfall power plant were initiated and pushed forward.

In autumn 2019, damage to the dam seal at the Traun-Pucking power plant was discovered. The affected section was thoroughly refurbished and a new subsoil sealing system was installed.

Ennskraftwerke AG, in which Energie AG holds a participating interest of 50%, also reported electricity production below the long-term average in the 2019/2020 fiscal year, with a hydro coefficient of 0.96. Energie AG holds electricity procurement rights in power plants on the rivers Enns and Danube and the Malta/Reißeck II power station group, amounting to some 1,406 GWh.

Energie AG's wind power portfolio in Austria comprises investments in four wind parks with a pro rata overall performance of nearly 14.7 MW. Generation from wind power in the reporting period was 37 GWh (previous year: 35 GWh).

In the photovoltaic (PV) business area, Energie AG Oberösterreich Erzeugung GmbH is the 100% owner of Energie AG Oberösterreich Renewable Power GmbH and the Italian entities ECOFE S.R.L. and Salvatonica Energia S.R.L. Together with the other PV and PV contracting systems, the Energie AG Group has a total PV capacity of around 12 MW_p. The electricity generated is fed directly into the public grid.

The distribution of 232 GWh of district heating from the power plant locations in Riedersbach and Timelkam in the reporting period was slightly below the level of the previous year (237 GWh).

In the Gmunden district heating supply project, initial customers were already supplied with waste heat from the cement plant during the previous heating period. In September 2020, heat supplies to the Gmunden hospital were installed.

In Laakirchen, CMOÖ GmbH supplies a key account customer with electricity and process heat through a CCGT power plant, as well as several adjacent companies with district heating. The volume of process heat and district heating distributed to customers during the 2019/2020 fiscal year amounted to 726 GWh and was therefore 9.5% below the previous year's value (802 GWh).

NEW SALES COMPANY INITIATES FIRST NOTICEABLE TRENDS FOR CUSTOMERS

The 2019/2020 fiscal year was challenging for Energie AG Oberösterreich Vertrieb GmbH (Vertrieb GmbH) in many respects. In addition to declining economic development and the challenging general energy policy conditions, the effects of the mild winter were also felt in all temperature-dependent sectors. The number of heating degree days in Upper Austria in the reporting period was at exactly the same level as last year, and 3.4% below the average for the last five years.

In the business customer segment of the electricity and natural gas sectors sales revenues were significantly reduced due to the COVID-19 lockdown. The lockdown restrictions had a significant impact on sales opportunities and construction activities in the telecommunications sector (Fibre to the Home/FTTH). In addition, Energie AG supported the industry's goodwill arrangements for customers with financial difficulties during to the COVID-19 crisis.

According to E-Control Austria, the switching behaviour of electricity and natural gas customers, which is essential for the industry, reached its highest level since the liberalisation of the markets in 2001 and 2002 in 2019. In the first half of 2020 significantly fewer energy customers throughout Austria switched suppliers than in a year-on-year comparison. Especially during the COVID-19 lockdown in the second quarter, switching activity declined significantly, according to E-Control Austria.

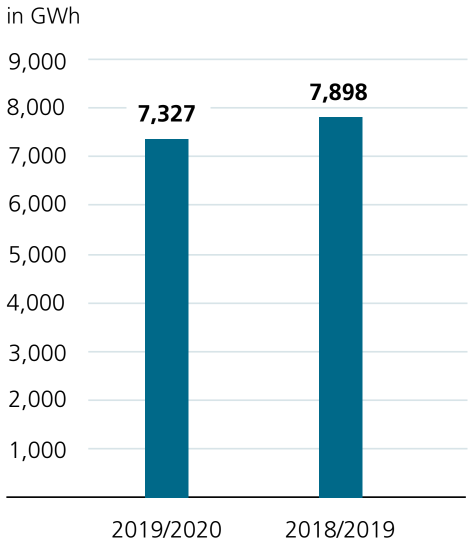
As a result of the reorganisation in Sales, a new product landscape was launched in autumn 2019. On top of harmonised electricity, natural gas and internet products, customers are now being offered combined products for the first time.

Electricity

Energie AG's consolidated electricity sales volume was 7,327 GWh in the 2019/2020 fiscal year (previous year: 7,898 GWh). This means that 571 GWh (-7.2%) less electricity was distributed to customers compared to the previous year.

Due to the COVID-19 pandemic, volumes in the business and industrial customer sectors fell by between 5 and 10%, depending on the sector. In the private, commercial and municipal customer sector, this mainly reduced the volumes in the commercial sectors, while the household segment remained relatively stable. The remainder of the decline is due to ongoing supplier switching, although, encouragingly, this fiscal year's figure was lower than in previous periods.

Electricity sales volume



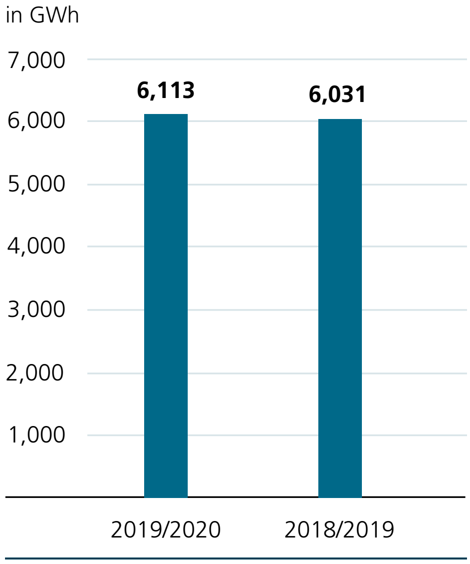
Natural gas

At 6,113 GWh, the volume of natural gas sold by the Energie AG Group in the 2019/2020 fiscal year was 1.4% above the previous year's figure of 6,031 GWh.

Although sales volumes declined for business and private customers who primarily use space heating, this effect was offset by significant volume growth in the key account sector. Professional customer support made it possible to successfully fend off intense competition here. Apart from that, the impact of the COVID-19 crisis remained fairly low due to the nature of the industry.

Encouragingly, the number of customers switching in the domestic sector declined during the reporting period.

Natural gas sales volume

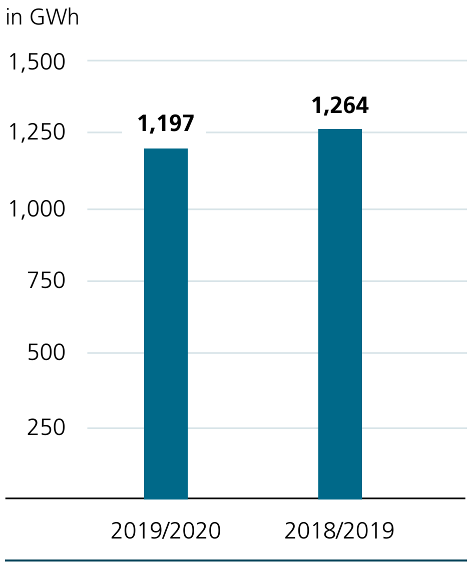


Heat

During the 2019/2020 fiscal year, the heat sales volume in Austria, which remained in the Energy Segment, totalled to 1,197 GWh and was thus 5.3% lower than in the previous year (1,264 GWh).

In addition to the district heating sales volume and the heat sales volume supplied to customers by CMOÖ GmbH, the heat sales volume also includes the energy contracting business area where heat is supplied to customers such as public institutions, the housing industry, trade and commerce via state-of-the-art energy centres.

Heat sales volume Austria



Telecommunications

In the year under review 2019/2020, the figure of 8,000 subscribers was exceeded for the first time – by the end of the fiscal year, some 8,800 customers were actively using these products (previous year: 5,500).

Despite the challenging competitive environment, Vertrieb GmbH was able to convince more customers of its product benefits, particularly in the business customer sector, thanks to offers tailored to the individual needs of potential customers.

Photovoltaics

In the course of the 2019/2020 fiscal year, 14 new photovoltaic plants with an output of 2,800 kW_p were installed on the basis of a contracting service.

Electromobility

The activities of Vertrieb GmbH in the field of electromobility currently focus on charging solutions (business solutions for company locations, residential buildings, public and private charging infrastructure). Parallel to this, the targeted installation of public charging stations including operations management and service packages with local partners was continued. Energie AG currently operates 100 publicly accessible charging stations with various output ranges from 3.7 kW to 50 kW, including a billing system, and manages a total of over 240 charging points.

GRID SEGMENT

Grid Segment overview

	Unit	2019/2020	2018/2019	Change
Total sales	EUR mill.	366.6	362.6	1.1%
EBIT	EUR mill.	36.9	-77.4	–
Investments in property, plant and equipment and intangible assets	EUR mill.	94.6	96.0	-1.5%
Workforce (on average)	FTE	534	537	-0.6%
Electricity grid distribution volume to end customers	GWh	7,677	8,067	-4.8%
Natural gas grid distribution volume to end customers	GWh	19,205	20,831	-7.8%

STATUTORY AND REGULATORY FRAMEWORK IN THE GRID SEGMENT

The Renewable Energies Expansion Act, which is currently under review, will also bring about innovations for the Grid Segment when it comes into force on 1 January 2021. For further information, see the **Group Management Report, section General conditions – energy and climate policy environment. › page 10**

As an operator of essential services, Netz OÖ GmbH is required by the **Austrian Network and Information System Security Act (NISG)** to comply with stricter requirements for the information security of its ICT services (network and information systems). The implementation measures within the Group include the introduction of an information security management system (ISMS) in line with ISO/IEC, taking into account ISO 27019, the NIS fact sheets and the utility minimum standard of the electricity industry.

As of 1 January 2020, the grid usage fees of the electricity sector rose by between 8.4% at grid level 7 and 11.7% at grid level 4. This was due to higher investing activities in the grids and higher costs in upstream grids. The **regulatory parameters** established remained stable in the 4th regulatory period. In the System Usage Fees Ordinance for Electricity 2018 and its 2020 amendment, the metering charges were newly regulated, with the metering charges for low-voltage load profile metering and quarter-hour maximum metering being significantly reduced as of 1 January 2020.

In the natural gas sector, the grid usage fees for consumers at grid level 3 fell by 2.6% on 1 January 2020, while grid level 2 increased by 6.9% for consumers.

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

BUSINESS DEVELOPMENT IN THE GRID SEGMENT

The Grid Segment generated sales revenues of EUR 366.6 million in the reporting period. This represents a moderate increase of 1.1% compared with the previous year's sales revenues. In fiscal year 2019/2020, the EBIT of the Grid Segment amounted to EUR 36.9 million and was EUR 114.3 million up on the previous year's EBIT of EUR -77.4 million.

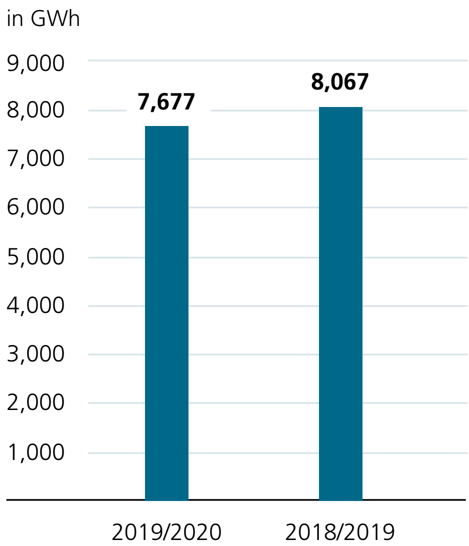
A necessary change in the valuation method as of 30 September 2019 prompted an impairment of EUR 109.3 million, which had a negative impact on the operating result in the previous year and accounts for the main deviation from EBIT in the reporting period.

Concerning operational activities, the regulatory tariff increase combined with lower upstream grid costs in the electricity sector had a positive effect on results in the reporting period. The regulatory cuts in gas grid tariffs and volume reductions in both the electricity and gas grids partially offset this effect.

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

In the 2019/2020 fiscal year, 7,677 GWh of electricity was distributed to end customers from the **electricity grid** (previous year: 8,067 GWh). This represents a decrease of 390 GWh (-4.8%) compared with the previous year. The decline in volume is mainly due to a decline in the industrial and commercial customer sector in the second half of the fiscal year in the wake of the COVID-19 lockdown. As of 30 September 2020, Netz OÖ GmbH supplied approx. 510,000 active customer installations.

Electricity grid distribution volume to end customers



One major challenge in grid operation with a tangible influence on the availability characteristics of the electricity grid was a consequence of several storms in February 2020, with storm "Sabine" on 10 February 2020 having the greatest impact on the electricity supply. In this situation, the 110 kV high-voltage grid once again proved to be the strong and reliable backbone of the Upper Austrian electricity supply.

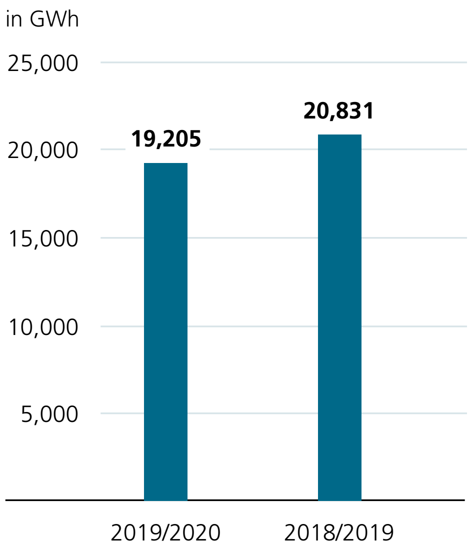
In the 2019/2020 fiscal year, the activities of the Grid Segment focused on the consistent implementation of the "Electricity Grid Master Plan Upper Austria 2028" (Stromnetz-Masterplan Oberösterreich 2028) in addition to regular grid upgrade and expansion measures. Despite the extremely difficult project environment, the "Alm- und Kremstal Electricity Supply" project has been consistently pursued since construction activities resumed in August 2019 and is expected to be completed in spring 2021. In July 2020, line construction work began on the "Pramtal South Electricity Supply" project, and the Raab transformer station was completed in September 2020. In the "Mühlviertel Electricity Supply" project, landowner information events were held and a detailed route in the preferential corridor is available. Public communication, detailed planning and routing have commenced in the joint project "Central Region Upper Austria Electricity Supply" with Austrian Power Grid AG and LINZ NETZ GmbH. Submission for environmental impact assessment is planned for autumn 2021.

In the year under review, the programme to replace overhead medium-voltage lines that are particularly susceptible to disruption with underground cable proceeded according to plan. In the twelfth year of this programme, a further 14 kilometres of overhead power lines were replaced by underground cables.

Due to the ongoing integration of local electricity generation facilities, ensuring voltage quality for grid customers on the low-voltage grid remains a challenge. The installed capacity from photovoltaics is already around 283 MW (previous year: 243 MW) with around 24,100 connected systems (previous year: 20,000 systems). Lessons learned from research and development projects are being successfully adopted for efficient grid integration.

The **volume of natural gas** transported for end customers in the Company's own grid dropped by 7.8% to 19,205 GWh year-on-year in the 2019/2020 fiscal year (previous year 20,831 GWh). In the high-pressure area, natural gas volumes dropped, primarily due to lower proprietary electricity generation by industrial operations and power plants. Volumes in the household and trade sectors were slightly above the previous year's level.

Natural gas grid distribution volume to end customers



In the year under review, in addition to the standard grid expansion, grid connections were also built for larger business customers in St. Florian am Inn, Ranshofen, Altenfelden, Engerwitzdorf, St. Georgen bei Grieskirchen, Gmunden, Schwanenstadt and Pöndorf. A new distribution station was built in Pöndorf, while in Neukirchen an der Vöckla/Zipf the existing distribution station was replaced by a new one.

Three high-pressure natural gas pipelines over a total length of 9.3 km were investigated using intelligent pigging. Various repairs to high-pressure pipelines (undercoverage) were carried out, and five pig locks were replaced or retrofitted in the year under review.

In the Grid Segment, the implementation of a workforce management system, “DigiWork”, started during the reporting period, with the aim of implementing further digitalisation steps. The smart meter roll-out was completed at the end of the fiscal year in the Netz OÖ GmbH concession territory. In order to continue to successfully implement new market models on this basis, a smart meter upgrade project was launched in the 2019/2020 fiscal year.

WASTE MANAGEMENT SEGMENT

Waste Management Segment overview

	Unit	2019/2020	2018/2019	Change
Total sales	EUR mill.	232.7	233.5	-0.3%
EBIT	EUR mill.	27.1	13.4	–
Investments in property, plant and equipment and intangible assets	EUR mill.	16.1	14.6	10.3%
Workforce (on average)	FTE	828	860	-3.7%
Total waste volume handled	1,000 t	1,691	1,745	-3.1%
Thermally processed waste volume	1,000 t	624	614	1.6%

ECONOMIC ENVIRONMENT FOR THE WASTE MANAGEMENT SECTOR

In the first six months of the 2019/2020 fiscal year, the waste management industry continued to benefit from favourable general economic conditions. In the second half of the year, however, the environmental parameters of the waste management sector showed a differentiated picture due to the COVID-19 lockdown. However, the import ban on various recyclable material fractions imposed by the Chinese Ministry of the Environment on 1 January 2018 and subsequently by other Asian countries continues to exert a strong influence on the entire waste management sector, resulting in shifts in global volume flows all told. The resulting high volumes of lower quality plastic waste ensured that all waste incineration plants across Europe continued to operate at high capacity in the reporting period.

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

The European Disposable Plastics Directive stipulates that 77% of disposable plastic bottles must be collected separately by 2025 (increasing to 90% by 2029). In Austria, the collection rate is still significantly lower than this. In order to be able to achieve the high targets nevertheless, the introduction of a deposit system for single-use bottles and beverage cans and the strengthening of reusable containers to avoid waste is the subject of political discussion.

In the case of recycling materials, a negative trend – partly due to the import restrictions explained above – continued to be observed for both scrap metal and recovered paper/cardboard in the year under review. In the case of recovered paper, the Wiesbaden Paper Index reached a historic low in March 2020, before recovering significantly in the COVID-19 lockdown months and, after volatile performance, finally ending the fiscal year slightly above the level at the start of the fiscal year. The price of scrap steel remained at a low level throughout the fiscal year and was exposed to strong fluctuations.

BUSINESS DEVELOPMENT IN THE WASTE MANAGEMENT SEGMENT

In the 2019/2020 fiscal year, sales revenues in the Waste Management Segment amounted to EUR 232.7 million, thus remaining largely stable compared with the previous year (EUR 233.5 million). EBIT increased by EUR 13.7 million to EUR 27.1 million compared with the previous year (EUR 13.4 million).

In the first half of the 2019/2020 fiscal year in particular, good price trends for commercial and industrial waste, hazardous waste and the services offered made a positive contribution to the development of sales revenues. On the other hand, the development of the recycling materials waste metal and waste paper/cardboard in particular negatively affected total sales noticeably. In order to maintain general waste management reliability, companies in the sector were exempted from plant closures due to the COVID-19 lockdown. Nevertheless, the waste management sites were not fully utilised during this period, with significant regional differences and a resulting decline in sales revenues. From July 2020 the situation eased again, both in terms of capacity utilisation and price development.

The year-on-year increase in results is largely attributable to one-time effects. On 10 October 2019, a serious explosion occurred at the Hörsching sorting plant, resulting in one death and several injuries. The buildings and the sorting plant itself were so badly damaged that a large part had to be demolished. The material damage and the additional costs incurred by the replacement sorting carried out by external third parties were covered by insurance policies. The effect on earnings of EUR 9.8 million resulting from the insurance compensation is mainly responsible for the year-on-year increase in EBIT.

STABLE THROUGHPUT RATES AT THERMAL PLANTS DESPITE COVID-19

The **incineration plants at Wels and Lenzing** achieved a throughput of about 623,500 tonnes of thermally processed waste. This is equivalent to a slight increase of 1.6%.

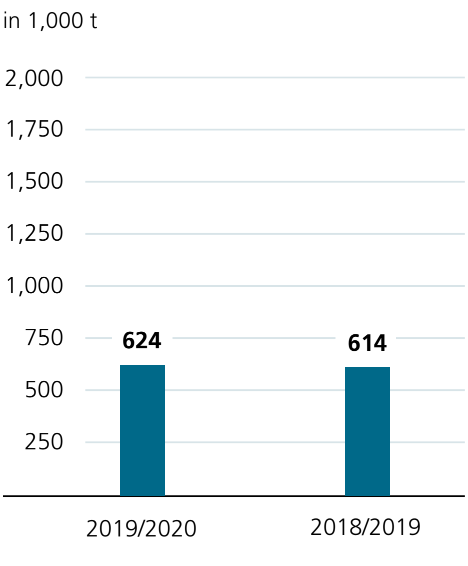
The annual plant overhaul at Lenzing took place at the beginning of the COVID-19 lockdown. It was successfully completed in compliance with strict hygiene regulations. Due to the plant shutdown at Lenzing and the lower demand for process heat in May, the thermally processed waste volume declined slightly. At the incineration plant at Wels, throughput rates were increased significantly despite COVID-19 lockdown conditions. To prevent a possible plant closure due to COVID-19 infections, a safety strategy was developed and consistently implemented. On the maintenance side, the focus was on the renewal of the refuse crane.

In the reporting period, the waste incineration plant in Wels distributed 198 GWh of **heat** (previous year: 186 GWh) to the district heating network of the town of Wels and to one other key account customer. Electricity procurement totalled 206 GWh (previous year: 177 GWh). The increase is attributable to the turbine overhaul carried out at 10-year intervals in the previous year.

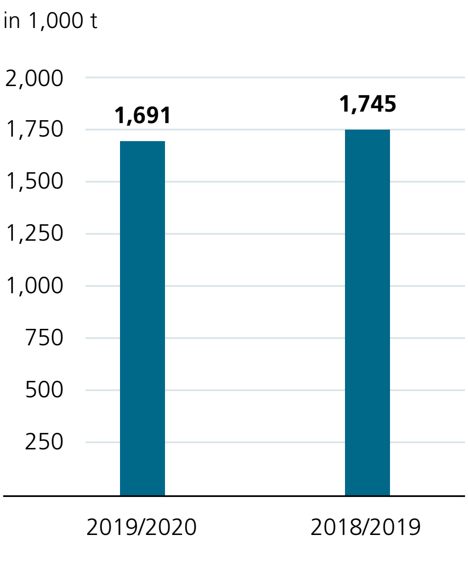
The **treatment plants for hazardous waste in Steyr** were again very well utilised in the year under review. In terms of maintenance, the focus was primarily on the renovation of the CPO plant (chemical/physical treatment plant for organic waste) and laboratory optimisation. In addition, a digitalisation project was launched to improve occupational safety.

Compared with the fiscal year 2018/2019, the **total volume handled** in Austria and South Tyrol fell by approximately 3.1% to 1,691,000 t (previous year: 1,745,000 t). Both Austria and South Tyrol were affected by the decline as a result of the COVID-19 pandemic.

Thermally processed waste volume



Total waste volume handled



The focus in the Waste Management Segment in the 2019/2020 fiscal year was again on the conclusion of long-term indexed contracts with defined delivery volumes and prices. In addition to industrial and business customers, cooperation with the public sector was further intensified. It is above all the municipalities which continue to represent a material target group for the Waste Management Segment. In addition to the further development of digitalisation projects, activities in the reporting period focused on the conversion of the sorting plant in Linz.

In the year under review, construction work started for the **relocation** of the Energie AG Oberösterreich Umwelt Service GmbH headquarters from Hörsching to the Wels waste incineration plant. Since the four-track expansion of the western railway line with a connection to the airport affects the Hörsching site, parts of the site will be sold to ÖBB Infrastruktur AG in the course of the project. Completion of the new company headquarters, which is being built as an extension to the existing office premises at the Wels waste incineration plant, is expected for autumn 2021 after a construction period of approximately one year.

Italy was hit particularly hard by the COVID-19 pandemic in the year under review. In addition to the extensive protective measures taken to contain the pandemic and the extensive lockdown measures in Italy, the Neumarkt site in **South Tyrol** had to contend with declining prices for waste paper as well as declining earnings in glass recycling. In addition, it proved impossible to carry out a planned slag processing campaign for a customer due to delays in issuing the official approval required for this.

Despite COVID-19, **WDL-WasserdienstleistungsGmbH** enjoyed largely stable conditions in the fiscal year 2019/2020. The main focus was on maintaining security of supply of drinking water and further developing the services offered.

CZECH REPUBLIC SEGMENT

Czech Republic Segment overview

	Unit	2019/2020	2018/2019	Change
Total sales	EUR mill.	160.5	160.0	0.3%
EBIT	EUR mill.	9.8	10.9	-10.1%
Investments in property, plant and equipment and intangible assets	EUR mill.	9.5	11.3	-15.9%
Workforce (on average)	FTE	1,681	1,618	3.9%
Invoiced drinking water volume	m^3 mill.	47.5	47.6	-0.2%
Invoiced waste water volume	m^3 mill.	44.3	44.2	0.2%

GENERAL CONDITIONS IN THE CZECH REPUBLIC

In the first half of the reporting period in particular, the favourable economic development in the Czech Republic was reflected in a positive trend in sales and an increasing volume of orders in services business, while from March 2020 COVID-19 restrictions were also felt in the Czech Republic Segment. There were no significant changes as part of the annual adjustment of the pricing regime in the Czech Republic, which focuses on the appropriate profit of operating and infrastructure companies. Due to weather conditions, sales in the heating business were slightly impaired as the winter was milder than the previous year's.

Competition on the labour market continued to be at a high level in the first six months, not least due to the positive economic development in the Czech Republic. However, due to the economic impact of the COVID-19 pandemic, there were some initial signs in the second half of the year that job security in the infrastructure business is definitely a positive argument in competition on the labour market.

The Czech koruna remained largely constant against the euro during the 2019/2020 fiscal year until COVID-19 restrictions were imposed and, after a weaker performance in the second half of the fiscal year, stabilised towards the end of the reporting period at a slightly lower level than in the first half of 2019/2020.

BUSINESS DEVELOPMENT IN THE CZECH REPUBLIC SEGMENT

In the 2019/2020 fiscal year, the Czech Republic Segment generated stable sales revenues of EUR 160.5 million in its water and heating business (previous year: EUR 160.0 million).

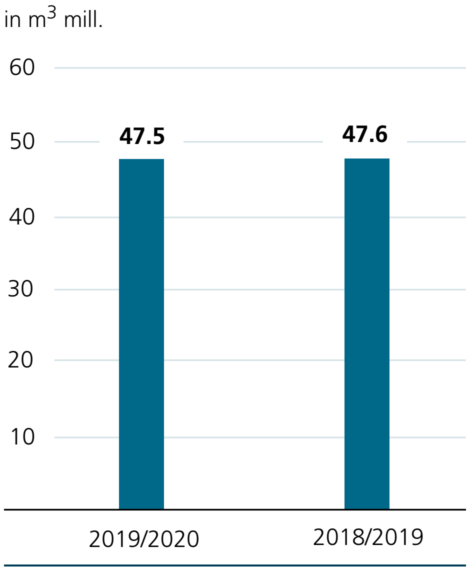
The operating result amounted to EUR 9.8 million in the reporting period (previous year: EUR 10.9 million). The 10.1% decline in EBIT in the Czech Republic Segment is mainly attributable to a decline in demand and temporary factory closures in regions with higher industrial sales volumes as a result of the COVID-19 pandemic. The developments of water and waste water were in line with the long-term seasonal fluctuation margins.

Due to the higher than average temperatures and resulting lower sales volumes in the reporting period, the income generated by the heat-related business in the Czech Republic was slightly lower than in the previous year.

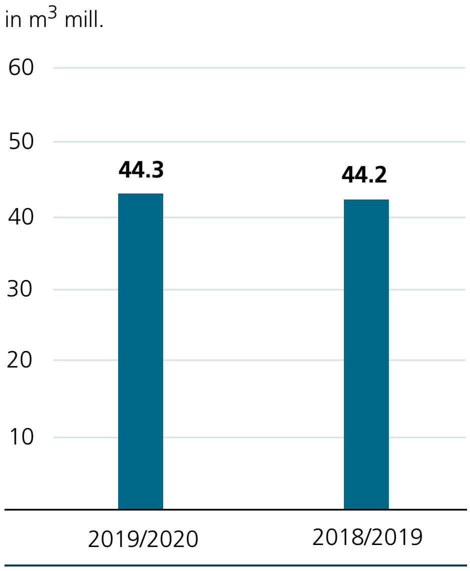
STABLE DEVELOPMENT IN THE CZECH REPUBLIC

In the Czech Republic Segment, a total of 47.5 million m^3 of **drinking water** and 44.3 million m^3 of **waste water** were invoiced in the reporting period.

Invoiced drinking water volume



Invoiced waste water volume



Like every year, fee negotiations with the municipal contracting parties were scheduled for numerous operator contracts in the water business during the reporting period. Smaller bidding procedures additionally took place in a number of supply areas. The number of operating or concession agreements and heat supply agreements has remained constant since the beginning of the fiscal year.

VaK Zapy s.r.o., which was acquired on 6 December 2019, is based in the municipality of Zapy, about 30 km west of Prague. 23 employees provide services in the field of maintenance, repair and overhaul of water supply systems for 15 towns and municipalities and waste water management systems for 23 municipalities. More than 700,000 m^3 of drinking water are supplied to customers each year. The operating area borders on that of the Energie AG subsidiary VAK Beroun a.s. to the north-west, and on that of Energie AG Kolín a.s. to the east.

In the areas of research, development and innovation, the focus in the reporting period was on reducing non-revenue water as well as on digitalising operations and customer services. Significant development steps were taken in each of these areas. In the smart water meter sector, the application “Water under Control”, developed by ČEVAK a.s., České Budějovice, is a trend-setting solution for water customers and suppliers; it is also currently being tested in Austria in the scope of a pilot project.

The **heat sales volume** in the Czech Republic amounted to 171 GWh in the reporting period, which is lower than the previous year's level (175 GWh).

HOLDING & SERVICES SEGMENT

Holding & Services Segment overview

	Unit	2019/2020	2018/2019	Change
Total sales	EUR mill.	259.9	249.4	4.2%
EBIT	EUR mill.	14.4	8.8	63.6%
Investments in property, plant and equipment and intangible assets	EUR mill.	55.0	72.1	-23.7%
Workforce (on average)	FTE	1,048	1,042	0.6%
Length of fibre-optic network	km	6,600	6,100	8.2%

BUSINESS DEVELOPMENT IN THE HOLDING & SERVICES SEGMENT

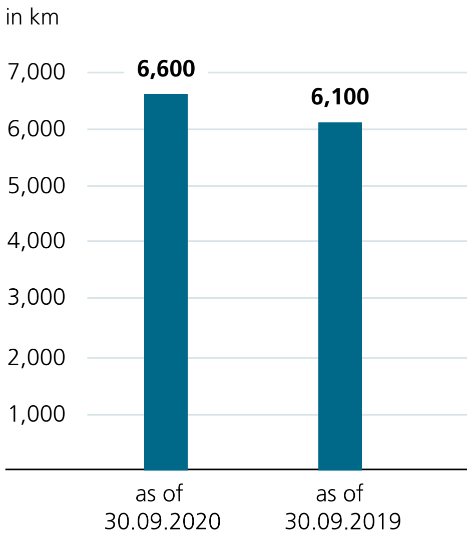
Sales revenues in the Holding & Services Segment amounted to EUR 259.9 million in the reporting period, which was up 4.2% on the previous year's figure of EUR 249.4 million. This positive development was attributable to sales revenue growth in the telecommunications business area and across all service companies.

The operating result grew from EUR 8.8 million in the 2018/2019 fiscal year to EUR 14.4 million in the 2019/2020 fiscal year. Increased profit shares from investments consolidated at equity in the Holding & Services Segment contributed to the increase in the operating result in the Holding & Services Segment, as did a higher EBIT contribution from the telecommunications business area and lower expenses in the Holding & Services Segment. Impairments were recognised for telecommunications equipment in the reporting period. In the previous year, EBIT included higher property sales than in the reporting period in addition to impairments on telecommunications equipment.

FUTURE-PROOF FIBRE-OPTIC TECHNOLOGY INDISPENSABLE IN TIMES OF CRISIS

The need for fast data connections was clearly demonstrated in the reporting period by the exceptional situation of the COVID-19 pandemic: more intensive home-office activities and the increased use of entertainment services caused a significant additional load on the data network, but fibre-optic technology was able to handle this without any noticeable restrictions for customers. It was thus possible to guarantee the required bandwidths and a high connection quality throughout. The Energie AG Group's strategy of relying on future-proof glass fibre technology was again confirmed by these developments. As of 30 September 2020, the Group's own fibre-optic network comprised approx. 6,600 km (previous year: 6,100 km).

Length of fibre-optic network



Fibre-To-The-Home (FTTH) expansion continued to make progress almost as planned in the year under review. By now, more than 35,000 households in 199 municipalities can choose from Energie AG Group's FIBER product portfolio (internet with download speeds of up to 500 Mbps, plus a TV product and telephony). In the wholesale sector, Energie AG Oberösterreich Telekom GmbH (Telekom GmbH) offers other providers the possibility to connect their mobile communications facilities with optical fibre or to serve customers via the Group's own fibre-optic network.

Another area of Telekom GmbH's business activity is providing electricity metering services for Netz OÖ GmbH. During the 2019/2020 fiscal year, the mass roll-out for smart metering devices (IME-VO Amendment 2017) was completed on schedule. As at 30 September 2020, 651,596 AMIS meters were installed (previous year: approx. 633,000). At a roll-out level of around 99% (previous year: 94%), the legal requirements are thus fully met.

STRATEGIC INVESTMENTS

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

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

Construction work on the new Traunleiten hydropower plant, originally built in 1901, which started in September 2017, was completed at the beginning of 2020 and the power plant resumed normal operation. The investment volume amounted to EUR 48.0 million; from 2020 onward, this will enable full coverage of the domestic electricity demand for the greater Wels area solely with green electricity from hydroelectric power. This doubled output to 19 MW with annual production of 90 GWh in the future.

In the last completed fiscal year (1 January 2019 to 31 December 2019), the electricity sales volume to customers increased to 723 GWh (2018: 630 GWh), 7.2% of which was covered by own production, mainly from hydroelectric power. Some 27% of the electricity sales volume was generated outside the grid area of Wels Strom GmbH.

In the scope of an extensive strategy project, the owners of Wels Strom GmbH – eww ag and Energie AG – intend to intensify cooperation together with the subsidiary in the supply of heat and electricity to the Wels area. The aim is to leverage synergy potentials and improve service quality by creating a single point of contact for the Wels supply networks for electricity, district heating, gas, water and waste water. After concretisation and content elaboration in autumn 2020, this future initiative is to be implemented in 2021 and 2022.

Salzburg AG für Energie, Verkehr und Telekommunikation (Salzburg AG) is in transition from a simple utility and regional infrastructure service provider with activities in the fields of electricity, natural gas, district heating, water, mobility and telecommunications to a digital technology company. Energie AG holds a 26.13% interest in the entity.

In the last reporting period (1 January 2019 to 31 December 2019), the focus was mainly on pushing forward with climate protection and digitalisation in the scope of in-house projects and in collaboration with start-ups, as well as on traditional business units. In addition to the expansion of the electricity grid by subsidiary Salzburg Netz GmbH, the expansion of broadband and 5G, and thus the strengthening of the telecommunications infrastructure, took priority for the Company with an investment volume of around EUR 75.3 million in 2019. Innovative approaches in the field of product development were taken in the form of new photovoltaic offerings among other things. Artificial intelligence and data science were used in collaboration with partners to develop a forecast model for the Austrian electricity price based on fundamental, market and weather data. At the same time, the company is the largest mobility provider in the federal state of Salzburg with some 52 million passengers annually.

In economic terms, business development in the 2019 fiscal year was characterised by declining trading volumes in electricity and gas while sales to end users increased. At 3,471 GWh, the electricity sales volume to customers was 6.3% above the previous year's level with around 51% being covered by own production, 85.5% of which from renewable sources. Natural gas sales volumes increased by 3.0% to 1,721 GWh, while district heating volumes were up by 3.6% on the previous year at 778 GWh. As in the previous fiscal years, sales success was noted in cable TV, internet and telecommunications offerings. The number of internet customer systems exceeded a value of 100,000 for the first time.

SHARED SERVICES

The four Group-wide service companies

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

are combined in the Holding & Services Segment.

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

Business Services GmbH bundles services for the Energie AG Group in the areas of purchasing and logistics, real estate management, information technology, accounting, and insurance and legal services. The work focuses in the 2019/2020 fiscal year were the implementation of digitalised official mail, the realisation of projects within the framework of the Group's digitalisation strategy and the continuation of the security awareness campaign with a focus on remote work, data protection, internet and email security. The ongoing project to adapt the SAP system architecture for billing and customer services was continued. In the 2019/2020 fiscal year, work took place on the integration of the gas sector. The reporting period also saw the construction and conversion of office and workshop buildings at the Schalchen and Gmunden locations, while planning of the extension to the Group headquarters in Linz was completed.

Customer Services GmbH was also strongly involved in the project to adapt the SAP system architecture in the area of billing and customer services. This entity bundles the Group's customer services and data protection back office, billing, provider switch management, receivables management and payment processing in customer-facing operations. In addition to the reliable provision of customer services in the face of the COVID-19 pandemic, the 2019/2020 fiscal year was characterised by numerous projects. For example, billing processing for joint generation plants was implemented on the basis of the EDA (energy sector data exchange) user portal in the reporting period. In addition, the customer-consent management data release processes for customers regulated in the GDPR (General Data Protection Regulation), Art. 7, and in accordance with industry agreements were elaborated and came into force in October 2020. In the 2019/2020 fiscal year, employees provided services for around 1.5 million customer contracts.

The focus of **Personalmanagement GmbH**'s activities is both on governing matters related to personnel strategy and personnel policy for the Group, and on all agendas relating to personnel and management development, personnel support, personnel accounting and apprenticeship programs. In the 2019/2020 fiscal year, work again focused on several employer branding activities and the conclusion of a trainee program with a main focus on female trainees. In addition, the competency model introduced in 2014 was evaluated and adapted, and the "Charter of Agile, Cross-Divisional Cooperation in Energie AG" project was launched as an output of the "Energie AG Future Lab" management academy.

As the central expertise owner for all technical services at Energie AG, **Tech Services GmbH** is the expert point of contact for planning, implementation and maintenance. These services were primarily provided for affiliated companies in the Group in the 2019/2020 fiscal year. Orders from external customers were also accepted to balance capacity utilisation. The COVID-19 lockdown posed a very special challenge in the year under review. Numerous construction sites at which work was in progress had to be secured with work stopping at short notice. Work was resumed with great care, and appropriate protective measures in place. Despite these difficult conditions, a substantial volume of orders was processed in the reporting period and delays caused by the COVID-19 lockdown in the spring were made up, thus preventing any negative impact on results.

OUTLOOK

The economic and energy policy environment will continue to be dominated by the COVID-19 pandemic in the 2020/2021 fiscal year. The corresponding strategic and operational measures taken by Energie AG during the reporting period, such as the introduction of a task force and proactive risk management by the Risk Committee, will therefore be continued in the 2020/2021 fiscal year, so that critical infrastructure operations can be ensured.

In terms of the statutory environment, a political agreement on the introduction of a deposit on single-use plastic bottles and a mandatory share of reusable bottles in the retail trade, resulting from the implementation of the EU Circular Economy Action Plan and the directive on single-use plastic products, is expected by the end of the year for the Austrian waste management sector. Parliament is also expected to deal with the Renewable Energies Expansion Act in the first quarter of the new 2020/2021 fiscal year. Draft legislation on "green gas" in the building sector and on the national implementation of the EU Energy Efficiency Directive are also expected during this period.

The development of the energy markets in the 2020/2021 fiscal year will strongly depend on expectations of global economic development, which in turn will depend on the further course of the COVID-19 pandemic. The outcome of the Brexit negotiations will also be crucial for Europe, as will the continued implementation of climate targets at EU level, as this will have an impact on CO_2 prices. A situation of oversupply in oil, coal and gas is not expected to be particularly supportive for electricity prices. Bottlenecks on the supply side should not have a lasting effect. Against the backdrop of expected high volatility and major uncertainties, a sideways or downward trend for the 2020/2021 fiscal year seems more likely than a significant upward trend.

Energie AG's electricity production capacities from Group-owned thermal power plants continue to be highly significant for providing grid reserve management. The CCGT power plants of Energie AG will again be available to transmission system operators for national grid support in the 2020/2021 fiscal year.

On the sales side, the impact of the COVID-19 crisis means that the upcoming fiscal year will be characterised by a high degree of uncertainty, with further declines in sales revenues, particularly in the business and industrial customer segment, and higher bad debt losses in all areas. The decisive factor for Vertrieb GmbH will be the extent to which the general political conditions will enable it to position itself more strongly as an energy service provider. Vertrieb GmbH intends to again keep electricity and natural gas retail prices for private and business customers in the premium sector (with the exception of float prices) constant in the next fiscal year.

The statutory environment for the Grid Segment in the current electricity regulatory period has been defined for five years and continues to be viewed as stable. In terms of the general economic environment for natural gas, the decision for the year 2020 is still outstanding; having said this, it can be assumed that the parameters based on the decisions taken for the years 2018 and 2019 will be applied throughout the third regulatory period. The business activities in fiscal year 2020/2021 in the Grid Segment will again be characterised by the advancement of major projects, particularly those associated with the "Electricity Grid Master Plan Upper Austria 2028" (Stromnetz-Masterplan Oberösterreich 2028), as well as the consistent continuation of priority programmes in the grids for natural gas and electricity. Another material focus will be the implementation of the requirements of the Renewable Energies Expansion Act, which is currently under review.

Following completion of the smart meter roll-out and complete digitisation using AMIS technology, continuous ongoing development in the field of smart metering will also be essential in the future. This primarily concerns support for point-to-point and transformer meters to enable customers in very sparsely populated areas to participate in new market models – such as joint generation, electric mobility or energy communities – at a reasonable cost.

Fibre-optic technology is the most reliable method currently available for the future provision of high bandwidth with the necessary quality of service. The future subsidy programmes are currently being prepared at federal level. Telekom GmbH intends to also apply for future calls from these funding programmes. In addition to fibreglass as a landline technology, LTE and/or 5G technology will become firmly established in the mobile sector. For this reason, the intent is to leverage business opportunities by connecting mobile transmitter sites to the company's own fibre-optic network.

The focus in the Czech Republic Segment in the 2020/2021 fiscal year is on further intensifying cooperation between water and heating companies and on leveraging synergies. A further focus will be the integration of VAK Zapy s.r.o., which was acquired on 6 December 2019. In addition, several major concession bidding procedures will take place in the regions currently supported; the Energie AG Bohemia Group and one of its subsidiaries will participate in these in the 2020/2021 fiscal year. The extent to which the COVID-19 pandemic will affect the course of these tenders cannot yet be assessed. This also applies to the short- and medium-term effects on current business. The effects on heating and drinking water sales and waste water generation were not yet significantly tangible in the year under review and cannot yet be reliably assessed with a view to the further development of the pandemic.

