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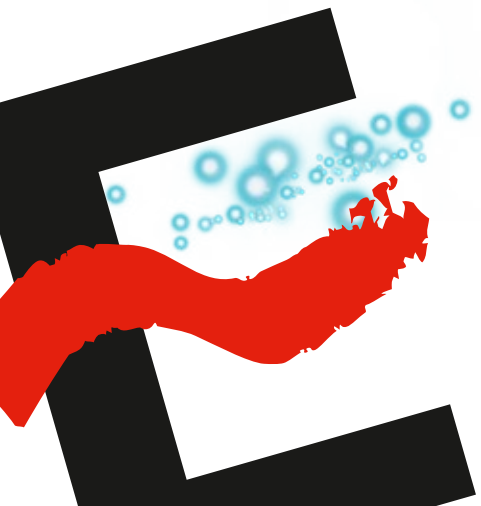
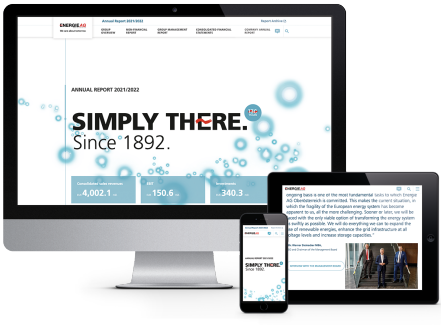


130 YEARS

ENERGIE AG
Oberösterreich

We care about tomorrow

Contents



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Group overview

ENERGIE AG OBERÖSTERREICH AT A GLANCE

	Unit	2021/2022	Change	2020/2021
Sales revenues				
Energy Segment	EUR mill.	3,132.9	134.0%	1,339.0
Grid Segment	EUR mill.	378.7	3.4%	366.1
Waste Management Segment	EUR mill.	263.6	6.7%	247.0
Czech Republic Segment	EUR mill.	194.7	12.5%	173.1
Holding & Services Segment	EUR mill.	32.2	61.0%	20.0
Group	**EUR mill.**	**4,002.1**	**86.6%**	**2,145.2**
Result				
Operating result (EBIT)	EUR mill.	150.6	-20.1%	188.4
EBIT margin	%	3.8	-56.8%	8.8
Earnings before taxes (EBT)	EUR mill.	121.9	-27.6%	168.3
Dividend per share	EUR	0.60	-20.0%	0.75
Statement of Financial Position				
Balance sheet total	EUR mill.	6,912.7	78.4%	3,875.4
Equity	EUR mill.	1,794.5	16.8%	1,535.8
Equity ratio	%	26.0	-34.3%	39.6
Net debt [1)]	EUR mill.	606.8	-15.6%	718.8
Net gearing	%	33.8	-27.8%	46.8
Cash flow from operating activities	**EUR mill.**	**1,136.5**	**200.1%**	**378.7**
Profitability				
ROCE	%	6.9	1.5%	6.8
Workforce (on average)				
Energy Segment	FTE	459	-1.1%	464
Grid Segment	FTE	582	8.8%	535
Waste Management Segment	FTE	831	1.2%	821
Czech Republic Segment	FTE	1,715	-0.2%	1,718
Holding & Services Segment	FTE	1,019	-3.4%	1,055
Group	**FTE**	**4,606**	**0.3%**	**4,593**

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

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 issue of security of supply has taken centre stage among the general public recently because of the war between Russia and Ukraine. What action has Energie AG Oberösterreich taken to safeguard security of supply in the short, medium and long term?

Werner Steinecker: Ensuring the high supply quality of electricity, gas and heat on an ongoing basis is one of the most fundamental tasks to which Energie AG Oberösterreich is committed. This makes the current situation, in which the fragility of the European energy system has become apparent to us, all the more challenging. Measures including securing gas supplies, filling our storage facilities as much as possible and activating power plants as part of our congestion management strategy meant that we were able to continue supplying energy to our electricity and gas customers without restriction. Sooner or later, though, we will be faced with the only viable option of transforming the energy system as swiftly as possible. We will do everything we can to expand the use of renewable energies, enhance the grid infrastructure at all voltage levels and increase storage capacities.