In the Waste Management Segment, too, the effects of the COVID-19 pandemic on the further development of prices for recycling materials cannot be reliably assessed at present. During the 2020/2021 fiscal year, activities will focus on reorganising cooperation between Energie AG and eww ag in Wels. In order to be able to supply the town of Wels and the neighbouring areas with district heating in an even better and more efficient way in future, district heating will be extracted from Wels' waste incineration plant to an even greater extent than to date, and district heating supply volumes will be significantly increased. The project will entail appropriate investments in the upcoming fiscal years.

With a view to the currently ongoing COVID-19 pandemic, Energie AG's focus in the 2020/2021 fiscal year will again continue to be on reliable performance of system-critical tasks, especially guaranteeing security of supply for customers, while at the same time ensuring the highest possible levels of health protection for the workforce. The previous strategic goals in the areas of customer orientation, environmental protection, decarbonisation, digitalisation and cost management will remain unchanged.

The impacts of continuing COVID-19 restrictions are expected to persist, for example due to a reduction in energy consumption by customers or price developments on international markets. Recognising the current difficulty in drawing up reliable results forecasts, results for the 2020/2021 fiscal year are expected to develop in a satisfactory manner, although at a lower level compared with the reporting period.

Linz, 2 December 2020

The Management Board of Energie AG Oberösterreich

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

Dr. Andreas Kolar
Member of the Management Board
CFO

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

Report on non-financial information 2019/2020
for Energie AG Oberösterreich

LETTER BY THE MANAGEMENT BOARD

This is now the third report we have published to provide non-financial information from the Energie AG Group, Upper Austria’s largest utility company. The topics covered in this report have increasingly gained strategic importance in light of the intensifying discussions about the security of supply and waste management as well as climate protection, making it imperative for Energie AG to employ a clear and uniform approach.

The second half of the past fiscal year was a very challenging and demanding time for all of us. The novel “SARS-CoV-2” virus triggered a global pandemic that entailed far-reaching and disruptive consequences. Not only did all of us have to deal with changes to our daily lives, many have also been affected at the core of their existence and had to overcome severe strokes of fate. In light of the circumstances we are facing, Energie AG understands the special duty of care that the Company as an operator of critical infrastructure owes to its customers, employees and the society at large.

The highest priority in all of this must be afforded to warranting the security and quality of supply for our customers. We have firmly committed ourselves to this responsibility with the objective of laying the foundations for economic growth, secure jobs and a high quality of life. The Group lives up to this responsibility by permanently investing in the expansion of our grid and sustainably optimising their reliability and quality.

The targets set by the Austrian Federal Government and the European Commission with regard to climate neutrality reinforce the strategy pursued by Energie AG for many years. In the year under review, the importance of energy efficiency and resource preservation is once again reflected in the analysis of the greenhouse gases emitted by the Group. These emissions declined by more than 10% from the previous year, and are representative of the course charted for achieving the Group's strategic objective of decarbonising its business operations.

Another focus of Energie AG is the promotion of diversity in general and gender diversity in particular. The year under review once again saw the implementation of specific measures in the form of scholarships awarded to female technicians and a recently concluded trainee programme that focused on our female colleagues. We are confident that these measures will have a positive effect on our corporate culture and ultimately contribute to the Group's economic success.

In these challenging times, we are once again reminded that employees are a company's most valuable resource. By holding competitions for the best ideas and establishing a platform for suggestions for improvements, we seek to encourage every single one of our colleagues to contribute to our goals, harness their full potential and jointly support their personal development and the development of our company.

Energie AG consistently seeks to put environmental, social and public welfare issues at the forefront of our agenda. We hope that this report on non-financial information gives you an opportunity to find out more about our activities and we look forward to working together with you as we continue to pursue sustainable development.

The Management Board of Energie AG Oberösterreich

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

Dr. Andreas Kolar
Member of the Management Board
CFO

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

ABOUT THIS REPORT

As per EU Directive 2014/95/EU on the disclosure of non-financial and diversity information (NFR Directive) and its implementation in accordance with the Austrian Sustainability and Diversity Improvement Act 2017 (Nachhaltigkeits- und Diversitätsverbesserungsgesetz; NaDiVeG), this document is the third separate report on non-financial information (Non-Financial Report) publishing the required information about the Energie AG Group. This publication is the consolidated non-financial report for Energie AG Oberösterreich (Energie AG) in accordance with § 267(a) of the Austrian Commercial Code (UGB).

This report is published on an annual basis together with the Group Annual Report. The legal requirements pertaining to the Non-Financial Report were taken into account with external assistance based on international frameworks. In addition to this Non-Financial Report, Energie AG provides information about its corporate responsibility in an annual **Group Management Report** **› page 9**, in a **semi-annual report** and on its **company website www.energieag.at**.

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

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

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

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

THE BUSINESS MODEL OF ENERGIE AG OBERÖSTERREICH

Energie AG is headquartered in Linz, Upper Austria. Energie AG's market area includes Austria, the Czech Republic, South Germany, and Northern Italy.

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

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

As the Company's core business area, the **Energy Segment** **› page 22** spans electricity generation, electricity procurement, electricity and natural gas sales, heat supply in Austria and telecommunications services. The range of services also encompasses energy efficiency services, such as energy audits for large organisations, energy certificates and building modernisation plans, special energy contracting models and system optimisation strategies.

The **Grid Segment** **› page 28** comprises the construction and operation of the electricity and natural gas grid as the backbone of Upper Austria's supply with electricity and natural gas by Netz Oberösterreich GmbH (Netz OÖ), a fully owned subsidiary of Energie AG.

The **Waste Management Segment** **› page 31** offers integrated waste management and custom-designed waste management solutions in Austria and Northern Italy. This includes the collection, acceptance, storage, sorting, management and incineration (including slag processing) of domestic and commercial waste, as well as recovery and reuse of recycling materials in this area.

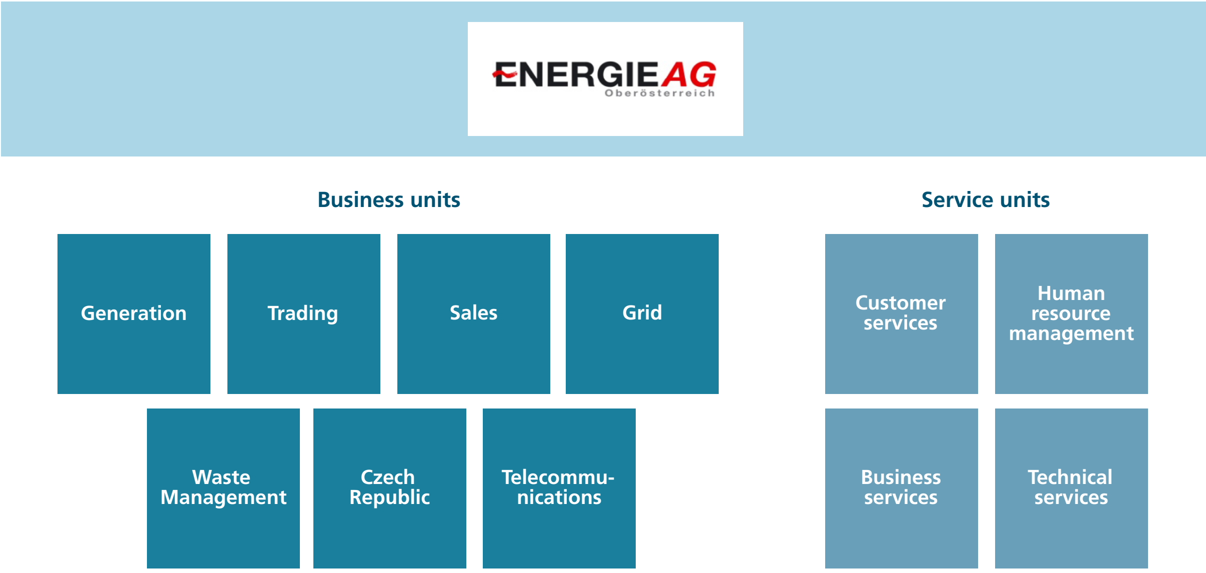
The **Czech Republic segment** **› page 34** offers comprehensive drinking water supply and wastewater management services in the Czech Republic. The business models include concession, operator and service contracts; specialised water, waste water and heating services; and construction and installations. 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 36** comprises the Telecommunications and Metering Services business area, commercial and technical services and some subsidiaries consolidated at equity that are not assigned to other segments. The commercial and technical service companies provide services for the entire Group.

Disclosures about changes under corporate law during the 2019/2020 fiscal year are provided in the **Group Management Report** **› page 9**.

The Group Annual Report includes the **Shareholder structure of Energie AG Oberösterreich** **› page 6**, the **Group management bodies** **› page 5** and the summary of the key figures **Energie AG Oberösterreich at a glance** **› page 3**.

GROUP STRUCTURE



ENERGIE AG STRATEGY 2030

Strategy development process

A structured annual strategy process is a prerequisite for consistent control over the Energie AG Group's long-term business development. Analyses of market developments (risks and opportunities) are used to derive strategies and measures that sustainably warrant cost efficiency and profitability.

The strategic course of Energie AG was charted in the Group strategy conferences held in virtual space in April and July of 2020. The economic effects of the COVID-19 crisis and the different scenarios for an economic recovery were analysed and the strategic key areas of the business and service units were determined.

Reliability in supply and waste management services

The COVID-19 pandemic presents Energie AG with enormous challenges in securing the uninterrupted operation of critical infrastructure (power plants, electricity and gas grids, telecommunication, water supply and waste water management). The very high level of **security and quality of supply** was successfully maintained, last but not least thanks to the stringent implementation of the strategy pursued by Energy AG.

Netz Oberösterreich GmbH (Netz OÖ) secures the energy supply in Upper Austria with a modern and reliable **electricity and natural gas grid** and is Austria's pioneer in the roll-out of smart meter technology.

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

The **Waste Management Segment** **› page 31** guarantees solutions in the areas of waste and recyclable materials to the highest technological and ecological standards and, due to the two incineration plants in Wels and Lenzing, makes a significant contribution to waste management in Austria.

Energie AG has succeeded in establishing itself as a reliable drinking water, waste water management, space heating and hot water supply company in the **Czech Republic Segment** **› page 34**. The Group intends to deepen its partnerships with municipalities while simultaneously boosting efficiency and competitiveness by making targeted investments in its own water, waste water and heating infrastructure as well as making constant upgrades to the Group's equipment and vehicle fleet.

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

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

"Secure digital services"

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

Enabler of the energy transition and the circular economy

The national **energy and climate targets for 2030** as well as the **decarbonisation path to be pursued up to 2040** are a very challenging step towards the future energy supply in Austria. From the perspective of Energie AG, it is relevant to take a holistic, integrated look at the entire energy system, taking into account the electricity and heat and mobility sectors ("sector coupling").

In the area of **electricity procurement**, Energie AG has used its own 43 hydropower plants and corresponding rights to procure electricity generated from renewable energy sources.

Energie AG Group also operates 71 large solar power plants (of which 53 solar contracting plants have been installed at customers) and holds interests in four wind farms across Austria.

Energie AG supports the current government's programme for 2020-2024 by making **sustainable strategic decisions**. This includes plans for the implementation of a number of power plant projects in the areas of hydroelectric power, solar and wind power that, by the year 2030, will increase the electricity generated by renewable sources by around 20 percent. These efforts made by Energie AG are an important contribution to achieving climate neutrality and security of supply in the future.

The expansion projects pursued by Energie AG provide economic impetus with a high **local value creation** that is especially welcome during the recession brought about by the COVID-19 pandemic. For each million Euro invested, Energie AG generates an additional gross value of around EUR 0.5 million and approximately six jobs.

In order to achieve its growth targets, Energie AG makes use of **strategic partnerships**, offers comprehensive contracting solutions and enters into cooperation agreements.

Energie AG is committed to a **responsible and sustainable treatment of the environment** and conducts its activities with the aim of supporting the following three dimensions: security of supply, climate protection/sustainability and competitiveness/ performance in the energy policy triangle. Further information on the fundamental political and regulatory framework can be found in the **Group Management Report, Energy and climate politics › page 10** and **Fundamental legal and regulatory framework in the Grid Segment › page 28**.

Most Energie AG Group projects pursue the objective of advancing the use of renewable energy and improving energy efficiency on the one hand, while on the other hand reducing the consumption of resources and production of waste both within the Group as well as at the customer with the aim of sustainably supporting the energy and climate goals.

Regional focus

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

The digitalisation provides an important impetus for the region. Energy AG advances the developments in the area 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 fibre-optic internet connections that enable residents of lesser developed areas to find attractive home office jobs.

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

With its activities, the Energie AG Group makes a material contribution to the sustainable development of the quality of life and the economy in the regions in which it operates.

The focus on the customer

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

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

In its business environment, Energie AG stands for **sustainable and fair solutions**, which it can guarantee on the basis of permanent process optimisation efforts. This enables Energie AG to continue to offer electricity customers stable prices despite rising wholesale prices since 2018 and the separation of electricity price zones between Germany and Austria on 1 October 2018.

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

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

Financial stability

Energie AG's financial goal is to achieve attractive returns, to sustainably secure the value of the Group and to continue to be a reliable and interesting business partner for owners and investors in the future. Financial stability is supported by the balanced Group portfolio of liberalised and regulated business models. A further basis for success is the efficient management of risks and opportunities. It empowers the Group management to identify challenges at an early stage and to take effective measures in good time.

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

Employees

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

The Group's successful **apprenticeship programmes** train the specialists needed by the Group's business segments and include measures in the area of **diversity** that send an important socio-political signal.

MAJOR SUSTAINABILITY ISSUES

As part of the strategy development process, Energie AG's major sustainability issues are regularly evaluated and undergo continuous improvement with the involvement of internal interested parties (e.g. Management Board, executives, employees, Supervisory Board and owners) and external stakeholders (e.g. customers, communities close to the Company's projects, representatives from political and administrative systems, banks, insurance companies and non-governmental organisations (NGOs)). 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 evaluation matrix. The matrix was adapted according to the results of the 2019/2020 strategy process and updated in July 2020.

The major sustainability issues for the Energie AG Group are described in the following sections:

Economy **› page 59** and **Group Management Report** **› page 9**

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

Social affairs **› page 76**

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

Environment **› page 61**

- Climate protection
- Resource conservation

Employees **› page 87**

- Acting as a responsible employer
- Workplace health and safety

Compliance (incl. Respect for human rights) **› page 94**

- Legal compliance and prevention of corruption

Stakeholder dialogue

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

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

The newly established **customer forum** is a place where current sales projects are subjected to a critical and constructive dialogue, see **Social affairs, customer focus › page 79**.

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

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

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

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

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

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

The state of Upper Austria applied these guidelines for the first time at the occasion of the **Mühlviertel Electricity Supply** project (110-kV project Rohrbach – Bad Leonfelden – Rainbach, a joint project between Netz OÖ and LINZ NETZ GmbH) and discussed the advantages and disadvantages of potential routes with all interested stakeholders. The detail planning also took place in close consultation and direct dialogue with the property owners.

To optimise internal processes and procedures, Energie AG Group is holding internal competitions for the best ideas that will allow the Group to harness the **wealth of practical experience** and **creative potential of its employees** (projects "Neuland", "Loominati"). The winning projects are determined in a multi-stage selection process and implemented without any further delay. This opportunity to become directly involved in shaping the Company's fortunes affords special appreciation to the project team members, while the optimised processes benefit the Group as well as the employees and customers affected by them. Also see **Economy, innovation › page 59**.

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

Further information and initiatives pursued by Energie AG Group with the aim of satisfying the needs and giving consideration to the interests of this important group of stakeholders can be found in section **Employees – responsible employer › page 87**.

The foundation for the implementation of our stakeholder management is the **Code of Conduct** of the Energie AG Group titled **"This is how we think, this is how we act".** The Code defines the principles that underpin fair, transparent and sustainable business practices. Every single employee endorses and commits to these principles.

Media analysis

The non-financial information of Energie AG is supplemented by reports in relevant media in Upper Austria and across Austria on topics that touch on the affairs of the Group.

In the reporting period, the media landscape was to the largest extent dominated by reports connected to the COVID-19 pandemic. The media reported in a positive light about the public presence of Energie AG as a reliable supplier of system-critical infrastructure and services who supported the in parts extremely anxious population during the statewide COVID-19 lockdown with its intense efforts to warrant the uninterrupted supply with energy and infrastructure.

The media also mentioned current infrastructure projects (construction of routes, power plant projects to expand and secure the electricity supply etc.), ecological measures (e.g. fish ladders) and topics in the area of environmental and climate protection connected with the Federal Government's ambitious goals and requirements related to the energy transition.

SUSTAINABILITY OBJECTIVES

ECONOMY

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

ENVIRONMENT

- Enabling the energy transition by **increasing the share of renewable energy**
- **Resource conservation**
- Warranting an environmentally friendly and legally compliant **circular economy**

SOCIAL AFFAIRS

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

EMPLOYEES

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

COMPLIANCE

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

SUSTAINABILITY OPPORTUNITIES AND RISK MANAGEMENT

Alongside all other players in the industry, Energie AG is exposed to numerous risks – the early identification of these developments as well as the ascertainment and active management of the emerging opportunities and risks is the responsibility of the Group-wide risk management system. Opportunities and risks are events outside of the "ordinary" business activities that entail potential negative or positive 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 17** and the **Notes to the Consolidated Financial Statements › page 183**.

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

The focus in the 2019/2020 fiscal year was on further developing the ESG risk management and to advance the integration of the ESG risks in the Group-wide risk management system.

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. This provided the foundation for identifying potential risks and opportunities, which were then subjected to a qualitative assessment on the basis of Group-wide uniform evaluation criteria. Relevant mitigation measures were discussed and determined, and the net risks were ascertained.

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

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

Significant opportunities (+) | risks (-)[4] and measures

| ENVIRONMENT

CLIMATE PROTECTION I RESOURCE CONSERVATION

Concepts

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

Opportunities and risks

Opportunities:

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

Risks:

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

Measures

- "Quality, Safety and Environmental (QSE) Management" Group Policy
- "Strategy Development Process" Group Policy
- "Company Cars and Their Private Use" Group Policy
- Steady expansion of renewable energies
- Increasing energy efficiency on the part of customers and within the Group
- Environmental impact assessments and analysis reports
- Reviewed and approved environmental statements, certifications and audits
- Use of modern and sustainable technologies
- Rights management database
- Management of official decisions
- Ensuring that all legally required staff appointments are made
- Ideas management

4) Risks | opportunities are defined as events outside of the "ordinary" business activities that entail potential negative | positive consequences With regard to Energie AG's risks | opportunities resulting from the NaDiVeG, please see "Significant Opportunities (+) | Risks (-) and Measures" in the Notes to the Consolidated Financial Statements › page 184

SOCIAL AFFAIRS

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

Concepts

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

Opportunities and risks

Opportunities:

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

Risks:

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

Measures

- "QSE Management" Group Policy
- "Sponsoring and Giving" Group Policy
- Overhaul and maintenance work to ensure security (of supply)
- Crisis and emergency plans
- Complaint management
- Customer forum
- Proactive inclusion of stakeholders
- Project-related communication with stakeholders
- Consideration of the interests of affected citizens beyond the scope prescribed by law
- "Guidelines for planning processes for new high-voltage routes"
- Support for social, cultural and sporting activities
- Educational programme "Energie AG at School"
- › www.wir-denken-an-morgen.at
- also see measures in Compliance

EMPLOYEES

ACTING AS A RESPONSIBLE EMPLOYER I WORKPLACE HEALTH AND SAFETY

Concepts

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

Opportunities and risks

Opportunities:

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

Risks:

- Health and safety risks for company staff and temporary employees

Measures

- "Human Resource Management" Group Policy
- "Management by Objectives" Group Policy
- "Management Academy" Group Policy
- "berufundfamilie" audit for work-life balance
- "Workplace Health Promotion until 2019" seal of approval
- In-house health management project energy@work
- Apprenticeship | trainee programmes
- Safety training courses for internal and external employees

COMPLIANCE

LEGAL COMPLIANCE AND PREVENTION OF CORRUPTION

Concepts

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

Opportunities and risks

Opportunities:

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

Risks:

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

Measures

- "Compliance Management System" Group Policy
- "Anti-corruption" Group Policy
- "Handling of Insider Information" Group Policy
- "Information Security Management" Group policy
- "Data Protection Management System" Group Policy
- "Data Protection Compliance Policy" Group Policy
- "Internal Control System (ICS)" Group Policy
- In-person training and e-learning courses

RESPECT FOR HUMAN RIGHTS

Concepts

- Code of conduct
- Also see Employees › page 87, Social affairs › page 76, Compliance › page 94

Opportunities and risks

- potentially relevant issues are covered under Employees › page 87 and Compliance › page 94

Measures

- "Compliance Management System" Group Policy
- Works council
- Training courses

QUALITY, SAFETY AND ENVIRONMENTAL MANAGEMENT

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

In the 2019/2020 fiscal year, the software tool "Avedos" already used in data protection management was also implemented for QSE management: The first step consisted of mapping the processes of the Group companies (with the exception of the Czech Republic Segment) and their success factors in this enterprise management system. Starting with the next fiscal year, the internal audits will also be handled and documented in Avedos. The employees will also soon be able to review their tasks and responsibilities in the respective processes directly via the iGrafx user interface.

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 uncertified entities are supported by **environmental management standards ISO 14001 and EMAS** (Eco Management and Audit Scheme) and the **occupational safety management standard ISO 45001**.

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 also confirmed when the system gained recertification by TÜV Süd in the early summer months of 2020.

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. Around 30% of the Austrian and Italian workforce is employed at entities validated in accordance with the Eco-management and Audit Scheme (EMAS) or certified under environmental management standard ISO 14001:2015. Almost one-third of the Company's Austrian employees are at entities certified as compliant with the safety management standard ISO 45001:2018.

The Grid Segment, which employs 553 staff (previous year: 556), has achieved certification under ÖVGW QS GNB 200 (quality standards for gas grid operators).

The Waste Management Segment is certified to the following standards: ISO 9001:2015 (quality management), ISO 45001:2018 (occupational health and safety management), ISO 14001:2015 (environmental management), EMAS III regulation, qualified waste management operator (RAEF). It is compliant with EU regulation in accordance with Article 6 of Regulation (EU) No. 333/2011 and has a product potential certificate as per ISO 14024.

The entities in the Czech Republic employ 1,944 people (previous year: 1,940) and are not subject to the Energie AG Oberösterreich Group QSE management system. In accordance with the requirements of the respective subsidiary in the Czech Republic Segment, two Czech entities are certified in accordance with the international standards ISO 9001, ISO 14001 and ISO 45001. This means that around two thirds of the employees in the Czech Republic work in entities that are certified under quality, environmental and occupational safety standards.

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

ECONOMY

Energie AG's economic goals are:

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

Positioning ourselves as a reliable and stable partner for equity investors and outside creditors is an important goal of Energie AG, which we are pursuing in a consistent and sustained manner.

BUSINESS MODELS FIT FOR THE FUTURE – INNOVATION

On 1 October 2019, **Wertstatt 8 GmbH** as an independent **innovation company** started its activities aimed at exploring the potential of different subject areas for future business models and placing an even stronger focus on the advancement of innovation-related activities. Based on the customers' requirements, the Company's objective is to develop digital solutions and innovative business models in the fields of energy and the environment that generate sustainable additional value for both the customers and the Group.

In October 2019, the jury of the innovation award "Digitalos" nominated one of the services developed by Wertstatt 8 GmbH for the final round in the category "artificial intelligence/digital projects": with the help of independent online heating consultant "HEINZI" (**www.heinzi.com**), customers are provided with heating recommendations tailored to their individual property and requirements, the option to easily compare the proposed systems, and also to receive suggestions for regional specialist companies that can support them in the practical implementation.

Another tool developed by Wertstatt 8 GmbH has already established itself on the market: the "**PV calculator**" can be used to design an individual PV power system in a few simple steps. This tool allows the customers of Energie AG to gain a quick overview of available options and receive suitable offers, such as Energie AG's PV SuperDeal (**a photovoltaic power system at a monthly fixed price including comprehensive insurance**).

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

SUGGESTIONS FOR IMPROVEMENTS

	Unit	2019/2020	2018/2019	2017/2018
Ideas submitted	Number	121	173	135

In the 2019/2020 fiscal year, this translated to 121 suggestions for improvement submitted by employees from all units within the Energie AG Group (previous year: 173). The decline is attributable to the COVID-19 lockdown restrictions (no local presence with the "thinktank", a mobile information and service booth, at events).

The regularly conducted **digitalisation initiative "Neuland"** is one of the measures taken to implement Energie AG's digital strategy. In fiscal year 2019/2020, once again a large number of ideas were submitted by employees and advanced intensively in a multi-stage selection process. The project ideas ranged from process automation to digital assistants in customer communications and innovative solutions for complex customer applications.

A tailored framework programme with manifold participation and professional development opportunities for the employees allowed them to increase their digital know-how and improve their identification with the digitalisation objectives.

NEW TECHNOLOGIES

Energie AG harnesses new technologies for increasing the efficiency of internal processes and developing new products and services for its customers. These include, inter alia, algorithms for an intelligent peak management, omni-channel solutions for customer service, the automation and expedited performance of routine activities by robotic process automation, an Internet-of-Things (IoT) solution for monitoring water consumption, and the use of data goggles during maintenance works. The job application process was improved by implementing a modern "one-click" technique via a digital platform. Matching algorithms support customers in making decisions and in questions concerning the intelligent use of renewable energies (online heating consultant "HEINZi", online PV calculator).

For more information, see the **Research, development and innovation › page 9** section in the **Group Management Report › page 18**.

ECONOMIC POSITION

Information about the economic position of Energie AG Group and on the important subject of the partnership with equity investors and outside creditors can be found in the **Group Management Report › page 9**, in **section Business development › page 12** and in the **Consolidated Financial Statements › page 99**.

ENVIRONMENT

Energie AG pursues the following environmental objectives:

- Enabling the energy transition by increasing the share of renewable energy
- Resource conservation
- Warranting an environmentally friendly and legally compliant circular economy

Energie AG's major sustainability issues in the environmental realm are **climate protection and the responsible, careful consumption of natural energy resources**. They are covered in the section Environment, broken down according to the segments **Energy** **› page 22**, **Grid** **› page 28**, **Waste Management** **› page 31**, **Czech Republic** **› page 34**, and **Holding & Services** **› page 36**.

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. For all the review results, see the latest environmental statements from **Energie AG Oberösterreich Umwelt Service GmbH (Umwelt Service GmbH)** and **Energie AG Oberösterreich Erzeugung GmbH (Erzeugung GmbH)**.

CLIMATE PROTECTION & RESOURCE CONSERVATION

The Energie AG Group's business activity requires a reasonable amount of greenhouse gas emissions. Thermal plants are indispensable for electricity production as a means of ensuring a secure supply and stable grids. Energie AG works to counter emissions by making substantial positive impacts on the environment through efficient low-CO_2 energy and heat generation, and by harnessing the benefits of primary fuel and primary raw material substitution. In addition, the Waste Management Segment's refrigerator recycling service makes a significant contribution to reducing greenhouse gas emissions.

The emissions in the 2019/2020 fiscal year are broken down as follows: the total emissions (Scope 1) amounted to 1,350 kt of CO_2 (previous year: 1,500 kt); of these total emissions, 1,036 kt are attributable to fossil fuel sources (previous year: 1,191 kt) and 313 kt to biogenic energy sources (previous year: 308 kt). Energie AG Group accounted for 62 kt of indirect (Scope 2) CO_2 emissions (previous year: 71 kt).

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

Calculation of CO_2 emissions takes into account the Greenhouse Gas (GHG) Protocol Corporate Standards and the Global Reporting Initiative (GRI 305) Standards.

CO_2 EMISSIONS IN TONNES PER YEAR

Total direct CO_2 emissions (Scope 1)

	2019/2020	2018/2019	2017/2018
Total	1,349,389	1,500,338	1,306,317

Direct CO_2 emissions, fossil (Scope 1)

Business unit	2019/2020	2018/2019	2017/2018
Erzeugung GmbH	491,328	639,406	450,669
Waste Management Segment	483,828	485,526	499,195
Czech Republic Segment	32,062	35,254	35,791
Vertrieb GmbH	23,966	26,444	25,579
Netz OÖ	3,395	3,325	3,865 [1]
Business Services GmbH	1,714	1,986	2,045 [2]
Total	**1,036,292**	**1,191,942**	**1,017,143**

1) The energy density (kg/m³) was taken into account for the conversion of natural gas consumption 2017/2018. The value was adjusted.
2) During the collection of the fossil Scope 1 values for fiscal year 2017/2018, fuel consumption from private usage was mistakenly included in the area Business Services GmbH. This has now been adjusted.

Direct CO_2 emissions, biogenic (Scope 1) [1]

Business unit	2019/2020	2018/2019	2017/2018
Erzeugung GmbH	138,406	145,859	145,313
Waste Management Segment	166,952	155,096	136,576
Czech Republic Segment	7,652	7,348	7,225
Vertrieb GmbH	86	93	60
Netz OÖ	0	0	0
Business Services GmbH	0	0	0
Total	**313,097**	**308,396**	**289,174**

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

Indirect CO_2 emissions (Scope 2)

Business unit	2019/2020	2018/2019	2017/2018
Erzeugung GmbH	4,566	4,587	5,581
Waste Management Segment	11,927	14,766	15,106
Czech Republic Segment	10,199	11,880	12,045 [1]
Vertrieb GmbH	6,490	4,402	4,486
Netz OÖ	28,739	35,465	36,565
Business Services GmbH	0	0	0
Total	**61,922**	**71,100**	**73,783**
Total Scope 1 + 2 (in tCO_2eq) [2]	**1,411,311**	**1,571,438**	**1,380,099**

1) The calculation for the fiscal year 2017/2018 has been corrected.
2) The values for the fiscal year 2019/2020 come from direct measurements, from environmental statements, or were calculated using conversion factors (for direct CO_2 emission factors see the Environment Agency Austria (Umweltbundesamt); the electricity mix used is the Energie AG ÖÖ Residualmix). Conversion factors are used for the use/consumption of natural gas, petrol, diesel, liquefied petroleum gas, heating oil, coal, methane, biomass, and biogas, for example. 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 2019 and 2018. For availability reasons, the data for the Czech Republic Segment is from the fiscal years 2018/2019 and 2017/2018. 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 owned by Gas und Dampfkraftwerk Timelkam GmbH, in which Energie AG and Groupe E (CH) each hold an interest of 50%. The CO_2 emissions are included at 100% nonetheless.

Scope 1 encompasses direct emissions from the incineration processes of stationary facilities, direct emissions from the incineration processes of mobile facilities, direct emissions of volatile gases and direct emissions from processes.

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

Scope 2 encompasses indirect emissions from electricity purchases, indirect emissions from district heating/cooling and indirect emissions from steam purchases. The Energie AG residual mix is used to measure CO_2 emissions from purchased electricity for all Energie AG Group units (141.57 g CO_2/kWh, previous year: 170.26 g CO_2/kWh). As the majority of locations are within the service area, this represents a hybrid form of location-based and market-based calculation.

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

CO_2 EMISSIONS FROM ELECTRICITY PRODUCTION

The **CO_2 emissions from electricity production** [5] totalled 34.17 g/kWh in the 2018/2019 fiscal year (2017/2018 fiscal year: 54.33 g/kWh. While CO_2 emissions amounted to 54.33 g/kWh in fiscal year 2017/2018, the increased use of environmentally friendly energy sources in fiscal year 2018/2019 reduced them significantly to 34.17 g/kWh. This will lead to climate neutrality for the entire electricity procurement in fiscal year 2019/2020, which means that the CO_2 emissions will amount to 0 g/kWh.

	Unit	2018/2019	2017/2018	2016/2017
CO_2 emissions from electricity production	g/kWh	34.17	54.33	58.30

VEHICLE FLEET

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 electric vehicles in the fleet of company cars was increased significantly in the 2019/2020 fiscal year.

ENERGY AUDIT

The **energy audit**, in line with § 9 of the Austrian Federal Energy Efficiency Act 2015 (Bundes-Energieeffizienzgesetz; EEffG), is conducted once **every four years** and covers all the Energie AG Group's Austrian locations. The most recent energy audit was concluded in November 2019. The energy audit examines a key energy consumption area in the relevant sites' "processes", which is analysed in detail and subsequently audited. These processes encompass operational processes and industrial facilities (e.g. electric drives and systems, hot

5) Fuel mix disclosure figures of Energie AG Oberösterreich excl. Businesskunden GmbH and Enamo Ökostrom GmbH; the data for the CO_2 emissions for the electricity production in the 2019/2020 fiscal year was not available at the time the report for 2019/2020 was prepared.

water systems used in industrial activities). The “Processes” business unit accounted for 95.1% of Energie AG’s total energy consumption in the 2017/2018 fiscal year (2014/2015 fiscal year: 92.0%), while transport accounted for 4.2% (2014/2015 fiscal year: 4.0%) and buildings accounted for 0.7% (2014/2015 fiscal year: 4.0%).

Due to the continuous **efficiency gains** in the production processes, the energy audit only identified a few areas with major potential for improvement. The top-rated measures include increasing the district heat extraction at the waste incineration plant in Wels, which is currently in the detail planning phase, and the planned installation of a 50 kWp PV power plant in Attnang/Redlham in spring/summer of 2021. Additional measures such as an upgrade of the lighting systems and pipe insulation are being implemented gradually. Measures taken in addition to those from the energy audit include, inter alia, the commissioning of four electric car charging stations powered by a 400 kWp PV power plant in Ötztal in the 2019/2020 fiscal year.

ENERGY SEGMENT

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.

Generation plants

	Unit	2019/2020	2018/2019	2017/2018
Hydropower plants	Number	43	43	44
Total output	MW	280	280	280
Standard production capacity	GWh	1,150	1,150	1,160
Procurement rights from hydroelectric power	MW	380	380	380
Procurement rights from hydroelectric power, standard production capacity	GWh	1,410	1,390	1,390
Thermal power plants (locations)	Number	7	7	7
Electricity output	MWe	400	400	400
Standard production capacity	GWh	2,260	2,260	2,260
District heating grid Austria	Number	12	11	11
Heat contracting plants	Number	598	589	582
Wind power facilities [1]	Number	13	12	12
Output	MW	15	13	13
Standard production capacity	GWh	36	35	31
PV systems	Number	71	58	46
Output	MW	12	10	8
Standard production capacity	GWh	13	11	8

1) The data for wind power facilities in the 2018/2019 fiscal year was adjusted.

Steady expansion of renewable energy

The further expansion of the existing generation portfolio from renewable sources – especially hydroelectric power, wind and photovoltaics – is a strategic development area. Various attractive projects are currently being developed to decision-making maturity. By using biomass, geothermal energy and industrial waste heat, Energie AG has for many years pursued a decarbonisation strategy in the area of heat supply and thus plays a pioneering role as a sustainable utility in its market sectors.

Hydroelectric power

Hydroelectric power is the most important pillar of Austria's electricity supply. The nation has set itself the target of generating an additional 5 TWh from this energy source by the year 2030. The largest part of the electricity procurement in Energie AG's power plant portfolio is also generated by hydroelectric power plants. Upper Austria has already reached a very high degree of resource utilisation of more than 90% in this area.

Energie AG operates 43 of its own **hydropower plants** with a total capacity of around 280 MW and around 1,150 GWh of standard production capacity (previous year: 1,150 GWh). In addition, the Group holds procurement rights to hydropower plants with a capacity of around 380 MW and around 1,410 GWh of standard production capacity (previous year: 1,390 GWh). The increased standard production capacity results from the new determination made by Verbund Hydro Power GmbH for the Danube power plants on the basis of historic actual data.

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

Photovoltaics

Energie AG Group is operating 71 **PV power plants** (previous year: 58) with an output of approximately 12 MW (previous year: 10 MW) and a standard production capacity of 13 GWh (previous year: 11 GWh).

Over the last couple of years, the expansion of photovoltaic power has been pushed forward intensively across all of Austria. Energie AG has extensive experience in this field and constructed the first research and demonstration plants several decades ago. An important milestone was the 1 MW solar park in Eberstalzell commissioned in the year 2010.

Wind power

Wind power facilities in Austria are predominantly installed in the more windy states of Lower Austria (NÖ) and Burgenland. In addition to the facilities in Munderfing, Upper Austria, Energie AG is also invested in wind power facilities located in the municipalities of Trautmannsdorf (NÖ) and Scharndorf (NÖ). Together with local partners, the Energie AG Group owns interest stakes in 13 **wind power facilities** via subsidiaries and thereby makes an active contribution to achieving the climate targets. The wind power facilities have a proportional output of 15 MW (previous year: 13 MW) and a standard production capacity of around 36 GWh (previous year: 31 GWh). The increase from the previous year is attributable to the wind power facility in the municipality of Scharndorf, which has a proportional output of 2 MW and a standard production capacity of 4 GWh.

Proprietary electricity procurement

	2019/2020		2018/2019		2017/2018	
	GWh	%	GWh	%	GWh	%
Natural gas power plants	688	19.9	1,001	26.2	580	17.9
Waste incineration	128	3.7	114	3.0	132	4.1
Hydroelectric power	2,433	70.4	2,518	66.0	2,345	72.3
Biomass and biogenic waste	156	4.5	139	3.6	150	4.6
Wind power	37	1.1	35	0.9	31	1.0
Photovoltaic	12	0.3	9	0.2	7	0.2
Total proprietary procurement	**3,454**		**3,816**		**3,245**	
Share of renewable energies		**76.4**		**70.8**		**78.1**

The presentation of the proprietary electricity procurement in the 2019/2020 fiscal year was extended to include all forms of production.

In the 2019/2020 fiscal year, 76.4% of Energie AG's proprietary electricity procurement came from renewable sources (previous year: 70.8%), with around 70.4% of this coming from hydroelectric power (previous year: 66.0%) and the remainder from PV systems, wind power, biomass and biogenic waste.

For more information about energy generation, see the **Key performance indicators** › page 20 section of the Group Management Report as well as the **Energy Segment.** › page 22

Thermal power plants & district heating

Energie AG has seven locations [6] for **thermal power plants** with an output of around 400 MW_e and a standard production capacity of up to 2,260 GWh [7]. The power plant with the highest output in Upper Austria is the **CCGT (combined-cycle gas turbine) power plant in Timelkam** with an output of 405 MW_e [8]. It warrants the necessary flexibility and a highly efficient partial load operation that allows for a congestion management that can stabilise the electricity grid. As renewable energy proliferates, flexible power plant capacity is increasingly important. The Timelkam plant is particularly important to the control area manager when it comes to security of supply.

The last of the coal was burnt up at the Riedersbach power plant in 2016. Since then, only natural gas and biomass have been used to generate electricity and district heating at the Riedersbach and Timelkam sites. The biomass power plant at Timelkam (capacity: 9.5 MW_e, 28 MW_t) uses forest and herbaceous biomass to generate green electricity and district heating.

Energie AG operates 12 **district heating distribution networks** (previous year: 11) and manages 598 **heating systems under service contracts** on behalf of customers (previous year: 589). A large share of the district heating is generated from highly efficient CHP (combined heat and power) plants and biomass power plants. As well as operating geothermal plants, the use of industrial waste heat is also increasing in importance.

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

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

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

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

In 2019, contracts to increase heat sales volumes were concluded for the Cogeneration-Kraftwerke Management Oberösterreich GmbH location. A **district heating network** was constructed in **Gmunden**. The waste heat from an established industrial cement company is used to supply district heating to the region. There is also a **research project** conducted by Energie AG, the Technical University of Vienna, the Energy Institute at the Johannes Kepler University in Linz (JKU) and other industry partners that investigates the extraction of high temperatures incl. heat transportation to industrial customers for the supply of process

6) Riedersbach, Timelkam, Wels, Redlham, Kirchdorf, Steyr, Laakirchen
7) Including Timelkam CCGT plant (70%) and Riedersbach (location only)
8) Timelkam CCGT plant (100%)

energy. For more information on this project, please see the Group Management Report in section Research, development and innovation › page 18.

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

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

"Decarbonising fuel" is a long-term goal for society.

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

Biodiversity

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

Energie AG is also implementing measures to improve ecological conditions and reduce the environmental footprint (such as fish ladders).

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	2019/2020	2018/2019	2017/2018
Dams with fish bypasses	Number	25	24	21
Dams without fish bypasses	Number	20	21	24

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

Sales

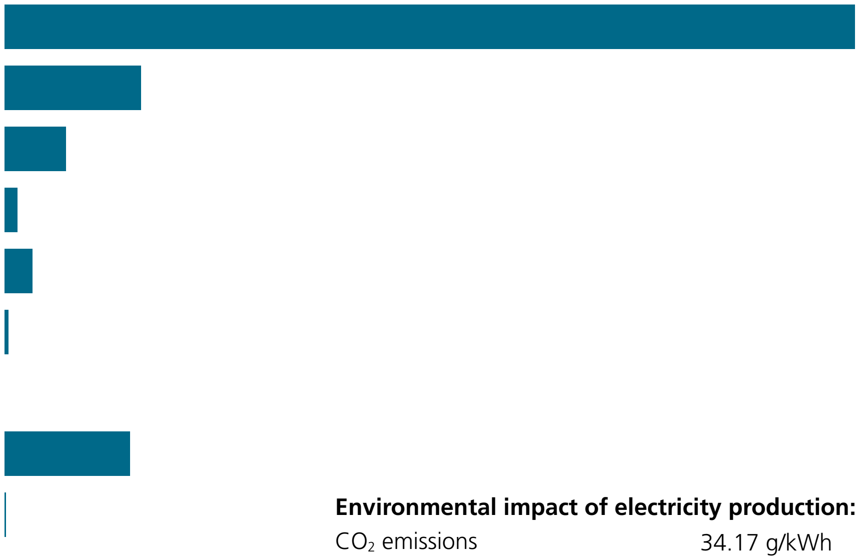
The energy savings that result from giving well-founded **energy advice** are a significant contribution to environmental protection and cost reduction efforts. Energy efficiency and advice are among Energie AG's core competencies. Most of the Company's customer advisers in Austria are certified European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

As a provider of energy audits in accordance with the Federal Energy Efficiency Act that is registered with the National Energy Efficiency Monitoring Centre, Energie AG Oberösterreich Vertrieb GmbH (Vertrieb GmbH) and its wholly owned subsidiary Ingenieurbüro IfEA Institut für Energieausweis GmbH employ 10 listed energy auditors, making the Company one of the largest providers of this service in Austria.

For the most part, Energie AG supplies its customers with environmentally friendly **hydroelectric power**. The energy mix and product label "hydroelectric power" of Energie AG Oberösterreich Vertrieb GmbH presented in the following relates to the 2018/2019 fiscal year [9].