> Ensuring the high supply quality of electricity, gas and heat on an ongoing basis is one of the most fundamental tasks to which Energie AG Oberösterreich is committed. This makes the current situation, in which the fragility of the European energy system has become apparent to us, all the more challenging. Sooner or later, we will be faced with the only viable option of transforming the energy system as swiftly as possible. We will do everything we can to expand the use of renewable energies, enhance the grid infrastructure at all voltage levels and increase storage capacities.
>
> **Werner Steinecker**

The energy sector is currently experiencing an extremely tumultuous time, including from a financial perspective. What actions have been taken to mitigate the current risks?

Andreas Kolar: The Group has had a standardised and cross-departmental risk management system in place for a while now. Our decision to set up a Risk Committee has enabled us to monitor market conditions and the associated liquidity, counterparty and market price risks even more closely and to use these as a basis to make the necessary corporate decisions at an early stage. Our risk management systems here have played a role in supplying adequate information for business decisions by analysing and aggregating risks, working to mitigate threats in good time and to achieve the desired goals in the best possible way. Following the start of the war in February 2022, a task force was added to this committee to continuously analyse geopolitical developments and to implement measures both of a financial and a legal and technical nature.

> The general conditions have been unusually challenging in the year under review and are unlikely to let up in the near future. We will nevertheless continue to pursue our goals of supporting the transformation of energy systems, further optimising the security and quality of supply and thus safeguarding the Group's development and value in the long term.
>
> **Andreas Kolar**

Expanding the grid infrastructure is increasingly seen to be absolutely key in efforts to achieve the energy transition. What challenges will this entail?

Stefan Stallinger: The challenges are many – not least because we want to accelerate the work to expand and upgrade electricity grids so as to enable the feed-in of decentrally generated green electricity for everyone. We are, however, in a supplier market, e.g.

regarding the availability of transformers or switchgears, due to high demand and low supply. Delivery times are significantly higher than three to five years ago due to material shortages. A key factor for making specific investments in the grid infrastructure is also the creation of regulatory incentives so that expansion is not hampered by financial obstacles (low interest rates). We are also concerned about the project approval procedures, which are at times quite lengthy and result in a lot of time being lost for the work to transform the energy system. We are encouraged, however, by the fact that high-performance electricity grids are increasingly seen by the population as an enabler of the energy transition and as the backbone of security of supply.

> We at Energie AG Oberösterreich see ourselves as pacemakers of the energy transition and want to enable everyone to participate in it through a variety of different measures. These range from numerous sales campaigns promoting a switch to heat pumps, customised PV contracting models for private households and companies and our role as an enabler in e-mobility issues to the work to expand district heating networks on an ongoing basis and the highly ambitious expansion path for our own electricity generation plants.
>
> **Stefan Stallinger**

Energie AG Oberösterreich was able to maintain its "A, stable" rating despite the current economic environment. How did it manage this?

Andreas Kolar: The excellent credit rating is partly due to the stable and risk-averse financial policy pursued by the Group in recent years. The rating agency Standard & Poor's also acknowledges the integrated business model of Energie AG Oberösterreich, which makes it resilient in the face of a crisis. This fact is also reflected in the year under review, in which the weather-related decline in earnings in the Group's traditional core segment Energy was partially compensated for by higher earnings contributions in the Grid and Waste Management Segments. This excellent rating once again underscores the Group's impressive ability to perform – a prerequisite that has empowered Energie AG Oberösterreich to reliably meet the challenges posed by volatile and sharply rising energy prices and, not least, the economic impact of Russia's war with Ukraine during the reporting period. Transforming the energy system in such a way as to make it climate neutral will require vast amounts of financial resources. Having the top rating "A, stable" confirmed enables us to face the demands of the future and to implement clear investment and financing targets.

Energie AG Oberösterreich was named "Austria's Best Employer" by the renowned Trend magazine. What were the primary reasons for this?

Werner Steinecker: The award is a perfect way of achieving recognition for the large number of measures that have been implemented in recent years to foster an employee-friendly working environment. We are particularly proud of our ongoing work to improve our employees' work-life balance, such as establishing a childcare facility at the head office of Energie AG Oberösterreich in summer 2022. We also attach great importance to the

numerous models in place to support the continuous professional development of our employees. Expanding our trainee, training and mentoring programmes is a way for us to help ensure that colleagues are given room for development and personal growth. We are also pleased that the representative study saw us as a modern employer that focuses on key jobs of the future such as the energy transition, the circular economy and expanding broadband networks. The award is all the more valuable in such times where there is a shortage of skilled workers.

The Austrian government aims to generate almost 45% more green electricity than before by 2030. How can this Herculean task be achieved and what role will Energie AG Oberösterreich play here?

Stefan Stallinger: The Austrian government's climate and energy targets are undoubtedly ambitious, driven by the momentum of the crisis, but we are also noticing a sharp rise in levels of commitment from industry, politics and the population to forge ahead with efforts to transform the energy system. Both to reduce dependence on global energy imports and to optimise our own carbon footprint for the sake of climate change mitigation and sustainability. We at Energie AG Oberösterreich see ourselves as pacemakers of the energy transition and want to enable everyone to participate in it through a variety of different measures. These range from numerous sales campaigns promoting a switch to heat pumps, customised PV contracting models for private households and companies and our role as an enabler in e-mobility issues to the work to expand district heating networks on an ongoing basis and the highly ambitious expansion path for our own electricity generation plants. The aim is to produce regionally sourced green electricity for an additional 180,000 households through the construction of hydropower plants, wind farms and PV installations by 2030. These measures alone will enable us to save over 550,000 tonnes of CO_2 and cut energy imports by as much as 500 GWh.

Rising energy prices have become a major burden for an ever-growing proportion of the population in 2022. How has Energie AG Oberösterreich dealt with this situation?

Werner Steinecker: Fortunately, we have been able to maintain the price guarantee for electricity and gas that was announced in October 2021 until 1 January 2023, a fact made possible by having a forward-looking energy procurement policy focused on minimising risk. Legislative relief such as the abolition of the flat rate for green electricity and the green energy subsidy, and energy cost compensation being granted means that existing customers of Energie AG Oberösterreich paid less for their electricity in 2022 than in the previous year while their consumption remained unchanged. We are pleased that we were able to demonstrate to our customers that we are a reliable partner even in such challenging times.

What challenges will this spell for the 2022/2023 fiscal year?

Andreas Kolar: We have been in a kind of permanent crisis for nearly three years now, one which has recently intensified in terms of the diversity and complexity of the problems we face. One of these problems is the general economic outlook, which is characterised by persistently high rates of inflation and low growth forecasts. Despite these general conditions, there are plans to invest more than EUR 250 million in a sustainable energy future in the 2022/2023 fiscal year, which will make a key contribution to regional value creation. The availability of material and human resources will be crucial in efforts to realise these plans, as will the length of the procedure for approving relevant projects. The aim is to support the transformation of energy systems, to further optimise the security and quality of supply and thus to safeguard the Group's development and value in the long term. We are confident of our ability to continue successfully mastering such challenges in the future.

The share of fossil fuels used to supply heat remains very high, and with it the level of global dependency. How can this be countered?

Stefan Stallinger: The recently completed district heating project for the city of Wels is a very good example of how this objective can be achieved. The second largest city in Upper Austria has been supplied exclusively with sustainable energy since May by harnessing the industrial waste heat coming from our waste incineration plant WAV. The sector coupling solution also means that the population of Wels is not affected by any gas supply shortages or by the extreme gas price volatility. Not only is sector coupling essential through the use of industrial waste heat, but also through the future production of green hydrogen from renewably sourced electricity. Energie AG Oberösterreich is involved in various hydrogen research projects in order to contribute to making the climate-neutral and storable energy carrier an essential part of the energy and heat transition. The basis for this is the ambitious work to increase renewable electricity generation activities.

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

During the 2021/2022 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 2021/2022 along with two ordinary meetings of the Audit Committee. The management bodies gave their approval to all business events, which is mandatory in specific cases. No objections were raised in the course of the general supervisory activities or the audit.