Fuel mix disclosure

Hydroelectric power	70.03%
Wind energy	11.24%
Solid biomass	5.04%
Biogas	1.04%
Photovoltaic	2.28%
Other renewables	0.03%
Coal	0.00%
Natural gas	10.34%
Oil	0.01%
Others	0.00%



Environmental impact of electricity production:

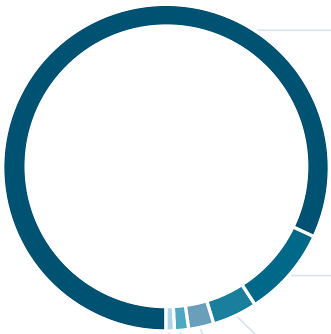
CO_2 emissions	34.17 g/kWh
Radioactive waste	0.00 mg/kWh

The majority of Energie AG's private and business customers use the product mix "hydroelectric power":

Product mix for hydroelectric power

Products "Ökostrom Klassik", "Ökostrom Smart Nachtaktiv", "Ökostrom Wärme"

CO_2 emissions	0.0 g/kWh
Radioactive waste	0.0 mg/kWh



As of 8 January 2020

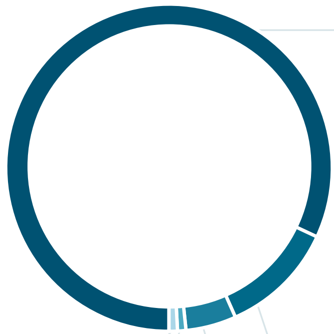
9) Fuel mix disclosure figures as defined by the Austrian Electricity Industry and Organisation Act (Elektrizitätswirtschafts- und -organisationsgesetz; ***ElWOG***), § 78 onwards, were not yet available for the 2019/2020 fiscal year at the time this report was written.

A new product world was introduced on 1 October 2019. With the exception of the compulsory allocation of Austrian green electricity by OeMAG-Abwicklungsstelle für Ökostrom AG (approx. 20%), the products are sourced exclusively from generation facilities in Upper Austria. The product mix for green electricity in Upper Austria presents as follows:

Product mix for green electricity

Product "Ökostrom Plus"

CO_2 emissions	0.0 g/kWh
Radioactive waste	0.0 mg/kWh



As of 8 January 2020

Energy efficiency

The Energie AG Group engages in promotional funding and campaigns to encourage efficient and sustainable energy use. The reporting in the area **"energy efficiency"** differs from the previous year. The values now relate to the last full calendar year available on the reporting date – i.e. in the 2019/2020 fiscal year they relate to calendar year 2019. This allows for comparability with the statutory requirements under the Federal Energy Efficiency Act, which prescribes an analysis on a calendar year basis.

The values presented in the table relate to measures taken by Energie AG Oberösterreich Vertrieb GmbH or the customer. Due to the fact that Energie AG Oberösterreich Vertrieb GmbH has, thanks to its pioneering role, has already met its obligations that result from the Federal Energy Efficiency Act 2015 for many years in advance, the measures in subsequent years may fall short of the required savings.

Energy efficiency at the customer

Compulsory energy saving obligation for Energie AG Oberösterreich Vertrieb GmbH

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

Measures taken by the customer or Energie AG Oberösterreich Vertrieb GmbH

	Unit	Calendar year 2019	Calendar year 2018
Energy savings resulting from measures taken by customers	MWh	11,185	20,329
Natural gas heating	Number	254	259
Total energy savings	MWh	3,102	3,716
Heat pumps	Number	65	244
Total energy savings	MWh	706	4,239
Other measures (e.g. replacement of household appliances, energy saving help package, LED campaigns etc.)	MWh	2,383	5,115
Total reported measures	**MWh**	**17,376**	**33,399**

Energy AG motivates its customers to an efficient use of energy. Energy-saving LED lamps are handed out to customers at the energy saving trade fair and at Energie AG's regional roadshows. With the energy saving help package initiative, Energie AG provides free packages that contain energy saving products (LED lamps, time switches, standby killers, radiator vents, water-saving shower heads etc.) and helpful information on how to save energy to charities, who distribute them to recipients of welfare benefits and other persons in need across Upper Austria. In calendar year 2019, Energie AG's **new household appliance replacement campaign** resulted in the replacement of 310 inefficient household appliances.

Accelerating energy-efficient technologies is an Energie AG priority area. **The installation of efficient heat pumps** is supported through monetary assistance, energy advisory services and demonstration systems. In calendar year 2019, this measure resulted in the installation of 65 heat pumps (previous year: 244) in Energie AG's service area, yielding total energy savings of around 0.7 GWh (previous year: 4.2 GWh). In addition to that, the campaign “moving beyond oil” was launched at the beginning of the 2019/2020 fiscal year.

In **gas sales**, the **“Energy-Saving Package”** was successfully continued with the aim to foster the installation, renewal and conversion of heating systems to condensing boiler technology for household customers. As a result, around 254 heaters were converted to natural gas or replaced (previous year: 259), saving around 3.1 GWh of energy (calculated based on EEffG, previous year: 3.7 GWh) in 2019.

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

The implementation of customer projects, especially in the shape of **PV systems**, is becoming increasingly important as well. Energie AG is planning to increasingly harness its extensive expertise and experience in this area. By offering PV contracting solutions, it enables business customers to harness the benefits of environmentally friendly electricity generation using photovoltaic without having to finance the installation of the system or take care of its operation.

Vertrieb GmbH is operating a total of 51 PV contracting systems with an output of around 8.4 MWp on the roofs of companies in Upper Austria. In the 2019/2020 fiscal year, these systems generated a total output of 5.9 GWh.

GRID SEGMENT

Grid losses

	Unit	2019/2020	2018/2019	2017/2018
Electricity grid losses	GWh	203	209	215
Electricity grid losses	%	2.6	2.5	2.5
Natural gas grid losses	m^3	26,533	26,606	53,543
Natural gas grid losses in CO_2	t	3,395	3,325	3,113

Grid losses are an indicator for the efficiency of energy supply grids and thereby for the preservation of resources during energy transportation. In the 2019/2020 fiscal year, the **losses in the electricity grid** amounted to 2.6% or 203 GWh (previous year 2.5%/209 GWh). The **losses in the gas grid** caused by venting for repairs and maintenance works amounted to 26,533 m^3 in the 2019/2020 fiscal year (previous year: 26,606 m^3). The natural gas grid losses correspond to 3,395 t of CO_2 (previous year: 3,325 t of CO_2).

The use of low-loss, high-efficiency transformers in grid renovation as well as energy-efficient control, regulation and transportation technology alongside with the replacement of low- and medium-voltage overhead lines by underground cables contribute to the further reduction of grid losses.

WASTE MANAGEMENT SEGMENT

The Waste Management Segment handles a **total waste volume** of around 1.7 million tonnes a year at 24 facilities (previous year: 1.7 million). Due to modern logistics and the extensive network of facilities, this waste is collected, treated, thermally processed or disposed of in a commercially and environmentally state-of-the-art process.

Total waste volume in tonnes

	2019/2020	2018/2019	2017/2018
By waste type			
Non-recyclable waste	1,258,058	1,294,464	1,310,050
Paper	204,433	211,340	217,324
Plastics & packaging	46,168	54,686	54,865
Glass	52,853	52,427	49,781
Organic waste	57,446	54,044	55,427
Metals	38,544	32,244	33,274
By hazardous substance			
Hazardous waste	92,622	94,456	114,310
Non-hazardous waste	1,564,880	1,604,747	1,606,410
By waste management method			
Recycling	1,277,011	1,294,614	1,310,512
Thermal processing			
high-caloric	8,587	3,183	1,529
medium-caloric	338,951	351,406	360,102
low-caloric	12,680	10,478	11,252
Landfill	20,274	39,523	37,324

Note to the table: The allocation to a waste management method relates to the waste type adopted from the customer. Additional treatment and waste management steps after the first recycling step are not included in this analysis. Example: the quantities allocated to thermal processing were adopted from the customer and directly attributed to the waste incineration plant. Treatment plants, e.g. for bulky waste, generate additional residual waste materials that also find their way into thermal processing. These waste volumes are allocated to the waste management method recycling. This allocation to a waste management method was chosen with the aim of allowing for comparability with the waste volumes adopted from the customer.

Energie AG's Waste Management Segment is certified with regard to quality (ISO 9001:2015), occupational health and safety (ISO 45001:2018), the environment (ISO 14001:2015) and as a qualified waste management operator (RAEF). In 2013, Umwelt Service GmbH was the first waste management company operating across Austria to successfully roll out EMAS validation for all its locations (Regulations (EC) No. 1221/2009 and 2017/1505 of the European Parliament). Ultimately, all these measures help to ensure efficient use of resources and prevention or reduction of emissions while actively involving customers, staff and owners.

Investing in the highest technical standards and in environmental and climate protection is one of the foundation stones of the Waste Management Segment's business activity.

The environmental targets of the Waste Management Segment as of 25 June 2020 are stated in the current environmental declaration pursuant to EMAS.

A project for the determination of the CO_2 footprint Scope 1 and 2 by the Federal Environmental Office was implemented in fiscal year 2019/2020. The CO_2 statement includes the resulting greenhouse gas emissions from exported electricity, heat and steam delivered to users outside of the system boundary. The emissions of the energetic input for raw material substitution and recovery as well as for the provisioning of substitute fuels and those from refrigeration appliance demanufacturing are included.

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

When providing waste management services, care is taken to ensure that resources are conserved as much as possible. Key plans in this area include reducing CO_2 emissions with a modern fleet of trucks, rolling out e-business (automating commercial processes), increasing energy efficiency and decreasing overall energy consumption.

In addition, the slag remaining after waste incineration is recycled at the Wels plant. In a multi-stage mechanical separation process, iron and other content remaining in the slag after incineration is removed. These raw materials (aluminium, copper, brass and stainless steel) are separated, recycled and returned into the metal processing cycle, which in comparison to primary production also saves CO_2 emissions. The recycling of the metals additionally reduces the use of the landfill in Wels and thereby prevents the need to use other landfills and the associated truck journeys and fuel consumption.

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

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

In order to keep the incineration plants up to date with the latest technology and warrant an uninterrupted security of waste management, the incineration plants are regularly inspected with a focus on the replacement of bigger system components. The replacement of the waste crane in the waste incineration plant in Wels was prepared in fiscal year 2019/2020.

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

Energie AG only has limited influence over non-revenue water in the distribution grids of the local authorities that are served, 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

The Czech Republic Segment supplies just short of 1 million people with **drinking water** (approx. 48 million m^3 of drinking water) and provides **waste water management services** to around 700,000 residents (approx. 44 million m^3 of waste water).

Given that local authorities are responsible as the infrastructure owners for **renovating grids** (except for one investment – VaK Beroun a.s.), Energie AG's measures focus on locating and remedying leaks. The continuous monitoring, reporting and benchmarking allows for a detailed analysis of the complex developments in the piping networks. In recent years, extensive investments have been made in modern hardware and software for hydraulic network modelling, as well as in expanding district metered areas, supplying equipment and providing employee training.

A benchmarking in accordance with the internationally accepted "unit water leakage" method paints a positive overall picture for the 52 supply areas that each have a population of more than 5,000. In calendar year 2017, 92% of the networks were in good condition, 8% in average condition and 0% in poor condition. For calendar year 2019, these values have changed to 92% in good condition, 6% in average condition and 2% (representing a single municipality) in poor condition.

The **business area "Heat"** in the Czech Republic Segment supplies around 50,000 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 last decade, 16 km of old pipes in the heat network of the Czech Republic were replaced with more efficient, insulated district heat pipes that are equipped with a higher grade heat insulation. 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.

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 34.

HOLDING & SERVICES SEGMENT

Energie AG operates an active **building benchmarking** across Austria and for the PowerTower Linz and the facility in Gmunden in particular. The construction design of the Group's headquarters – the PowerTower in Linz – is unrivalled in terms of energy efficiency. According to an annual comparison with similar (including more recent and modern) office buildings, it continues to hold a leading position. The combination of an innovative facade and a heating and cooling system that uses groundwater, soil and solar energy delivers outstanding energy efficiency. Energie AG is aiming at installing modern energy concepts in all its buildings – in the best interest of its employees and the environment.

Energie AG takes its **responsibility as an operator under ÖNORM B1301** (property and building safety) very seriously. The focus is on ensuring employee welfare in a safe and highly sophisticated environment.

The **company restaurants** and canteens of Energie AG in Linz, Gmunden, Timelkam and Riedersbach prioritise the use of regional and seasonal fresh produce. In the 2019/2020 fiscal year, the kitchens prepared a total of 122,892 fresh servings of food for employees (previous year: 146,936). In the interest of a balanced diet, the menus also feature vegetarian meal options. Around 25% of all lunches sold are vegetarian.

In **purchasing processes**, some environmentally relevant criteria are set as mandatory requirements in the text of requests for proposal. The supplier assessment in the Group's purchasing manual includes an environmental component. Tenders for transport services are awarded with consideration for the CO_2 emissions.

Energie AG's charging card is the key to Austria's largest charging network, giving customers a convenient way to charge their electric cars. More than 4,500 electric car charging stations across Austria are provided by cooperation partners and can be used with the Energie AG charging card. In Upper Austria, Energie AG has established a dense charging network to provide public and fast charging facilities for electric cars. Energie AG is planning to expand the network of public charging stations with different output levels in the future (in cooperation with municipalities and local partners). These charging stations are available for all electric car drivers to use. The electricity supplied to all charging stations operated by Energie AG is to 100% sourced from hydroelectric power, wind and solar energy. Energie AG also offers charging solutions for densely populated residential buildings and company fleets. These solutions are geared to the charging requirements of the local target groups. For more information, see the **Electric Vehicles section of the Group Management Report › page 27**.

SOCIAL AFFAIRS

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

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

SECURITY AND QUALITY OF SUPPLY

Security of supply is the fundamental basis for general business growth, job creation and quality of life. Energie AG's services are a major driver of Upper Austria's international competitiveness as a business location. The Waste Management Segment offers reliable waste management services in its market areas, covering every link in the value chain at the highest technical level.

Power-line grids in km

	2019/2020	2018/2019	2017/2018
Electricity	32,873	32,648	32,365
Natural gas	5,603	5,585	5,549
Fibreglass	6,600	6,100	5,550

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

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

Netz OÖ operates an **electricity grid** consisting of 32,873 km of power lines (previous year: 32,648 km), in addition to a 5,603 km **natural gas grid** (previous year: 5,585 km). These reliable and modern grids warrant the secure energy supply for more than 560,000 customers.

The electricity grid's **supply reliability**, measured in terms of service-related availability (ASIDI; Average System Interruption Duration Index) and not taking regionally exceptional events into account, was 31.62 min/a in calendar year 2019 (2018: 38.02 min/a). Customer-related system disruption (SAIDI – System Average Interruption Duration Index) stood at 34.47 min/a (2018: 37.26 min/a). The availability of the natural gas grid was 100% in calendar year 2019, as was the case in the previous year.

Supply reliability [1)]

	2019	2018	2017
SAIDI (min/a)	34.47	37.26	36.28
ASIDI (min/a)	31.62	38.02	32.91

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. Different values were published for the calendar year 2017 in 2018 and 2019 respectively. The marginal discrepancies (ASIDI 33.03 min/a now 32.91 min/a and SAIDI 36.58 min/a now 36.28 min/a) are due to the retrospective allocation of events by E-Control.

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

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

Supply reliability Telecommunication

The supply reliability for customer connections in the fibre-optic network is determined by analysing the fault resolution times from the trouble ticket system. In the reporting period, it amounted to 99.99% (previous year: 99.96%). The fault resolution time designates the timespan between receipt of the fault report and the resolution of the fault. At the end of the reporting period, the Group's own fibre-optic network comprised around 6,600 km (previous year: 6,100 km).

Supply reliability customer connections

	2019/2020	2018/2019	2017/2018
Supply reliability customer connections (in %)	99.99	99.96	99.96

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

Supply reliability Czech Republic

Water supply availability in the Czech Republic Segment is constantly at or above 99.99%. Network quality in the drinking water sector fluctuates from year to year between 0.2 and 0.3 cases of damage per kilometre per year, mainly due to changing winter and frost conditions. Network quality in the waste water sector is measured at around 0.1 grid interruptions per kilometre per year.

In regions affected by climate changed-caused drought and increasing scarcity of water, Energie AG secures the supply by 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.

Waste management reliability

In order to warrant the safe and reliable collection and management of all types of waste during the COVID-19 pandemic, the spring months of 2020 saw the adjustment of the operational processes of Umwelt Service GmbH in Wels and the construction of employee accommodation premises. The premises were earmarked to provide board and accommodation to the incineration plant's employees in the case of a quarantine order with the objective of warranting the uninterrupted operation of the thermal processing plant.

POSITIONING AS A RESPONSIBLE COMPANY

The values of continuity, reliability, safety and solidarity are of great importance for the customers and all other stakeholders of Energie AG and therefore an inseparable component of the corporate strategy. In light of unpredictable crisis events – such as the COVID-19 pandemic that has been raging since the spring of 2020 – these values have become even more important.

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

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

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

Social engagement during the 2020 COVID-19 pandemic

Energie AG has proven itself as a strong and reliable partner for its stakeholders during the COVID-19 pandemic. With its public involvement under the campaign motto "100% for Upper Austria", the Group instilled continuity and security and contributed to calming the in parts very anxious population of Upper Austria. The positive image of the members of the Energie AG sports family was harnessed for motivating the population to comply with the COVID-19-related protective measures imposed by the government.

In order to further fulfil its supply and waste management mandate and at the same time protect the health of its customers and employees, an internal task force with experienced members of the crisis management team was formed in February 2020. This task force continuously monitored the current situation in all detail with the aim of deriving any necessary measures and coordinating their controlled implementation across the Group. In March 2020, around 1,450 employees in Austria were ordered to switch to working from home for the sake of their own safety. For the same reason, specific shift and work time models were developed for those employees whose presence on-site was absolutely necessary.

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

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

Vacant Energie AG premises were made available to the Red Cross for the telephone hotline information service during the pandemic.

The COVID-19 safety measures in the Czech Republic complicated the works related to the supply of customers with water and heat. In the spring months of 2020, the COVID-19 pandemic resulted in the postponement of a number of projects.

Timely, comprehensive precautions aimed at managing the pandemic in the autumn and winter months of 2020 were implemented across the entire Energie AG Group.

CUSTOMER ORIENTATION AND SATISFACTION

Fostering the intense dialogue with its customers is a cornerstone of the Energie AG Group's activities in Austria. A **customer forum** that serves the purpose of developing a better understanding for the customers' perspective and integrating that perspective into the development of products and services was launched in November 2019.

Twice a year, 30 customers are invited to discuss current industry developments, ideas and new products with members of the Company's management team. The first two meetings took place at the end of 2019 and at the energy saving trade fair in Wels in March 2020.

A consistent focus on the wishes and needs of present and potential customers, as well as on their satisfaction, is the foundation for strategic action in all Group companies. Customers' needs are changing, with increasing demand for digital contact methods, digital services and better service outcomes (e.g. shorter response times) in a context of rising price sensitivity.

Ongoing monitoring and professional development initiatives help to ensure high-quality customer relationship management, whether over the phone or in person. In addition, our pricing and product selection are under constant review. Energie AG pays particular attention to digital services, which are currently being developed and expanded in various forms.

Digitalisation: a powerful asset

Energie AG places a strong focus on the **digitalisation of processes and customer interaction** along the entire value chain. The digitalisation measures are intended to provide customers with a flexible, individual and uncomplicated way of getting in touch with the Company.

Subject to the general conditions under data protection law, the key area **Data Analytics** enables quicker and more efficient decision-making processes. The additional insights gained about the needs of customers are utilised to develop and design products and services. The combination of customer data from the electricity, gas, heat and telecommunication sectors allows the Group to offer a better service "from a single source".

The sales and communication channels carried out a harmonisation and redevelopment of the **customer portal**, which in the future will also act as a central hub for business customers to communicate with Energie AG.

Energie AG was one of the first energy suppliers that offered the digital service **Alexa Skills** to its customers. This service is being continuously developed further as part of the product portfolio.

Customer Phone Service

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

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

Introduction and Use of New Technologies

Energie AG is actively committed to introducing and using new technologies with a focus on the customer. For instance, Netz OÖ is one of Europe's leaders when it comes to comprehensive **smart metering**, which creates new opportunities for customers to save on energy by providing precise consumption information. The system uses a variety of smart grid functions to achieve improvements in the quality of electricity supply. The entire system (AMIS) is proving successful in real-world applications, regularly delivering availability figures in excess of 99%. More information on smart metering can be found in the **Group Management Report, Grid Segment › page 28**.

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

The Czech water investments have been using smart **digital water meters** for several years at this point. The "Water Under Control" service was launched on the Czech market in the 2018/2019 fiscal year and has shown highly positive signs. Also see the **Group Management Report, Czech Republic Segment › page 34**.

Customer satisfaction surveys

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

Public opinion research institutes are regularly commissioned to conduct **market studies and customer surveys** among various target groups as a due diligence measure to ensure customer satisfaction. Valuable information for the regular ascertainment of the most important key performance indicators and their development over time was once again collected this way in fiscal year 2019/2020. Current topics of interest are continuously examined and analysed with the aim of optimising the positioning of activities, products and services. In the 2019/2020 fiscal year, this included a survey of trade fair visitors or customers rating the quality of advice provided in the area of telecommunications.

The customers of Vertrieb GmbH (electricity, natural gas and internet) were found to exhibit a predominantly good loyalty: 96.5% of electricity customers, for example, are very satisfied or rather satisfied our sales arm (previous year: 95.3% for electricity). Continually measuring loyalty levels in set categories (e.g. product range, price communication, homepage, regional commitment, ...) have already provided specific focal points that allow the company to start improving services on an ongoing basis.

The customer satisfaction survey conducted by **Netz OÖ** for operators of natural gas grids in autumn of 2019 once again delivered a very good result. As was the case in the previous year, the highest level of satisfaction was expressed for the availability of the gas supply, followed by the satisfaction for keeping with agreed dates, the performance of works, the technical expertise, and the employees' general prowess. Using a 1 to 5 scale based on Austria's school marking system, Netz OÖ's customers gave it excellent ratings for reliability (1.13, previous year 1.16), safety (1.32, previous year 1.21) and quality (1.32, previous year 1.29).

Annual customer satisfaction surveys are carried out at all the **Waste Management Segment**'s sites. These include a school marking-style assessment system, in which the segment received a 1.4 (previous year: 1.4; equivalent to an "A") also during the reporting period 2019/2020.

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 – Wir denken an Morgen**, the Instagram account **energie.ag** and the Instagram (**energieagsportfamilie**) and Facebook (**Energie AG-Sportfamilie**) accounts of the sports family. These services are complemented by additional websites for specific Energie AG products.

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

REGIONAL RESPONSIBILITY

In line with its regional responsibility, the Energie AG Group supports institutions and projects with economic relevance, charitable and non-profit organisations, activities such as humanitarian and social initiatives, and academic and education projects.

With the Energy Saving Package campaign, Energie AG takes initiative for socially disadvantaged groups. For further information, see **Environment, Energy Segment, Sales › page 68**.

To express its solidarity with customers facing financial difficulties as a result of the COVID-19 pandemic, the Group offered them special arrangements for financial relief.

Energie AG creates additional value for its customers by being present at trade fairs and other regional events where well-trained energy consultants give personal advice on the environmentally friendly use of energy.

Market partnerships are another way in which Energie AG fulfills its regional responsibilities. The close alliance with relevant specialist companies across Upper Austria assures the availability of expert advice and help with energy-related questions for customers in their respective home towns and villages. Together with these local companies, Energie AG offers its customers various initiatives and attractive incentives to save energy.

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

The high-performance fibre-optic internet connections provided by Energie AG give the residents of rural, less developed regions the opportunity to pursue an occupational activity (working from home).

The Group uses the new digital technologies to create additional value for its customers in their direct living environment. The peer-to-peer app "sharing the sun" ("d'Sun teil'n"), for example, allows the owners of private photovoltaic systems to exchange electricity with interested parties in the nearby regional vicinity. A digital application initiated by Netz OÖ that allows customers to check their electricity consumption on their smartphones in real time and identify energy-inefficient devices in their homes has entered the testing phase in the spring months of 2020.

The continuous training of specialist personnel, the creation and preservation of jobs, ongoing infrastructure investments and a sustainable corporate policy with local electricity production are important contributions to increasing value generation in the regions.

Energie AG supports charitable organisations in their regional and interregional activities. These activities include a cooperation with the company › **wasserkarte.info**, which created an online platform that shows fire brigades the quickest way to the best suited hydrant that can be used as a source for fire fighting water. This initiative is currently being continued in the Czech Republic under the lead of Energie AG Bohemia. The app "SystemFlorian" was made available to fire brigades in the Kolin district in early 2020.

Orders worth a total of EUR 204 million were placed with 2,213 suppliers in the 2019/2020 fiscal year (previous year: EUR 208 million with 2,177 suppliers). 92.3% of the Company's suppliers were headquartered in Austria (previous year: 84.1%), while 7.6% were based in other European countries (previous year: 15.8%).

Regional procurement

	Unit	2019/2020	2018/2019	2017/2018
Contracted suppliers (approx.)	Number	2,213	2,177	2,212
Of which in Austria	%	92.3	84.1	84.2
Of which in other European countries	%	7.6	15.8	15.7
Others	%	0.1	0.1	0.1
Order volume	EUR mill.	204	208	197
Total		**2,213**	**2,177**	**2,212**

Official hotline of the State of Upper Austria

At its call centre, Energie AG operates the Upper Austria **crisis and disaster** hotline in order to provide an information and communication platform to the public. In the event of an emergency, the emergency services dispatch a liaison to the call centre, who ensures that information is relayed to the public-safety answering point. Energie AG is maintaining close contact with the crisis management of the State of Upper Austria during the COVID-19 pandemic and, in the spring of 2020, provided the Red Cross with workstations and adequate technical equipment housed in separate premises.

Cultural and social affairs

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

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

In addition, Energie AG has been a long-standing **partner of many cultural initiatives** throughout Upper Austria, including the Upper Austrian Regional Exhibition, Salzkammergut Festwochen summer festival, St. Florianer Sängerknaben boys' choir and Brucknertage festival. As a partner of the Red Cross and volunteer fire brigade, the Energie AG Group makes an effort to support rescue organisations with a high level of voluntary commitment.

Timelkam Energy Experience Centre

In the town of Timelkam, Energie AG runs an information centre about electrical energy called the Erlebniswelt Energie Timelkam ("**Timelkam Energy Experience**"), which in the 2019/2020 fiscal year was visited by almost 1,000 interested children and parents. Annual visitor numbers were around the 5,000 mark in earlier years (without COVID-19 pandemic restrictions). The facility is constantly being upgraded to include new technologies, with sections on digitalisation and apprentices added in the last two years. Workshops for schools and the "Start of School Festival" have been held at the centre or on its grounds for the last six years.

Sports

Following the motto "**sport is energy**", the Energie AG Group has been supporting top athletes and amateurs alike across Upper Austria since 2000 – the "sports family". In the 2019/2020 fiscal year, once again 16 athletes of the Energie AG sports family (previous year: 15) received financial assistance as well as other benefits of relevance for their sport, such as physiotherapy, equipment etc. The focus is on promoting up-and-coming talents in the world of sport.

Enhancing awareness

Raising awareness of sustainability, energy and the environment among young people has been a cause that the Energie AG Group has embraced in a major way. In this spirit, the Group has consistently supported initiatives by youth organisations. A conscious and careful relationship with nature and the environment is one of the worldwide scout movement's eight educational focal points. For many years, Upper Austria's scouts, the Pfadfinder, have been implementing targeted environmental projects with the support of the Energie AG Group and the State of Upper Austria (acting on the motto "taking responsibility for tomorrow!").

The **"Energie AG at School" education programme** (Energie AG macht Schule) offers kindergartens and schools different classroom handouts for the relevant age groups. These cover topics related to energy, sustainability and digitalisation. The new class materials are available for primary school years 3 and 4 (ages 8-10), as well as for middle-school pupils in either of Austria's state school models (ages 10-14). In 2019, as one of only eight companies in Austria, the Austrian Federal Ministry for Women, Families and Youth awarded Energie AG the **Familie Digital Kompetent ("Family Digital Skills") seal of approval** for this educational programme and its expansion in particular.

Energie AG takes initiative in strengthening the media competency of children and adolescents in the area of digitalisation and has added relevant materials to the website **› www.wir-denken-an-morgen.at** and materials used in schools. The objective is to teach children how they can use the new technologies sensibly and responsibly and take a proper and critical approach to the contents of digital media. The platform is complemented by interactive quizzes, videos and instructions for practical exercises and experiments that aim at familiarising young persons with digitalisation in a playful way.

Around 250 children were introduced to the concept of a sustainable circular economy at the occasion of the "ARA4Kids" recycling day organised by Altstoff Recycling Austria (ARA, Waste Recycling Austria) in cooperation with Energie AG in October 2019. Different play exhibits allowed the children to explore the ins and outs of waste collection, separation and incineration.

In addition, the Group has a selection of short books for the youngest programme participants, which cover a wide range of topics relating to energy and sustainability. The latest book, now the eighth, was published in 2019 and deals with the issues of separating waste and preventing littering. It is available upon request to private individuals, schools and kindergartens free of charge. Including the latest release, 330,000 copies of these short books are already in circulation (previous year: 250,000).

In 2014, Energie AG began its educational programme for Czech primary and junior secondary school pupils with titles such as DOODPADU – was nicht in den Abfluss gehört ("DOODPADU – Don't Put That down the Drain") and Die Toilette ist kein Mülleimer ("Your Toilet isn't a Dustbin"), which aim to protect our natural environment and water resources. The Group promotes awareness of how to properly dispose of rubbish by providing customised classroom materials for primary schools and creative projects for older pupils. The project was continued in fiscal year 2019/2020, but with some restrictions stemming from the closure of schools due to the pandemic.

Respect for the environment and a commitment to a green and efficient business model are guiding principles that underpin Energie AG's ethos. The Energie AG Group has supported the Energy Globe environmental award for some 20 years. Since its founding, more than 25,000 environmental projects have been submitted for consideration. Every year, Austria ranks among the top performers, underlining the country's role as a "world champion" in the area of sustainability.

Energy Institute of Johannes Kepler University Linz

Science and research have traditionally been accorded high value at Energie AG. One area in which this is evident is the long-standing partnership with the Energy Institute (Energieinstitut) at Johannes Kepler University in Linz. As a founding member, the Company actively participates in shaping and further improving the institute, as well as drawing 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. A good example is a study for the electricity grid master plan project "Mühlviertel Electricity Supply", for which the Energy Institute developed and analysed consumer scenarios for this region. The study was used to derive future demand forecasts, which were then used to make a decision with regard to the system selection for the 110-kV supply line.

"Vodní Kapky" / Waterdrops Project

Energie AG is also living up to its social responsibility in the Czech Republic Segment, supporting social activities as part of the Vodní kapky ("Waterdrops") project. This includes the establishment of Young Caritas CZ with the aim of promoting volunteering among young people. Also in the 2019/2020 fiscal year, the Czech Republic Segment supported Young Caritas CZ events in České Budějovice. As part of its social commitment, the Czech Republic Segment donates one Czech heller (one hundredth of a koruna) for each cubic metre of drinking water Energie AG companies deliver to households in the country. These funds are made available to selected non-government organisations (NGOs) for their projects via the so-called "philanthropy exchange". Energie AG also assumes social responsibility by financially supporting projects that improve the lives of disadvantaged people or families.

Federation, Association and Organisation Memberships

Energie AG is a member of various associations and representative groups related to its operational activities, both in Austria and abroad. The Company's employees also play a role in various bodies, committees and working groups within these organisations. All

Energie AG’s employees can benefit from these memberships, which allow them to receive newsletters, participate in events and webinars, and access online portals, publications, studies, models, analytical findings and more.

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

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

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

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

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

EMPLOYEES – RESPONSIBLE EMPLOYER

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

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

The implementation of sustainability objectives requires committed and satisfied employees. As an important employer in the supply regions, Energie AG offers attractive and secure jobs.

As of 30 September 2020, Energie AG had 4,571 (FTE) employees (previous year: 4,599) in three countries (previous year: four) and an average of 179 temporary staff (FTE) for limited-time projects and to balance peak work loads in the 2019/2020 fiscal year (previous year: 295 FTE).

All staff employment contracts in Austria and South Tyrol are subject to collective bargaining agreements, while employees in the Czech Republic are unionised.

Energie AG employs staff from 28 countries (previous year: 27) [10)]

10) Value in the previous fiscal year 2018/2019 excl. Czech Republic Segment

STAFF LEVELS AND PERSONNEL STRUCTURE

Staff level and structure

	Unit	2019/2020	2018/2019	2017/2018
Staff (number of employees)	**Persons**	**4,997**	**4,949**	**4,841**
Workplace				
Full-time equivalents (FTE) [1]	**Number**	**4,560**	**4,506**	**4,389**
In Austria		2,847	2,832	2,700
Female		535	535	586
Male		2,312	2,297	2,114
In the Czech Republic		1,678	1,616	1,630
Female		400	399	480
Male		1,278	1,217	1,150
In other European countries		35	58	59
Female		4	6	7
Male		31	52	52
Part-time	**Persons**	**475**	**480**	**451**
Female	%	68.0	65.8	66.4
Male	%	32.0	34.2	33.6
Newly hired	**Persons**	**562**	**584**	**402**
Newly hired	%	11.2	11.8	8.6
Turnover rate (excluding retirements)	**%**	**6.3**	**8.8**	**4.9**
Demographics				
Average age of workforce	Years	44.4	43.7	43.7

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

LIFE AND WORK AT ENERGIE AG

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

The "Active Parental Leave Management" programme supports employees in Austria in planning the periods they will be off work. A nursing care platform offers comprehensive information and service links for employees who care for and support dependents. To make holiday planning easier, Energie AG supported its employees through the summer months of 2020 by providing a varied programme for children between the ages of six and 14 (in the PowerTower in Linz and at an external holiday camp with overnight accommodation). 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. Since the 2013/2014 fiscal year, Energie AG has been congratulating employees who became parents on the birth of a newborn by sending a baby gift package.

A work environment that nurtures innovation

At the PowerTower in Linz, former smoking areas on some floors of the building have been converted into contemporary **common areas** since 2018. Designed, furnished and equipped with a wide range of activities in mind, staff can use the areas to work on individual projects as well as innovative forms of collaboration. Modern technologies support the idea-finding and innovation processes.

Design-thinking experts who were trained for the Energie AG Group at two workshops are supporting employees in advancing innovation processes within their areas of responsibility with the help of modern techniques.

PERSONNEL AND MANAGEMENT DEVELOPMENT

A key goal is to provide targeted services to prepare employees and managers for the challenges they will face in the working world of the future. The educational program, which is available to all employees, is strongly focused on strengthening their skills in using methods and platforms. In particular, this applies to collaboration and interaction in everyday working life and the use of new digital technologies. For more information, see **Employees, New ways to learn and work › page 90**.

Occupational development

	Unit	2019/2020	2018/2019	2017/2018
Training per employee	Hours	8.8	12.9	11.8
Performance review rate	%	74.2	72.8	79.6
Apprentices	Persons	73	72	66
Apprenticeships completed	Persons	16	16	19

Due to the COVID-19 pandemic, many educational and training events had to be cancelled or postponed in the 2019/2020fiscal year. This negatively impacted the "Training per employee" key figure.

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

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

The **"Leadership Experience Discussion Circle"** for team and group leaders was continued in the 2019/2020 fiscal year. These thrice-a-year get-togethers involve participants discussing leadership-related topics in small groups, accompanied by a coach. The group is intended to help attendees solve problems that arise in their day-to-day leadership roles, as well as encouraging these supervisory staff to be open to bouncing ideas off each other.

The **competency model** developed in the year 2014, which outlines the (leadership) competencies the Company needs to achieve success, was re-evaluated in the 2019/2020 fiscal year. The feedback meetings on the level of the Management Board/Managing Directors/heads of department conducted on the basis of the defined competencies will be made more efficient in the future. Starting with the 2020/2021 fiscal year, the competency model will distinguish between fundamental strategic competencies that are relevant for all positions and variable, position-specific competencies.

One of the outputs of the Future Lab 2018/2019 (development of management and leadership topics) is the emergence of the project **"Charter of Agile, Cross-Divisional Cooperation in Energie AG"**. This project aims at developing a mutually shared understanding of leadership that is intended to facilitate and strengthen the cooperation between the individual areas within Energie AG. In its initial phase, managers were interviewed briefly with respect to the status-quo of agile work methods and the cooperation within the Group. The results were analysed and refined with the help of instruments from Design Thinking. The identified potentials serve as the foundation for completing the charter.

New ways to learn and work

The COVID-19 pandemic caused a sudden change in the way cooperation takes place within Energie AG (remote work).

While the networking via computer software, video conferencing tools and mobile phone was challenging, it also offered the opportunity of rapidly and intuitively learning to handle new techniques and acquire new skills. Under the heading **"New ways to learn and work"**, different means supported executives and employees in these new learning experiences on the intranet and Microsoft Yammer.

Due to employees increasingly performing their work from home, **new seminar formats** including webinars and online trainings on a diverse range of topics were developed in consultation with the trainers. The new training formats were very well received by the employees. Online trainings are a useful complement to the (indispensable) face-to-face trainings.

The survey "New ways to work from home" conducted within Energie AG in Austria during the "restart phase" returned positive feedback and resulted in the extension of the previous **remote work model**.

Employer branding

The age structure of the employees working in the Group entities and the difficulties in recruiting suitable skilled personnel call on the Energie AG Group to employ a strategically coordinated recruiting and succession management that serves the purpose of making potential employees aware of the Company at an early stage and presenting them with opportunities to apply for jobs. In the course of a workshop, the "Candidate Journey" method was applied to identify all **groups of job applicants** that are relevant for Energie AG. Following a general campaign, the Company began specifically approaching the individual relevant target groups in the summer of 2020.

To promote diversity and women in technical careers

As Energie AG also seeks to promote diversity, it has set itself the goal of attracting more female technical professionals to work at the Group. The trainee program with a focus on female talent that started in October 2018 was successfully concluded in March 2020. The majority of trainees have now assumed different positions within the Group.

Due to the great success achieved in the previous years, **two more scholarships were awarded to female technicians** in autumn 2019. The scholars not only receive financial support, but can also complete internships at Energie AG or write their master's thesis drawing on their experiences with company, potentially fostering strong ties between the company and these scholars from an early stage.

Diversity

	Unit	2019/2020	2018/2019	2017/2018
Women	%	23.1	22.6	22.2
Men	%	76.9	77.4	77.8
Women in management positions [1)]	%	15.8	14.6	16.8
Men in management positions	%	84.2	85.4	83.2

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

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

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

MAINTAINING THE HIGH QUALITY OF APPRENTICESHIP PROGRAMMES

Energie AG's **in-house apprenticeship programme** is an important competitive advantage. Since 1943, 1506 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 2020, 21 young people (previous year: 19), among them two women, began their apprenticeships at Energie AG in the areas of electrical engineering, metals engineering and automotive engineering. An additional three apprentices started their training to become office administrators. In keeping with our mission to promote diversity, apprentices of immigrant descent and asylum seekers also have their place in the Energie AG Group.

Energie AG has expanded and will continue to expand its **marketing activities** in this area (media presence, folders, videos, 3D tours of the apprentice workshop etc.), aiming for success over the increased competition to take on the most capable young people as apprentices. In order to become even more attractive as a company that offers apprenticeship programmes to girls, new and modern accommodation for young women was constructed.

Owing to a **cooperation with mandatory-attendance schools** (electrical engineering polytechnic course, Powergirls, Girls Day), in the 2019/2020 fiscal year around 130 school students got to experience Energie AG's apprenticeship workshop and **tried out how it feels to be an apprentice** for a few days (previous year: 150). The training workshop at Energie AG in Gmunden boasts the latest technical equipment and can be visited on a virtual tour using 3D goggles.

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

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

The most important milestone for an apprentice is the **skilled worker examination** at the Austrian Economic Chambers. The quality of training was also documented in the 2019/2020 fiscal year, receiving an outstanding result. Between them, the 16 current graduates (previous year: 14) earned twelve distinction grades in vocational school and eleven good or outstanding results in their final examinations.

The **capacity of the training workshop** for electrical engineering and metals engineering will be expanded to the possible maximum. This will allow a total of 22 apprentices to start their career at Energie AG in September 2021. This means that the Group not only continues to be a reliable apprenticeship workplace for young people in Upper Austria, but also that it will offer top-quality training to even more apprentices than in the years before.

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

WORKPLACE HEALTH AND SAFETY

Only healthy and satisfied staff can be successful with their work for a company. Energie AG works to ensure awareness and personal responsibility around quality and occupational safety among its employees. Preventive action and information are used to prevent work-related adverse health conditions and staff are directed to be more conscious in their approach to health through the **"energy@work" project**. If an individual has already fallen ill, the Company takes steps to promote their recovery. Energie AG's company health management policy was awarded the **"Betriebliche Gesundheitsförderung" (Workplace Health Promotion) seal of approval** (except for the Czech Republic and Waste Management Segments), which is valid in its current form until 2022.

Topical issues are discussed and solutions are developed in **regular health meetings**, including employee representatives, occupational health professionals and safety management specialists. Weekly exercise programmes at a number of work sites also promote health awareness. The range of occupational healthcare services includes extensive contact during consultation hours and vaccination campaigns. A "**Mental Health at Work Service Line**" is also available to all employees in Austria in order to provide support in the event of personal problems or conflicts. An employee survey aimed at ascertaining the satisfaction among the workforce is once again planned to take place in the year 2021.

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 2019/2020 fiscal year, the Group (excl. Waste Management Segment and Czech Republic Segment) saw around 52 announced and unannounced **workplace and construction site inspections** carried out by safety experts and occupational health professionals together with those responsible on site and/or Energie AG Group management as part of due diligence measures (previous year: 85) [11)]. In addition to that, 52 construction sites were inspected with the aim of informing the employees about the Group's measures in relation to the COVID-19 pandemic and offering support to them. 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 80 reportable **work incidents** were registered (previous year: 101), which corresponds to an accident rate of 16.20 accidents per 1,000 employees (previous year: 20.63 per 1,000 employees) [12)]. The accident severity amounted to an average of 32.40 days of sick leave per work accident (previous year: 24.37). Converted to an international indicator value, this corresponds to an LTIF (Lost Time Injury Frequency) of 9.35 per 1,000,000 working hours (previous year: 11.85). The Waste Management Segment had one fatal work accident in Hörsching (previous year: 0).

A closer look at the work accidents reveals a **picture that varies** in national characteristics and, in particular, the different areas of activity within the Energie AG Group. The Waste Management Segment has a much higher accident rate than any other segment. The severity of accidents increased across all segments of the Group.

The legally required **inductions** with respect to hazards, health, safety and risk prevention steps are regularly held throughout the Energie AG Group. The short briefings were extended to include several new topics and are available for employees to access online.