The annual financial statements of Energie AG Oberösterreich for the 2021/2022 fiscal year, from 1 October 2021 to 30 September 2022, drawn up according to the Austrian accounting regulations, together with the accounts and the management report, were audited by Deloitte Audit Wirtschaftsprüfungs GmbH, Chartered Accountants. The auditor submitted a written report on his audit findings and assessed that the annual financial statements comply with the statutory requirements, give a true and fair view of the assets, liabilities, financial position and profit or loss, and that the management report complies with the legal requirements and reconciles with the annual financial statements. The auditor therefore issued an unqualified audit certificate.

The Supervisory Board examined the annual financial statements as of 30 September 2022, together with the notes and the management report, as well as the proposal for the appropriation of the profit. It drew up a written report and recommended that the Supervisory Board approve the auditor's report, together with the auditor's unqualified certificate, as well as the present annual financial statements as of 30 September 2022, together with the notes and the management report, so as to thus adopt the annual financial statements as of 30 September 2022. 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 2022, which is thus established.

The Consolidated Financial Statements for the 2021/2022 fiscal year from 1 October 2021 to 30 September 2022 drawn up in accordance with the International Financial Reporting Standards (IFRS), were also audited by Deloitte Audit Wirtschaftsprüfungs GmbH. The Group auditor submitted a written report on his audit findings and assessed that the Consolidated Financial Statements comply with the statutory requirements, give a true and fair view of the assets, liabilities, financial position and profit or loss as well as the Group's cash flows, and that the Management Report complies with the legal requirements and reconciles with the Consolidated Financial Statements. The Group auditor therefore issued an 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 2022, 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 § 243c of the Austrian Commercial Code (Unternehmensgesetzbuch, or UGB) – there is no obligation to prepare a corporate governance report, and that in accordance with § 243d 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 2021/2022 fiscal year.

Linz, 20 December 2022

On behalf of the Supervisory Board

The Chairman of the Supervisory Board

Provincial Counsellor Markus Achleitner

Report on non-financial information 2021/2022
for Energie AG Oberösterreich

LETTER BY THE MANAGEMENT BOARD

GRI 102-14

The past fiscal year was characterised by an unprecedented level of volatility on the energy markets. Market prices for electricity and gas saw dramatic rises within just a few months, a fact made all the more remarkable given that they were already at all-time highs. The turbulence being experienced on the market is due to the widening gap between the shorter supply of primary energy sources and the growing demand in the economy for these. Concerns about potential shortages also had the effect of driving up prices. As one of Austria's largest energy utility companies, we feel a particular sense of duty under these conditions to keep expanding our already well-developed stakeholder management concept and, in doing so, living up to our role as a responsible employer, a reliable partner for suppliers and customers and an enabler in efforts to achieve sustainable future for energy. The aim of this non-financial report is to give you an insight into the work of Energie AG Oberösterreich from the perspective of the United Nations' Sustainable Development Goals and the corporate principles based on these.

Energie AG Oberösterreich has always had ensuring security of supply and a high supply quality for our customers as its top priority. Maintaining a reliable supply has become an even greater task as a result of the Russian war of aggression against Ukraine and the impact it has had. In light of this, we have done everything we can to establish a range of measures aimed at safeguarding security of supply. Such measures included securing gas supplies, filling our storage facilities as much as possible and activating power plants as part of our congestion management strategy and meant that we were able to continue supplying energy to our electricity and gas customers without restriction. The current situation lays bare to us the importance of expanding the grid infrastructure and the use of renewable energies at an even faster pace to improve our energy independence. The long-term focus on a green energy future is reflected in the capital expenditure of Energie AG Oberösterreich recognised by the EU taxonomy. This is the case for 84% of all capital expenditure, a very high percentage that is to be increased further still. What this also does is underscore the highly ambitious strategic generation goals of Energie AG Oberösterreich, according to which the company aims to produce regional green electricity for 180,000 additional households by 2030. We will also invest over EUR 1.0 billion in expanding the grid infrastructure to enable the energy transition during the same period of time.

Inflation, which was strongly driven by energy prices, increasingly evolved into a major burden for the general population in the past fiscal year. Despite the prevailing conditions on the market, Energie AG Oberösterreich was able to maintain the price guarantee promise made in October 2021 until 1 January 2023. This approach has enabled us to proactively procure energy at even lower market prices, keeping risk to a minimum. By doubling the funding for the energy solidarity budget, expanding advisory services and promoting energy efficiency measures, we want to fulfil our obligation vis-à-vis society and, above all, actively support customers who are particularly affected in their efforts to save energy and costs.

We firmly believe that the current environment requires an even greater degree of active and transparent communication and interaction with customers, which is why the corresponding sales activities, such as the customer forum to involve customers in product design, have been

further promoted. The Group has long seen conducting a dialogue with stakeholders as a valuable strategic instrument to strengthen long-term collaboration with key partners. By way of example, the 100th meeting of the Environmental Commission, a successful citizen participation model established more than three decades ago, was held a few months ago. This commission ensures residents served by the waste incineration plant in Wels are regularly informed about the plant's current developments and its compliance with emission limits. Over the years, this process has helped foster a sense of mutual understanding and trust, and there is now a very constructive dialogue on further development and improvements, for example when it comes to minimising noise and odour emissions.

The Energie AG Group acknowledges that the Group's success depends on the commitment of its employees and therefore seeks to solidify its reputation as an attractive employer on an ongoing basis and to offer a work environment that not only offers interesting development opportunities, but also accommodates the individual needs of its employees. It is against this backdrop that a large number of HR measures have been implemented in recent years aimed at improving employee work-life balance, providing training and further development opportunities, and offering flexible working hours. We are therefore proud to have been named Austria's best employer in the recognised cross-industry trend ranking in 2022, in which Energie AG Oberösterreich was particularly notable as an employer focused squarely on the future. Being recognised in this way encourages us to continue our human resources policy and makes us confident that we will be able to meet the upcoming business challenges as a responsible employer despite the general shortage of skilled workers.

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

The Management Board of Energie AG Oberösterreich

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

Dr. Andreas Kolar
Member of the Management Board
CFO

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

ABOUT THIS REPORT

GRI 102-1, 102-32, 102-46, 102-50, 102-51, 102-52, 102-53, 102-54

As per the European Union (EU) Directive 2014/95/EU on the disclosure of non-financial and diversity information (NFR Directive) and its implementation in accordance with the Austrian Sustainability and Diversity Improvement Act 2017 (Nachhaltigkeits- und Diversitätsverbesserungsgesetz; NaDiVeG), Energie AG Group has been publishing the necessary information in a separate **report on non-financial information** (non-financial report) since the 2017/2018 fiscal year. This publication is the consolidated non-financial report for Energie AG Oberösterreich (Energie AG) in accordance with § 267a of the Austrian Commercial Code (UGB). This report is published on an annual basis together with the Group Annual Report. The reporting period covers the full fiscal year from 1 October 2021 to 30 September 2022. The legal requirements pertaining to the non-financial report were taken into account with external assistance based on international frameworks. The report on non-financial information is based on the standards published by the "Global Reporting Initiative" (GRI). This report was prepared in accordance with the GRI standards, "core" option, and also offers information on additional performance indicators, including selected indicators of the GRI sector supplements for companies from the electricity industry. An overview is provided in the **GRI content index › Page 100**.

Commencing with fiscal year 2021/2022, Energie AG Group is required to disclose information on environmentally sustainable revenues, investments (capex), and operating expenses (opex) in accordance with the **EU Taxonomy Regulation**. The application of Article 8 of the Taxonomy Regulation in relation to the two published environmental goals "climate change mitigation" and "climate change adaptation" as well as the disclosure of taxonomy-eligible economic activities for fiscal year 2021/2022 is described in the section headed **Economy › Page 39**.

In addition to this Non-Financial Report, Energie AG provides information about its corporate responsibility in an annual **Group Management Report › Page 106**, in the **› Semi-annual Report** and on its **› company website**.