In addition to the briefings, a large number of subject-specific **training courses** were conducted during the reporting period as part of due diligence measures. Employees of third-party contractors in the technical and electrical engineering sectors are also allowed to attend if they require additional training. In addition to training courses on working with live electrical equipment, meter changes 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 work coordination.

Naturally, the **safety experts' target** is to bring both the accident rate and severity down to zero. Approaching this number requires employees to receive the best possible training and support in the induction of colleagues. Workplaces and activities must also be subjected to a continuous evaluation and the necessary measures must be adjusted as required.

11) Value in the previous fiscal year 2018/2019 excl. the Waste Management Segment and the Czech Republic Segment
12) Up to cut-off date of 30 September, including partially consolidated companies.

COMPLIANCE

Energie AG's compliance goals are:

- Ensuring a value-conscious compliance culture
- Preventing property damage and reputational damage
- Ensuring fair competition by compliance with the law and regulations
- Ensuring compliance with all Group-wide guidelines and standards
- Minimising/Avoiding liability risks and non-material damage
- Raising awareness among all Energie AG employees of compliance with guidelines and the Code of Conduct
- Implementing effective prevention measures
- Improving legal certainty
- Avoiding infringements of legal and in-house standards

CODE OF CONDUCT "THIS IS HOW WE THINK, THIS IS HOW WE ACT"

Compliance at Energie AG is based on a mutual understanding of values which is expressed in the **Code of Conduct "This is how we think; this is how we act"** and published for all stakeholders, managers and employees.

The Code of Conduct is the key element that supports action in compliance with laws and guidelines. It is the foundation for all business activities and decisions at the Energie AG Group. It is the basis for moral, ethical and legally sound behaviour on the part of all Group employees. The Code of Conduct is mandatory for everyone 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. New employees receive the relevant compliance documents upon joining the Company.

COMPLIANCE MANAGEMENT SYSTEM

To establish compliance effectively throughout the Group of companies, a compliance management system was established, appropriate guidelines were authored and numerous face-to-face training sessions were held in recent years. The content, responsibilities, distributions of skills, and required documentation and reporting have all been decided. Information on compliance is provided to staff via e-learning, among other formats. Employees can decide for themselves when they want to use this interactive tool, allowing them to fit the sessions into their work routine in a way that best suits their needs.

As part of the Energie AG Group's due diligence measures, the experts in the various areas of legal specialism monitor the relevant national and European legislative frameworks. The Compliance Organisation is involved in issues relevant to the Group as a whole.

The conduct of Netz OÖ'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 has created an equal treatment programme and appointed an equal treatment officer based on its legal obligations as an electricity and gas distribution grid operator.

The Group refers to legal databases, a range of legal commentaries, newsletters and legal registers from external providers to ensure that up-to-date versions of the relevant requirements are always used in the Legal Department's operational activities. The Legal Department acts as one of a number of information channels, notifying the relevant departments and entities of new legal developments. The Group provides legal certainty and ensures compliance with the applicable requirements by attending seminars, specialist conferences, participating in various committees, keeping up to date with the latest legal developments and legislative plans, and scheduling visits to individual locations.

For further information about Energie AG's internal control system, see the **Group Management Report, Internal control system › page 16**.

ANTI-CORRUPTION

Energie AG's entities and employees are subject to provisions regarding public officials (Amtsträger) within corruption law. Training sessions are held continuously to ensure the Group-wide implementation of the comprehensive compliance standards in force at the Energie AG Group to prevent corruption. The "Anti-Corruption" learning module offered in Austria has so far been completed by 78.8% of the employees in the country (previous year: 67.7%). The deviation from the previous year is due to changes in personnel.

There were no incidents of corruption in the Energie AG Group in the 2019/2020 fiscal year (previous year: 0).

ANTITRUST COMPLIANCE

Energie AG unconditionally declares its commitment to fair competition with its competitors, business partners and other market participants. For this reason, the existing antitrust manual is being updated. With its comments on the necessary market behaviour, the manual is primarily aimed at the sales-oriented divisions and is also available to all employees in the Energie AG Group via the Intranet.

Since the 2018/2019 fiscal year, a Group-wide learning module has been available on the subject of antitrust law/competition law to ensure that all members of staff (in particular, new employees) demonstrably have access to a well-prepared treatment of the topic. The primary target groups for graduating this module are all sales and sales-related units as well as procurement staff.

DATA PROTECTION

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, in effect since May 2018) and the new Austrian Data Protection Act 2018 (Datenschutzgesetz; DSG).

Energie AG's Data Protection Policy explains the data protection management system's essential operational framework. Energie AG is aware of the trust that its customers place in the Company. As a result, the Group treats security, integrity and trust as a top priority when handling personal data in day-to-day operations.

The data protection processes the Group has implemented log and process valid complaints regarding breaches of customer data protection, resulting in corrective action if necessary. In the year under review, one data protection violation under GDPR Article 33 was reported to the data protection authorities. The proceedings were discontinued as a result of the steps taken (previous year: three proceedings discontinued).

PROMOTING A COMPLIANCE-CONSCIOUS CULTURE

Management are responsible for promoting a compliance-conscious culture among staff. Energie AG ensures that its employees know the compliance values and put them into practice. Within the annual definition of targets, the Group 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 manager or executive further confirms his or her commitment to the relevant and compulsory compliance requirements of Energie AG in the individual target agreements.

COMPLIANCE FORUM

The Compliance forum was set up to ensure that compliance questions are handled in a comprehensible manner. Regular meetings help to ensure the necessary exchange of information and consistent treatment of compliance-related matters throughout the Group. All areas of the Group have the opportunity to submit compliance queries and receive compliance advice.

INFORMATION SECURITY MANAGEMENT

In order to be able to reliably guarantee continuous service to customers and other stakeholders in line with their needs, Energie AG has maintained a comprehensive, Group-wide information security management system for a number of years. Especially in the age of digitalisation and cyber-attacks, detecting and countering risks and attacks of this nature is of great importance. To this end, Energie AG periodically and systematically analyses and evaluates threats to its information security, decides its stance on any risks and takes effective steps to control and reduce these risks.

The cyber risk and fidelity insurance taken out in fiscal year 2018/2019 forms part of the information security management risk assessment 2019/2020. Key areas of activity are ISO 27001-certified and are regularly reviewed. 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, will be gradually implemented in the relevant areas. Staff users undergo annual (electronic) training programmes and are proactively notified of any particular threats.

In addition, Energie AG has taken a large number of steps to establish and maintain an adequate level of security. However, even the most strenuous effort cannot guarantee absolute security in today’s information and communication technology, meaning that there is always a certain residual risk. As a result, Energie AG has an emergency and crisis management system in place, enabling it to safely restore orderly operation and customer supply as quickly as possible in the event of a failure.

RESPECT FOR HUMAN RIGHTS

Respect for human rights is a natural part of life for the Energie AG Group. Energie AG expects all business partners to adhere to the statutory framework, along with the applicable laws and standards on human rights. In terms of respect for human rights, the Group cannot discern any material risks for compliance with the applicable legal standards in the European Union and in Europe. Risks in the earlier links of the supply chain cannot be entirely ruled out. For this reason, the Group exercises due diligence in procurement.

Equal treatment has been identified as a human rights issue that could fall within the Company's direct sphere of influence, although there is no significant risk in this regard. The parties available for employees to contact in the event of possible discrimination are the compliance officer, the Works Council or their respective supervisor. As in the previous year, no incidents of discrimination were reported to compliance staff in the 2019/2020 fiscal year, nor were any legal proceedings underway.

Energie AG does not tolerate any discriminatory conduct or any unequal treatment, whether on the basis of national or ethnic origin, religion, age, gender or other traits. Diversity presents valuable potential for Energie AG as an international company Group. Energie AG respects the unique nature of each individual, and are committed to tolerant and respectful conduct as well as open communication. The effects of this include promoting a climate of appreciation and respect for all employees within the Company. Behaviours aiming towards fair and trusting interaction with one another are supported.

The actions of Energie AG always abide by the Group's guiding principle “We care about tomorrow”. The Energie AG Group will continue to develop its sustainability management in the 2020/2021 fiscal year on the basis of environmental and social aspects.

Linz, 02 December 2020

The Management Board of Energie AG Oberösterreich

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

Dr. Andreas Kolar
Member of the Management Board
CFO

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

Consolidated Financial Statements 2019/2020
of Energie AG Oberösterreich

CONSOLIDATED STATEMENT OF INCOME
1 OCTOBER 2019 TO 30 SEPTEMBER 2020

			2019/2020 EUR 1,000	2018/2019 EUR 1,000
1.	Sales revenues	(6)	1,843,707.5	1,813,448.3
	Procurement costs for electricity and gas trading	(6)	-59,563.4	-97,992.0
	Net sales revenues	(6)	1,784,144.1	1,715,456.3
2.	Change in inventories of finished goods and work in progress		1,151.5	55.9
3.	Other capitalised corporate services		40,901.1	43,245.9
4.	Share in result of companies consolidated at equity	(17)	14,723.9	30,543.9
5.	Other operating revenues	(8)		
	Reversals of impairment	(16.2)	–	7,921.8
	Remeasurement at fair value (IFRS 3)	(3.1)	–	48,247.9
	Other	(8)	47,718.1	25,077.6
			47,718.1	81,247.3
6.	Expenses for material and other purchased services	(9)	-1,102,204.8	-1,067,136.7
7.	Personnel expenses	(10)	-300,815.8	-300,166.5
8.	Depreciation, amortisation and impairments (thereof impairments [1] EUR 14,311.6 thousand (previous year: EUR 110,202.1 thousand))	(11; 16)	-172,628.6	-256,178.9
9.	Other operating expenses	(12)	-165,274.9	-174,095.6
10.	**Operating result**		**147,714.6**	**72,971.6**
11.	Financing expenses	(13)	-22,746.6	-21,187.4
12.	Other interest income	(13)	958.0	793.4
13.	Other financial result	(14)	1,119.0	3,097.0
14.	**Financial result**		**-20,669.6**	**-17,297.0**
15.	**Earnings before taxes**		**127,045.0**	**55,674.6**
16.	Income taxes	(15)	-25,833.7	1,726.6
17.	**Consolidated net earnings**		**101,211.3**	**57,401.2**
	Thereof attributable to non-controlling interests		1,258.0	953.4
	Thereof attributable to investors in the parent company			
	Consolidated net profit		**99,953.3**	**56,447.8**

1) The impairments in the amount of EUR 193,325.7 thousand recognised in the 2018/2019 fiscal year are netted against the reversal of construction cost subsidies in the amount of EUR 83,123.6 thousand.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
1 OCTOBER 2019 TO 30 SEPTEMBER 2020

		2019/2020 EUR 1,000	2018/2019 EUR 1,000
1.	**Consolidated net earnings**	**101,211.3**	**57,401.2**
2.	**Other comprehensive income**		
	Items that will not be subsequently reclassified to the income statement:		
	Remeasurement of the defined benefit obligation	3,561.6	-23,701.1
	Changes in value of at-equity companies recognised in equity	14.0	-29.5
	Changes in value of investments and securities FVOCI	5,161.7	1,398.6
	Deferred taxes	-2,180.8	5,600.4
	Items that may be subsequently reclassified to the income statement:		
	Hedge accounting	-22,447.3	-45,671.2
	Changes in value of at-equity companies recognised in equity	239.8	-307.7
	Translation differences	-4,541.5	435.8
	Deferred taxes	5,611.8	11,417.9
	Total expenses and revenues recognised in other comprehensive income	**-14,580.7**	**-50,856.8**
3.	**Total comprehensive income after taxes**	**86,630.6**	**6,544.4**
4.	Thereof attributable to non-controlling interests	606.3	1,271.8
5.	**Thereof attributable to parent company**	**86,024.3**	**5,272.6**

CONSOLIDATED STATEMENT OF FINANCIAL POSITION
AS OF 30 SEPTEMBER 2020

ASSETS		30.09.2020 EUR 1,000	30.09.2019 EUR 1,000
A. Non-current assets			
I. Intangible assets and goodwill	(16)	235,576.0	245,102.5
II. Property, plant and equipment	(16)	1,980,631.5	1,881,853.8
III. Investments (thereof at-equity companies: EUR 211,982.1 thousand (previous year: EUR 204,780.3 thousand))	(17)	240,570.4	228,088.3
IV. Other financial assets	(18)	50,641.7	56,639.6
		2,507,419.6	**2,411,684.2**
V. Other non-current assets	(19)	10,520.0	10,155.0
VI. Deferred tax assets	(15)	7,766.6	7,864.3
		2,525,706.2	**2,429,703.5**
B. Current assets			
I. Inventories	(20)	50,669.9	57,755.1
II. Receivables and other assets	(21)	347,207.9	348,190.2
III. Fixed term deposits and short-term investments	(5.10)	109,808.3	109,997.7
IV. Cash and cash equivalents	(22)	46,304.8	29,772.0
		553,990.9	**545,715.0**
		3,079,697.1	**2,975,418.5**

LIABILITIES		30.09.2020 EUR 1,000	30.09.2019 EUR 1,000
A. Equity			
I. Share capital	(23)	88,655.5	88,729.2
II. Capital reserves	(23)	216,567.0	216,455.1
III. Retained earnings	(23)	1,073,776.7	1,027,039.6
IV. Other reserves	(23)	-50,640.0	-36,672.7
V. Non-controlling interests	(23)	14,610.3	14,787.4
		1,342,969.5	**1,310,338.6**
B. Non-current liabilities			
I. Financial liabilities	(24)	586,817.2	428,429.6
II. Non-current provisions	(25)	290,470.2	308,093.1
III. Deferred tax liabilities	(15)	26,820.9	31,882.3
IV. Construction cost subsidies	(26)	300,954.8	293,166.8
V. Advances received	(27)	5,803.1	16,886.7
VI. Other non-current liabilities	(28)	77,457.2	77,423.8
		1,288,323.4	**1,155,882.3**
C. Current liabilities			
I. Financial liabilities	(24)	10,769.0	27,313.1
II. Current provisions	(29)	20,684.1	22,244.5
III. Tax provisions	(30)	142.3	328.0
IV. Trade payables	(24)	156,644.8	180,763.8
V. Other current liabilities	(31)	260,164.0	278,548.2
		448,404.2	**509,197.6**
		3,079,697.1	**2,975,418.5**

STATEMENT OF CHANGES IN EQUITY
AS OF 30 SEPTEMBER 2020

	Share capital EUR 1,000	Capital reserves EUR 1,000	Retained-earnings EUR 1,000	Reserves under IAS 19 EUR 1,000	Reserves under IFRS 9 EUR 1,000
Balance as of 30.09.2019	**88,729.2**	**216,455.1**	**1,027,039.6**	**-86,005.2**	**14,248.7**
Items that will not be subsequently reclassified to the income statement:					
Remeasurement of the defined benefit obligation	–	–	–	3,555.4	–
Changes in value of associated companies measured at equity	–	–	–	14.0	–
Changes in value of investments and securities FVOCI	–	–	–	–	5,161.7
Deferred taxes	–	–	–	-888.9	-1,290.4
Items that may be subsequently reclassified to the income statement:					
Hedge accounting	–	–	–	–	-22,511.3
Hedge accounting at-equity companies	–	–	–	–	239.8
Translation differences	–	–	–	–	–
Deferred taxes	–	–	–	–	5,627.8
Other comprehensive income	**–**	**–**	**–**	**2,680.5**	**-12,772.4**
Consolidated net earnings	–	–	99,953.3	–	–
Total income for the period	**–**	**–**	**99,953.3**	**2,680.5**	**-12,772.4**
Dividend distribution	–	–	-53,193.3	–	–
Treasury stocks	-73.7	111.9	-38.3	–	–
Other	–	–	15.3	–	–
Transactions with shareholders	**-73.7**	**111.9**	**-53,216.3**	**–**	**–**
Balance 30.09.2020	**88,655.5**	**216,567.0**	**1,073,776.7**	**-83,324.7**	**1,476.4**

Other reserves							
Revaluation-reserve EUR 1,000	**Treasury stocks** EUR 1,000	**Translation difference** EUR 1,000	**Total** EUR 1,000	**Equity of investors in parent company** EUR 1,000	**Non-controlling interests** EUR 1,000	**Total** EUR 1,000	
37,541.1	**-9,240.2**	**6,782.8**	**-36,672.7**	**1,295,551.3**	**14,787.4**	**1,310,338.6**	
–	–	–	3,555.4	3,555.4	6.2	3,561.6	
–	–	–	14.0	14.0	–	14.0	
–	–	–	5,161.7	5,161.7	–	5,161.7	(23)
–	–	–	-2,179.3	-2,179.3	-1.5	-2,180.8	
–	–	–	-22,511.3	-22,511.3	64.0	-22,447.3	(23)
–	–	–	239.8	239.8	–	239.8	
–	–	-3,837.1	-3,837.1	-3,837.1	-704.4	-4,541.5	(5.19)
–	–	-	5,627.8	5,627.8	-16.0	5,611.8	
–	**–**	**-3,837.1**	**-13,929.0**	**-13,929.0**	**-651.7**	**-14,580.7**	
–	–	–	–	99,953.3	1,258.0	101,211.3	
–	**–**	**-3,837.1**	**-13,929.0**	**86,024.3**	**606.3**	**86,630.6**	
–	–	–	–	-53,193.3	-790.7	-53,984.0	
–	-38.3	–	-38.3	-38.4	–	-38.4	(23)
–	–	–	–	15.3	7.3	22.6	
–	**-38.3**	**–**	**-38.3**	**-53,216.4**	**-783.4**	**-53,999.8**	
37,541.1	**-9,278.5**	**2,945.7**	**-50,640.0**	**1,328,359.2**	**14,610.3**	**1,342,969.5**	

STATEMENT OF CHANGES IN EQUITY
AS OF 30 SEPTEMBER 2019

	Share capital EUR 1,000	Capital reserves EUR 1,000	Retained-earnings EUR 1,000	Reserves under IAS 19 EUR 1,000	Reserves under IFRS 9 EUR 1,000
Balance as of 30.09.2018	**88,779.7**	**214,809.5**	**1,050,716.6**	**-67,946.2**	**44,360.6**
Initial application IFRS 9					
Initial application IFRS 9	–	–	118.6	–	3,931.3
Deferred taxes	–	–	-531.5	–	-484.5
Balance as of 30.09.2018 (restated)	**88,779.7**	**214,809.5**	**1,050,303.7**	**-67,946.2**	**47,807.4**
Items that will not be subsequently reclassified to the income statement:					
Remeasurement of the defined benefit obligation	–	–	–	-24,038.0	–
Changes in value of associated companies measured at equity	–	–	–	-29.5	–
Changes in value of investments and securities FVOCI	–	–	–	–	1,398.6
Deferred taxes	–	–	–	6,008.5	-323.3
Items that may be subsequently reclassified to the income statement:					
Hedge accounting	–	–	–	–	-45,768.5
Hedge accounting at-equity companies	–	–	–	–	-307.7
Translation differences	–	–	–	–	–
Deferred taxes	–	–	–	–	11,442.3
Other comprehensive income	**–**	**–**	**–**	**-18,059.0**	**-33,558.7**
Consolidated net earnings	–	–	56,447.8	–	–
Total income for the period	**–**	**–**	**56,447.8**	**-18,059.0**	**-33,558.7**
Dividend distribution	–	–	-78,081.7	–	–
Treasury stocks	-50.5	1,645.6	-1,595.1	–	–
Other	–	–	-35.1	–	–
Transactions with shareholders	**-50.5**	**1,645.6**	**-79,711.8**	**–**	**–**
Balance as of 30.09.2019	**88,729.2**	**216,455.1**	**1,027,039.6**	**-86,005.2**	**14,248.7**

Other reserves							
Revaluation-reserve EUR 1,000	**Treasury stocks** EUR 1,000	**Translation difference** EUR 1,000	**Total** EUR 1,000	**Equity of investors in parent company** EUR 1,000	**Non-controlling interests** EUR 1,000	**Total** EUR 1,000	
37,541.1	**-7,644.9**	**6,340.4**	**12,651.0**	**1,366,956.8**	**14,483.2**	**1,381,440.0**	
–	–	–	3,931.3	4,049.9	-0.5	4,049.4	
–	–	–	-484.5	-1,016.0	0.1	-1,015.9	
37,541.1	**-7,644.9**	**6,340.4**	**16,097.8**	**1,369,990.7**	**14,482.8**	**1,384,473.4**	
–	–	–	-24,038.0	-24,038.0	336.9	-23,701.1	
–	–	–	-29.5	-29.5	–	-29.5	
–	–	–	1,398.6	1,398.6	–	1,398.6	(23)
–	–	–	5,685.2	5,685.2	-84.8	5,600.4	
–	–	–	-45,768.5	-45,768.5	97.3	-45,671.2	(23)
–	–	–	-307.7	-307.7	–	-307.7	
–	–	442.4	442.4	442.4	-6.6	435.8	(5.19)
			11,442.3	11,442.3	-24.3	11,417.9	
–	**–**	**442.4**	**-51,175.2**	**-51,175.2**	**318.4**	**-50,856.8**	
–	–	–	–	56,447.8	953.4	57,401.2	
–	**–**	**442.4**	**-51,175.2**	**5,272.6**	**1,271.8**	**6,544.4**	
–	–	–	–	-78,081.7	-800.3	-78,882.0	
–	-1,595.3	–	-1,595.3	-1,595.3	–	-1,595.3	(23)
–	–	–	–	-35.1	-167.0	-202.1	
–	**-1,595.3**	**–**	**-1,595.3**	**-79,712.0**	**-967.3**	**-80,679.3**	
37,541.1	**-9,240.2**	**6,782.8**	**-36,672.7**	**1,295,551.3**	**14,787.4**	**1,310,338.6**	

CASH FLOW STATEMENT

	2019/2020 EUR 1,000	2018/2019 EUR 1,000	
Earnings before income taxes	**127,045.0**	**55,674.6**	
Tax payments	-35,507.7	-35,550.9	
Earnings after income taxes	**91,537.3**	**20,123.7**	
Depreciation/impairment reversals of non-current assets	172,753.2	247,219.3	
Remeasurement at fair value (IFRS 3)	–	-48,247.9	(3.1)
Change in non-current provisions	-14,061.4	-6,831.4	
Change in other non-current assets	1,831.3	-8.8	
Change in other non-current liabilities and advances received	-12,623.8	-16,472.7	
Retained earnings of equity companies	-6,948.0	26,609.2	
Construction cost subsidies received	34,642.9	32,281.6	(26)
Revenues from the reversal of construction cost subsidies	-26,854.9	-26,647.3	(26)
Losses from the disposal of assets	2,822.7	3,388.9	
Gains from the disposal of assets	-5,043.6	-7,892.9	
Other non-cash expenses and revenues	25,498.3	-4,999.0	
	263,554.0	**218,522.7**	
Change in current assets	7,840.9	57,606.7	
Payments from hedging transactions	-47,989.5	-49,585.7	
Change in current liabilities	-35,989.3	-31,621.4	
Change in current provisions	-1,574.4	3,677.7	
CASH FLOW FROM OPERATING ACTIVITIES	**185,841.7**	**198,600.0**	
Inflow from the disposal of property, plant and equipment, and intangible assets	8,760.1	16,732.7	
Outflow for additions to property, plant, equipment and intangible assets	-193,347.1	-202,483.7	
Inflow from the disposal of financial assets	28,390.7	8,997.8	
Change in scope of consolidation less acquired cash	-2,610.0	-2,903.8	(3)
Outflow for additions to financial assets and other financial investments	-22,731.0	-3,717.3	
CASH FLOW FROM INVESTMENTS	**-181,537.3**	**-183,374.3**	
Dividend distribution	-53,984.0	-78,882.0	(34)
Acquisition of own shares and non-controlling interests	-39.9	-1,726.4	
Issuance of registered bond 2020-2040	100,000.0	–	
Principal repayment of bank loans 2010-2020	-12,000.0	–	
Repayment of cash advances	-6,000.0	–	
Other changes in financial liabilities	-15,259.6	-6,271.9	(24.7)
CASH FLOW FROM FINANCING ACTIVITIES	**12,716.5**	**-86,880.3**	
TOTAL CASH FLOW	**17,020.9**	**-71,654.6**	
Cash funds at beginning of period	29,772.0	101,436.6	(22)
Cash flow	17,020.9	-71,654.6	
Exchange rate effects	-488.1	-10.0	
Cash funds at end of period	46,304.8	29,772.0	(22)
The cash flow from operating activities includes:			
Interest received	919.1	1,162.1	
Interest paid	18,960.5	16,826.0	
Dividends received	7,901.6	58,207.6	(17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 2019/2020 OF ENERGIE AG OBERÖSTERREICH

GENERAL NOTES

1. General disclosures

The Energie AG Oberösterreich Group is a modern and competitive energy and service provider in the Energy, Grid, Waste Management, Czech Republic and Holding & Services Segments.

The parent company of the Group is Energie AG Oberösterreich with registered office at Böhmerwaldstraße 3 in Linz, Austria.

The Consolidated Financial Statements of Energie AG Oberösterreich for the 2019/20 fiscal year were drawn up in accordance with the International Financial Reporting Standards (IFRS), published by the International Accounting Standards Board (IASB), as they were required to be applied as of the reporting date, as well as in accordance with the interpretations of the International Financial Reporting Committee (IFRIC) as adopted by the European Union.

The present Consolidated Financial Statements according to the IFRS release the company from its obligation under § 245 a of the Austrian Commercial Law Code to prepare consolidated annual financial statements in keeping with the Austrian Commercial Law Code. Whenever the Austrian Commercial Code so requires, additional disclosures are made in the respective notes.

The figures in the Consolidated Financial Statements are reported thousands of euros (EUR 1,000). The use of automated calculation systems may give rise to rounding differences when adding up rounded figures and percentages.

2. Change in accounting methods

2.1. Standards and interpretations applied or amended and adopted by the EU for the first time

IFRS 16 (Leases)

IFRS 16 was published in January 2016 and replaces IAS 17, IFRIC 4, SIC-15 and SIC-27. The new standard provides that all leases and the contractual rights and obligations associated with them must be reported on the lessee's statement of financial position. This resolves the current differences in the recognition of operating and finance leases under IAS 17 by the lessee. The lessee recognises a right-of-use asset representing its right to use an underlying asset and, at the same time, a lease liability in the amount of the present value of the lease payments. Discounting takes place at the lease-specific interest rate, or the incremental borrowing interest rate if the lease-specific interest rate cannot be determined. Depending on the term, an incremental borrowing interest rate of 1.2% or 1.7% was assumed to apply on 1 October 2019. The right of use asset is then amortised and the lease liability carried forward using the effective interest method.

IFRS 16 is not applied to short-term leases and leases concerning an underlying asset of minor value. In accordance with IFRS 16.4, the company has opted out of voluntary application of IFRS 16 for intangible assets. Application takes place with retrospective effect by recognising the accumulated effect at the time of initial application. The standard is applied for the first time in the 2019/2020 fiscal year. The Group applies IFRS 16 to all contracts concluded prior to 1 October 2019 and identified as leases under IAS 17 and IFRIC 4. Current finance leases will be continued; the assets will merely be reclassified as right-of-use assets. The option to waive impairment testing for leases was exercised in favour of an assessment on whether the contract is onerous, to be carried out immediately before first-time application. Additionally, the term of leases that provide for an extension or termination option was determined retrospectively.

The initial application of IFRS 16 additionally affects the Consolidated Financial Statements as follows:

ASSETS	01.10.2019 EUR mill.
A. Non-current assets	
II. Property, plant and equipment	
Assets under IFRS 16	93.1
Technical equipment and machinery	-19.3
	73.8
	73.8
LIABILITIES	
B. Non-current liabilities	
I. Financial liabilities	
Lease liability under IFRS 16	112.8
Finance lease liabilities	-43.4
	69.4
B. Current liabilities	
I. Financial liabilities	
Lease liability under IFRS 16	7.2
Finance lease liabilities	-2.8
	4.4
	73.8

The Group has been leasing the property at Böhmerwaldstraße 3, Linz, where Group headquarters is located, from Power Tower GmbH since the year 2008. The Group holds a 1% share in the entity.

The entity is not funded by the Group. The leasing contract is for an indefinite period, cancellation by the lessee is only possible 20 years after the start of the contract at the earliest, under certain circumstances only after 23 years. The Group has the unilateral right, but no obligation, to acquire Power Tower GmbH 15 or 20 years after the commencement of the lease.
Leasing payments are linked to interest rate developments. The Group is required to perform the ongoing maintenance of the property and fulfill all legal requirements that could also apply to the owner. There are no other additional risks. In the past, the lease was classified as an operating lease contract in line with IAS 17. Power Tower GmbH is to be considered a structured entity pursuant to IFRS 12, but the lack of control means that it is not to be included as a subsidiary in the Consolidated Financial Statements. In accordance with IFRS 16, a right of use asset and a lease liability in the amount of EUR 39.9 million have been recognised as of 1 October 2019.

In the Waste Management Segment, portfolio contracts concerning properties resulted in the recognition of right-of-use assets and corresponding liabilities in the amount of EUR 25.7 million.

Additionally, in the 2007/2008 fiscal year, plant and equipment assets were sold and leased back for a term of 15 years ("sale-and-leaseback") in the Waste Management Segment. In accordance with IAS 17, the lease was classified as a finance lease. The assets continued to be capitalised in the Statement of Financial Position until 30 September 2019. The present value of the minimum lease payments is recognised in the same amount on the liabilities side. At the end of the lease term, the lessor has the right to sell the asset to the lessee at the outstanding loan amount. During the leasing term, subleasing to third parties is not permitted. As of 1 October 2019, the carrying amount of the assets of EUR 19.3 million was transferred into a right of use asset. The corresponding liability amounts to EUR 46.2 million.

As of 30 September 2020, the lease liability amounts to EUR 113.1 million (up to 1 year: EUR 7.2 million, 1-5 years EUR 55.3 million, more than 5 years EUR 50.6 million). The Statement of Financial Position recognises the lease liabilities in the item for financial liabilities.

For fiscal year 2019/2020, the cash outflows for leases amount to EUR 8,719.6 thousand. The expenses for leases not recognised in accordance with IFRS 16 amount to EUR 3,561.0 thousand.

Reconciliation of the liabilities from rentals and leases to the lease liability as of the date of initial application presents as follows:

	EUR mill.
Obligations from the utilisation of property, plant and equipment assets not reported on the Statement of Financial Position as of 30 September 2019	49.2
Liability from the sale-and-leaseback contract from the year 2007/08 in the Waste Management Segment	46.2
Exercise price for put options the exercise of which is reasonably certain	31.3
Other items	-3.1
	123.6
Discounting effect	-3.6
Lease liability as of 01.10.2019	**120.0**

The item property, plant and equipment recognises the following right of use assets:

2019/2020	Land and buildings EUR 1,000	Technical equipment and machinery EUR 1,000	Operating and business equipment EUR 1,000	Vehicles EUR 1,000	Total EUR 1,000
Initial recognition	71,374.2	837.2	84.1	1,453.7	73,749.2
Finance lease	–	19,303.7	–	–	19,303.7
01.10.2020	**71,374.2**	**20,140.9**	**84.1**	**1,453.7**	**93,052.9**
Translation differences	2.1	–	–	–	2.1
Additions	1,211.0	10.3	35.9	359.4	1,616.6
Disposals	-233.0	-613.2	–	-295.4	-1,141.6
Depreciation, amortisation and impairments	-4,177.3	-3,141.1	-57.2	-491.3	-7,866.9
30.09.2020	**68,177.0**	**16,396.9**	**62.8**	**1,026.4**	**85,663.1**

Other applicable new standards

Newly applicable amended standards and interpretations adopted by the EU that take effect on 1 January 2019 or later:

- IFRS 9 (Amendments: Prepayment Features with Negative Compensation)
- Annual Improvements to IFRS Standards 2015-2017 Cycle (Amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23)
- IAS 19 (Amendments: Plan Amendment, Curtailment or Settlement)
- IFRIC 23 (Uncertainty over Income Tax Treatments)
- IAS 28 (Amendments: Long-term Interests in Associates and Joint Ventures)

The initial application does not result in any material changes.

2.2. Standards and interpretations that have not been applied early

In the 2019/2020 Consolidated Financial Statements, the following amendments adopted by the EU were not applied early:

Entry into force in the EU on 1 January 2020:

- IFRS 3 (Amendments: Definition of a Business)
- IFRS 9, IAS 39 and IFRS 7 (Amendments: Interest Rate Benchmark Reform)
- IAS 1, IAS 8 (Amendments: Definition of Material)
- Amendments to References to the Conceptual Framework in IFRS Standards

Entry into force in the EU on 1 June 2020:

- IFRS 16 (Amendments: Leases Covid-19-Related Rent Concessions)

The following standards and interpretations, amendments and improvements of standards enter into force on 1 January 2021 or a later date, although they have not yet been adopted by the European Union at this time:

- IFRS 17 (Insurance Contracts including Amendments)
- IAS 1 (Classification of Liabilities as Current or Non current including Deferral of Effective Date)
- IFRS 3 (References to the Conceptual Framework)
- IAS 37 (Onerous Contracts Costs of Fulfilling a Contract)
- IAS 16 (PP&E: Proceeds before Intended Use)
- Annual Improvements to IFRS Standards 2018-2020 Cycle (Amendments: IFRS 1, IFRS 9 , IFRS 16 und IAS 41)
- Amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 Interest Rate Benchmark Reform – Phase 2

These standards are expected to be applied on the effective date promulgated by the EU.

The following standard came into force on 1 January 2016, but was not adopted by the EU:

- IFRS 14 (Regulatory Deferral Accounts)

Application of the following standard was postponed indefinitely:

- IFRS 10 and IAS 28 (Amendments: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)

The first-time application of the following standards is not expected to result in any significant implications for the Consolidated Financial Statements.

3. Scope of consolidation

3.1. Principles

Subsidiaries

All material entities that are directly or indirectly controlled by Energie AG Oberösterreich (subsidiaries) are fully consolidated according to IFRS 10 and included in the Consolidated Financial Statements. Control exists when the investor is exposed or has rights to variable returns from its involvement with the investee and has the ability to use its power over the investee to influence the amount of the investor's returns. In all cases, the control results from the equity instruments that are held (participating interests in the company and shares).

Joint arrangements

IFRS 11 outlines accounting by entities that jointly control an arrangement. Joint control involves the contractually agreed sharing of control. If the controlling parties have rights to the net assets of the arrangement (joint venture), the equity method is used for financial reporting. If the controlling parties have rights to the assets, and obligations for the liabilities, relating to the agreement (joint operations), the assets and liabilities, as well as the revenues and expenses, are recognised using proportionate consolidation.

Joint operations

Ennskraftwerke Aktiengesellschaft produces electricity with hydropower plants. Gas- und Dampfkraftwerk Timelkam GmbH supplies electricity from the operation of a combined cycle gas-turbine power plant.

The Group holds a strategic interest of 50% in both Ennskraftwerke Aktiengesellschaft and Gas- und Dampfkraftwerk Timelkam GmbH. The entities are not controlled by any party.

Under the existing electricity supply contracts, the investors purchase the electric energy produced by the Group companies, where the internal price is calculated on a pro-rata basis of the production costs, plus a corresponding profit margin. Due to the electricity supply contracts, the parties have rights to the assets attributable to the arrangements. As the arrangements' liabilities can only be settled with these cash flows, the parties have obligations for the liabilities relating to the joint arrangement. Ennskraftwerke Aktiengesellschaft and Gas- und Dampfkraftwerk Timelkam GmbH are therefore classified as joint operations according to IFRS 11.

The share of the assets and liabilities, as well as the revenues and expenses are reported in the Consolidated Financial Statements. The average share of the electricity supply (38%) is used to determine the share for the pro rata recognition of Ennskraftwerke Aktiengesellschaft. The share of the electricity procured from Gas- und Dampfkraftwerk Timelkam GmbH, amounting to 70%, is used for the consolidation of the company.

Joint ventures

Due to special agreements under company law, no control exists for "Papyrus" Altpapierservice Handelsgesellschaft m.b.H. (Salzburg), Papyrus Wertstoff Service GmbH (Bad Reichenhall, Germany) or for Fernwärme Steyr GmbH, despite holding a majority of the voting rights. These entities are controlled jointly with other investors and are therefore accounted for using the equity method.

Due to special agreements under company law, no control over ENAMO GmbH, ENAMO Ökostrom GmbH and Energie AG Oberösterreich Vertrieb GmbH & Co KG existed prior to 31 March 2019. ENAMO GmbH delivered electric energy to key account customers, Energie AG Oberösterreich Vertrieb GmbH & Co KG delivers electricity to private and business customers.

Energie AG Oberösterreich was the sole limited partner of Energie AG Oberösterreich Vertrieb GmbH & Co KG. ENAMO GmbH, a joint venture between Energie AG Oberösterreich Service- und Beteiligungsverwaltungs-GmbH and LINZ STROM GmbH, was general partner.

In line with IFRS 11, ENAMO GmbH, with the subsidiaries Energie AG Oberösterreich Vertrieb GmbH & Co KG and LINZ STROM Vertrieb GmbH & Co KG controlled by it, represented a joint arrangement or joint venture, as these entities were controlled jointly by Energie AG Oberösterreich and LINZ AG für Energie, Telekommunikation, Verkehr und Kommunale Dienste. In accordance with IFRS 11 i.c.w. IAS 28, these companies had to be recognised at equity in the Consolidated Financial Statements prior to 31 March 2019. Due to the contractually agreed shares of the revenues, this amounted to 80% for ENAMO GmbH, 100% for Energie AG Oberösterreich Vertrieb GmbH & Co KG, and 0% for LINZ STROM Vertrieb GmbH & Co KG.

Associated companies

Companies in which Energie AG Oberösterreich exercises a significant influence (associated companies) are consolidated using the equity method. Significant influence exists due to holdings of the entity's share capital. Salzburg AG für Energie, Verkehr und Telekommunikation is an infrastructure provider for energy, transport and telecommunication. Wels Strom GmbH is an energy utility and service company.

Further disclosures

The changes in the scope of consolidation are as follows:

	Full consolidation	Proportionate consolidation	Equity consolidation
30.09.2019	**49**	**2**	**11**
Inclusion for the first time	2	–	–
New company formation	1	–	–
Merged or liquidated in the reporting year	-3	–	–
30.09.2020	**49**	**2**	**11**

Energy Segment

Energie AG Oberösterreich Businesskunden GmbH (share 100%) was formed on 26 February 2020 and is fully consolidated in the Consolidated Financial Statements. The key account sales of ENAMO GmbH was transferred to this entity and ENAMO GmbH was subsequently liquidated.

Additionally, the operational unit "stromdiskont.at" of ENAMO Ökostrom GmbH was spun off to Energie AG Oberösterreich Vertrieb GmbH.

Czech Republic Segment

In the Czech Republic Segment, Městské tepelné hospodářství Kolín, spol. s r.o was merged with VODOS s.r.o. and changed the company name to Energie AG Kolin a.s. VODOSPOL s.r.o was further merged with CEVAK a.s. The water supply and wastewater disposal company VAK Zápy s.r.o. (100%, Zápy, Czech Republic) was fully consolidated in the Consolidated Financial Statements from 30 September 2020.

Holding & Services Segment

Beginning on 30 November 2019, Wertstatt 8 GmbH was fully consolidated in the Consolidated Financial Statements. The company's activities encompass digital solutions and the development of innovative business models in the field of energy and environmental services.

The implications of the adjustment of the consolidation scope for the Consolidated Financial Statements are insignificant.

In the 2018/2019 fiscal year, the Group (Energy Segment) purchased the remaining 35% interest stake in ENAMO GmbH in addition to the 65% equity interest held previously (acquisition date: 1 April 2019). The acquisition resulted in the Group holding 100% of the shares in ENAMO GmbH as well as, indirectly via ENAMO GmbH, 100% of the shares in ENAMO Ökostrom GmbH. The acquisition also delivered the Group control over Energie AG Oberösterreich Vertrieb GmbH & Co KG. Gaining control over the mentioned entities constituted a corporate merger pursuant to IFRS 3. The equity interests previously held in the acquired companies were remeasured at their fair values as of the acquisition date (successive

corporate merger). The fair values for ENAMO GmbH and ENAMO Ökostrom GmbH were derived from the purchase price paid for the acquired interests after deduction of synergy effects included in the purchase price.
The fair value for Energie AG Oberösterreich Vertrieb GmbH & Co KG was determined using the expected cash flow method. The result from the remeasurement of the previously held equity interests' fair value amounted to EUR 48.2 million and was recognised in the other operating revenues.