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

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

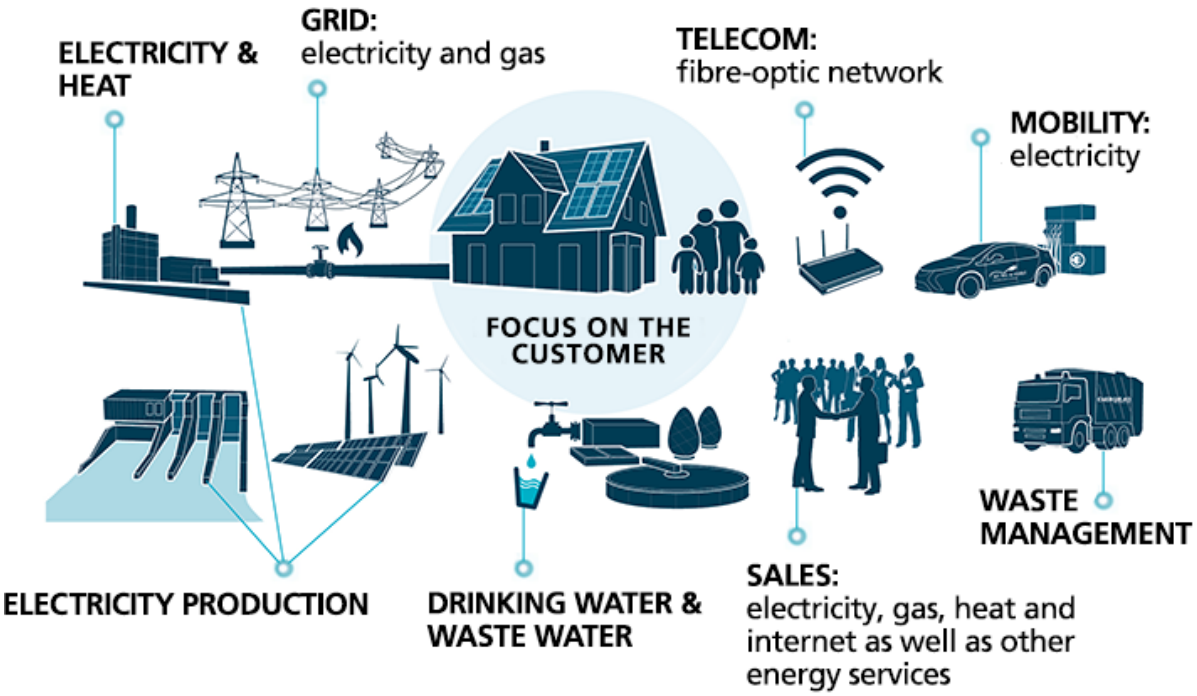
The **equal treatment of all genders** is an important concern of Energie AG Group. In fiscal year 2021/2022, the company has therefore implemented a gender-neutral style in its external and internal communications. The gender-neutral style has also been adopted in this Non-financial report (German version).

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

THE BUSINESS MODEL
OF ENERGIE AG OBERÖSTERREICH

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

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



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

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

As a provider of electricity, gas, heating, water as well as energy, 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 assure a general spirit of partnership when interacting with customers, employees, suppliers and the general public.

The **Energy Segment › Page 53** is the Company's core business and consists of electricity and heat generation, the trade with energy and energy-related products, electricity and gas sales, heat supply in Austria and sales of telecommunication services. The range of services also encompasses certain energy services, such as energy audits for large organisations, energy certificates and building modernisation plans, charge cards for electric mobility charging stations, special energy contracting models and system optimisation strategies.

The **Grid Segment › Page 63** comprises the construction and operation of the electricity and gas grid as the backbone of Upper Austria's supply with electricity and gas by Netz Oberösterreich GmbH (Netz OÖ GmbH), a fully owned subsidiary of Energie AG.

The **Waste Management Segment › Page 65** offers integrated waste management and individual waste management solutions in Austria and Northern Italy. This includes the collection, acceptance, storage, sorting, management and incineration (including slag processing) of domestic and commercial waste, as well as recovery and reuse of recycling materials in this area.

The **Czech Republic Segment › Page 69** offers comprehensive drinking water supply and waste water management services in the Czech Republic. The business models include concession, operator and service contracts; specialised water, waste water and heating services; and construction and installations. Cities, local authorities, associations, industrial enterprises, housing companies and housing cooperatives are the contractual partners who form the Czech Republic Segment's client base.

In addition to the management and control functions of the holding company, the **Holding & Services Segment › Page 70** comprises the Telecommunications business area, commercial and technical services and some subsidiaries consolidated at equity that are not assigned to other segments. The commercial and technical service companies provide services for the entire Group.