Joint ventures

The Statement of Financial Position and the Statement of Income of the joint ventures (100%) presents as follows:

	Energie AG Oberösterreich Vertrieb GmbH & Co KG		ENAMO GmbH		Other joint ventures	
	30.09.2020 EUR mill.	30.09.2019 EUR mill.	30.09.2020 EUR mill.	30.09.2019 EUR mill.	30.09.2020 EUR mill.	30.09.2019 EUR mill.
Non-current assets	–	–	–	–	84.2	86.4
Current assets	–	–	–	–	26.5	27.7
	–	**–**	**–**	**–**	**110.7**	**114.1**
Equity	–	–	–	–	28.8	25.8
Non-current liabilities	–	–	–	–	76.2	79.1
Current liabilities	–	–	–	–	5.7	9.2
	–	**–**	**–**	**–**	**110.7**	**114.1**
Cash and cash equivalents	–	–	–	–	5.6	5.7
Non-current financial liabilities	–	–	–	–	62.7	60.7

	Energie AG Oberösterreich Vertrieb GmbH & Co KG		ENAMO GmbH		Other joint ventures	
	2019/2020 EUR mill.	01.10.2018-31.03.2019 EUR mill.	2019/2020 EUR mill.	01.10.2018-31.03.2019 EUR mill.	2019/2020 EUR mill.	2018/2019 EUR mill.
Sales revenues	–	131.4	–	113.2	49.3	66.5
Depreciation, amortisation and impairments	–	–	–	–	-5.6	-5.6
Interest income	–	–	–	–	0.1	0.1
Interest expense	–	-0.1	–	–	-1.7	-1.4
Taxes	–	1.4	–	-0.1	-0.9	-1.6
Earnings after taxes	–	17.6	–	0.8	3.5	2.5
	–		–			
Share in net assets as of 01.10.	–	101.5	–	11.4	7.3	6.3
Profit for the period	–	17.6	–	0.5	1.8	1.4
Dividends	–	-43.0	–	-6.1	-0.2	-0.4
Disposals	–	-76.1	–	-5.8	–	
Share in net assets as of 30.09.	–	–	–	–	8.9	7.3
Goodwill	–	–	–	–	4.2	4.2
Carrying amount 30.09.	**–**	**–**	**–**	**–**	**13.1**	**11.5**

Associated companies

The Statement of Financial Position and the Statement of Income of the associated companies (100%) presents as follows:

	Salzburg AG für Energie, Verkehr und Telekommunikation		Wels Strom GmbH		Other associated companies	
	30.09.2020 EUR mill.	30.09.2019 EUR mill.	30.09.2020 EUR mill.	30.09.2019 EUR mill.	30.09.2020 EUR mill.	30.09.2019 EUR mill.
Non-current assets	1,411.5	1,342.4	107.8	79.5	6.2	7.1
Current assets	99.7	139.9	15.7	16.6	2.1	2.2
	1,511.2	**1,482.3**	**123.5**	**96.1**	**8.3**	**9.3**
Equity	563.7	544.2	24.5	23.8	5.3	5.4
Non-current liabilities	672.9	670.2	32.5	26.4	2.1	2.6
Current liabilities	274.6	267.9	66.5	45.9	0.9	1.3
	1,511.2	**1,482.3**	**123.5**	**96.1**	**8.3**	**9.3**

	Salzburg AG für Energie, Verkehr und Telekommunikation		Wels Strom GmbH		Other associated companies	
	2019/2020 EUR mill.	2018/2019 EUR mill.	2019/2020 EUR mill.	2018/2019 EUR mill.	2019/2020 EUR mill.	2018/2019 EUR mill.
Sales revenues	1,404.0	1,553.7	99.8	95.0	5.0	3.6
Earnings after taxes	45.3	46.6	1.8	0.6	0.9	0.2
Dividends	-6.8	-7.2	-0.3	-0.4	-0.4	-0.3
Share in net assets as of 01.10.	142.2	139.0	11.5	11.6	2.2	2.2
Inclusion for the first time	–	–	–	–	–	–
Profit for the period	11.8	10.4	0.9	0.3	0.4	0.3
Impairment	–	–	–	–	–	–
Dividends	-6.8	-7.2	-0.3	-0.4	-0.4	-0.3
Share in net assets as of 30.09.	147.2	142.2	12.1	11.5	2.2	2.2
Goodwill	19.7	19.7	17.7	17.7	–	–
Carrying amount 30.09.	**166.9**	**161.9**	**29.8**	**29.2**	**2.2**	**2.2**

3.2. Group companies

	Domicile	Interest held in % (prev. year)	Consolidation (prev. year)
Austria			
Energie AG Oberösterreich	Linz	Parent company	
Energie AG Group Treasury GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Businesskunden GmbH	Linz	100.00 (-)	FC (-)
Energie AG Oberösterreich Business Services GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Bohemia GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Customer Services GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Erzeugung GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Kraftwerk Ennshafen GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Kommunalservice GmbH	Hörsching	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Personalmanagement GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Personal Power GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Renewable Power GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Service- und Beteiligungsverwaltungs-GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Telekom GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Tech Services GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Trading GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Umwelt Holding GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Umwelt Service GmbH	Hörsching	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Vertrieb GmbH	Linz	100.00 (100.00)	FC (FC)
Energie-Contracting Steyr GmbH	Steyr	100.00 (100.00)	FC (FC)
Abfall-Aufbereitungs-GmbH	Hörsching	100.00 (100.00)	FC (FC)
ASPG Altlastensanierungsprojekte GmbH	Hörsching	100.00 (100.00)	FC (FC)
Cogeneration-Kraftwerke Management Oberösterreich GmbH	Linz	100.00 (100.00)	FC (FC)
ENAMO GmbH	Linz	- (100.00)	- (FC)
ENAMO Ökostrom GmbH	Linz	100.00 (100.00)	FC (FC)
IfEA Institut für Energieausweis GmbH	Linz	100.00 (100.00)	FC (FC)
Netz Oberösterreich GmbH	Linz	100.00 (100.00)	FC (FC)
Wertstatt 8 GmbH	Linz	100.00 (100.00)	FC (UC)
MA Restabfallverwertung GmbH	Hörsching	99.00 (99.00)	FC (FC)
WDL-WasserdienstleistungsGmbH	Linz	90.00 (90.00)	FC (FC)
Market Calling Marketing GesmbH	Linz	60.00 (60.00)	FC (FC)
Ennskraftwerke Aktiengesellschaft	Steyr	50.00 (50.00)	JO (JO)
Gas- und Dampfkraftwerk Timelkam GmbH	Linz	50.00 (50.00)	JO (JO)
"Papyrus" Altpapierservice Handelsgesellschaft m.b.H.	Salzburg	63.33 (63.33)	JV (JV)
Fernwärme Steyr GmbH	Steyr	51.00 (51.00)	JV (JV)
AMR Austrian Metal Recovery GmbH	Linz	50.00 (50.00)	JV (JV)
Windpower EP GmbH	Parndorf	50.00 (50.00)	JV (JV)
Bioenergie Steyr GmbH	Behamberg	49.00 (49.00)	JV (JV)
Energie Ried Wärme GmbH	Ried im Innkreis	40.00 (40.00)	JV (JV)

	Domicile	Interest held in % (prev. year)	Consoli-dation (prev. year)
Wels Strom GmbH	Wels	49.00 (49.00)	AC (AC)
Geothermie-Wärmegesellschaft Braunau-Simbach mbH	Braunau	40.00 (40.00)	AC (AC)
Salzburg AG für Energie, Verkehr und Telekommunikation	Salzburg	26.13 (26.13)	AC (AC)
mieX GmbH	Peilstein	100.00 (100.00)	UC (UC)
Oberösterreichische Gemeinnützige Bau- und Wohngesellschaft mit beschränkter Haftung	Linz	100.00 (100.00)	UC (UC)
Energy IT Service GmbH	Linz	66.67 (66.67)	UC (UC)
BBI Breitbandinfrastruktur GmbH	Linz	55.00 (55.00)	UC (UC)
RVL Reststoffverwertung Lenzing GmbH	Lenzing	50.00 (50.00)	UC (UC)
WDL Infrastruktur GmbH	Linz	49.00 (49.00)	UC (UC)
OÖ Science-Center Wels Errichtungs-GmbH	Wels	50.00 (50.00)	UC (UC)
GRB Geothermie Ried Bohrung GmbH	Ried im Innkreis	40.00 (40.00)	UC (UC)
Recycling Innsbruck GmbH	Innsbruck	25.00 (25.00)	UC (UC)
ELG Liegenschaftsverwertung GmbH	Wallern	20.00 (20.00)	UC (UC)
Czech Republic			
ČEVAK a.s.	České Budějovice	100.00 (100.00)	FC (FC)
ENERGIE AG BOHEMIA s.r.o.	Praha	100.00 (100.00)	FC (FC)
Energie AG Teplo Vimperk s.r.o.	České Budějovice	100.00 (100.00)	FC (FC)
Energie AG Teplo Rokycany s.r.o.	Rokycany	100.00 (100.00)	FC (FC)
Městské tepelné hospodářství Kolín, spol. s r.o	Kolín	- (95.00)	- (FC)
Tepelne zasobovani Rakovník spol. s.r.o.	Rakovník	100.00 (100.00)	FC (FC)
VAK Zápy s.r.o.	Zápy	100.00 (-)	FC (-)
VHOS a.s.	Moravská Třebová	100.00 (100.00)	FC (FC)
Vodáreská společnost Beroun s.r.o.	Beroun	100.00 (100.00)	FC (FC)
VODOSPOL s.r.o.	Klatovy	- (100.00)	- (FC)
VODOS Velkoobchod s.r.o.	České Budějovice	100.00 (100.00)	FC (FC)
Energie AG Kolin a.s. (previously: VODOS s.r.o.)	Kolín	97.30 (100.00)	FC (FC)
Vodáreská spolecnost Chrudim a.s.	Chrudim	95.00 (95.00)	FC (FC)
SATEZA a.s.	Šumperk	91.67 (91.67)	FC (FC)
Aqua Servis a.s.	Rychnov nad Kněžnou	66.00 (66.00)	FC (FC)
Vodovody a kanalizace Beroun a.s.	Beroun	59.22 (59.20)	FC (FC)
1. Jihočeská vodohospodářská spol. s r.o.	České Budějovice	100.00 (100.00)	UC (UC)
DÉMOS, spol. s r.o.	Ústí nad Orlicí	100.00 (100.00)	UC (UC)
DÉMOS - správa, s.r.o.	Ústí nad Orlicí	100.00 (100.00)	UC (UC)
Vodovod Radyně a.s.	České Budějovice	100.00 (-)	UC (-)
Italy			
ECOFE S.R.L.	Meran	100.00 (100.00)	FC (FC)

	Domicile	Interest held in % (prev. year)	Consoli-dation (prev. year)
Energie AG Südtirol Umwelt Service GmbH	Neumarkt	100.00 (100.00)	FC (FC)
Salvatonica Energia S.R.L.	Meran	100.00 (100.00)	FC (FC)
Germany			
Erdgas Oberösterreich Vertriebs GmbH	Tittling	100.00 (100.00)	FC (FC)
Papyrus Wertstoff Service GmbH	Bad Reichenhall	63.33 (63.33)	JV (JV)
Geothermie-Fördergesellschaft Simbach-Braunau mbH	Simbach	40.00 (40.00)	AC (AC)
Poland			
Finadvice Fair Energy Wind Development sp.zo.o.	Warszawa	100.00 (100.00)	UC (UC)
Finadvice Fair Energy Wind Development 5 Sp. z o.o.	Warszawa	100.00 (100.00)	UC (UC)
Hungary			
Energie AG Heves Régió Környezetvédelmi és Hulladékgazdálkodási Korlátolt Felelősségű Társaság	Hejöpapi	100.00 (100.00)	FC (FC)

FC fully consolidated entities
JV joint ventures consolidated at equity
JO joint operation, proportional consolidation of the assets, liabilities, expenses and income
AC associated company consolidated at equity
UC entities unconsolidated due to immateriality

4. Consolidation methods

Capital consolidation uses the purchase method of accounting, under which the fair value of the consideration paid for the acquired company is offset from the proportionate revaluated equity of the subsidiaries at the acquisition date. The non-controlling interests are measured at the fair value of the attributable assets and liabilities of the acquiree (partial goodwill method).

Goodwill from business combinations is measured according to IFRS 3. The acquired goodwill is essentially based on expected future revenues and synergy effects. The impairment of goodwill is tested at least once each year in accordance with IAS 36. Negative differences are recognised through profit or loss in accordance with IFRS 3.

The financial statements of the entities fully or proportionally consolidated in the Consolidated Financial Statements are reported according to uniform accounting and measurement principles. The separate financial statements of the fully consolidated entities, joint operations and joint ventures, as well as the entities accounted for using the equity method, are reported at the date of the Consolidated Financial Statements, or interim reports are prepared.

Intragroup receivables and liabilities, expenses and revenues, as well as interim results are eliminated.

5. Accounting and measurement principles

5.1. COVID-19 pandemic

The implications of the COVID-19 pandemic include lower prices on the energy markets, an expected decline in future energy supplies, and a higher planning uncertainty for the Consolidated Financial Statements as of 30 September 2020. A gradual reversal of restrictions and first signs of economic recovery are expected in fiscal year 2020/2021. The economic environment is expected to return to normal over the two following years. The Group has maintained a solid assets, liabilities and financial position even in the currently difficult market environment. The Financial Statements were prepared on the basis of an assumed going concern. Other than the effects explained in section 16.2, the COVID-19 pandemic did not entail any other indicators for impairments of cash generating units.

In the Energy Segment, electricity volumes for supply contracts were procured in advance. Because hedged items were no longer current, the corresponding value of the derivative financial instruments of EUR 1.0 million previously recognised as equity was transferred to the Statement of Income.

Falling market prices resulted in the formation of a provision for impending losses from pending sales transactions for electricity supplies in an amount of EUR 1.8 million.

The COVID-19 pandemic triggered an adjustment of expected credit losses for trade receiveables, which caused the corresponding impairments to increase by EUR 0.7 million.

5.2. Estimates

Compiling the Consolidated Financial Statements required estimates to be made that influence the assets, liabilities and equity, revenues, and expenses, as well as the figures disclosed in the notes.

In particular, estimates and assumptions are made in calculating provisions and in testing asset impairment.

Estimates and assumptions in the area of personnel provisions primarily involve interest rates, wage and salary trends and fluctuation.

The salary trend used to determine the personnel provisions consists of the expected future increase of salaries and wages under collective agreements (ECB long-term inflation target plus a surcharge) and the average increases of salaries and wages.

The interest rate for discounting the personnel provisions is determined by an external service provider on the basis of "high quality corporate bonds" and adjusted for the company's internal duration.

The interest rate for discounting the other non-current provisions is based on a no-risk interest rate determined on the basis of AAA-rated treasury bills.

In the course of testing the impairment of assets and goodwill, estimates are made concerning future cash flows and interest rates (see section **5.5.** **› page 0** and following items).

To determine the useful lives of non-current assets, an estimate is made of the probable duration of the useful life of the assets for the company. The impairment of the cash generating unit "electricity grid" in the previous year (see section 16.2) was accompanied by a reappraisal.

The useful lives were adjusted to match the regulatory useful lives. The amount of scheduled depreciation on the electricity grid is EUR 57.7 million (previous year: EUR 55.5 million).

In the 2018/2019 fiscal year, the initial recognition (successive acquisition) of Energie AG Oberösterreich Vertrieb GmbH & Co KG required determination of the fair value of the previously held equity interest on the basis of the discounted cash flow method (see section 3.1. › page 111). The most significant discretionary decision concerns the assumptions made with respect to electricity procurement costs. The assumptions for the future electricity and gas procurement costs are based, where available, on market data; where market data was unavailable, estimates were based on market surveys. The measurement is also particularly affected by the assumed switching rate for electricity customers, the measurement period and the discount rate (4.9%).

The estimates made may differ from the figures that actually result in the future and influence subsequent Consolidated Financial Statements. In respect to the possible effects of changes in estimates, please refer to the sensitivity analyses concerning impairment testing and actuarial parameters.

Estimates affect the following items in the Statement of Financial Position:

Carrying amounts	**30.09.2020** EUR 1,000	**30.09.2019** EUR 1,000
Goodwill	86,217.2	86,185.7
Property, plant and equipment	1,980,631.5	1,881,853.8
Investments	240,570.4	228,088.3
Non-current provisions	290,470.2	308,093.1
Current provisions	20,684.1	22,244.5

5.3. Intangible assets

The goodwill resulting from the acquisition of subsidiaries is reported under intangible assets. Goodwill is recognised at cost less accumulated impairment losses.

Other assets acquired by the Group that have limited useful lives are recognised at cost less accumulated depreciation, and accumulated impairment losses.

Under certain circumstances according to IAS 38 (Intangible Assets), development costs are to be capitalised as self-created intangible assets and subsequently amortised over their useful lives.

With the exception of goodwill, intangible assets are amortised over the period of the following estimated useful lives:

	Useful life in years
Intangible assets	
Procurement rights	15–99
Other rights	4–50
Customer base	8–26
Dumping rights and landfills	depending on utilization

Costs for research activities with the prospect of providing new scientific or technical insights are recognised as expenses.

5.4. Property, plant and equipment

Property, plant and equipment are recognised at cost less accumulated depreciation and accumulated impairment losses.

The costs include expenses that are directly attributable to the acquisition of the asset. The costs for self-constructed assets include:

- Material costs and production wages, including material and production overheads. General administrative expenses are not capitalised
- All other costs directly attributable to bringing the assets into working condition for their intended use
- The estimated costs of dismantling and removing the objects and restoring the site
- Capitalised borrowing costs

Subsequent expenses are only capitalised when it is probable that the future economic benefit associated with these expenses will flow to the Group. Ongoing repairs and maintenance are immediately recognised as expenses.

Property, plant and equipment are depreciated from the date on which they are available for use, or in the case of self-constructed assets, from the date the asset is completed and ready for use.

As far as different useful lives are to be applied for material non-current assets, these are recognised according to the component approach (IAS 16.43).

The depreciation of significant property, plant and equipment is recognised according to the following, Group-wide uniform useful lives:

	Useful life in years
Constructions	
Buildings	50
Other structures	10–50
Water engineering structures	50–75
Technical equipment and machinery	
Power plants	10–50
Electricity grid	15–40
Waste management systems	6–20
Telecommunications facilities	7–20
Manufacturing plant and equipment	3–10

5.5 Impairment of goodwill

In the fourth quarter of each fiscal year, or during the course of the year when an impairment indicator arises, any potentially incurred impairment losses are determined by subjecting the goodwill to an impairment test. For this, goodwill is allocated to units that are expected to benefit from the expectations for future earnings and synergies of the combination. The goodwill from the acquisition of ENAMO GmbH and Energie AG Oberösterreich Vertrieb GmbH & Co KG are allocated to the cash generating unit “Sales” in accordance with Group controlling and reporting. In the Waste Management Segment, the Group companies are combined by country due to the existing management and reporting structures in Austria. In the Czech Republic Segment, the cash generating unit CEVAK a.s. corresponds to the entity.

An impairment loss is recognised when the carrying amount of a cash generating unit exceeds its recoverable amount. The recoverable amount corresponds to the larger amount resulting from the fair value less the costs of disposal or the value in use. The value in use is determined by discounting future cash flows that are expected to be derived from a cash-generating unit. The fair value less cost of disposal is assessed from an external perspective, the value in use is assessed from the internal perspective of the company.

The cash flows used to determine the value in use are based on the five-year mid-term planning approved by the management board. The planning figures are based both on past experience and on external sources of information. The assumptions concerning cash flows beyond the period of detailed planning are based on analyses of the past as well as on forecasts for the future. Future restructuring and expansion investments are not included. A growth rate of 1.0% (previous year: 1.0%) is assumed for the time after the detailed planning period. The growth rate is based on electricity prices and forecasts for future GDP growth, as well as expected increases in expenses. The assumptions concerning future GDP growth are based on European Commission publications. The testing of goodwill impairment is based on the goodwill's value in use.

The discount interest rate is an interest rate after taxes that reflects the current market estimates and the specific risks of the cash-generating unit.

5.5.1. Planning assumption for Sales

The planning of the cash generating unit Sales is broken down into the sectors electricity (key account customers; business, commercial and private customers), gas, heat and telecom sales, as well as customer projects and services.

The revenues in the individual sectors and companies were broken down by customers with monthly metering. For customers without monthly metering they were planned as a lump sum. The sales revenues from customer projects and services were assessed separately.

The assumptions for the future electricity and gas procurement costs are based, where available, on market data; where market data was unavailable, estimates were based on market surveys and assumptions.

The Group's internal inflation rate was used to extrapolate the future external costs. Please consult section 5.1 with regard to the implications of the COVID-19 pandemic.

5.5.2. Planning assumptions in the Waste Management Segment

Planning in the Waste Management Segment is based on the Group-wide central planning assumptions concerning economic growth, inflation and the development of interest rates and exchange rates during the planning period.

Sales planning is based on detailed planning for the individual products and services of each location. In the area of incineration plants and key account customers, single-customer planning based on contractual parameters was also used. For waste and recycling materials, a price development was used for the planning period that was realistic to assume at the time of planning. For the other products and services, an expected course of business development was projected and the sales revenues from electricity and district heating were determined on the basis of contracts or prospective forecasting.

The recycling and throughput volumes were planned for the major waste management systems based on expected market developments. The expected throughput is 310,000 tonnes for the Wels waste incineration plant and 300,000 tonnes for the Lenzing waste recycling plant.

The material expense items such as personnel expenses, vehicle fleet costs, maintenance and taxes were planned in line with the sales and plant planning.

5.5.3. Planning assumptions for the Czech Republic Segment

Planning for the Czech Republic Segment is based on centrally defined, country-specific planning parameters like the development of the inflation rate and economic growth, as well as interest rates and exchange rates.

Sales planning in the area of drinking water, waste water and for the Czech Republic heating sector, which has been recognised in the Czech Republic Segment since fiscal year 2018/2019, is based on a quantity and price structure that in turn is based on a trend for sales planning extrapolated from historical consumption data and the planning parameters. The planned drinking water, waste water prices and heating prices have been determined by each planning unit, taking into consideration the existing contract data and estimates of the future development of expenses, and in compliance with any applicable general regulatory conditions.

For the planning of material expense items in the Czech Republic Segment, country-specific planning parameters were determined using the estimates of external analysts. In particular, this includes price developments for untreated water, chemicals, and fuels, as well as prices for electricity and gas.

A major planning assumption is that existing contracts for drinking water and waste water with the municipal bodies and water authorities are maintained.

5.6. Impairment of other intangible assets and property, plant and equipment

According to IAS 36 (Impairment of Assets), intangible assets and property, plant and equipment are to be subjected to an impairment test when there is evidence that an asset or cash-generating unit might be impaired or a previously recognised impairment needs to be reversed. An impairment is recognised when the carrying amount exceeds the recoverable amount of the asset or cash generating unit. The recoverable amount is the larger amount resulting from the fair value less the costs of disposal or the value in use.

The value in use is determined by discounting future cash flows that are expected to be derived from a cash-generating unit. The cash flows used to determine the value in use are based on the five-year mid-term planning approved by the management board. For the subsequent period, a perpetual annuity or a calculation up to the expected end of the useful life of the object is recognised. The planning figures are based both on past experience and on external sources of information. Future restructuring and expansion investments are not included. The discount interest rate is an interest rate after taxes that reflects the current market estimates and the specific risks of the cash-generating unit.

The fair value less cost of disposal is assessed from an external perspective, the value in use is assessed from the internal perspective of the company.

5.7. Investments

The measurement of investments in companies accounted for using the equity method is increased or decreased according to the changes in equity and impairments/reversal of impairments in proportion to the capital share held. The movements in equity are recognised through profit or loss or in the other comprehensive income.

5.8. Inventories

Inventories are measured at average historical cost (moving average cost method) or at the lower net realisable value. Costs include direct costs as well as proportionate material and production overhead.

Impairments due to reduced realisable value are recognised using write-downs.

5.9. Emission allowances

The CO_2 emission allowances issued free of charge according to the Austrian Gas Emissions Allowances Act are measured at fair value at the date of allocation and recognised both under current receivables and under current liabilities. Fluctuations in fair value are recognised in the Statement of Income. In the course of using the emission allowances, corresponding provisions are built up and the reduction of the liability from their allocation is recognised in the income statement. Upon delivery of the emission allowances to the registration office, the provision is netted against the asset.

Emission allowances purchased on the market are recognised under current receivables. Fluctuations in fair value are recognised in the Statement of Income. In the course of using the emission allowances, corresponding provisions are built up. Upon delivery of the emission allowances to the registration office, the provision is netted against the asset.

5.10. Fixed term deposits and short-term investments

The item "Fixed term deposits" includes highly liquid fixed term deposits with an original maturity of more than three months up to one year, provided that they are not subject to limitations on availability. They are measured at amortised costs under the category "Financial Assets at Amortised Cost (AC)". This item also recognises investments in money market funds that are allocated to the category "Financial Assets at Fair Value through Profit or Loss (FVPL)".

5.11. Cash and cash equivalents

The item "Cash and cash equivalents" includes cash in hand and cheques received, as well as deposits at banks with an original maturity of up to three months, provided that they are not subject to limitations on availability. They are measured at amortised costs under the category "Financial Assets at Amortised Cost (AC)".

5.12. Financial instruments

Purchases and sales of primary financial instruments are recognised at the settlement date. Purchases and sales of derivative financial instruments are recognised at the trade date. Measurement of the financial instruments is done at the time of acquisition, always at fair value under consideration of the transaction costs (except for the financial instruments of the FVPL category). Financial instruments are derecognised when the rights to payments from the investment have lapsed or been assigned and once the Group has relinquished all substantial risks and rewards of ownership.

5.12.1. Primary financial instruments

Energie AG Group used the categories "Financial Assets at Amortized Cost (AC)", "Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)", "Financial Assets at Fair Value through Profit or Loss (FVPL)", "Financial Liabilities at Amortized Cost (FLAC)" and "Financial Liabilities at Fair Value through Profit or Loss (FVPL)".

Financial assets held as part of a business model that pursues the objective of holding financial assets for the purpose of collecting the contractual payment streams with contractual terms that result in payment streams on fixed dates and exclusively representing repayments and interest payments are classified as "Financial Assets at Amortised Cost (AC)". The initial recognition is measured at fair value plus transaction costs, subsequent measurement is made at amortised costs.

An impairment in the amount of the expected credit loss over the term is recognised for financial assets measured at amortised costs (AC) whose default risk has significantly increased since their first-time recognition, as well as for trade receivables. An allowance for accounts receivable is, differently to what was explained above, recognised in the amount of the expected credit losses over the full term. If the term is less than 12 months, the impairment is determined on the basis of the shorter term.

The category "Financial Assets at Amortised Cost (AC)" essentially comprises lendings, trade receivables, receivables from joint arrangements and associated companies, other financial receivables, fixed term deposits as well as cash and cash equivalents.

For certain financial investments in equity instruments that would otherwise be measured at their fair value through profit or loss, the irrevocable choice was made to recognise the changes to the fair value resulting from their remeasurement in the other comprehensive income ("Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)"). This category is essentially comprised of other investments and securities (shares). Their fair value is, where available, determined on the basis of stock exchange prices, or otherwise by measurement of internally or externally available measurement parameters.

Derivatives without a hedging relationship are recognised in the categories “Financial Assets at Fair Value through Profit or Loss (FVPL)” or “Financial Liabilities at Fair Value through Profit or Loss (FVPL)”.

Certain securities (units in investment funds) and money market funds recognised in the item “Fixed term deposits and short-term investments” are allocated to the category “Financial Assets at Fair Value through Profit or Loss (FVPL)“. Their fair values are derived from current market prices.

Financial liabilities that are not attributable to leases, trade payables, liabilities to affiliated companies, joint arrangements as well as associated companies and other financial liabilities are allocated to the category “Financial Liabilities at Cost (FLAC)” and measured at amortised costs calculated on the basis of the effective interest method. The initial recognition is measured at fair value plus transaction costs. Premiums, discounts or other costs of issue are distributed across the financing term and disclosed in the financial result.

5.12.2. Derivative financial instruments and hedging transactions

In the Group, derivative financial instruments are used above all to hedge the risks of fluctuations in interest rates and electricity and gas prices.

The requirements for hedge accounting according to IFRS 9 specifically include documentation of the hedging relationship, the hedging strategy and the ongoing assessment of effectiveness. According to IFRS 9, the hedging relationship is effective if there is a commercial relationship between the hedged item and the hedging transaction, the effects of the credit risk have no dominant impact on the change in value resulting from the commercial relationship and the hedging quota from the volume of the actually hedged item corresponds to the volume of the hedging transaction that is actually used for hedging purposes. All components of changes in fair value of derivatives are included in effectivity assessment.

If a derivative financial instrument pursuant to IFRS 9 is used for hedge accounting in a cash flow hedge, the effective portion of the gain or loss on the hedging instrument's fair value is recognised in equity in other comprehensive income. This is reclassified in the Statement of Income in the same period in which the cash flows of the hedged item are recognised in profit or loss. If the transaction results in the recognition of non-financial assets or liabilities, the amounts recognised in the other comprehensive income are offset against the initially recognised value of the asset or liability, which leaves the result unaffected at the time of recognition. If the hedged item ceases to exist, the hedging result is recognised in the Statement of Income. The ineffective portion of the change in fair value of a hedging instrument for which a cash flow hedge has been created is recognised through profit or loss to the extent required.

In fair value hedge accounting, both the fair value change of the derivative, and the corresponding fair value change of the hedged item, as far as it is attributable to the hedged risk, are recognised through profit or loss.

Changes in fair value of derivatives not designated as hedging instruments are recognised in the operating result or financial result. The balanced net results from derivative energy instruments are recognised under sales revenues.

Contracts that were entered into and that continue to be held for the receipt or delivery of non-financial items in accordance with expected purchase, sale or usage requirements are not recognised as derivative financial instruments at fair value according to IFRS 9, but rather as executory contracts according to the regulations of IAS 37.

5.13. Provisions under IAS 19

Provisions for pensions, severance, stepped pension/early retirement benefits and anniversary bonuses are calculated according to the projected unit credit method in accordance with IAS 19 (Employee Benefits). Expected increases in wages, salaries and pensions are taken into account. Actuarial gains and losses for pension and severance provisions are recognised in other comprehensive income, and they are recognised through profit or loss for anniversary bonus, stepped pension and early retirement provisions. Interest costs are recognised in the financial result.

5.14. Other provisions

Other provisions include all recognisable obligations as at the reporting date that are based on past events and for which the amount or maturity is uncertain. Provisions are recognised at the amount that is most likely to be incurred. Discounted costs for obligations resulting from dismantling and removing property, plant and equipment assets and restoring the site are estimated, capitalised at the date the plant is added, and recognised as a provision.

5.15. Deferred taxes

Deferred tax liabilities are recognised for all temporary differences between the amounts recognised in the Consolidated Statement of Financial Position and the amounts recognised in the tax balance sheets of the individual Group companies. Future tax benefits resulting from tax losses that are carried forward are also taken into account. Values are adjusted if it is no longer probable that they can be offset.

5.16. Construction cost subsidies

This item primarily includes contributions received from electricity, gas and district heating customers for connecting them to the grid. Construction cost subsidies carried as liabilities are reversed as sales revenues in accordance with the depreciation procedure for the corresponding asset.

5.17. Investment subsidies

Government grants for asset acquisition are recognised as investment subsidies liabilities and reversed in other operating revenues in accordance with the asset's useful life.

5.18. Contingent liabilities

Potential or existing obligations (resulting from past events) for which an outflow of resources is not probable are recognised under contingent liabilities.

5.19. Foreign currency translations

Foreign currency translation is carried out according to the functional currency principle. The functional currency for all consolidated entities is the respective national currency. Accordingly, items of the statement of financial position are translated at the mean exchange rate on the reporting date, and items of the statement of income are translated at the mean exchange rate for the statement period. Differences from translating the pro-rata equity are recognised in other comprehensive income. Differences from currency translation of minority interests are recognised under the item “non-controlling interest in equity”. The exchange rate applied on 30 September 2020 for the Czech koruna was 27.13995 (previous year: 25.7810), for the Hungarian forint 364.4955 (previous year: 334.6705), for the US dollar 1.17247 (previous year: 1.09091). Translation differences from long-term intra-Group corporate loans for which repayment is neither planned nor likely are recognised outside profit or loss in translation differences.

5.20. Revenues from customer contracts

Revenues are recognised at the time a customer gains the authority to dispose over the goods or services. The sales revenues correspond to the revenues presented in the segment reporting. There are no significant obligations to accept returns or grant refunds, guarantees and/or discretionary decisions.

Sales revenues in the Energy Segment and the Grid Segment

Written contracts are in place with electricity and gas customers and/or electricity grid and gas grid customers.

These result in performance obligations for the delivery of electricity and natural gas, as well as obligations from the operation of the electricity and gas grid for the Group.

These performance obligations are satisfied within the relevant periods. Electricity and gas customers as well as electricity grid and gas grid customers with monthly volume metering are invoiced on a monthly basis. Payment is usually received within one month from the invoice date. Where no monthly volume metering takes place, the customers usually pay monthly instalments.

The transaction price is determined on the basis of the concluded electricity and gas supply contracts, or the grid utilisation fees for the grid utilisation period. In the case of multi-component contracts, the consideration payable is allocated to the performance obligations on the basis of the contractually agreed prices for the individual performance obligations. This essentially concerns energy supplies, balancing energy and other services.

Sales revenues are recognised within the period in which electricity or natural gas deliveries take place or the grid is utilised.

Sales revenues include revenues from proprietary trading of electricity and gas. Net sales revenues (after deducting procurement costs for proprietary electricity and gas trading) include the realised margin. Procurement costs for proprietary energy and gas trading pertain to quantities of electricity and gas that have been purchased solely for the purpose of reselling at the wholesale level while achieving an appropriate margin.

Sales revenues in the Waste Management Segment

The revenues from the collection of waste concern the collection and intake of refuse. These performance obligations are, to the largest extent, satisfied within the relevant periods. The transaction price is determined on the basis of the contracts concluded. Multi-component contracts usually provide for the consideration payable to be allocated to the performance obligations.

Waste recycling includes the thermal management of waste. Written contracts are in place with customers purchasing the generated heat and/or electricity. The performance obligation – the supply of heat and electricity – are satisfied within the relevant period. The transaction price is provided for in the contracts.

Additional revenues are generated from the sale of recycling materials (plastics, metals, timber). The performance obligation is satisfied at the time of the transfer to the customer.

Sales revenues are recognised within the period in which the collection and/or intake of the waste takes place, in which the generated heat or electricity is delivered, or in which the recycled materials are delivered. Payment terms in the Waste Management Segment are usually one month from the invoice date.

Sales revenues in the Czech Republic Segment

Sales revenues in the Czech Republic Segment predominantly result from water deliveries, intake of waste water and services related to water/waste water and heat supplies in the Czech Republic. These performance obligations are, to the largest extent, satisfied within the relevant periods. The transaction price is provided for in the contracts.

Sales revenues are recognised in the period in which the delivery of water or intake of waste water takes place, the customer obtains the benefit from the services, or the heat is delivered.

NOTES TO THE STATEMENT OF INCOME

6. Sales revenues

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Energy Segment		
Revenues from electricity sales	777,479.7	759,424.3
Revenues from natural gas sales	238,798.4	228,371.4
Revenues from district heat sales	36,244.1	39,127.0
Others	29,378.4	26,350.2
	1,081,900.6	**1,053,272.9**
Grid Segment		
Revenues from the electricity and gas grids	320,853.6	311,262.8
Revenues from the reversal of construction cost subsidies	25,898.6	25,709.5
Others	4,882.7	4,060.1
	351,634.9	**341,032.4**
Waste Management Segment		
Revenues from the collection of waste	96,804.7	92,667.7
Revenues from the recycling of waste	80,806.8	79,117.4
Revenues from the processing of waste	36,711.5	44,893.6
Others	9,759.1	10,380.4
	224,082.1	**227,059.1**
Czech Republic Segment		
Revenues from water deliveries	67,705.2	65,978.7
Revenues from waste water intake	59,078.7	59,159.6
Revenues from district heat sales	12,650.1	13,211.7
Others	20,924.0	21,646.0
	160,358.0	**159,996.0**
Holding & Services Segment	**25,731.9**	**32,087.9**
Sales revenues	**1,843,707.5**	**1,813,448.3**
Procurement costs for electricity and gas trading	-59,563.4	-97,992.0
Net sales revenues	**1,784,144.1**	**1,715,456.3**

7. Segment reporting

Segment reporting by business units

Energie AG Group identifies the reportable segments according to IFRS 8 on the basis of internal reporting and internal control (Management Approach).

The segment reporting includes the Energy, Grid, Waste Management, and Czech Republic and Holding & Services Segments.

The accounting policies applied to the reported segments are the same as those applied throughout the Group. The operating result is the net profit or loss for the period that is monitored regularly by the chief decision-makers and used as the primary basis for assessing success and allocating resources.

The sales transactions carried out between the Grid Segment and the other segments primarily involve grid services for which the prices are based on regulatory stipulations. Intra-Group sales transactions in the Holding & Services Segment primarily involve delivery of goods and services that are charged at prices corresponding to market conditions, as well as sales in the area of grid services (metering) which are charged at prices based on regulatory stipulations. Capital employed is the key figure relating to assets and liabilities in the Group that are reported to the chief operating decision makers on a regular basis. Capital employed includes above all equity and interest-bearing liabilities, including lease liabilities, less cash and cash equivalents, fixed term deposits, and certain financial assets.

Energy

The Energy Segment figures include the production, trade and sales of electrical energy. Electricity is primarily generated using hydraulic and thermal power generation plants. In addition, electricity is also obtained from third-party power plants via procurement rights, as well as on the electricity market. The Energy Segment includes Energie AG Oberösterreich Trading GmbH as a central electricity and gas trading company, as well as the 7-Fields gas reservoir. The trade with and distribution of natural gas, the heating business unit, as well as Bioenergie Steyr GmbH, Fernwärme Steyr GmbH, Windpower EP GmbH, Geothermie-Wärmegesellschaft Braunau-Simbach mbH, Geothermie-Fördergesellschaft Simbach-Braunau mbH and Energie Wärme Ried GmbH, all measured at equity, are allocated to the Energy Segment.

Grid

The Grid Segment includes the construction and operation of the electricity and gas grids.

Waste Management

The Waste Management Segment primarily includes the acceptance, sorting, incineration and landfilling of domestic and industrial waste. "Papyrus" Altpapierservice Handelsgesellschaft m.b.H. (measured at equity), Papyrus Wertstoff Service GmbH and Austrian Metal Recovery GmbH are allocated to the Waste Management Segment.

Czech Republic

The Czech Republic Segment primarily includes supplying drinking water, as well as waste water management and the heat activities in the Czech Republic.

Holding & Services

The Holding & Services Segment comprises the management and control functions of the segment, commercial and technical services, Energie AG Oberösterreich Telekom GmbH (telecom operations, metering), as well as the investments in Salzburg AG für Energie, Verkehr und Telekommunikation and Wels Strom GmbH, both recognised at equity.

Segment reporting by business units is as follows:

2019/2020	Energy EUR mill.	Grid EUR mill.	Waste Management EUR mill.	Czech Republic EUR mill.	Holding & Services EUR mill.	Reconciliation/ elimination EUR mill.	Group EUR mill.
Sales to third parties	1,081.9	351.6	224.1	160.4	25.7		1,843.7
Intersegment sales	5.9	15.0	8.6	0.1	234.2	-263.8	–
Total sales	**1,087.8**	**366.6**	**232.7**	**160.5**	**259.9**	**-263.8**	**1,843.7**
Results from investments in equity companies	1.7	–	0.3	–	12.7	–	14.7
Depreciation, amortisation and impairments	-37.6	-72.9	-21.6	-6.9	-33.6	–	-172.6
Thereof impairments	-10.9	–	-2.4	–	-1.0	–	-14.3
Operating result	59.5	36.9	27.1	9.8	14.4	–	147.7
Carrying amount of investments in equity companies	10.9	–	4.3	–	196.8	–	212.0
Goodwill	21.1	–	45.3	19.7	0.1	–	86.2
Investments in intangible assets and property, plant and equipment	22.0	94.6	16.1	9.5	55.0	–	197.2
Capital employed	604.9	679.1	207.5	85.8	204.7	–	1,782.0

	EUR mill.
Capital employed	1,782.0
Assets not used in the service production and sales process	432.1
Non-interest bearing liabilities, provisions	865.6
Balance sheet total	**3,079.7**

The segment information 2018/19 broken down by business unit presents as follows:

2018/2019	Energy EUR mill.	Grid EUR mill.	Waste Management EUR mill.	Water EUR mill.	Holding & Services EUR mill.	Reconciliation/ elimination EUR mill.	Group EUR mill.
Sales to third parties	1,053.3	341.0	227.1	160.0	32.0		1,813.4
Intersegment sales	4.2	21.6	6.4	–	217.4	-249.6	–
Total sales	**1,057.5**	**362.6**	**233.5**	**160.0**	**249.4**	**-249.6**	**1,813.4**
Results from investments in equity companies	19.5	–	0.4	–	10.6	–	30.5
Depreciation, amortisation and impairments	-24.8	-179.6	-16.5	-6.9	-28.4	–	-256.2
Thereof impairments	–	-109.3	–	–	-0.9	–	-110.2
Operating result	117.3	-77.4	13.4	10.9	8.8	–	73.0
Carrying amount of investments in equity companies	9.7	–	4.0	–	191.1	–	204.8
Goodwill	21.1	–	45.3	19.7	0.1	–	86.2
Investments in intangible assets and property, plant and equipment	19.1	96.0	14.6	11.3	72.1	–	213.1
Capital employed	563.4	730.6	185.3	83.9	95.5	–	1,658.7

	EUR mill.
Capital employed	1,658.7
Assets not used in the service production and sales process	410.9
Non-interest bearing liabilities, provisions	905.8
Balance sheet total	**2,975.4**

Reversals of impairments amounting to EUR 0.0 million (previous year: EUR 7.9 million) were recognised for the Energy Segment. The income from the reversal of construction cost subsidies attributable to the Grid Segment amounted to EUR 25.9 million (previous year: EUR 25.7 million). Non-cash items in connection with derivatives in the amount of EUR 27.2 million (previous year: EUR -2.5 million) pertain to the Energy Segment.

Segment reporting broken down by geographic segments

Energie AG Oberösterreich Group operates primarily in the regions "Austria" and "Czech Republic". Business operations in other countries (Italy, Germany, Hungary, Poland) are combined in the geographical segment "Other countries".

2019/2020	Austria EUR mill.	Czech Republic EUR mill.	Other countries EUR mill.	Group EUR mill.
Sales to third parties	1,672.2	160.6	10.9	1,843.7
Capital employed	1,679.2	86.4	16.4	1,782.0

2018/2019	Austria EUR mill.	Czech Republic EUR mill.	Other countries EUR mill.	Group EUR mill.
Sales to third parties	1,641.9	160.2	11.3	1,813.4
Capital employed	1,558.6	84.2	15.9	1,658.7

8. Other operating revenues

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Result from remeasurement at fair value (successive acquisition)	–	48,247.9
Revenues from the disposal of intangible assets and property, plant and equipment	5,003.6	7,703.4
Reversals of impairment	–	7,921.8
Capitalised production costs	547.0	616.4
Rental and lease income	2,753.5	3,859.2
Revenues from the reversal of investment subsidies	3,585.0	2,746.8
Revenues from CO_2 emissions allowances	13,355.2	3,430.9
Insurance income	16,145.7	533.2
Other revenues	6,328.1	6,187.7
	47,718.1	**81,247.3**

9. Expenses for material and other purchased services

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Electricity purchased from third parties	557,716.1	535,659.2
Grid purchases	92,463.0	94,717.8
Fuel purchase	48,388.4	41,451.2
Other purchased goods	326,771.4	355,021.4
Expenses for purchased services	136,429.3	138,279.1
	1,161,768.2	**1,165,128.7**
Procurement costs for proprietary electricity and gas trading	-59,563.4	-97,992.0
	1,102,204.8	**1,067,136.7**

10. Personnel expenses

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Wages and salaries	227,778.0	225,076.6
Severance payments and contributions to company pension funds	5,755.9	5,459.9
Pension payments	6,559.8	10,048.8
Expenses for statutory social security contributions and payroll-related levies and statutory contributions	58,118.9	56,483.6
Other benefit expenses	2,603.2	3,097.6
	300,815.8	**300,166.5**

The expenses for defined contribution plans amounted to EUR 7,005.3 thousand (previous year: EUR 6,881.7 thousand). Expenses for severance payments of EUR 9.0 thousand (previous year: EUR 13.2 thousand), as well as expenses for pension payments of EUR 207.1 thousand (previous year: EUR 310.6 thousand), pertain to members of the Board of Management.

The remunerations of the Management Board and of the Supervisory Board of Energie AG Oberösterreich are as follows:

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Management Board	823.6	808.5
Former Management Board and their survivors	691.6	747.2
Supervisory Board	92.4	90.1
	1,607.6	**1,645.8**

The average number of employees in this fiscal year amounts to 4,560 (previous year: 4,506). Part-time employees are included on a proportional basis.

11. Depreciation, amortisation and impairments

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Depreciation and amortisation	158,317.0	145,976.8
Impairments	14,311.6	193,325.7
Reversal of construction cost subsidies	–	-83,123.6
	14,311.6	110,202.1
	172,628.6	**256,178.9**

12. Other operating expenses

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Taxes	8,281.3	8,084.9
External services	49,175.3	54,193.6
Travel expenses	8,091.5	8,977.5
Insurance premiums	5,993.3	5,570.4
Postage and telecommunication	5,613.0	5,843.0
Rental and leasing expenses	3,561.0	8,035.6
Impairment of receivables	970.7	495.1
Allocation of allowances and expected losses to receivables	1,169.5	840.4
Vehicle expense	16,911.2	18,997.5
Losses from the disposal of intangible assets and property, plant and equipment	2,526.1	4,183.2
Repairs	30,133.8	25,354.3
Other expenses	32,848.2	33,520.1
	165,274.9	**174,095.6**

Taxes mainly include property tax, dumpsite levy and electricity levy, as well as the Austrian landfill tax. The expenses incurred for the Group auditor, KPMG Austria GmbH, for auditing services and other accounting services provided to the entities of the Energie AG Oberösterreich Group amount to EUR 687.3 thousand (previous year: EUR 657.9 thousand). In addition, the Group auditor provided other consulting services for the Energie AG Oberösterreich Group totalling EUR 132.3 thousand (previous year: EUR 153.5 thousand).

13. Interest income

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Financing expenses		
Interest and similar expenses	-18,951.6	-16,099.0
Interest expense on provisions for pensions	-2,401.8	-4,341.7
Interest expense on lease liabilities	-533.9	–
Foreign exchange losses	-859.3	-746.7
	-22,746.6	**-21,187.4**
Other interest income		
Interest and similar revenues	956.1	776.9
Foreign exchange gains	1.9	5.9
Measurement of interest rate derivatives	–	10.6
	958.0	**793.4**
	-21,788.6	**-20,394.0**

14. Other financial result

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Result from investments		
Non-consolidated affiliated companies	124.3	124.3
Revenues from other investments	1,382.5	930.2
	1,506.8	**1,054.5**
Result from financial investments		
Losses from the measurement of lendings	-11.9	-73.9
Gains from the measurement of lendings	68.0	164.8
Revenues from securities	163.6	749.0
Impairment of securities	-140.8	–
Gains from the measurement of securities	–	1,297.0
Losses from the disposal of securities	-296.6	-31.5
Losses from the measurement of fixed term deposits	-195.9	-21.2
Gains from the measurement of fixed term deposits	88.2	147.2
Losses from the measurement of investment funds	-254.2	-294.2
Income from the measurement of investment funds	191.8	105.3
	-387.8	**2,042.5**
	1,119.0	**3,097.0**

15. Income taxes

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Current income taxes	27,304.2	32,494.6
Adjustment for deferred taxes	-1,470.5	-34,221.2
	25,833.7	**-1,726.6**

Expenses for taxes on income are EUR 2,807.6 thousand lower (previous year: EUR 15,012.7 thousand lower) than the calculated expenses for taxes on income that result from applying the respective tax rates to the earnings before taxes on income. The reasons for the difference between the calculated and reported income tax expenses are as follows:

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Earnings before taxes	127,045.0	55,674.6
Imputed tax expenses	31,164.7	13,286.1
Tax effects from		
Tax-free earnings from companies measured at equity and tax-free investment income	-4,069.3	-3,586.9
Remeasurement at the fair value (see item 3.2)	–	-12,062.0
Other items	-1,261.7	636.2
Effective tax income/expenses	25,833.7	-1,726.6
Effective tax rate in %	**20.3**	**-3.1**

Temporary differences between the amounts recognised in the Consolidated Financial Statements and the respective taxable amounts have the following effects on the reported deferred taxes:

	Assets		Liabilities		Net	
	2020 EUR 1,000	2019 EUR 1,000	2020 EUR 1,000	2019 EUR 1,000	2020 EUR 1,000	2019 EUR 1,000
Intangible assets	–	–	-22,942.7	-23,389.3	-22,942.7	-23,389.3
Property, plant and equipment	10,148.8	10,258.9	-33,679.2	-35,732.9	-23,530.4	-25,474.0
Financial assets	4,037.3	3,357.5	-6,644.6	-3,936.0	-2,607.3	-578.5
Other non-current assets	–	–	-1,550.4	-1,099.6	-1,550.4	-1,099.6
Provisions	37,172.9	37,726.2	-3,354.8	-2,090.5	33,818.1	35,635.7
Untaxed reserves	–	–	-14,674.5	-15,259.6	-14,674.5	-15,259.6
Construction cost subsidies	2,232.4	2,050.3	-2,364.4	-2,584.8	-132.0	-534.5
Other non-current liabilities	4,555.3	4,515.1	–	–	4,555.3	4,515.1
Hedge accounting	5,312.2	-427.7	–	–	5,312.2	-427.7
Leasing	17,244.8	–	-17,149.7	–	95.1	–
Outstanding write-downs to fair value	360.1	1,631.4	–	–	360.1	1,631.4
Other	7,940.1	4,230.1	-5,697.9	-3,267.1	2,242.2	963.0
Deferred tax assets/liabilities before offsetting	**89,003.9**	**63,341.8**	**-108,058.2**	**-87,359.8**	**-19,054.3**	**-24,018.0**

	Balance 30.09.2020 EUR 1,000	Change in the scope of consoli-dation EUR 1,000	Exchange differences EUR 1,000	Recognised in equity EUR 1,000	Recognised in profit or loss EUR 1,000	Balance 01.10.2019 EUR 1,000
Intangible assets	-22,942.7	-201.8	57.9	–	590.5	-23,389.3
Property, plant and equipment	-23,530.4	–	219.1	–	1,724.5	-25,474.0
Financial assets	-2,607.3	–	–	-1,290.4	-738.4	-578.5
Other non-current assets	-1,550.4	–	–	–	-450.8	-1,099.6
Provisions	33,818.1	–	-37.3	-890.4	-889.9	35,635.7
Untaxed reserves	-14,674.5	–	–	–	585.1	-15,259.6
Construction cost subsidies	-132.0	–	-5.1	–	407.6	-534.5
Other non-current liabilities	4,555.3	–	–	–	40.2	4,515.1
Hedge accounting	5,312.2	–	–	5,611.8	128.1	-427.7
Leasing	95.1	–	–	–	95.1	–
Outstanding write-downs to fair value	360.1	–	–	–	-1,271.3	1,631.4
Other	2,242.2	24.8	4.6	–	1,249.8	963.0
	-19,054.3	**-177.0**	**239.2**	**3,431.0**	**1,470.5**	**-24,018.0**

	Balance 30.09.2019 EUR 1,000	Change in the scope of consoli-dation EUR 1,000	Exchange differences EUR 1,000	Recognised in equity EUR 1,000	Recognised in profit or loss EUR 1,000	Balance 01.10.2018 EUR 1,000
Intangible assets	-23,389.3	-10,263.5	0.8	–	867.8	-13,994.4
Property, plant and equipment	-25,474.0	–	2.7	–	45,952.5	-71,429.2
Financial assets	-578.5	8.4	–	-1,348.7	3,633.8	-2,872.0
Other non-current assets	-1,099.6	–	–	–	-531.5	-568.1
Provisions	35,635.7	889.6	-0.4	5,925.3	1,709.6	27,111.6
Untaxed reserves	-15,259.6	–	–	–	713.6	-15,973.2
Construction cost subsidies	-534.5	–	–	–	-18,932.2	18,397.7
Other non-current liabilities	4,515.1	–	–	–	2,815.2	1,699.9
Hedge accounting	-427.7	–	–	11,417.9	-0.6	-11,845.0
Outstanding write-downs to fair value	1,631.4	-8.4	–	–	-2,465.6	4,105.4
Other	963.0	-106.8	-55.4	7.9	458.6	658.7
	-24,018.0	**-9,480.7**	**-52.3**	**16,002.4**	**34,221.2**	**-64,708.6**

No deferred tax liabilities were recognised for temporary differences of EUR 505,607.9 thousand (previous year: EUR 486,741.8 thousand) in connection with fully consolidated subsidiaries, joint ventures and associated companies.

Deferred taxes in the amount of EUR -1,290.4 thousand (previous year: EUR -1,340.8 thousand) pertain to changes in value of investments and securities FVOCI recognised outside of profit or loss; deferred taxes in the amount of EUR 5,611.8 thousand (previous year: EUR 11,417.9 thousand) pertain to changes in value from hedge accounting recognised outside of profit or loss.

NOTES TO THE STATEMENT OF FINANCIAL POSITION

16. Intangible assets and property, plant and equipment

Changes in intangible assets and goodwill

2019/2020	Electricity procurement rights EUR 1,000	Other rights EUR 1,000	Goodwill EUR 1,000	Customer base EUR 1,000	Assets under construction EUR 1,000	Total EUR 1,000
Costs						
01.10.2019	249,681.9	117,190.3	97,208.6	84,959.0	58.1	549,097.9
Change in the scope of consolidation	–	2.8	1,111.9	1,163.5	–	2,278.2
Translation differences	–	-211.6	-1,080.4	-1,260.5	-6.4	-2,558.9
Additions	2,589.4	4,473.4	–	–	231.7	7,294.5
Disposals	-321.1	-5,010.5	–	–	–	-5,331.6
Transfers	–	127.0	–	–	-127.0	–
30.09.2020	**251,950.2**	**116,571.4**	**97,240.1**	**84,862.0**	**156.4**	**550,780.1**
Accumulated amortisation and impairment						
01.10.2019	168,778.6	91,090.0	11,022.9	33,103.9	–	303,995.4
Translation differences	–	-192.8	–	-777.2	–	-970.0
Amortisation	1,170.0	4,333.5	–	4,557.6	–	10,061.1
Impairment	–	7,046.0	–	–	–	7,046.0
Disposals	-13.4	-4,915.0	–	–	–	-4,928.4
Transfers	–	–	–	–	–	–
30.09.2020	**169,935.2**	**97,361.7**	**11,022.9**	**36,884.3**	**–**	**315,204.1**
Carrying amount 01.10.2019	80,903.3	26,100.3	86,185.7	51,855.1	58.1	245,102.5
Carrying amount 30.09.2020	**82,015.0**	**19,209.7**	**86,217.2**	**47,977.7**	**156.4**	**235,576.0**

2018/2019	Electricity procure-ment rights EUR 1,000	Other rights EUR 1,000	Goodwill EUR 1,000	Customer base EUR 1,000	Assets under construc-tion EUR 1,000	Total EUR 1,000
Costs						
01.10.2018	248,356.9	115,598.2	77,086.3	43,251.4	82.9	484,375.7
Change in the scope of consolidation	–	–	20,135.1	41,725.0	–	61,860.1
Translation differences	–	-2.8	-12.8	-17.4	–	-33.0
Additions	1,459.0	4,219.8	–	–	83.7	5,762.5
Disposals	-134.0	-2,996.7	–	–	-0.5	-3,131.2
Transfers	–	371.8	–	–	-108.0	263.8
30.09.2019	**249,681.9**	**117,190.3**	**97,208.6**	**84,959.0**	**58.1**	**549,097.9**
Accumulated amortisation and impairment						
01.10.2018	167,603.6	88,831.0	11,022.9	29,768.2	–	297,225.7
Translation differences	–	-2.5	–	-12.3	–	-14.8
Amortisation	1,181.5	3,676.0	–	3,348.0	–	8,205.5
Impairment	–	1,318.7	–	–	–	1,318.7
Disposals	-6.5	-2,733.2	–	–	–	-2,739.7
Transfers	–	–	–	–	–	–
30.09.2019	**168,778.6**	**91,090.0**	**11,022.9**	**33,103.9**	**–**	**303,995.4**
Carrying amount 01.10.2018	80,753.3	26,767.2	66,063.4	13,483.2	82.9	187,150.0
Carrying amount 30.09.2019	**80,903.3**	**26,100.3**	**86,185.7**	**51,855.1**	**58.1**	**245,102.5**

Changes in property, plant and equipment

2019/2020	Land and buildings EUR 1,000	Technical equipment and machinery EUR 1,000	Operating and business equipment EUR 1,000	Assets under construction EUR 1,000	Total EUR 1,000
Costs					
01.10.2019	1,073,147.0	3,982,602.5	216,353.9	84,116.4	5,356,219.8
Right of use asset from the initial application of IFRS 16	71,374.2	837.2	1,537.8	–	73,749.2
01.10.2019 restated	1,144,521.2	3,983,439.7	217,891.7	84,116.4	5,429,969.0
Change in the scope of consolidation	411.2	7.3	40.9	29.3	488.7
Translation differences	-4,413.3	-2,372.3	-785.3	-271.8	-7,842.7
Additions	10,544.2	103,502.2	14,290.8	61,615.1	189,952.3
Disposals	-4,645.5	-19,644.5	-7,031.0	-293.3	-31,614.3
Transfers	20,967.6	32,870.5	3,029.9	-56,868.0	–
30.09.2020	**1,167,385.4**	**4,097,802.9**	**227,437.0**	**88,327.7**	**5,580,953.0**
Accumulated depreciation and impairment					
01.10.2019	631,239.3	2,660,405.2	178,444.4	4,277.1	3,474,366.0
Change in the scope of consolidation	–	–	–	–	–
Translation differences	-1,997.8	-1,562.8	-571.2	5.3	-4,126.5
Depreciation	21,474.4	113,607.7	13,173.8	–	148,255.9
Impairment	1,807.0	5,458.6	–	–	7,265.6
Disposals	-2,134.8	-16,618.5	-6,686.2	–	-25,439.5
Transfers	9.9	287.6	–	-297.5	–
30.09.2020	**650,398.0**	**2,761,577.8**	**184,360.8**	**3,984.9**	**3,600,321.5**
Carrying amount 01.10.2019	441,907.7	1,322,197.3	37,909.5	79,839.3	1,881,853.8
Carrying amount 30.09.2020	**516,987.4**	**1,336,225.1**	**43,076.2**	**84,342.8**	**1,980,631.5**

2018/2019	Land and buildings EUR 1,000	Technical equipment and machinery EUR 1,000	Operating and business equipment EUR 1,000	Assets under construction EUR 1,000	Total EUR 1,000
Costs					
01.10.2018	1,073,866.4	3,821,708.3	209,918.4	78,145.2	5,183,638.3
Change in the scope of consolidation	–	-1,301.2	0.2	–	-1,301.0
Translation differences	-57.1	-29.9	-10.3	-4.2	-101.5
Additions	9,319.4	136,054.3	10,204.6	51,724.4	207,302.7
Disposals	-14,445.5	-12,363.8	-6,079.5	-166.1	-33,054.9
Transfers	4,463.8	38,534.8	2,320.5	-45,582.9	-263.8
30.09.2019	**1,073,147.0**	**3,982,602.5**	**216,353.9**	**84,116.4**	**5,356,219.8**
Accumulated depreciation and impairment					
01.10.2018	611,971.5	2,386,233.1	172,419.0	3,869.0	3,174,492.6
Change in the scope of consolidation	–	-823.4	-29.7	–	-853.1
Translation differences	-26.5	-19.2	-7.5	–	-53.2
Depreciation	17,166.8	108,722.0	11,882.5	–	137,771.3
Reversals of impairment	–	-7,921.8	–	–	-7,921.8
Impairment	7,986.0	183,441.6	171.3	408.1	192,007.0
Disposals	-5,858.0	-9,227.6	-5,991.2	–	-21,076.8
Transfers	-0.5	0.5	–	–	–
30.09.2019	**631,239.3**	**2,660,405.2**	**178,444.4**	**4,277.1**	**3,474,366.0**
Carrying amount 01.10.2018	461,894.9	1,435,475.2	37,499.4	74,276.2	2,009,145.7
Carrying amount 30.09.2019	**441,907.7**	**1,322,197.3**	**37,909.5**	**79,839.3**	**1,881,853.8**

16.1. Impairment of cash generating units with own goodwill

For the purposes of impairment testing, goodwill is allocated to the following cash-generating units and the cash flows of these cash-generating units are discounted at the following discount rates:

	Goodwill		Discount rate	
	30.09.2020 EUR mill.	30.09.2019 EUR mill.	30.09.2020 %	30.09.2019 %
Energy Segment				
Sales	20.7	20.7	4.5	4.8
Other	0.4	0.4	4.5	4.8
	21.1	**21.1**		
Waste Management Segment				
Waste Management Austria	43.1	43.1	4.9	4.9
Other	2.2	2.2	5.8	5.9
	45.3	**45.3**		
Czech Republic Segment (previously: Water Segment)				
CEVAK a.s.	14.3	15.1	4.3	3.9
Other	5.4	4.6	4,3-4,9	3,9-5,2
	19.7	**19.7**		
Other	**0.1**	**0.1**	–	–
	86.2	**86.2**		

The recoverable amount attributable to the cash generating unit “Sales” exceeds the carrying amount by EUR 122.2 million (previous year: EUR 259.1 million). In the event of a decrease in future cash flows by 51.2% (previous year: 68.5%), or an increase in the interest rate by 2.7% (previous year: 7.8%), the carrying amount corresponds to the present value of the future cash flows.

The recoverable amount of the “Waste Management Segment/Austria” cash-generating unit exceeds the carrying amount by EUR 26.3 million (previous year: EUR 70.0 million), while the recoverable amount of CEVAK a.s. exceeds the carrying amount by EUR 123.4 million (previous year: EUR 143.7 million). In the event of a decrease in future cash flows by 11.8% (previous year: 27.1%), or an increase in the interest rate by 0.5% (previous year: 1.7%), the carrying amount of the “Waste Management Segment/Austria” cash-generating unit corresponds to the present value of the future cash flows. A decrease in CEVAK a.s.' future cash flows by 10% would not result in an impairment.

16.2. Impairment of cash generating units without own goodwill

Timelkam CCGT (combined cycle gas-turbine) power plant

Due to the current situation on the market, impairment testing was performed for the Timelkam CCGT power plant (Energy Segment). The maximum output of the power plants amounts to 422 MW, maximum district heating supply is 100 MW. Efficiency was estimated at 55.7%. Annual electricity generation was recognised at up to 1,423 GWh per year (previous year: 1,729 GWh). The assumptions for the future electricity and gas prices are based, where available, on market data; if no market data were available, estimates were made based on market studies. The estimated electricity price is EUR 47.24 to EUR 70.04/

MWh (previous year: EUR 49.13 to EUR 78.22/MWh). Expenses for maintenance and repair were recognised according to maintenance plans and contracts. Other material expense items such as personnel costs, insurance and infrastructure costs are annually increased by an estimated increase rate. The discount rate is 4.5% (previous year: 4.8%). The planning horizon ends in the 2037/38 fiscal year. Due to subdued market expectations in particular, an impairment of EUR 1.8 million (previous year: reversal of impairment of EUR 7.9 million) was recognised. The recoverable amount determined using the DCF method corresponds to the value in use in the amount of EUR 45.8 million (previous year: EUR 51.5 million). Fluctuations in cash flows of 20% resulted in a change of EUR 9.2 million in the recoverable amount. An increase in the interest rate by 0.5% results in a reduction of the recoverable amount by EUR 2.0 million.

7Fields gas reservoir

Additionally, an impairment of EUR 7.0 million was recognised for the cash generating unit "7Fields gas reservoir". The impairment was based on a new assessment of the future long-term gas prices on the trading market during the summer and winter months ("summer-winter spread"), as well as the possible utilisation of the gas reservoir over the long term. A discount rate of 5.0% was applied (30 September 2019: 5.3%). The recoverable amount (value in use) is EUR 0.0 million.

Waste Management Segment

Due to a fire in a waste sorting plant, an impairment of EUR 1.8 million was recognised in the item property, plant and equipment and a further impairment of EUR 0.6 million was recognised for plant and machinery.

Price-regulated heat sales

Moreover, the impairment of the "Price-Regulated Heat Sales" cash-generating unit (Energy Segment) was tested. This unit includes the thermal plants Timelkam/Vöcklabruck, Riedersbach and Kirchdorf, for which the sales prices are jointly set by a price authority. Future revenues are based on an annual output of 236.4 GWh and were planned under the assumption that cost components can be compensated by a higher price for heat over the medium term. Past price approvals by the price authority support this assumption. Using a discount rate of 4.5%, the recoverable amount (value in use) was assessed at EUR 6.2 million. The impairment amounts to EUR 2.1 million.

Impairment in the previous year: electricity grid

The impairment of the cash generating unit "Electricity grid" depends, inter alia, on the grid utilisation fees. In Austria, the electricity grid utilisation fees are determined by the legislator. The billable grid utilisation fees include, inter alia, interest on the employed capital (regulatory base, short "RAB"), with the determination of the employed capital essentially based on the carrying amounts pursuant to the Austrian Commercial Code (UGB) and the Electricity Industry Organisation Act (EIWOG). The applicable interest rate is prescribed by the regulatory authority. Due to the different useful lives and capitalised interest on borrowed capital in particular, the carrying amount under IFRS exceeds the calculation basis for the interest on the employed capital (RAB).

In order to validate the potential impairment, IAS 36 requires determination of the recoverable amount, with the recoverable amount to be based on the higher of the two fair value amounts less the costs of disposal and value in use. The value in use was, in particular due to the statutory regulation system, lower than the carrying amount under IFRS. In the past, the recoverable amount was determined via the fair value amounts less the cost of disposal on the basis of a market-based approach (multiplier method). [13)] This was based on sales transactions of companies (grid operators) in countries with comparable regulatory models. As of 30 September 2018, the fair value amounts less costs of disposal exceeded the carrying amount under IFRS.

The suitability of this method presupposes the existence of transactions involving identical, comparable or similar assets. In cases where recently completed market transactions conducted by sufficiently comparable companies are lacking, the previous measurement method can no longer be applied as of 30 September 2019. The combination of lacking comparable transactions and the difference resulting from the carrying amount under IFRS and the regulatory asset base (RAB) indicate a potential impairment, which resulted in the assets of the cash generating unit "Electricity grid" to be tested for impairment as of 30 September 2019.

For this reason, the recoverable amount is now determined on the basis of the value in use. This is done by calculating a present value of future cash flow surpluses on the basis of a five-year mid-term planning. The mid-term planning is based on the grid utilisation fees prescribed by the legislator. A perpetual annuity was assumed at the end of the detail planning phase, with the assumption of the perpetual annuity experiencing no additional growth. A discount rate of 3.7% was used. The recoverable amount (value in use) is EUR 413.8 million. In the Grid Segment, an impairment in the amount of EUR 109.3 million was recognised through profit or loss (in the item for depreciation, amortisation and impairment). The impairment in the amount of EUR 192.4 million was recognised in the item property, plant and equipment, and in the amount of EUR 83.1 million in the item construction cost subsidies. A decrease (increase) of future cash flows by 5% would result in an impairment (reversal of impairment) after reversal of construction cost subsidies in the amount of EUR 20.7 million.

16.3. Other disclosures

Research costs in the amount of EUR 4.1 million (previous year: EUR 4.5 million) were recognised as expenses.

In the 2019/2020 fiscal year, interest on borrowed capital in the amount of EUR 567.3 thousand (previous year: EUR 2,593.3 thousand) was capitalised. The applied interest rate was 4.1%.

Additions to assets under construction led to outflows of payment instruments in the amount of EUR 52,280.6 thousand (previous year: EUR 40,337.8 thousand). Obligations for the acquisition of property, plant and equipment amount to EUR 32,011.2 thousand (previous year: EUR 47,002.1 thousand).

13) The measurement methods under IFRS 13 are the cost-based method, the market-based method, and the income-based method. The market-based method and the income-based method appear to be suitable for the purposes of validating the potential impairment of the electricity grid. The market-based method is a measurement method that uses prices and other relevant information generated in market transactions involving identical or comparable/similar assets.

17. Investments

	30.09.2020 EUR 1,000	30.09.2019 EUR 1,000
Shares in affiliated companies	1,480.5	2,094.5
Shares in companies consolidated at equity	211,982.1	204,780.3
Other investments	27,107.8	21,213.5
	240,570.4	**228,088.3**

The Cash Flow Statement includes dividends from entities consolidated at-equity in the amount of EUR 7,775.9 thousand (previous year: EUR 57,153.1 thousand).

18. Other financial assets

	30.09.2020 EUR 1,000	30.09.2019 EUR 1,000
Lendings to affiliated companies and companies in which an interest is held	7,063.2	10,817.3
Other lendings	5,432.9	5,559.7
Securities at Fair Value through Other Comprehensive Income	9,181.0	9,243.0
Securities at Fair Value through Profit or Loss	28,964.6	31,019.6
	50,641.7	**56,639.6**

19. Other non-current assets

Other non-current assets result from the positive fair value of derivative financial instruments and from other receivables.

20. Inventories

	30.09.2020 EUR 1,000	30.09.2019 EUR 1,000
Primary energy	30,990.1	33,637.6
Raw materials and supplies	16,294.9	15,323.6
Contract assets	2,476.0	7,524.0
Finished goods	908.9	1,269.9
	50,669.9	**57,755.1**

21. Receivables and other assets

	30.09.2020 EUR 1,000	30.09.2019 EUR 1,000
Trade receivables	256,054.4	254,056.4
Receivables from non-consolidated affiliated companies	532.7	181.8
Receivables from joint arrangements and associated companies	5,299.4	8,583.6
Accruals and deferrals of interest	2,054.8	2,055.0
Fair value of derivatives	18,809.0	12,284.0
Other	64,457.6	71,029.4
	347,207.9	**348,190.2**

Receivables from electricity and water deliveries that have not been invoiced as of the reporting date are accrued and recognised in the item "Trade receivables".

22. Cash and cash equivalents

	30.09.2020 EUR 1,000	30.09.2019 EUR 1,000
Cash in hand	134.5	149.7
Cash in bank	46,170.3	29,622.3
	46,304.8	**29,772.0**

23. Equity

The share capital of Energie AG Oberösterreich consists of 88,655,524 individual share certificates (previous year: 88,729,206), of which 88,600,000 are ordinary shares (previous year: 88,600,000), and 55,524 are preferred shares without voting rights (previous year: 129,206). The share capital has been fully paid in.

The capital reserves result from the share premium of the capital increase, minus the directly attributable costs of obtaining equity in the amount of EUR 1,771.9 thousand, as well as from the contribution of own shares in the 2006/2007 fiscal year, and from shares issued to staff in the 2012/2013 fiscal year.

In the 2007/2008 fiscal year, 390,000 preferred shares without voting rights were contributed to Energie AG Oberösterreich. These shares were offered to Group staff members at favourable conditions during the 2007/08 fiscal year. The benefit per staff member amounted to the maximum tax-exempt sum pursuant to § 3 para 1 subpara 15 letter b of the Austrian Income Tax Act.

In the 2012/2013 fiscal year, 87,750 shares were issued to employees of the Group at discounted prices. The capital increase took effect with entry in the Register of Companies on 29 October 2013.

In fiscal year 2019/2020, the share capital was reduced due to the redemption of 73,682 (previous year: 50,449) treasury shares (preference shares without voting rights).

The retained earnings result from the profits that the Group generated but did not distribute.

Other reserves include IFRS 9 reserves, IAS 19 reserves, revaluation reserves, and treasury stock reserves, as well as reserves from translation differences.

The reserves under IFRS 9 include changes in the fair value of investments and securities measured "At Fair Value through Other Comprehensive Income" (FVOCI), and changes in the fair value of cash flow hedges, as well as changes in the equity of associated companies consolidated at-equity recognised outside profit or loss.

As of 30 September 2020, the cash flow hedge reserve amounts to EUR -20,738.4 thousand (previous year: EUR 1,708.9 thousand). The effective share of the fair value changes concerning cash-flow hedges is recognised in the other comprehensive income in the cash-flow hedge reserve. The ineffective portion of the fair-value changes from cash flow hedges in the amount of EUR 0.0 thousand (previous year: EUR -4.4 thousand) was recognised as income through profit or loss. Fair value changes in the amount of EUR -36,044.8 thousand (previous year: EUR -38,230.8 thousand) are recognised as other comprehensive income. During the fiscal year, EUR 13,597.5 thousand (previous year: EUR -7,440.4 thousand) were withdrawn from the cash-flow hedge reserve and recognised as an expense through profit or loss. Of this amount, EUR 1,384.9 thousand (previous year: EUR 1,556.7 thousand) were recognised in the financial result while EUR 12,212.6 thousand (previous year: EUR -9,007.1 thousand) were recognised in the operating result.

The OCI reserve, which is part of the IFRS 9 reserves, includes changes in value of investments and securities classified as "At Fair Value through Other Comprehensive Income" (FVOCI), which are recognised in other comprehensive income. As of 30 September 2020, the OCI reserve amounts to EUR 22,829.7 thousand (previous year: EUR 17,668.0 thousand). Changes in market value of EUR 5,161.7 thousand (previous year: EUR 1,398.6 thousand) were recognised in equity under other comprehensive income.

The IAS 19 reserves result from the actuarial valuation of pension and severance provisions recognised in other comprehensive income.

The revaluation reserve results from first-time consolidations in previous years.

As of 30 September 2020, the company held 1,742 treasury shares (previous year: 73,682).

Capital management

It is the objective of the Group's capital management to preserve a strong capital base so that the company can continue to generate adequate returns for the shareholders corresponding with the risk situation of the company, promote the future development of the company, and also provide benefits for other interest groups. Value based management is firmly entrenched in the management systems and in management processes. The equity in the books according to IFRS is what the management considers to be capital. As of the reporting date, the equity ratio amounted to 43.6% (previous year: 44.0%). For purposes of internal reporting and management, the return on capital employed (ROCE) is also used. The capital employed includes the assets attributable to a unit, with the exception of the assets not used in the process of creating and utilising goods and services, less non-interest bearing liabilities and certain provisions.

24. Financial instruments and financial risk management

24.1. Derivative financial instruments and hedging

The Group's risk management uses derivative financial instruments that predominantly serve the purpose of hedging price and interest rate risks. The accounting of these derivative financial instrument applies – in as far as hedging transactions are concerned and the criteria are met – the cash hedge flow and fair value accounting methods.

The use of derivative financial instruments in the Group is subject to corresponding authorisation and control procedures. Proprietary trading is only carried out within very tightly defined limits.

Interest rate swaps are used for hedging future variable interest payments on funding and leasing contracts as well as highly probable funding in the future. Energie AG Group hedges these by purchasing interest rate swaps that correspond to the hedged item in terms of the base interest rate, payment dates, interest rate fixing date, nominal amounts and maturities. As their essential parameters concur, a commercial relationship between the hedged item and the hedging transaction can be affirmed. Hedges may be ineffective in the case of changes in the counterparty's and Energie AG's credit risk, as well as in cases where the measurement-relevant parameters differ from the hedged item and hedging transaction. The qualitative and quantitative effectiveness of a hedge is determined on the basis of the hypothetical derivatives method.

Futures and forwards are used to hedge price-related risks from electricity procurement and electricity sales. The objective of Energie AG Group is to hedge the entire price risk using derivative and non-derivative financial instruments and thereby reduce the cash flow risk from electricity purchasing and sales and/or the fair value risk from firm commitments. This means that only a portion of the total volume is hedged using derivative financial instruments. Hedging is carried out on a rolling basis. Either the entire price risk is hedged, or only a component of the risk. Components are hedged if the hedging instrument has a different market price zone than the hedged item. The difference between prices in different market price zones is observable on the market and amounted to an average of EUR 2.62 (previous year: EUR 3.39) in fiscal year 2019/2020. The commercial relationship results either from almost identical parameters of hedging items or transactions (in particular base price, performance, term and price base), or the high correlation of prices in different market price zones in cases where only a component is hedged. A hedging ineffectiveness may result from temporal differences, price differences, different market price zones or the counterparty's credit risk. The qualitative and quantitative effectiveness of a hedge is determined on the basis of the hypothetical derivatives method.

Futures, forwards and swaps are used to hedge price risks from gas purchases and gas sales. The hedging aims at reducing the cash flow risk or fair value risk from firm commitments. The hedging volume is determined on the basis of the hedging strategy. Only a portion of the purchases and sales are hedged using derivative instruments. The commercial relationship either results from almost identical parameters (in particular volume, price and term), or from the high correlation of prices if the hedged item and the hedging transaction have a different price base. A hedging ineffectiveness may result from temporal differences, price differences, different market price zones or the counterparty's credit risk. The qualitative and quantitative effectiveness of a hedge is determined on the basis of the hypothetical derivatives method.

To a small extent, futures are used to hedge procurement and sales of CO_2 emission allowances. The hedging aims at reducing the cash flow risk. Only a portion of the total volume is hedged on the basis of the hedging strategy. The commercial relationship results from almost identical hedging items or transactions (in particular base price, performance, term and price base). Ineffective hedges may result from temporal differences or the counterparties' credit risk. The qualitative and quantitative effectiveness of a hedge is determined on the basis of the hypothetical derivatives method.

Beyond that, gas-oil futures in US dollars and the corresponding foreign exchange contracts as well as gas-oil-swaps are concluded to hedge the price risks of purchasing fuel. The objective is to reduce the cash flow risk from fuel purchases. The hedging volume results from the hedging strategy and concerns only a portion of the fuel purchases. The commercial relationship is established on the basis of the parameters quantity, term and the evidence for the correlation of the prices of the hedging item and the hedging transaction. Ineffective hedges may result from temporal differences, price differences and the counterparties' credit risk. The qualitative and quantitative effectiveness of a hedge is determined on the basis of the hypothetical derivatives method.

The spark-spread risk from Gas- und Dampfkraftwerk Timelkam GmbH (CCGT power plant) and Cogeneration-Kraftwerke Management Oberösterreich GmbH (CMOÖ) is to a small extent hedged using electricity, gas and CO_2 emission allowances. The commercial relationship results from almost identical hedging items or transactions (in particular base price, performance, term and price base). In these cases, a dynamic hedging strategy based on defined targets and price developments does frequently result in the termination and redesignation of hedging relationships. Ineffective hedges may result from temporal differences, price differences and the counterparties' credit risk. The qualitative and quantitative effectiveness of a hedge is determined on the basis of the hypothetical derivatives method.

The Group holds fair value hedges for firm commitments relating to transactions for procuring and supplying electricity.

Cash flow hedges are used to protect future cash flows. The Group also uses electricity, gas, CO_2, and gas-oil futures, as well as gas and gas-oil swaps, to hedge price risks; interest rate swaps are used to hedge the cash flow risks of variable-interest liabilities, highly probable funding in the future and foreign exchange contracts for US dollar hedging.

For cash flow hedges, the carrying amounts, nominal amounts and changes in fair values used for recognising an ineffective hedge are as follows:

30.09.2020	**Positive fair values** EUR 1,000	**Negative fair values** EUR 1,000	**Unit**	**Nominal amount**	**Change in the fair value for ineffectiveness measurement** EUR 1,000
Electricity futures, forwards – sales	11,887.5	-12,793.7	GWh	824.3	-906.2
Gas futures, forwards and swaps – procurement	360.5	-2,940.0	GWh	1,313.6	-2,579.5
Gas-oil swaps – procurement	23.1	-358.3	Tonnes	6,000.0	-335.2
Foreign exchange contracts	–	–	USD mill.	0.0	–
CO_2 futures – sales	16.7	-790.4	Tonnes	250,000.0	-773.7
CO_2 futures – procurement	610.1	-2.6	Tonnes	128,000.0	607.5
Interest rate swaps	–	-16,286.1	EUR mill.	176.8	-16,286.1
Total	**12,897.9**	**-33,171.1**			**-20,273.2**

30.09.2019	**Positive fair values** EUR 1,000	**Negative fair values** EUR 1,000	**Unit**	**Nominal amount**	**Change in the fair value for ineffectiveness measurement** EUR 1,000
Electricity futures, forwards – sales	22,609.1	-5,712.7	GWh	1,242.2	16,896.4
Gas futures, forwards and swaps – procurement	299.7	-2,649.4	GWh	2,399.5	-2,349.7
Gas-oil futures and swaps – procurement	9.1	-161.5	Tonnes	6,300.0	-152.4
Foreign exchange contracts	132.3	-21.1	USD mill.	1.9	111.2
CO_2 futures – sales	168.0	-1,826.5	Tonnes	387,000.0	-1,658.5
CO_2 futures – procurement	314.7	-1,503.6	Tonnes	719,000.0	-1,188.9
Interest rate swaps	–	-16,948.2	EUR mill.	83.3	-16,948.2
Total	**23,532.9**	**-28,823.0**			**-5,290.1**

Th positive market values of the derivatives are reported in the other non-current assets or in the item receivables and other assets, while the negative market values are reported in the other non-current and current liabilities.

The nominal and average hedging prices for cash flow hedges are as follows:

30.09.2020	Unit	2020	2021	2022	2023	> 2023
Electricity futures, forwards – sales						
Nominal amount	GWh	80.7	57.3	223.9	427.3	35.1
Average price hedged	EUR	44.13	42.76	44.82	44.79	48.24
Gas futures, forwards and swaps – procurement						
Nominal amount	GWh	301.8	630.8	221.7	71.4	87.9
Average price hedged	EUR	15.64	15.50	17.92	18.04	15.26
Gas-oil swaps – procurement						
Nominal amount	Tonnes	900.0	2,700.0	1,800.0	600.0	–
Average price hedged	EUR	418.67	339.19	387.29	377.25	–
Foreign exchange contracts						
Nominal amount	USD mill.	–	–	–	–	–
Average price hedged	USD/EUR	–	–	–	–	–
CO_2 futures – sales CO_2 emissions allowances						
Nominal amount	Tonnes	250,000.0	–	–	–	–
Average price hedged	EUR	23.83	–	–	–	–
CO_2 futures – procurement CO_2 emission allowances						
Nominal amount	Tonnes	128,000.0	–	–	–	–
Average price hedged	EUR	22.18	–	–	–	–
Interest rate swaps						
Nominal amount	EUR mill.	175.4	170.5	167.3	131.6	131.6
Average fixed interest rate	%	3.14	3.17	3.22	4.62	1.33

30.09.2019	Unit	2019	2020	2021	2022	> 2022
Electricity futures, forwards – sales						
Nominal amount	GWh	-134.0	1,059.2	141.3	175.7	–
Average price hedged	EUR	48.64	44.64	44.65	49.56	–
Gas futures, forwards and swaps – procurement						
Nominal amount	GWh	114.0	2,164.8	94.5	26.2	–
Average price hedged	EUR	19.09	18.12	19.30	19.54	–
Gas-oil futures and swaps – procurement						
Nominal amount	Tonnes	600.0	2,700.0	2,100.0	900.0	–
Average price hedged	EUR	575.63	538.00	570.07	549.25	–
Foreign exchange contracts						
Nominal amount	USD mill.	0.35	0.15	1.05	0.35	–
Average price hedged	USD/EUR	1.1642	1.1686	1.2021	1.2250	–
CO_2 futures – sales CO_2 emissions allowances						
Nominal amount	Tonnes	387,000.0	–	–	–	–
Average price hedged	EUR	20.43	–	–	–	–
CO_2 futures – procurement CO_2 emissions allowances			–			
Nominal amount	Tonnes	719,000.0	–	–	–	–
Average price hedged	EUR	26.37	–	–	–	–
Interest rate swaps						
Nominal amount	EUR mill.	80.1	75.4	70.5	67.3	31.6
Average fixed interest rate	%	3.12	3.14	3.17	3.22	4.62

The reporting of derivatives is broken down by calendar year.

For fair value hedges, the carrying amounts, nominal amounts and changes in fair values used for recognising an ineffective hedge are as follows:

30.09.2020	Positive fair values EUR 1,000	Negative fair values EUR 1,000	Unit	Nominal amount	Change in the fair value for ineffectiveness measurement EUR 1,000
Electricity futures, forwards – sales	206.7	-329.8	GWh	26.1	-123.1
Gas futures – sales	–	-201.1	GWh	43.8	-201.1
Total	**206.7**	**-530.9**		**69.9**	**-324.2**

30.09.2019	Positive fair values EUR 1,000	Negative fair values EUR 1,000	Unit	Nominal amount	Change in the fair value for ineffectiveness measurement EUR 1,000
Electricity futures – sales	29.4	-120.5	GWh	59.8	-91.1
Gas futures – sales	5.0	-203.0	GWh	131.4	-198.0
Total	**34.4**	**-323.5**		**191.2**	**-289.1**

The nominal and average hedging prices for fair value hedges are as follows:

30.09.2020	Unit	2020	2021	2022	2023	> 2023
Electricity futures, forwards – sales						
Nominal amount	GWh	26.1	–	–	–	–
Average price hedged	EUR	49.29	–	–	–	–
Gas futures – sales						
Nominal amount	GWh	–	–	43.8	–	–
Average price hedged	EUR	–	–	19.18	–	–

30.09.2019	Unit	2019	2020	2021	2022	> 2022
Electricity futures – sales						
Nominal amount	GWh	–	59.8	–	–	–
Average price hedged	EUR	–	56.13	–	–	–
Gas futures – sales						
Nominal amount	GWh	–	–	43.8	87.6	–
Average price hedged	EUR	–	–	19.95	19.18	–

The reporting of energy derivatives is broken down by calendar year.

The carrying amounts of the hedged items related to fair value hedges, the reserve for cash flow hedges and the change in the fair value for the determination of ineffective cash flow hedges and fair value hedges are as follows:

30.09.2020	Change in the fair value for ineffectiveness measurement (cash flow hedges) EUR 1,000	Amount in the reserves for measurements of cash flow hedges closed derivatives EUR 1,000	Amount in the reserves for measurements of cash flow hedges open derivatives EUR 1,000	Change in the fair value for ineffectiveness measurement (fair value hedges) EUR 1,000	Carrying amount of the hedged item in fair value hedges closed derivatives EUR 1,000	Carrying amount of the hedged item in fair value hedges open derivatives EUR 1,000
Future electricity sales	-995.7	17.4	906.2	34.7	-16.1	34.7
Future gas sales	–	–	–	203.9	-20.4	203.9
Future gas purchases	-2,579.5	7.9	2,579.5	–	–	–
Future diesel purchases	-335.2	426.5	335.2	–	–	–
Future sales of CO_2 emissions allowances	-166.2	–	166.2	–	–	–
Financial liabilities bearing variable interest	-16,286.1	13.4	16,286.1	–	–	–

30.09.2019	Change in the fair value for ineffectiveness measurement (cash flow hedges) EUR 1,000	Amount in the reserves for measurements of cash flow hedges closed derivatives EUR 1,000	Amount in the reserves for measurements of cash flow hedges open derivatives EUR 1,000	Change in the fair value for ineffectiveness measurement (fair value hedges) EUR 1,000	Carrying amount of the hedged item in fair value hedges closed derivatives EUR 1,000	Carrying amount of the hedged item in fair value hedges open derivatives EUR 1,000
Future electricity sales	16,434.3	-6,071.4	-16,896.4	227.8	0.6	227.8
Future gas sales	–	–	–	136.7	-838.9	136.7
Future gas purchases	-2,349.7	-1,014.4	2,349.8	–	–	–
Future diesel purchases	-31.4	-29.2	31.4	–	–	–
Future purchases of CO_2 emissions allowances	-2,847.4	–	2,847.4	–	–	–
Financial liabilities bearing variable interest	-16,948.2	125.8	16,948.2	–	–	–

The development of the reserves for cash flow hedges is as follows:

2019/2020	Hedging gains/ losses recognised in the other comprehensive income EUR 1,000	Ineffective hedges recognised through profit or loss EUR 1,000	Consolidated Statement of Comprehensive Income item in which ineffective hedge was recognised EUR 1,000	Transfers from reserves to profit or loss EUR 1,000	Consolidated Statement of Comprehensive Income item in which transfer was recognised EUR 1,000
Electricity futures, forwards – sales	-30,326.3	–	–	6,435.0	Expenses for material and other purchased services
Gas futures, forwards and swaps – procurement	-5,514.8	–	–	4,262.9	Expenses for material and other purchased services
Gas-oil futures and swaps – procurement	-1,234.2	–	–	474.6	Other operating expenses
CO_2 futures – sales	884.7	–	–	–	Sales revenues
CO_2 futures – procurement	2,185.6	–	–	-389.2	Expenses for material and other purchased services
Foreign exchange contracts	–	–	–	–	–
Interest rate swaps	-2,039.8	–	–	2,814.2	Other operating expenses, financing expences
Total	**-36,044.8**	**–**		**13,597.5**	

2018/2019	Hedging gains/ losses recognised in the other comprehensive income EUR 1,000	Ineffective hedges recognised through profit or loss EUR 1,000	Consolidated Statement of Comprehensive Income item in which ineffective hedge was recognised EUR 1,000	Transfers from reserves to profit or loss EUR 1,000	Consolidated Statement of Comprehensive Income item in which transfer was recognised EUR 1,000
Electricity futures, forwards – sales	-22,219.5	–	–	-14,353.0	Expenses for material and other purchased services
Gas futures, forwards and swaps – procurement	-4,820.6	–	–	1,262.1	Expenses for material and other purchased services
Gas-oil futures and swaps – procurement	-3.8	-15.0	Other operating expenses	-196.5	Other operating expenses
CO_2 futures – sales	-4,713.1	–	–	3,054.6	Sales revenues
CO_2 futures – procurement	-954.5	–	–	-234.4	Expenses for material and other purchased services
Foreign exchange contracts	107.9	–	–	–	–
Interest rate swaps	-5,627.2	10.6	Other interest income	3,026.8	Other operating expenses, financing expences
Total	**-38,230.8**	**-4.4**		**-7,440.4**	

The Energie AG group holds the following derivatives not dedicated to any hedging relationship:

30.09.2020	Nominal Value Purchase	Nominal Value Sale	Positive fair values EUR 1,000	Negative fair values EUR 1,000
Derivatives not designated as hedging instruments				
Electricity forwards	EUR 145.3 mill.	EUR 144.0 mill.	13,523.6	-13,331.2
Electricity futures	EUR 19.7 mill.	EUR 5.7 mill.	576.0	-865.6
Gas forwards	EUR 7.9 mill.	EUR 4.1 mill.	287.3	-1,984.4
Gas futures	EUR 2.7 mill.	EUR 6.2 mill.	163.1	-578.1
CO_2 forwards	EUR 4.7 mill.	EUR 0.0 mill.	338.3	–
CO_2 futures	EUR 1.5 mill.	EUR 6.7 mill.	451.0	-255.5

30.09.2019	Nominal Value Purchase	Nominal Value Sale	Positive fair values EUR 1,000	Negative fair values EUR 1,000
Derivatives not designated as hedging instruments				
Electricity forwards	EUR 89.6 mill.	EUR 92.3 mill.	6,629.1	-6,570.0
Electricity futures	EUR 2.7 mill.	EUR 0.0 mill.	12.3	-46.1

24.2. Carrying amounts in accordance with IFRS 9

In accordance with IFRS 9 or IFRS 16/IAS 17, the carrying amounts of financial assets and liabilities are grouped into classes or measurement categories as follows:

	Category acc. to IFRS 9	Carrying amount 30.09.2020 EUR 1,000	Carrying amount 30.09.2019 EUR 1,000
Investments		**28,588.3**	**23,308.0**
Shares in affiliated companies	FVOCI	1,480.5	2,094.5
Other investments	FVOCI	27,107.8	21,213.5
Other financial assets		**50,641.7**	**56,639.6**
Loans to companies in which an interest is held	AC	7,063.2	10,817.3
Other lendings	AC	5,432.9	5,559.7
Securities FVOCI	FVOCI	9,181.0	9,243.0
Securities FVPL	FVPL	28,964.6	31,019.6
Receivables and other assets (non-current and current) acc. to the Statement of Financial Position		**357,727.9**	**358,345.2**
Thereof non-financial assets		**28,486.9**	**38,490.1**
Thereof financial assets		**329,241.0**	**319,855.1**
Trade receivables	AC	256,209.1	254,399.0
Receivables from affiliated companies	AC	532.7	181.8
Receivables from joint arrangements and associated companies	AC	5,299.4	8,583.6
Derivatives designated as hedging instruments (cash flow hedge)	n/a	7,849.8	7,214.4
Derivatives not designated as hedging instruments	FVPL	14,149.2	6,629.1
Other financial assets	AC	45,200.8	42,847.2
Fixed term deposits and short-term investments	AC	**89,776.3**	**89,903.3**
Fixed term deposits and short-term investments	FVPL	**20,032.0**	**20,094.4**
Cash and cash equivalents	AC	**46,304.8**	**29,772.0**
Total financial assets		**564,584.1**	**539,572.4**
Financial liabilities (non-current and current)		**597,586.2**	**455,742.7**
Bonds	FLAC	301,548.0	301,846.3
Liabilities to banks	FLAC	9,319.8	32,354.4
Lease liabilities	IFRS 16/IAS 17	113,090.4	46,249.4
Other financial liabilities	FLAC	173,628.0	75,292.6
Trade payables (current)	FLAC	**156,644.8**	**180,763.8**
Other liabilities (non-current and current) acc. to the Statement of Financial Position		**337,621.2**	**355,972.0**
Thereof non-financial liabilities		**254,050.9**	**276,057.3**
Thereof financial liabilities		**83,570.3**	**79,914.7**
Liabilities to affiliated companies	FLAC	7,201.1	15,053.4
Liabilities to joint arrangements and associated companies	FLAC	3,551.0	6,156.1
Derivatives designated as hedging instruments (cash flow hedge)	n/a	29,521.1	24,091.9
Derivatives not designated as hedging instruments	FVPL	15,315.6	6,570.0
Other financial liabilities (non-current and current)	FLAC	27,981.5	28,043.3
Total financial liabilities		**837,801.3**	**716,421.2**
Carrying amounts grouped to measurement categories according to IFRS 9			
Financial Assets at Amortized Costs (AC)		455,819.2	442,063.9
Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)		37,769.3	32,551.0
Financial Assets at Fair Value through Profit or Loss (FVPL)		63,145.8	57,743.1
Financial Liabilities at Amortized Cost (FLAC)		679,874.2	639,509.9
Financial Liabilities at Fair Value through Profit or Loss (FVPL)		15,315.6	6,570.0

As of 30 September 2020, the Energie AG Group holds shares in affiliated companies and other investments in the amount of EUR 28,588.3 thousand (previous year: EUR 23,308.0 thousand), as well as securities (stocks) in the amount of EUR 9,181.0 thousand (previous year: EUR 9,243.0 thousand) classified as "Financial Assets Through Other Comprehensive Income (FVOCI)". These investments are held for long-term, strategic purposes. For fiscal year 2019/2020, the dividends distributed for securities amount to EUR 64.6 thousand (previous year: EUR 399.4 thousand). Dividends distributed for investments amount to EUR 1,506.8 thousand (previous year: EUR 1,054.5 thousand).

As was the case in the previous year, no strategic investments were disposed of in the 2019/2020 fiscal year. No accumulated profits or losses were reclassified within equity.

24.3. Offsetting of financial assets and liabilities

The following table shows the effect of netting agreements:

	30.09.2020			30.09.2019		
	Reported financial assets/ liabilities (net) EUR 1,000	Effects from offsetting framework agreements EUR 1,000	Net amounts EUR 1,000	Reported financial assets/ liabilities (net) EUR 1,000	Effects from offsetting framework agreements EUR 1,000	Net amounts EUR 1,000
Financial assets						
Trade receivables	256,209.1	-18,062.5	238,146.6	254,399.0	-25,379.2	229,019.8
Positive fair value of derivatives	21,999.0	-16,972.2	5,026.8	13,843.5	-7,479.3	6,364.2
Total	**278,208.1**	**-35,034.7**	**243,173.4**	**268,242.5**	**-32,858.5**	**235,384.0**
Financial liabilities						
Trade payables	156,644.8	-18,062.5	138,582.3	180,763.8	-25,379.2	155,384.6
Negative fair value of derivatives	44,836.7	-16,972.2	27,864.5	30,661.9	-7,479.3	23,182.6
Total	**201,481.5**	**-35,034.7**	**166,446.8**	**211,425.7**	**-32,858.5**	**178,567.2**

At the Energie AG Oberösterreich Group, the derivative financial instruments and receivables/payables presented above are concluded on the basis of standard agreements (e.g. ISDA, EFET, German Master Agreement for Financial Derivative Transactions), which, in the event of insolvency of a business partner, permit the offsetting of outstanding transactions. The criteria for netting in the statement of financial position are not met, because either no net payments are being made or the legal enforceability of the netting agreements is uncertain.

24.4. Measurement at fair value

24.4.1. Fair value of financial assets and liabilities that are measured regularly at fair value

Pursuant to IFRS 13, financial instruments that are measured at fair value are classified within a fair value hierarchy. In view of possible uncertainties relating to possible estimates of the fair values, a distinction is made between three levels:

Level 1: Measurement on the basis of a published price quotation for identical assets or liabilities in an active market.

Level 2: Measurement on the basis of inputs that are observable either directly or indirectly in the market and measurements based on prices quoted in inactive markets.

Level 3: Measurement on the basis of inputs not observable in the market.

If the inputs used to determine the fair value of an asset or liability are attributable to different levels of the fair value hierarchy, the measurement at fair value is wholly assigned to the the fair value hierarchy level that corresponds to the lowest input which, in the aggregate, is material for the measurement.

The financial instruments measured at fair value are assigned to levels 1 to 3:

30.09.2020	Carrying amount EUR 1,000	Measurement at market prices Level 1 EUR 1,000	Measurement on the basis of inputs observable on the market Level 2 EUR 1,000	Other measurement methods Level 3 EUR 1,000	Total fair value EUR 1,000
Assets					
Shares in affiliated companies (FVOCI)	1,480.5	–	–	1,480.5	1,480.5
Other investments (FVOCI)	27,107.8	1,020.2	–	26,087.6	27,107.8
Securities (FVOCI)	9,181.0	9,181.0	–	–	9,181.0
Securities (FVPL)	28,964.6	28,964.6	–	–	28,964.6
Derivatives designated as hedging instruments (cash flow hedge)	7,849.8	–	7,849.8	–	7,849.8
Derivatives not designated as hedging instruments (FVPL)	14,149.2	–	14,149.2	–	14,149.2
Fixed term deposits and short-term investments (FVPL)	20,032.0	20,032.0	–	–	20,032.0
Total	**108,764.9**	**59,197.8**	**21,999.0**	**27,568.1**	**108,764.9**
Liabilities					
Derivatives designated as hedging instruments (cash flow hedge)	29,521.1	–	29,521.1	–	29,521.1
Derivatives not designated as hedging instruments (FVPL)	15,315.6	–	15,315.6	–	15,315.6
Total	**44,836.7**	**–**	**44,836.7**	**–**	**44,836.7**

30.09.2019	Carrying amount EUR 1,000	Measurement at market prices Level 1 EUR 1,000	Measurement on the basis of inputs observable on the market Level 2 EUR 1,000	Other measurement methods Level 3 EUR 1,000	Total fair value EUR 1,000
Assets					
Shares in affiliated companies (FVOCI)	2,094.5	–	–	2,094.5	2,094.5
Other investments (FVOCI)	21,213.5	1,097.1	–	20,116.4	21,213.5
Securities (FVOCI)	9,243.0	9,243.0	–	–	9,243.0
Securities (FVPL)	31,019.6	31,019.6	–	–	31,019.6
Derivatives designated as hedging instruments (cash flow hedge)	7,214.4	–	7,214.4	–	7,214.4
Derivatives not designated as hedging instruments (FVPL)	6,629.1	–	6,629.1	–	6,629.1
Fixed term deposits and short-term investments (FVPL)	20,094.4	20,094.4	–	–	20,094.4
Total	**97,508.5**	**61,454.1**	**13,843.5**	**22,210.9**	**97,508.5**
Liabilities					
Derivatives designated as hedging instruments (cash flow hedge)	24,091.9	–	24,091.9	–	24,091.9
Derivatives not designated as hedging instruments (FVPL)	6,570.0	–	6,570.0	–	6,570.0
Total	**30,661.9**	**–**	**30,661.9**	**–**	**30,661.9**

Level 3 financial instruments have developed as follows:

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Carrying amount as of 01.10.	22,210.9	10,631.6
Initial application IFRS 9	–	4,702.0
Gains (losses) – not recognised in profit or loss	5,300.6	6,877.6
Additions	3,185.3	–
Disposals	-15.7	–
Transfers	-3,155.8	0.7
Currency translation	42.8	-1.0
Carrying amount 30.09.	**27,568.1**	**22,210.9**

The impairment reversal of EUR 5,300.6 thousand (previous year: upward revaluation resulting from the initial application of IFRS 9 in the amount of EUR 4,702.0 thousand and the impairment reversal in the amount of EUR 6,877.6 thousand) concerns the largest position in the item Other Investments (FVOCI). The fair value of this other investment is determined using a measurement method based on capitalisation of earnings. Essential input factors are the cash flow assumptions from mid-term planning and the discount rate. The appreciation was recognised as other comprehensive income in the item "Change in value of investments and securities FVOCI".

An increase (reduction) of the cash flow assumptions by 25% would have resulted in an increase (reduction) of the OCI in the amount of EUR 4,080.1 thousand (EUR -4,080.1 thousand) (previous year: EUR 3,085.7 thousand (EUR -3,085.7 thousand)). An increase (reduction) of the discount rate by 50 basis points would have resulted in a reduction (increase) of the OCI in the amount of EUR -1,030.3 thousand (EUR 1,179.2 thousand) (previous year: EUR -786.2 thousand (EUR 900.9 thousand)).

24.4.2. Valuation techniques and inputs used in measuring fair values

In general, the fair values of the financial assets and liabilities correspond to their market prices on the reporting date. If active market prices are not directly available, then – if they are not of minor significance – they are calculated using recognised actuarial measurement models and current market parameters (in particular interest rates, exchange rates and the credit rating of contractual partners). This is done by discounting the cash flows from the financial instruments to the reporting date.

The following valuation parameters and inputs were used:

Financial instruments	Level	Valuation techniques	Inputs
Other investment	3	Capital value-oriented	Assumptions concerning cash flows, interest rates, mid-term planning
Listed securities, mutual funds	1	Market value-oriented	Nominal values, stock market price, net asset value
Foreign exchange contracts	2	Capital value-oriented	Exchange rates, interest rates, credit risk of the contractual partners
Listed energy futures	1	Market value-oriented	Settlement price determined at stock exchange
Non-listed energy forwards	2	Capital value-oriented	Forward price curve derived from stock exchange prices, interest rate curve, credit risk of contractual partners on a net basis
Interest rate swaps	2	Capital value-oriented	Cash flows already fixed or determined using forward rates, interest rate curve, credit risk of contractual partners
Gas and gas-oil swaps	2	Capital value-oriented	Cash flows already fixed or determined using forward rates, interest rate curve, credit risk of contractual partners

24.4.3. Fair values of financial assets and liabilities that are not measured regularly at fair value, however for which the fair value must be disclosed

The items trade receiveables, receivables from affiliated companies, receivables from joint arrangements and associated companies, other financial assets, as well as fixed term deposits and current investments are characterised by predominantly short remaining terms. This means that their carrying amounts as of the reporting date roughly represent their fair value. If they are material and have a fixed interest rate, then the fair value of non-current lendings corresponds to the present value of the payments associated with the assets, taking into consideration the current market parameters in each case (interest rates, credit spreads).

Trade payables, liabilities to affiliated companies, liabilities to joint arrangements and associated companies and other financial liabilities usually have short remaining terms. The values on the balance sheet are approximately the fair values. If they are material and bear interest at a fixed rate, the fair value of financial liabilities is determined using the present value of the payments associated with the liabilities, taking into consideration the respectively applicable market parameters (interest rates, credit spreads).

The following financial assets and liabilities have a fair value different from the carrying amount:

	Category acc. to IFRS 9	Carrying amount 30.09.2020 EUR 1,000	Fair value 30.09.2020 EUR 1,000	Carrying amount 30.09.2019 EUR 1,000	Fair value 30.09.2019 EUR 1,000	Level
Assets						
Other financial assets		**12,496.1**	**13,600.0**	**16,377.0**	**19,044.9**	
Loans to companies in which an interest is held	AC	7,063.2	8,041.0	10,817.3	13,293.9	Level 3
Other lendings	AC	5,432.9	5,559.0	5,559.7	5,751.0	Level 3
Liabilities						
Financial liabilities		**484,495.8**	**547,599.8**	**409,493.3**	**496,521.6**	
Bonds	FLAC	301,548.0	355,557.0	301,846.3	370,845.0	Level 1
Liabilities to banks	FLAC	9,319.8	9,319.8	32,354.4	33,441.9	Level 3
Other financial liabilities	FLAC	173,628.0	182,723.0	75,292.6	92,234.7	Level 3

The fair values of the Level 3 financial assets and liabilities disclosed above were determined in agreement with generally accepted valuation techniques based on discounted cash flow analyses. Material input is the discount rate, which takes into account the default risk of the counterparty.

24.5. Net result

The net result from financial instruments is grouped in the different classes of financial instruments as follows:

Net result

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Financial Assets at Amortized Cost	-670.4	288.4
Financial Assets at Fair Value through Other Comprehensive Income	5,226.3	1,798.0
Financial Assets at Fair Value through Profit or Loss	-418.3	1,428.2
Financial Assets/Liabilities at Fair Value through Profit or Loss	175.0	951.7
Financial Liabilities Measured at Amortized Cost	-16,961.4	-16,492.3
Net result	**-12,648.8**	**-12,026.0**
Interest income and expenses from financial instruments measured at amortised costs		
Total interest income	707.1	770.7
Total interest expense	-16,961.4	-16,492.3

The net result for the category Financial Assets at Amortized Cost (AC) mainly includes interest income from invested money and lendings and is recognised in the financial result. This item also includes income from the reversal of impairments and expected credit losses, income from the receipt of receivables that had previously been written off, as well as expenses from impairments, expected credit losses and write-offs for trade receivables recognised in the operating income.

The net result of the category Financial Assets at Fair Value through Other Comprehensive Income (FVOCI) shows the measurement result for the investments and securities measured outside of profit or loss. Income from investments and dividends from securities are reported in the other financial result.

The net result of the category Financial Assets at Fair Value through Profit or Loss (FVPL) mainly includes earnings from remeasurement and earnings from disposals, as well as dividends from securities and income from the remeasurement of money market funds and is shown in other financial result.

The net result of the category Financial Assets at Fair Value Trading through Profit or Loss (FVPL) and Financial Liabilities at Fair Value Trading through Profit or Loss (FVPL) essentially results from the derivatives used by Energy AG. The measured value of derivative instruments in the Energy Segment is recognised in the operating result.

The net result of the category Financial Liabilities at Amortized Cost mainly includes interest expenses from financial liabilities and is part of the financial result.

24.6. Financial risk management

24.6.1. Principles of financial risk management

Due to its business activities and the financial transactions it conducts, the Energie AG Group is exposed to various risks. These risks primarily include currency and interest rate risks, liquidity risks, default risks, price risks from securities, and price risks in the commodity sector (energy sector price risks).

Energy sector risks are managed by Energie AG Oberösterreich Trading GmbH, and financial risks are managed centrally by Group Treasury, which is also responsible for any hedging measures for all Group companies. Hedging against energy sector risks is handled on the basis of an internal policy on conducting energy sector hedging transactions. A financial management guideline for the Group (Treasury Policy), in which the main goals, principles and distribution of duties in the Group are set out, serves as a basis for the management of financial risks.

Hedging against energy sector and financial risks is also handled using derivative financial instruments. Transactions of this type are on principle only carried out with counterparties with very good credit ratings in order to minimise the risk of default.

24.6.2. Foreign exchange risk

The foreign exchange risks in the Energie AG Group result from financing provided in foreign currencies and the translation risk from the conversion of foreign Group companies into the Group currency (Czech Republic and Hungary).

For the foreign exchange risk of financial instruments, sensitivity analyses were carried out which show the effects of hypothetical changes in exchange rates on result (after taxes) and equity. The affected holdings as of the reporting date were used as a basis (CZK 75.2 million, HUF 2.7 billion), (previous year: CZK 123.9 million, HUF 2.7 billion, USD 1.9 million). Here it was assumed that the risk on the reporting date basically represents the risk during the fiscal year. The Group tax rate of 25% was used as the tax rate. In addition, it was assumed for the analysis that all other variables, in particular interest rates, remain constant. In the analysis, the currency risks for financial instruments that are denominated in a currency different from the functional currency and are of a monetary nature were included. Differences resulting from the exchange rate in translating financial statements into the Group currency were not taken into consideration.

Following the aforementioned assumptions, an upward revaluation of the Euro by 10% against all other currencies on the reporting date would result in lower earnings (after taxes) by EUR 567.2 thousand (previous year: EUR 612.1 thousand) and a reduction in equity by EUR 692.8 thousand (previous year: EUR 1,070.4 thousand). Here, the sensitivity of equity, as well as the sensitivity of profit (after taxes), were affected by the sensitivity of the currency-related translation effects of net investments and hedge accounting in the amount of EUR 125.6 thousand (previous year: EUR 458.3 thousand).

Following the aforementioned assumptions, a downward revaluation of the Euro by 10% against all other currencies on the reporting date would result in increased earnings (after taxes) by EUR 693.3 thousand (previous year: EUR 748.2 thousand) and an increase in equity by EUR 846.8 thousand (previous year: EUR 1,402.2 thousand). Here, the sensitivity of equity, as well as the sensitivity of profit (after taxes), were affected by the sensitivity of the currency-related translation effects of net investments and hedge accounting in the amount of EUR 153.5 thousand (previous year: EUR 654.0 thousand).

24.6.3. Interest rate risk

The Energie AG Group holds interest rate-sensitive financial instruments in order to meet the requirements of operational and strategic liquidity management. Interest rate change risks mainly result from financial instruments with variable interest rates (cash flow risk). Interest rate risks result in particular from:

	30.09.2020 EUR 1,000	**30.09.2019** EUR 1,000
Cash in bank	46,304.8	29,772.0
Variable rate lendings	3,652.9	3,976.7
Variable rate loans	-35,937.1	-44,002.5
Variable rate lease liabilities	-82,525.7	-46,249.4
Net risk before hedge accounting	**-68,505.1**	**-56,503.2**
Hedge accounting and interest rate derivatives	76,814.6	51,709.3
Net risk after hedge accounting and interest derivatives	**8,309.5**	**-4,793.9**

For the interest rate risks of these financial instruments, sensitivity analyses were carried out which show the effects of hypothetical changes in market interest rates on result (after taxes) and equity. The affected holdings as of the reporting date were used as a basis. Here it was assumed that the risk on the reporting date basically represents the risk during the fiscal year. The Group tax rate of 25% was used as the tax rate. In addition, it was assumed for the analysis that all other variables, in particular exchange rates, remain constant.

Following the aforementioned assumptions, an increase in the market interest rate by 50 basis points on the reporting date would result in increased earnings (after taxes) by EUR 31.2 thousand (previous year: decrease: EUR 18.0 thousand) and an increase in equity in the amount of EUR 5,348.5 thousand (previous year: EUR 1,896.5 thousand). The sensitivity of equity, as well as the sensitivity of earnings (after taxes), were in this case affected by the sensitivity of the interest rate-related cash flow hedge reserve in the amount of EUR 5,317.3 thousand (previous year: EUR 1,914.5 thousand).

Following the aforementioned assumptions, a decrease in the market interest rate by 50 basis points on the reporting date would result in a reduction of earnings (after taxes) by EUR 31.2 thousand (previous year: increase: EUR 18.0 thousand) and a decrease in equity in the amount of EUR 5,820.3 thousand (previous year: EUR 1,980.0 thousand). The sensitivity of equity, as well as the sensitivity of earnings (after taxes), were in this case affected by the sensitivity of the interest rate-related cash flow hedge reserve in the amount of EUR 5,789.1 thousand (previous year: EUR 1,998.0 thousand).

24.6.4. Commodity price risk

Commodity price risks arise primarily through the procurement and sale of electricity and gas. Beyond that price risks arise for Energie AG Oberösterreich due to speculative positions taken in proprietary trading. Proprietary trading is only carried out within very tightly defined limits and the risk can therefore be considered immaterial.

Hedging instruments are used for electrical energy and gas to hedge against energy industry risks.

For the commodity price risks, sensitivity analyses were carried out which show the effect of hypothetical changes in the fair value level on result (after taxes) and equity. The affected derivative holdings in the area of energy as of the reporting date were used as a basis. Here it was assumed that the risk on the reporting date basically represents the risk during the fiscal year. The Group tax rate of 25% was used as the tax rate. In addition, it was assumed for the analysis that all other variables, in particular exchange rates, remain constant. Not taken into consideration are contracts which are for the purpose of the receipt or delivery of non-financial items according to the expected purchase, sale and use requirements of the company (own use) and which therefore are not to be reported according to IFRS 9, with the exception of onerous contacts.

Sensitivity of derivative contracts regarding the electricity price:

Following the aforementioned assumptions, a 15% increase (decrease) in the fair value level as of the reporting date would result in a increase (decrease) in profit (after taxes) by EUR 1,706.5 thousand (previous year: EUR 0.0 thousand) and an increase (decrease) in equity by EUR 5,804.2 thousand (previous year: EUR 6,699.9 thousand). The sensitivity of equity, as well as the sensitivity of earnings (after taxes), were in this case affected by the sensitivity of the electricity-price-related cash flow hedge reserve in the amount of EUR 4,097.7 thousand (previous year: EUR 6,699.9 thousand).

Sensitivity of derivative contracts with regard to the prices for gas and diesel (gas-oil):

Following the aforementioned assumptions, a 25% increase (decrease) in the fair value level as of the reporting date would result in a decrease (increase) in profit (after taxes) by EUR 353.7 thousand (previous year: EUR 0.0 thousand) and an increase (decrease) in equity by EUR 3,505.5 thousand (previous year: EUR 8,517.1 thousand). The sensitivity of equity, as well as the sensitivity of earnings (after taxes), were in this case affected by the sensitivity of the gas-price-related cash flow hedge reserve in the amount of EUR 3,859.2 thousand (previous year: EUR 8,517.1 thousand).

24.6.5. Market risk from securities measured at fair value

The Energie AG Oberösterreich Group holds securities and funds that result in price change risks for the company. The fluctuation risk of the securities held is limited by a conservative investment policy and ongoing monitoring, as well as ongoing quantification of the risk potential.

A sensitivity analysis carried out for the price risks from securities established the effect of hypothetical changes in the market price level on earnings (after taxes) and equity. The relevant holdings of financial instruments "At Fair Value through Other Comprehensive Income" and "At Fair Value through Profit or Loss" on the reporting date were used as a basis. Here it was assumed that the risk on the reporting date basically represents the risk during the fiscal year. The Group tax rate of 25% was used as the tax rate. In addition, it was assumed for the analysis that all other inputs, such as the currency, remain constant.

Following the aforementioned assumptions, a 15% increase (decrease) in the fair value level as of the reporting date would result in an increase (decrease) in profit (after taxes) in the amount of EUR 5,512.1 thousand (previous year: EUR 5,750.3 thousand) and in equity in the amount of EUR 6,659.7 thousand (previous year: EUR 6,913.6 thousand). Here, the sensitivity of equity, as well as the sensitivity of profit (after taxes), were affected by the sensitivity of the market-price-level-related OCI reserve in the amount of EUR 1,147.6 thousand (previous year: EUR 1,163.3 thousand).

24.6.6. Credit risk

Credit risks arise for the Energie AG Group due to non-fulfilment of contractual arrangements by counterparties.

The credit risk is limited by performing regular credit assessments of the customer portfolio. In the area of financial and energy trading, transactions are only conducted with counterparties with a first-class credit rating. In addition, the risks are mitigated by limit systems and monitoring.

At Energie AG Oberösterreich, the maximum credit risk corresponds to the carrying amount of the reported financial assets plus the contingent liabilities listed in section 32.

A low credit risk is assumed for derivatives and other instruments accounted for at fair value. Netting agreements are used to reduce the credit risks attached to derivatives.

The carrying amounts of the financial assets are composed as follows:

	Carrying amount 30.09.2020 EUR 1,000	Thereof: not impaired or overdue as of the reporting date EUR 1,000	Thereof: neither impaired nor past due in the following maturity ranges				Thereof: not impaired as of the reporting date EUR 1,000
			Less than 30 days EUR 1,000	Between 30 and 60 days EUR 1,000	Between 60 and 90 days EUR 1,000	More than 90 days EUR 1,000	
Receivables and other financial assets (non-current and current)	**307,242.0**	**290,134.1**	**8,966.5**	**1,964.7**	**574.0**	**815.7**	**4,787.0**
Trade receivables	256,209.1	242,209.6	8,941.1	1,877.6	573.8	771.3	1,835.7
Receivables from affiliated companies	532.7	532.7	–	–	–	–	–
Receivables from joint arrangements and associated companies	5,299.4	5,276.5	22.9	–	–	–	–
Other financial assets	45,200.8	42,115.3	2.5	87.1	0.2	44.4	2,951.3
Total	**307,242.0**	**290,134.1**	**8,966.5**	**1,964.7**	**574.0**	**815.7**	**4,787.0**

	Carrying amount 30.09.2019 EUR 1,000	Thereof: not impaired or overdue as of the reporting date EUR 1,000	Thereof: neither impaired nor past due in the following maturity ranges				Thereof: not impaired as of the reporting date EUR 1,000
			Less than 30 days EUR 1,000	Between 30 and 60 days EUR 1,000	Between 60 and 90 days EUR 1,000	More than 90 days EUR 1,000	
Receivables and other financial assets (non-current and current)	**306,011.6**	**288,212.1**	**8,843.3**	**1,163.3**	**660.4**	**1,284.9**	**5,847.6**
Trade receivables	254,399.0	240,073.2	8,831.3	1,087.5	660.4	1,284.9	2,461.7
Receivables from affiliated companies	181.8	181.8	–	–	–	–	–
Receivables from joint arrangements and associated companies	8,583.6	8,571.8	11.8	–	–	–	–
Other financial assets	42,847.2	39,385.3	0.2	75.8	–	–	3,385.9
Total	**306,011.6**	**288,212.1**	**8,843.3**	**1,163.3**	**660.4**	**1,284.9**	**5,847.6**

The changes in impairments of financial assets were as follows:

	Balance 01.10.2019 EUR 1,000	Change in scope of consolidation EUR 1,000	Additions EUR 1,000	Use EUR 1,000	Reversals EUR 1,000	Currency conversion EUR 1,000	Balance 30.09.2020 EUR 1,000
Other financial assets	**–**	**–**	**–**	**–**	**–**	**–**	**–**
Loans to affiliated companies	–	–	–	–	–	–	–
Securities (available for sale)	–	–	–	–	–	–	–
Receivables and other financial assets (non-current and current)	**9,315.6**	**142.6**	**427.5**	**-11.9**	**-765.5**	**-56.4**	**9,051.9**
Trade receivables	9,232.6	142.4	427.5	-11.9	-765.3	-52.2	8,973.1
Other financial assets	83.0	0.2	–	–	-0.2	-4.2	78.8
Total	**9,315.6**	**142.6**	**427.5**	**-11.9**	**-765.5**	**-56.4**	**9,051.9**

	Balance 01.10.2018 EUR 1,000	Initial application IFRS 9 EUR 1,000	Change in scope of consolidation EUR 1,000	Additions EUR 1,000	Use EUR 1,000	Reversals EUR 1,000	Currency conversion EUR 1,000	Balance 30.09.2019 EUR 1,000
Other financial assets	**422.2**	**-385.9**	**-36.3**	**–**	**–**	**–**	**–**	**–**
Loans to affiliated companies	36.3	–	-36.3	–	–	–	–	–
Securities (available for sale)	385.9	-385.9	–	–	–	–	–	–
Receivables and other financial assets (non-current and current)	**8,664.7**	**–**	**770.0**	**703.3**	**-309.8**	**-511.5**	**-1.1**	**9,315.6**
Trade receivables	8,577.3	–	770.7	703.3	-309.8	-507.9	-1.0	9,232.6
Other financial assets	87.4	–	-0.7	–	–	-3.6	-0.1	83.0
Total	**9,086.9**	**-385.9**	**733.7**	**703.3**	**-309.8**	**-511.5**	**-1.1**	**9,315.6**

The expenses for complete derecognition of receivables amount to EUR 970.7 thousand (previous year: EUR 495.1 thousand). The revenue from the receipt of derecognised receivables amount to EUR 34.0 thousand (previous year: EUR 26.6 thousand). The income from the reversal of impairments in the fiscal year amounts to EUR 338.0 thousand (previous year: impairment losses EUR 191.8 thousand) for financial assets classified as "Financial Assets at Amortized Cost (AC)".

With regard to the holdings of financial trade and other receivables that are neither impaired nor in default, there are no indications as of the reporting date that the debtors will not meet their payment obligations. For the financial assets not listed in the above table, there are no material delinquencies or impairments, and there are no indications that the debtors will not meet their payment obligations.

Individual impairments are made up of a number of individual items, of which none is material when considered by itself. In addition, impairments graduated by risk groups are recognised to provide for general credit risks.

Pursuant to the expected credit loss model described in IFRS 9, expected credit losses must also be recognised for financial assets "At Amortised Cost" (AC). The expected credit losses developed as follows:

	01.10.2019 EUR 1,000	Change in scope of consoli-dation EUR 1,000	Additions EUR 1,000	Reversals EUR 1,000	Currency conversion EUR 1,000	Balance 30.09.2020 EUR 1,000
Other financial assets	**90.3**	**-16.5**	**11.9**	**-27.9**	**-0.5**	**57.3**
Loans to companies in which an interest is held	67.1	-16.5	–	-26.6	–	24.0
Other lendings	23.2	–	11.9	-1.3	-0.5	33.3
Receivables and other financial assets (non-current and current)	**399.0**	**–**	**742.1**	**-14.7**	**-3.3**	**1,123.1**
Trade receivables	399.0	–	742.1	-14.7	-3.3	1,123.1
Fixed term deposits and short-term investments	**116.2**	**–**	**195.7**	**-88.2**	**–**	**223.7**
Fixed term deposits	116.2	–	195.7	-88.2	–	223.7
Total	**605.5**	**-16.5**	**949.7**	**-130.8**	**-3.8**	**1,404.1**

	Initial application IFRS 9 EUR 1,000	Change in scope of consoli-dation EUR 1,000	Additions EUR 1,000	Reversals EUR 1,000	Currency conversion EUR 1,000	Balance 30.09.2019 EUR 1,000
Other financial assets	**143.7**	**-85.6**	**57.1**	**-24.9**	**–**	**90.3**
Loans to companies in which an interest is held	120.5	-77.2	47.3	-23.5	–	67.1
Other lendings	23.2	-8.4	9.8	-1.4	–	23.2
Receivables and other financial assets (non-current and current)	**266.7**	**94.0**	**137.1**	**-98.8**	**–**	**399.0**
Trade receivables	266.7	94.0	137.1	-98.8	–	399.0
Fixed term deposits and short-term investments	**242.2**	**–**	**21.2**	**-147.2**	**–**	**116.2**
Fixed term deposits	242.2	–	21.2	-147.2	–	116.2
Total	**652.6**	**8.4**	**215.4**	**-270.9**	**–**	**605.5**

For trade receivables and receivables from subsidiaries that are essentially comprised of trade receivables, the credit losses expected over the term are measured using an impairment matrix. In the case of lendings, fixed term deposits, cash and cash equivalents, the expected credit losses are assessed for a 12-month period due to the credit risk remaining essentially unchanged, or because a low credit risk is assumed on the basis of the counterparty's current rating. Any change in the credit risk is ascertained by monitoring the rating. For the purpose of reflecting an assumed recovery rate, the expected losses include the Loss Given Default (LGD), unless the instrument is of diminished creditworthiness. The estimated losses are in this case ascertained on the basis of the estimated expected cash flows and the originally effective interest rate.

24.6.7. Liquidity risk

A liquidity risk would exist when liquidity reserves or debt capacity were insufficient to meet financial obligations on time. Due to anticipatory liquidity planning and the liquidity reserves that are held, the liquidity risk is considered very low for the Energie AG Group. In addition, open lines of bank credit and on the capital market are also drawn on as sources for financing. Measures aimed at assuring an appropriate capital structure and a conservative financial profile assist the company in maintaining its current “A” rating.

All financial instruments held on the reporting date and for which payments are contractually agreed upon are consolidated. Plan figures for new, future financial liabilities are not included. An average remaining term of 12 months is assumed for the current operating loans; the loan terms are however extended regularly and are, from a commercial perspective, available for longer than the stated periods. Foreign currency amounts are translated at the spot rate as of the reporting date. Variable interest payments from financial instruments are determined based on the last interest rates set before the reporting date. Financial liabilities that can be repaid at any time are always assigned to the earliest maturity range.

	Carrying amount 30.09.2020 EUR 1,000	Cash flows 2020/2021		Cash flows 2021/2022 to 2024/2025		Cash flows from 2025/2026	
		Interest EUR 1,000	Repayments EUR 1,000	Interest EUR 1,000	Repayments EUR 1,000	Interest EUR 1,000	Repayments EUR 1,000
Financial liabilities (non-current and current)	**597,586.2**	**17,301.9**	**10,769.0**	**61,032.1**	**392,765.9**	**29,216.2**	**195,621.3**
Bonds	301,548.0	13,500.0	0.1	46,125.5	302,336.7	–	–
Liabilities to banks	9,319.8	127.8	2,811.6	468.9	1,975.8	767.4	4,532.4
Lease liabilities	113,090.4	268.4	7,277.7	969.3	55,251.5	1,395.9	50,561.2
Other financial liabilities	173,628.0	3,405.7	679.6	13,468.4	33,201.9	27,052.9	140,527.7
Trade payables (current)	**156,644.8**	**–**	**156,644.8**	**–**	**–**	**–**	**–**
Other liabilities (non-current and current) acc. to the Statement of Financial Position	**337,621.2**						
Thereof non-financial liabilities	**254,050.9**						
Thereof financial liabilities	**83,570.3**	**2,613.0**	**56,894.3**	**7,435.4**	**9,852.4**	**4,791.1**	**537.4**
Liabilities to affiliated companies	7,201.1	–	7,201.1	–	–	–	–
Liabilities to joint arrangements and associated companies	3,551.0	–	3,551.0	–	–	–	–
Derivatives designated as hedging instruments (cash flow hedge)	29,521.1	2,613.0	10,183.2	7,435.4	3,051.7	4,791.1	–
Derivatives not designated as hedging instruments	15,315.6	–	13,329.2	–	1,986.4	–	–
Other financial liabilities (non-current and current)	27,981.5	–	22,629.8	–	4,814.3	–	537.4
Total	**837,801.3**	**19,914.9**	**224,308.1**	**68,467.5**	**402,618.3**	**34,007.3**	**196,158.7**

	Carrying amount 30.09.2019 EUR 1,000	Cash flows 2019/2020		Cash flows 2020/2021 to 2023/2024		Cash flows from 2024/2025	
		Interest EUR 1,000	Repayments EUR 1,000	Interest EUR 1,000	Repayments EUR 1,000	Interest EUR 1,000	Repayments EUR 1,000
Financial liabilities (non-current and current)	**455,742.7**	**16,036.5**	**27,313.1**	**62,280.9**	**82,022.9**	**17,265.7**	**348,060.1**
Bonds	301,846.3	13,500.0	0.2	54,000.0	–	5,625.0	302,813.3
Liabilities to banks	32,354.4	569.8	23,698.0	529.9	4,935.4	873.9	4,407.2
Finance lease liabilities	46,249.4	-227.2	2,849.3	-456.2	43,400.1	–	–
Other financial liabilities	75,292.6	2,193.9	765.6	8,207.2	33,687.4	10,766.8	40,839.6
Trade payables (current)	**180,763.8**	**–**	**180,763.8**	**–**	**–**	**–**	**–**
Other liabilities (non-current and current) acc. to the Statement of Financial Position	**355,972.0**						
Thereof non-financial liabilities	**276,057.3**						
Thereof financial liabilities	**79,914.7**	**2,837.1**	**54,624.2**	**8,418.7**	**7,097.7**	**6,200.9**	**1,244.6**
Liabilities to affiliated companies	15,053.4	–	15,053.4	–	–	–	–
Liabilities to joint arrangements and associated companies	6,156.1	–	6,156.1	–	–	–	–
Derivatives designated as hedging instruments (cash flow hedge)	24,091.9	2,837.1	6,659.5	8,418.7	484.2	6,200.9	–
Derivatives not designated as hedging instruments	6,570.0	–	5,296.4	–	1,273.6	–	–
Other financial liabilities (non-current and current)	28,043.3	–	21,458.8	–	5,339.9	–	1,244.6
Total	**716,421.2**	**18,873.6**	**262,701.1**	**70,699.6**	**89,120.6**	**23,466.6**	**349,304.7**

24.7. Development and terms of the most material financial liabilities

	EUR 1,000	EUR 1,000
Financial liabilities 30.09.2019		
Non-current	428,429.6	
Current	27,313.1	
		455,742.7
Registered bond 2020-2040		100,000.0
Initial application IFRS 16		73,749.3
Principal repayment of bank loans 2010-2020		-12,000.0
Repayment of cash advance		-6,000.0
Other changes in financial liabilities		-13,905.8
Financial liabilities 30.09.2020		
Non-current	586,817.2	
Current	10,769.0	
		597,586.2

The Group issued the following material bonds:

Energie AG Oberösterreich:

4.5% Energie AG OOe. Bond 2005-25 ISIN: XS0213737702 volume: EUR 300,000,000 matures: 4 March.

Registered bond 2010-2030, 4.75%, Volume: EUR 40,000,000

Registered bond 2020-2040, 1.25%, Volume: EUR 100,000,000

25. Non-current provisions

	30.09.2020 EUR 1,000	**30.09.2019** EUR 1,000
Provisions for pensions	117,048.8	123,308.6
Provisions for severance payments	95,623.6	99,111.2
Provisions for anniversary bonuses	22,448.2	23,592.6
Provisions for stepped pension and early retirement benefits	21,572.2	30,020.5
Other provisions	33,777.4	32,060.2
	290,470.2	**308,093.1**

For the most part, the provisions for pensions, severance payments and anniversary bonuses have a term that is more than five years. The provision for stepped pension and early retirement benefits will lead to payment outflows within the next five fiscal years, for the most part.

The following assumptions were made in calculating the personnel provisions:

	2019/2020 %	2018/2019 %
Discount rate	1.0	0.9
Discount rate	2.9	3.0
Pension trend	2.0	2.0
Expected return on plan assets	1.0	0.9

Biometric calculations were based on the AVÖ 2018 P calculation principles for pension funds from the Actuarial Association of Austria. The statutory retirement age was used as a basis.

A fluctuation ranging from 0.00% to 12.02% (previous year: 0.00% to 11.66%) is assumed, staggered according to length of service with the company.

25.1. Provisions for pensions and similar provisions

Company agreements and commitments under individual contracts have incurred an obligation to pay pensions upon retirement to certain staff members who joined the company prior to 30 September 1996 and have accepted neither full nor partial compensation of their claims to direct payments. Beyond that, there is an obligation to pay pensions to certain staff members who retired before 1 July 1998.

For this group of people, a pension provision has been created in line with IAS 19 (Employee Benefits) using the projected unit credit method of actuarial valuation.

The Group has an obligation to make additional contributions for defined retirement benefit plan obligations that were transferred to the Group’s pension fund.

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Present value of retirement benefit obligations (DBO) as of 01.10.	137,567.4	121,674.4
+ Merger	–	4,532.0
+ Service costs	640.3	523.8
+ Interest expense	1,213.2	2,184.1
- Retirement benefits payments	-7,285.8	-7,408.3
(-)/+ Remeasurement – actuarial (gains)/losses:		
Due to experience adjustments	-249.8	1,494.7
Due to changes in demographic assumptions	-6.3	-6.9
Due to changes in financial assumptions	-1,219.9	14,573.6
Present value of retirement benefit obligations (DBO) as of 30.09.	**130,659.1**	**137,567.4**
- Fair value of fund assets	-13,610.3	-14,258.8
Recognised pension provisions as of 30.09.	**117,048.8**	**123,308.6**

Changes in fund assets

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Plan assets as of 01.10.	14,258.8	15,107.4
+/(-) Interest income/expenses for plan assets	129.9	256.0
+ Contributions to fund	–	653.7
- Payments from fund	-1,131.4	-943.5
+/(-) Asset gain/loss	353.0	-814.8
Plan assets as of 30.09.	**13,610.3**	**14,258.8**

Actual return on plan assets amounts to EUR -76.8 thousand (previous year: EUR -302.3 thousand).

The fund assets break down as follows:

	30.09.2020 %	30.09.2019 %
Shares	35.1	30.4
Bonds	44.7	54.2
Money market	4.9	6.5
Other investments	15.3	8.9
Total	**100.0**	**100.0**

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Service costs	640.3	523.8
Net interest expense	1,083.3	1,928.1
Retirement benefits expense (recognised in net profit or loss for the period)	**1,723.6**	**2,451.9**
Remeasurement of retirement benefit obligations	-1,829.0	16,876.2
Retirement benefits expense (recognised in other comprehensive income)	**-105.4**	**19,328.1**

The present value of the defined retirement benefit obligations is distributed over the individual groups of employees entitled to pension benefits as follows:

	30.09.2020 %	30.09.2019 %
Active	19.2	18.1
Vested	1.5	1.8
Retired	79.3	80.1
	100.0	**100.0**

As of 30 September 2020, the weighted average remaining term of the defined benefit obligations was 11.0 years (previous year: 13.0 years).

Pension payments for the 2020/2021 fiscal year are expected to amount to EUR 7,213.4 thousand.

An increase or decrease in the material actuarial assumptions would have the following effects on the present value of the retirement benefit obligations:

Sensitivity analyses

	30.09.2020 EUR 1,000	**30.09.2019** EUR 1,000
Remaining life expectancy		
Change by +1 year	9,399.9	8,504.1
Change by -1 year	-9,917.9	-8,862.7
Discount rate		
Change by +0.5%	-7,865.5	-8,443.5
Change by -0.5%	8,790.2	9,453.8
Future pension increase		
Change by +0.5%	8,309.7	8,800.7
Change by -0.5%	-7,570.7	-8,018.0

25.2. Provisions for severance payments

Based on obligations according to Austrian law and collective bargaining agreements, severance payments were paid to employees who took up service by 31 December 2002. Benefits due at the time of retirement or severance are calculated on the basis of the last salary, as well as the number of years of employment.

Based on these regulations according to labour law and collective bargaining agreements, a provision is created which is calculated according to the projected unit credit method.

	2019/2020 EUR 1,000	**2018/2019** EUR 1,000
Present value of severance payment obligations (DBO) as of 01.10.	99,111.2	86,958.2
+ Merger	–	4,782.7
+ Service costs	3,460.8	3,254.6
+/(-) (Gain)/loss on DBP due to termination benefit	-578.2	-628.8
+ Interest expense	884.0	1,607.7
- Severance payments	-5,521.6	-3,688.2
(-)/+ Remeasurement – actuarial (gains)/losses:		
Due to experience adjustments	-45.6	-1,445.1
Due to changes in demographic assumptions	-7.5	57.7
Due to changes in financial assumptions	-1,679.5	8,212.4
Present value of severance payment obligations (DBO) as of 30.09. = reported provision for severance payment obligations as of 30.09.	**95,623.6**	**99,111.2**

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Service costs	2,882.6	2,625.8
Net interest expense	884.0	1,607.7
Severance expenses (recognised in net profit or loss for the period)	**3,766.6**	**4,233.5**
Remeasurement of the severance benefit obligation	-1,732.6	6,825.0
Severance expenses (recognised in other comprehensive income)	**2,034.0**	**11,058.5**

As of 30 September 2020, the weighted average remaining term of the defined benefit obligations was 8.5 years (previous year: 9.0 years).

Severance payments for the 2020/2021 fiscal year are expected to amount to EUR 8,080.6 thousand.

An increase or decrease in the significant actuarial assumptions would have the following effects on the present value of the severance payment obligations:

Sensitivity analyses

	30.09.2020 EUR 1,000	30.09.2019 EUR 1,000
Discount rate		
Change by +0.5%	-4,184.2	-4,287.7
Change by -0.5%	4,531.1	4,643.2
Future salary increase		
Change by +0.5%	4,490.6	4,592.4
Change by -0.5%	-4,198.5	-4,293.8

For employment relationships in Austria commencing on or after 1 January 2003, the employer is liable to remit 1.53% of the gross salary to an employee pension fund. This form of severance payment is recognised as a defined contribution plans according to IAS 19 (Employee Benefits).

25.3. Provisions for anniversary bonuses

Based on collective bargaining agreements, a provision for anniversary bonuses is created which is calculated according to the projected unit credit method.

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Present value of anniversary bonus obligation (DBO) as of 01.10.	23,592.6	20,004.9
+ Merger	–	1,079.1
+ Service costs	1,332.7	1,196.6
+ Interest expense	210.2	369.8
Anniversary bonus payments	-1,794.5	-1,239.3
(-)/+ Remeasurement – actuarial (gains)/losses	-892.8	2,181.5
Present value of anniversary bonus obligation (DBO) as of 30.09. = reported provisions for anniversary bonuses as of 30.09.	**22,448.2**	**23,592.6**

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Service costs	1,332.7	1,196.6
Net interest expense	210.2	369.8
Remeasurement	-892.8	2,181.5
Expenses for anniversary bonuses (recognised in net profit or loss for the period)	**650.1**	**3,747.9**

25.4. Provisions for stepped pension and early retirement benefits

A stepped pension (early retirement model) has been agreed upon with certain employees. This is a transitional payment for the period between the early termination of the employment relationship and the time when a claim to legal pension benefits is reached. The transitional payments for this period correspond to a previously determined percentage of the previous salary.

For the resulting obligations, a provision is created according to IAS 19 (Employee Benefits).

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Present value of early retirement obligations (DBO) as of 01.10.	30,020.5	33,904.2
+ Merger	–	2,101.9
+ Interest expense	224.5	542.8
+ Allocation due to new obligations	2,312.5	4,228.7
- Early retirement payments	-8,996.9	-10,688.9
-/(+) Gain/(loss) after severance payments	-218.4	24.9
- Severance payments	-88.8	-47.0
(-)/+ Remeasurement – actuarial (gains)/losses	-1,681.2	-46.1
Present value of early retirement obligations (DBO) as of 30.09. = reported provisions for early retirement obligations as of 30.09.	**21,572.2**	**30,020.5**

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Service costs	2,312.5	4,228.7
Net interest expense	224.5	542.8
Remeasurement	-1,681.2	-46.1
Expenses for stepped pension and early retirement benefits (recognised in net profit or loss for the period)	**855.8**	**4,725.4**

25.5. Other non-current provisions

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Carrying amount as of 01.10.	32,060.2	31,486.1
Use	-538.3	-3,121.9
Reversal	-16.3	-1,396.6
Allocation	2,293.6	5,092.7
Translation differences	-21.8	-0.1
	33,777.4	**32,060.2**

This item predominantly contains provisions for landfills.

26. Construction cost subsidies

This item primarily includes financing contributions received from electricity, gas and district heating customers. They are reversed as income over the average amortisation period for the corresponding equipment (up to 40 years). Impairments and reversals of impairment for these assets were proportionally considered in the construction cost subsidies.

27. Advances received

This item essentially consists of deferred items from the sale of claims resulting from minimum waste volume rights. Due to a contractual arrangement, the Group is obligated to accept a certain volume of waste. It provides for the Group to be paid for a pre-determined minimum waste volume, irrespective of the actual volume delivered. The claims from this minimum waste volume through 30 September 2021 were sold, and an interest rate of 4.2868% was agreed upon with the contract partner. This amount was recognised as a liability under advances received.

28. Other non-current liabilities

	30.09.2020 EUR 1,000	30.09.2019 EUR 1,000
Investment subsidies	34,262.0	22,983.7
Other liabilities	43,195.2	54,440.1
	77,457.2	**77,423.8**

29. Current provisions

Current provisions developed as follows during this fiscal year:

	2019/2020 EUR 1,000	2018/2019 EUR 1,000
Carrying amount as of 01.10.	22,244.5	17,994.4
Change in the scope of consolidation	14.1	2,576.1
Use	-9,215.6	-7,212.7
Reversal	-364.8	-272.4
Allocation	8,051.2	9,161.6
Translation differences	-45.3	-2.5
	20,684.1	**22,244.5**

30. Tax provisions

	30.09.2020 EUR 1,000	30.09.2019 EUR 1,000
Corporate tax for the reporting period	**142.3**	**328.0**

31. Other current liabilities

	30.09.2020 EUR 1,000	30.09.2019 EUR 1,000
Liabilities to non-consolidated affiliated companies	7,202.2	15,019.2
Liabilities to joint arrangements and associated companies	3,551.0	6,156.1
Tax liabilities	58,935.0	71,795.3
Social-security liabilities	7,412.7	7,305.4
Advances received	69,260.1	76,646.4
Fair value of derivatives	24,485.4	12,339.3
Liabilities to employees	53,939.4	53,324.5
Other liabilities	35,378.2	35,962.0
	260,164.0	**278,548.2**

OTHER EXPLANATORY NOTES

32. Contingent liabilities

	30.09.2020 EUR 1,000	30.09.2019 EUR 1,000
Others	**35.0**	**3,692.0**

Contingent liabilities include liabilities for which an outflow of resources is unlikely.

33. Other obligations

Pursuant to an energy supply agreement between Energie AG Oberösterreich Trading GmbH and VERBUND AG, the Group procures a certain annual amount of electricity on the basis of standard market products. The cost of the delivered electricity is recognised under material costs.

34. Proposal for the appropriation of profit

The Management Board of Energie AG Oberösterreich proposes to the Annual General Meeting a dividend of EUR 0.60 (previous year: EUR 0.60) per share, amounting to a total of EUR 53,192.3 thousand (previous year: EUR 53,193.3 thousand).

35. Management of risks and opportunities

35.1. Risks and opportunities

Fiscal year 2019/2020 presents great challenges to Energie AG and many other companies. The high competitive pressure and changes to the regulatory framework and energy policy have affected the risks and opportunities of Energie AG.
The COVID-19 crisis has resulted in a high degree of uncertainty, in particular, with respect to the pandemic's consequences for the macroeconomic development, the prices for primary energy as well as potential bad debt and credit losses. From today's perspective, it is not possible to reliably appraise the extent and duration of the crisis' economic ramifications. Energie AG is monitoring the developments and continuously reevaluating their potential implications for the Group's business. New markets, business models and technologies on the other hand are opening up new opportunities for Energie AG.<

The Group's risk management system is tasked with identifying these developments at an early stage, ascertaining the resulting risks and opportunities and actively managing them. As an integral part of the management and control system, risk assessments form part of the strategic and operational decision-making process and support our management team.

35.2. Risk management process

The risk management of Energie AG follows the internationally established COSO-II framework as the risk management standard across the Group. The responsible business units follow a structured quarterly process to identify and evaluate risks, opportunities and measures and record them in a central software tool. The data collected is then analysed on Group-level and incorporated into the Group's overall risk position.

Reporting to the Group's Management Board is done on a quarterly basis and ad hoc as required. The risk management report is an integral part of reporting to the Supervisory Board and is, in accordance with the requirements of the Austrian Company Law Amendment Act (URÄG), also submitted to the audit committee with respect to the efficiency and validity of the processes.

Proper documentation and verifiability are also guaranteed by historicisation of the data as at the measurement dates.

35.3. Significant opportunities (+) | risks (-) [14] and measures

STRATEGIC OPPORTUNITIES | RISKS

+ |– Strategic opportunities | risks due to

- Changes in general climatic conditions
  - Extreme events and their consequences (periods of heat | drought, flooding, storms, hail, forest fires, avalanches)
  - Long-term changes in climatic and ecological conditions (precipitation frequency/volume, increase in average temperatures)
- Changes in the general energy policy and energy market environment
- Changes in technological developments, in the market environment, in customer needs …

Measures:

- Continuous intensive monitoring of markets, competitors, customers, the climate and technologies
- Participation in research projects, …
- Early and intensive monitoring of strategic opportunities|risks

PROJECT OPPORTUNITIES | RISKS

+|– Project opportunities | risks

High, long-term investment costs, projects with a high level of complexity

- Underruns and overshooting of the planned values in terms of timing schedule, project costs and quality
- (Energy) policy uncertainty

Measures:

- Project management
- Risk management methods in the entire project cycle
- Optimised contract arrangements

SUSTAINABILITY OPPORTUNITIES | RISKS

In the medium term – in our 5-year planning horizon – we assume that climate-related opportunities|risks will remain within the statistical range of the past few years, and these have been taken into account in our (opportunities|risks) scenarios.

Potential long-term climate-related risks and opportunities beyond this have been taken into account in strategic decision-making.

For more information on opportunities|risks that may affect questions of sustainability as a result of Energie AG's business activities, see **Sustainability Opportunities and Risks › page 54**.

14) Risk|opportunities, definition:

- A risk is the possibility of an event occurring which has a negative impact on targets (EBT, cash flow)
- An opportunity is the possibility of an event occurring which has a positive impact on targets (EBT, cash flow)

With regard to the risks|opportunities which may have an impact on the concerns of the Sustainability and Diversity Act (NaDiVeG) as a result of Energie AG's business activities, see **Sustainability Opportunities and Risks › page 54**

MARKET AND COMPETITION RISKS

+|– Market price changes (electricity, gas, biomass and emission allowance prices)

Measures:

- Bundled management of commodity price risks by Energie AG Trading
- Risk strategies geared for the market environment
- Leveraging of internal synergies within the Group

+|– Electricity generated from

Hydroelectric power influenced by development of weather/climate

Measures:

- Optimised management of generation portfolio

+|– Electricity production from thermal power plants

Measures:

- Bundled management of commodity price risks by Energie AG Trading
- Long-term contracts
- Leveraging of internal synergies within the Group
- Risk strategies geared for the market environment

+|– Electricity, gas, heat and telecommunications services sales volumes

influenced by development of weather/climate, competition, economy, policy, …

Measures:

- Bundling of sales organisations
- Price guarantee
- Service and subsidy offerings
- Focus on digitalisation
- Positioning as an energy service provider

+|– Market price and volume changes in waste management

Recycling materials, industrial waste, domestic waste, delivery prices, thermal, …

- Increased competition from pretreatment plants and industrial co-incinerators
- Increased re-municipalisation efforts of municipal waste management associations

Measures:

- Long-term indexed contracts with defined delivery volumes and prices
- Focused market activities
- Intensification of cooperation with the public sector
- Further development of the digitalisation projects

+|– Contractual losses|gains and contract changes in the water|wastewater sector

Measures:

- Synergy projects
- Ongoing participation in (concession) tenders

OPPORTUNITIES | RISKS FROM BUSINESS OPERATIONS

– Facility risks

Impairment of the availability of facilities due to

- Technical malfunctions, sabotage, …
- Natural disasters such as storms, flooding, …

Measures:

- Maintenance and quality controls
- Optimised maintenance strategy
- Structural (flood) protection measures
- Strategy programmes "Replacing overhead medium-voltage lines that are particularly susceptible to disruption with underground cable", "Replacing low-voltage lines", consistent expansion of grid automation
- Crisis and contingency management
- Insurance

+|– Physical weather-related risks

such as periods of heat | drought, flooding, storms, hail, forest fires, avalanches and their impact on third parties

Measures:

- Structural (flood) protection measures
- Strategy programmes "Replacing overhead medium-voltage lines that are particularly susceptible to disruption with underground cable", "Replacing low-voltage lines", consistent expansion of grid automation
- Crisis and contingency management
- Insurance

– Risks from information security, cyber-security and data protection

Measures:

- Optimised insurance strategy
- Comprehensive technical measures
- Management systems for information security and data protection

– Personnel risks

- Health and safety risks for company staff and temporary employees
- Loss of expertise and practical knowledge

Measures:

- Safety training courses for employees
- In-house health management project energy@work
- Apprentice|trainee education
- "Human Resource Management", "Management by Objectives" and "Management Academy" Group policies

POLITICAL, REGULATORY AND STATUTORY OPPORTUNITIES | RISKS

+|– Changes in the statutory environment

for the electricity and gas grids

Measures:

- Intensive and constructive dialog with the regulatory authorities
- Cooperation with interest groups

+|– Legal risks

from pending legal disputes

Measures:

- Legal support
- Provisions in the balance sheet
- Out-of-court settlements

+|– Political and statutory environment

- EU climate policy provisions and their implementation in Austria
- Statutory environment for project development and implementation
- Changes to subsidy regime

Measures:

- Intensive and constructive dialog with authorities and politicians
- Cooperation with interest groups

COMPLIANCE RISKS AND DATA PROTECTION INFRINGEMENTS

– Compliance risks

- Antitrust and corruption risks
- Financial market compliance

Measures:

- Group policies “Compliance Management System” and “Anti-Corruption”, “Handling on Insider Information”, “ICT Information Security Management”
- In-person training and e-learning courses

– Data protection infringements

- Accidental or unlawful destruction, loss, alteration or disclosure of data
- Hacker attacks

Measures:

- Group policies “Data Protection Management System” and “Data Protection Compliance Policy”
- In-person training and e-learning courses

FINANCIAL RISKS

+|– Recoverability

- Impairment reversals and impairment of assets, procurement rights, investments
- Impairment of receivables
- Creation of provisions for impending losses

Measures:

- Ongoing monitoring, sensitivity analyses
- Long-term contracts
- Counterparty risk management

+|– Changes in interest rates

Measures:

- Long-term fixed interest agreements

+|– Foreign exchange risk

Primarily from the transaction and translation risks of the Czech Group companies

Measures:

- Ongoing monitoring
- Currency hedging, where necessary

+|– Price changes in financial assets (securities, funds)

resulting from fluctuations in market value on the capital markets

Measures:

- Conservative investment policy
- Consistent monitoring
- On-going quantification of share price risks

+|– Opportunities|Risks from investments

- Fluctuations in the returns on investments
- Fluctuations in dividends received
- Changes in the impairment of participating interests

Measures:

- Ongoing monitoring

+|– Changes in the discount rate for provisions

The present value of provisions decreases at a higher discount rate and increases at a lower discount rate

Measures:

- Ongoing monitoring

– Counterparty risks

Complete or partial failure of counterparties

Measures:

- Ongoing monitoring
- Credit limit systems
- Hedging instruments
- Targeted strategy of diversification of business partners
- COVID-19 counterparty task force

– Liquidity risk

Measures:

- Centralised, forward-looking liquidity planning
- Sufficient liquidity reserves
- Open, partially committed credit lines

+|– Rating change

means lower| higher refinancing costs

Measures:

- The management of Energie AG continues to seek to maintain Energie AG's Single A credit rating in the long term
- Ensuring compliance with the required key financial performance indicators

36. Related party disclosures

Related parties include OÖ Landesholding GmbH as majority shareholder as well as its subsidiaries, the State of Upper Austria as sole investor of OÖ Landesholding GmbH, the joint ventures, the associated companies as well as members of the Management Board and of the Supervisory Board of Energie AG Oberösterreich and their close relatives.

		Revenues EUR 1,000	Expenses EUR 1,000	Receivables EUR 1,000	Liabilities EUR 1,000
State of Upper Austria	**2019/2020**	**1,345.6**	**502.6**	**283.1**	**2,972.5**
	2018/2019	660.6	651.6	184.4	82.3
OÖ Landesholding and subsidiaries	**2019/2020**	**10,618.6**	**237.3**	**904.5**	**7,103.8**
	2018/2019	5,529.1	63.8	690.7	14,860.6
Associated companies	**2019/2020**	**54,595.1**	**14,019.2**	**3,661.8**	**17.2**
	2018/2019	31,898.3	4,640.7	3,495.8	951.3
Joint ventures	**2019/2020**	**2,719.7**	**2,369.3**	**550.1**	**17.6**
	2018/2019	138,751.1	12,558.4	3,457.2	23.3

State of Upper Austria

The State of Upper Austria is the sole investor of OÖ Landesholding GmbH. OÖ Landesholding GmbH is the majority shareholder of Energie AG Oberösterreich.

OÖ Landesholding GmbH

Energie AG Oberösterreich and selected Group companies are members of the OÖ Landesholding GmbH tax group. The provisions of the OÖ Landesholding GmbH tax group contract apply in the relationship of Energie AG Oberösterreich with the tax group parent, whereas Energie AG Oberösterreich calculates its taxable income taking into account the taxable income of its subordinate Group companies. In the case of positive tax income, any positive tax allocations are offset using the applicable tax rate of 25%. Negative tax results are carried forward. The tax allocations amount to EUR 32,520.3 thousand (previous year: EUR 26,497.4 thousand). This item also includes receivables in the amount of EUR 904.5 thousand (previous year: EUR 690.7 thousand) and liabilities in the amount of EUR 7,103.8 thousand (previous year: EUR 14,860.6 thousand).

Associated companies

Salzburg AG für Energie, Verkehr und Telekommunikation

Gas and electricity deliveries at standard market terms take place between the Group and Salzburg AG. The sales revenues amount to EUR 10,898.4 thousand (previous year: EUR 3,719.6 thousand), while expenses are EUR 6,017.1 thousand (previous year: EUR 1,306.0 thousand).

Wels Strom GmbH

In addition to grid services, heat and electricity deliveries at standard market terms took place between the Group and Wels Strom GmbH. The sales revenues amount to EUR 40,364.6 thousand (previous year: EUR 26,597.4 thousand), while expenses are EUR 7,575.0 thousand (previous year: EUR 2,923.6 thousand).

Joint ventures

ENAMO GmbH (until 31 March 2019)

ENAMO GmbH had been established between Energie AG Oberösterreich and LINZ AG für Energie, Telekommunikation, Verkehr und Kommunale Dienste (LINZ AG) as a joint venture for electricity sales.

An interest stake of 35% is held by LINZ STROM GmbH für Energieerzeugung, -verteilung und Telekommunikation, a subsidiary of LINZ AG. There was an obligation for the proportional assumption of losses. Deliveries of electricity and other services took place at standard market terms between the Group and ENAMO GmbH, which is consolidated at equity. In the period from 1 October 2018 to 31 March 2019, revenues amounted to EUR 53,967.4 thousand, purchased services amounted to EUR 8,437.3 thousand. Furthermore, electricity and other services were delivered between the Group and ENAMO Ökostrom GmbH, a 100% subsidiary of ENAMO GmbH. In the period from 1 October 2018 to 31 March 2019, revenues amounted to EUR 6,447.9 thousand, purchased services amounted to EUR 989.7 thousand.

Energie AG Oberösterreich Vertrieb GmbH & Co KG (until 31 March 2019)

Energie AG Oberösterreich was the sole limited partner of Energie AG Oberösterreich Vertrieb GmbH & Co KG. ENAMO GmbH was the general partner without a share in the capital. Deliveries of electricity and other services took place at standard market terms between the Group and the entity. In the period from 1 October 2018 to 31 March 2019, revenues amounted to EUR 75,588.1 thousand, purchased services amounted to EUR 1,436.1 thousand.

Members of the Management in key positions

Members of the management in key positions include the members of the Management Board and the Supervisory Board of Energie AG Oberösterreich, and the Management Board and the Supervisory Board of OÖ Landesholding GmbH. Please refer to section 10 with regard to the remuneration of the members of the Management Board and the Supervisory Board of Energie AG Oberösterreich. Additional disclosable transactions included revenues of EUR 12.4 thousand (previous year: EUR 10.0 thousand) and benefits in the amount of EUR 4.3 thousand (previous year: EUR 20.6 thousand). This item also includes receivables in the amount of EUR 0.7 thousand (previous year: EUR 0.2 thousand).

37. Material events after the reporting date

In November 2020, the Austrian Federal Government enacted special protective measures to limit the spread of COVID-19. The measures introduced for a limited time included, inter alia, social distancing rules, stay-at-home orders, and massive restrictions imposed on the hospitality industry as well as the accommodation, event and leisure industries. The measures taken by the Federal Government did not result in any immediate significant changes to the prices on the energy markets. The ongoing COVID-19 crisis does however give rise to a continued high degree of planning uncertainty with respect to the future development of sales volumes as well as procurement and sales prices.

38. Disclosures on Group management bodies

In this fiscal year, the members of the management board of Energie AG Oberösterreich were:

KommR Prof. Ing. DDr. Werner Steinecker MBA (CEO, Kirchschlag); KommR Mag. Dr. Andreas Kolar (Member of the Management Board, Steyr); Dipl.-Ing. Stefan Stallinger MBA (Member of the Management Board, Linz).

The Supervisory Board of Energie AG Oberösterreich had the following members in the 2019/20 fiscal year:

Provincial Councillor Markus Achleitner (Chairman); Mag. Stefan Lang PLL.M (Vice Chairman); Dr. Heinrich Schaller (Deputy Vice Chairman); Dr. Miriam Eder MBA; Mag. Dr. Erich Entstrasser; Mag. Dr. Christiane Frauscher; Mag. Florian Hagenauer MBA; Dipl.-Ing. Erich Haider MBA; Mag. Anna-Maria Hochhauser; Thomas Peter Karbiner MSc MBA MPA; KommR. Mag. Michaela Keplinger-Mitterlehner; Mag. Kathrin Renate Kühtreiber-Leitner MBA; Ing. Herwig Mahr; Josef Walch.

Appointed by the Works Council: Ing. Mag. Leopold Hofinger; Mag. Regina Krenn; Ing. Peter Neißl MBA MSc; Ing. Bernhard Steiner; Christian Strobl (from 26 March 2020); Gerhard Störinger; Mag. Helmut Lehner (until 26 March 2020); Andreas Walzer.

Linz, 2 December 2020

The Management Board of Energie AG Oberösterreich

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

Dr. Andreas Kolar
Member of the Management Board
CFO

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

AUDIT CERTIFICATE

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Audit opinion

We have audited the Consolidated Financial Statements of

Energie AG Oberösterreich,
Linz,

and its subsidiaries ("the Group"), comprising the Consolidated Statement of Financial Position as of 30 September 2020, the Consolidated Statement of Income, the Consolidated Statement of Comprehensive Income, the Consolidated Cash Flow Statement and the analysis of the Group's equity for the fiscal year ending on that day, as well as the Notes to the Consolidated Financial Statements.

It is our opinion that the Consolidated Financial Statements comply with the statutory requirements and offer an adequately accurate representation of the asset and financial position of the Group as at 30 September 2020, as well as the Group's earnings position and cash flows during the fiscal year ending as of that date, in accordance with the International Financial Reporting Standards (IFRS), as they are to be applied in the EU and the additional requirements stipulated in § 245a of the Austrian Commercial Code (UGB).

Basis for our audit opinion

We have conducted our audit in accordance with EU Directive No. 537/2014 (AP Directive hereinafter) and the Austrian Principles of Proper Auditing of Financial Statements. These principles require the application of the International Standards on Auditing (ISA). Our responsibilities under these regulations and standards are set out in more detail in Section "Responsibilities of the Auditor in Auditing the Consolidated Financial Statements" of the Audit Certificate. We are independent from the Group in compliance with the Austrian corporate law and professional regulation and have discharged our other professional duties in accordance with these requirements. We are of the opinion that the audit evidence obtained by us is sufficient and suitable for forming the basis for our audit opinion.

Highly significant audit findings

Audit findings bearing special significance are findings concerning circumstances that, in our professional judgement, were the most significant for our audit of the Consolidated Financial Statements for the fiscal year. These findings were considered in the context of our audit of the Consolidated Financial Statements in their entirety as well as in forming our audit opinion, which we do not present separately for these findings.

Impairment of goodwill

Please refer to the Notes – **Impairment of goodwill › page 0** and **Intangible assets and property, plant and equipment › page 140**.

Risks inherent in the Annual Financial Statements

The Consolidated Financial Statements as of 30 September 2020 of Energie AG Oberösterreich report goodwill assets of EUR 86.2 million (previous year: EUR 86.2 million). These assets were to the largest extent allocated to the cash generating units "Waste Management Austria", "Sales" and "CEVAK a.s.". Energie AG Oberösterreich thus conducts impairment testing for these goodwill assets at least once in each year and in cases where indications for an impairment exist.

This is done by Energie AG Oberösterreich using the discounted cash flow method to determine the cash generating units' recoverable amount. The result of impairment testing largely depends on the appraisal of the future cash flows as well as the applied discounting rates. The result of impairment testing for the goodwill assets is therefore essentially based on estimations by the management and thus subject to uncertainties.

The Consolidated Financial Statements are therefore exposed to the risk of inadequate assumptions and estimates having a significant impact on the carrying amounts of goodwill assets reported in the Consolidated Statement of Financial Position, as well as the operating result in the Consolidated Statement of Income.

Our auditing approach

We have assessed the impairment of these goodwill assets as follows:

- To form an opinion about the suitability of the underlying internal planning, we examined the planning process, the assumptions for growth rates and the operational results in discussions with the responsible managers in the company and verified the planning data on which the measurement is based against the current budget figures approved by the Supervisory Board, as well as against the mid-term planning approved by the Management Board.
- We have assessed adherence to the budget by comparing the budgets of previous years with the reported actual figures.
- Our valuation experts furthermore examined the methodology used for impairment testing and determination of the discounting rates on their conformity with the applicable standards and reviewed the accuracy of the calculation method.
- We have also examined whether the explanations pertaining to impairment testing for goodwill assets contained in the Consolidated Financial Statements are adequate.

Impairment of cash generating units

For further details, please refer to the Notes – **Impairment of other intangible assets and property, plant and equipment › page 0** and **Intangible assets and property, plant and equipment › page 140**.

Risks inherent in the Annual Financial Statements

Property, plant and equipment with a carrying amount of EUR 1,980.60 million and intangible assets with a carrying amount of EUR 149.4 million (excluding goodwill)represent around 69.2% of the assets reported in the Consolidated Statement of Financial Position of Energie AG Oberösterreich. For these assets, impairments in a total amount of EUR 14.3 million were recognised through profit or loss in fiscal year 2019/2020.

Energie AG Oberösterreich assesses whether there are indications for an impairment or impairment reversal for all cash generating units. If indications exist, the recoverable amount for the concerned cash generating units is ascertained and the carrying amount of the respective cash generating unit is increased or decreased to match the recoverable amount.

This is done by Energie AG Oberösterreich using the discounted cash flow method to determine the cash generating units' recoverable amount. The result of impairment testing largely depends on the appraisal of the future cash flows as well as the applied discounting rates. The result of impairment testing for intangible assets and property, plant and equipment is therefore essentially based on estimations by the management and thus subject to uncertainties.

The Consolidated Financial Statements are therefore exposed to the risk of inadequate assumptions and estimates having a significant impact on the carrying amounts of intangible assets and property, plant and equipment reported in the Consolidated Statement of Financial Position, as well as the operating result in the Consolidated Statement of Income.

Our auditing approach

Our assessment of the impairment of intangible assets and property, plant and equipment presents as follows:

- We have examined the Group's analysis of external and internal indicators for an impairment or recovery in value on the basis of a review of random samples.
- Where an indicator for a potential impairment or impairment reversal was present, we assessed the Company's impairment testing for cash generating units for which a realistic change in the measurement assumptions and methodology would significantly affect the Annual Financial Statements as follows.

Our approach to reviewing the essential assumptions and applied methodology is in principle identical to our approach to the impairment testing of goodwill assets. We refer to the audit measures taken with regard to this audit area of extraordinary significance.

Responsibilities of the legal representatives and the Audit Committee for the Consolidated Financial Statements

The legal representatives are responsible for compiling the Consolidated Financial Statements in compliance with the IFRS rules applicable in the EU and the additional requirements stipulated in § 245a of the Austrian Commercial Code (UGB) and for assuring that they provide a true and fair view of the Group's assets, liabilities, financial position and profit or loss. The legal representatives are further responsible for the internal controls deemed necessary by them for preparing a set of Consolidated Financial Statements that is free from significant intentional or unintentional misrepresentations.

In compiling the Consolidated Financial Statements, the legal representatives have the duty to form an opinion on the Group's ability to continue its business operations, to disclose any relevant circumstances relating to the continuation of the business operations and to base their considerations on the principle of continued business operations, unless they intend to liquidate the Group, cease business operations or find themselves in lack of any viable alternative to such course of action.

The Audit Committee is responsible for supervising the Group's accounting processes.

Responsibilities of the auditors for the audit of the Consolidated Financial Statements

Our objective is to assure an adequate degree of certainty on whether the Consolidated Financial Statements in their entirety are free from significant intentional or unintentional misrepresentations and to issue an Audit Certificate that reflects our audit findings. An adequate degree of certainty means a high degree of certainty, but is not an absolute guarantee that the audit conducted in accordance with the AP Directive and the Austrian Principles of Proper Auditing, which require application of ISA, has in fact identified all significant misrepresentations that may be contained in the audited financial statements. Misrepresentations may result from malicious acts or misconceptions and are deemed significant if they could, individually or collectively, have a potential influence on the commercial decisions made by their readers on the basis of these Consolidated Financial Statements.

In conducting our audit in accordance with the AP Directive and the Austrian Principles of Proper Auditing, which require application of ISA, we form our opinions on the basis of our professional judgement and maintain a critical view of the circumstances presented to us throughout the entire course of the audit.

We further adhere to the following:

- We identify and assess the risks stemming from any significant intentional and unintentional misrepresentations in the financial statements, plan our audit activities as a response to these risks, perform our audit activities and gain sufficient and suitable audit evidence to serve as the basis for our audit findings. The risk of significant misrepresentations resulting from malicious acts remaining undetected is higher than the risk resulting from misconceptions, because malicious acts may include fraudulent acts, forgery, intentional omissions, deceiving representations or the circumvention of internal controls.
- In order to plan audit activities that adequately address the prevailing circumstances, we gain an understanding of the system of internal controls bearing relevance for our audit, but without the objective of forming an audit opinion on its effectiveness.
- We evaluate the appropriateness of the accounting methods applied by the legal representatives, as well as the tenability of values estimated by the legal representatives and represented in the accounts and the disclosures associated with such estimates.
- We draw inferences about the appropriateness of the legal representatives operating under the accounting principle of continued business operations, as well as, on the basis of the evidence presented to us for our audit, whether any events or circumstances are subject to a considerable uncertainty that would give rise to doubts about the viability of the Group continuing its business operations. If we arrive at the conclusion that a material uncertainty exists, we are obliged to draw attention to the associated disclosures contained in the Consolidated Financial Statements in our Audit Certificate, or to modify our Audit Certificate if these disclosures are inappropriate. We draw our conclusions on the basis of the audit evidence gathered by the date of our audit certificate. Future events or circumstances may however result in the Group resolving to discontinue its business operations.
- We form an opinion on the overall presentation, structure and contents of the Consolidated Financial Statements including the disclosures therein, as well as on whether they present a true and fair view of the underlying business transactions and events.
- We issue our audit opinion on the Consolidated Financial Statements on the basis of sufficient and suitable audit evidence for the financial information of the business units or the business activities of the Group. We are responsible for managing, supervising and performing the audit of the Consolidated Financial Statements. We bear the sole responsibility for our audit opinion.
- We consult with the Audit Committee on matters such as the planned scope and timing of the audit as well as significant audit findings, including any significant defects in the system of internal control system detected during our audit.
- We also issue a statement to the Audit Committee confirming our adherence to the relevant professional requirements pertaining to our independence, and exchange information with the Audit Committee on all relationships and other circumstances that may reasonably be expected to affect our independence and, if applicable, any associated precautionary measures.

- From the circumstances discussed with the Audit Committee, we determine those that had the highest significance for the audit of the Consolidated Financial Statements for the fiscal year and are therefore the circumstances bearing special audit significance. We describe these circumstances in our audit certificate, unless public disclosure of a certain circumstance is prohibited by law or other legal requirement, or determine in very rare cases that certain circumstances should not be disclosed in our audit certificate because the negative implications of disclosing them could reasonably be expected to exceed the benefits for the public interest.

OTHER STATUTORY AND LEGAL REQUIREMENTS

Report on the Group Management Report

Austrian corporate law requires an assessment of whether the Group Management Report reconciles with the Consolidated Financial Statements and whether it was compiled in accordance with the applicable legal requirements.

The legal representatives are responsible for compiling the Group Management Report in compliance with the requirements under Austrian corporate law.

We have conducted our audit on the basis of the professional principles for the auditing of the Group Management Report.

Audit opinion

We have formed the opinion that the Group Management Report complies with the applicable legal requirements, that it contains accurate information pursuant to § 243a UGB, and that it reconciles with the Consolidated Financial Statements.

Declaration

Our audit of the Consolidated Financial Statements and the knowledge gained about the Group and its business environment has not identified any material misrepresentations in the Group Management Report.

Other Disclosures

The legal representatives are responsible for the other required disclosures. Such other disclosures encompass all information presented in the Group annual report, with the exception of the Consolidated Financial Statements, the Group Management Report and the Audit Certificate. We expect to be provided with the Group Annual Report after the date of this Audit Certificate.

These other disclosures are not included in our audit opinion for the Consolidated Financial Statements and we give no assurance for their accuracy.

The audit of the Consolidated Financial Statements requires us to read these other disclosures as soon as they are made available and to decide whether, considering our understanding formed during the audit, they represent a material inconsistency to the Consolidated Financial Statements or are otherwise misrepresented in a significant way.

Additional information pursuant to Article 10 AP Directive

Our firm was elected auditors of the financial statements by the General Meeting held on 18 December 2019. On 21 February 2020, the Supervisory Board has granted our firm the mandate to audit the company's financial statements for the fiscal year ending on 30 September 2020.

We have been licensed auditors of the Group's Consolidated Financial Statements for more than 25 years.

We hereby declare that our audit opinion presented in section "Report on the Consolidated Financial Statements" reconciles with the additional report to the Audit Committee pursuant to Article 11 of the AP Directive.

We hereby declare that we have not performed any prohibited non-audit services (Article 5 para 1 AP-VO) and that we have maintained our independence from the audited company during the conduct of our audit of the financial statements.

Responsible auditor

Mrs Mag. Gabriele Lehner is the auditor in charge of the audit of the Annual Financial Statements.

Linz, 2 December 2020

KPMG Austria GmbH
Chartered Accountants and Tax Consultants

Mag. Gabriele Lehner
Auditor

The Consolidated Financial Statements with our Audit Certificate may only be published or disclosed in the format certified by us. This Audit Certificate refers exclusively to the full original Consolidated Financial Statements and the Group Management Report issued in German. The provisions of § 281 para 2 of the Austrian Commercial Code (UGB) must be observed for any other versions.

STATEMENT BY THE MANAGEMENT BOARD PURSUANT TO § 124 PARA 1 SUBPARA 3 OF THE STOCK EXCHANGE ACT [BÖRSEGESETZ (BÖRSEG)]

The Management Board of Energie AG Oberösterreich confirms to the best of its knowledge that the Consolidated Financial Statements of Energie AG Oberösterreich give a true and fair view of the assets, liabilities, as well as the financial and earnings position of the Group as required by the applicable accounting standards, and that the Group Management Report represents the development and performance of the business and the position of the Group in such a way, that it gives a true and fair view of the assets, liabilities, as well as the financial and earnings position of the Group, together with a description of the principal risks and uncertainties faced by the Group.

Linz, 2 December 2020

The Management Board of Energie AG Oberösterreich

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

Dr. Andreas Kolar
Member of the Management Board
CFO

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

DISCLAIMER

Any gender-specific terms used in this report should be understood as referring to both genders, unless explicitly stated.

When „Energie AG" is referred to in the financial statement, Energie AG Oberösterreich is meant.

This report contains forward-looking statements subject to risks and uncertainties that could cause actual results to differ substantially from those predicted. Terms used such as „presumed", „assumed", „estimated", „expected", „intended", „may", „planned", „projected", „should" and comparable expressions serve to characterise forward-looking statements. No guarantees can therefore be given that the forecasts and planned values will actually materialise regarding economic, currency-related, technical, competition-related and several other important factors that could cause actual results to differ from those anticipated in the forward-looking statements. Energie AG does not intend to update such forward-looking statements and refuses any responsibility for any such updates. We have exercised utmost diligence in the preparation of this report and checked the data contained therein. The present English version is a translation of the German report. The German version of the report is the only authentic version.

IMPRESSUM

Responsible publisher:
Energie AG Oberösterreich, Böhmerwaldstraße 3, 4020 Linz, Austria
Editors:
Michael Frostel MSc, Mag. Margit Lang, Mag. Iveta Strnadova MBA, Mag. Gerald Seyr
Concept, graphic design and implementation: nexxar GmbH, Wien
Cover design: upart Werbung & Kommunikation GmbH, Linz
Translation: GORNIK translators for industry GmbH
Photo Credits: Energie AG Oberösterreich, Wolfgang Zopf, Hermann Wakolbinger

Subject to errors and misprints.
Linz, December 2020

Energie AG Oberösterreich
Böhmerwaldstraße 3
4020 Linz, Austria
www.energieag.at