Disclosures about changes under corporate law during the 2021/2022 fiscal year are provided in the **Group Management Report, Changes under corporate law › Page 115**. The Group Annual Report includes an overview of financial key figures **Energie AG Oberösterreich at a glance › Page 3**.

SHAREHOLDER STRUCTURE

GRI 102-5

In the 2021/2022 fiscal year, the shareholder structure of the Energie AG Group is as follows:

OÖ Landesholding GmbH	52.71%
Land Oberösterreich	0.10%
Linz AG für Energie, Telekommunikation, Verkehr und Kommunale Dienste	10.35%
TIWAG-Tiroler Wasserkraft AG	8.28%
Raiffeisen Oberösterreich (Konsortium)	13.98%
Oberbank AG (Konsortium)	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%

As of **30 September 2022**

GROUP MANAGEMENT BODIES

GRI 102-18, also see the Group Management Report, Change in the Management Board

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

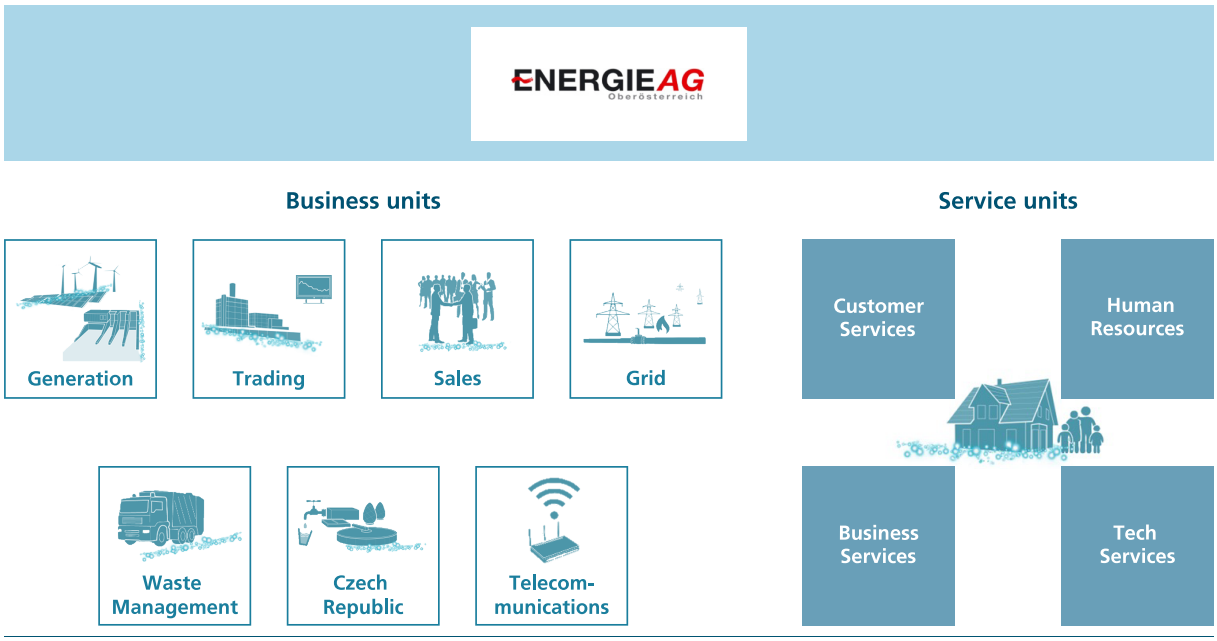
Provincial Councillor Markus ACHLEITNER, Chairman
Solicitor Mag. Stefan LANG LL.M., Vice-Chairman
Chief Executive Officer Dr. Heinrich SCHALLER, Deputy Vice-Chairman
Head of Administrative Department Dr. Miriam EDER MBA
Chairman of the Management Board Mag. Dr. Erich ENTSTRASSER
Managing Director Mag. Dr. Christiane FRAUSCHER
Member of Management Board Mag. Florian HAGENAUER MBA
Chief Executive Officer Dipl.-Ing. Erich HAIDER MBA
Secretary General Emerita Mag. Anna Maria HOCHHAUSER (retired on 17 December 2021)
Deputy to Chief Executive Officer Commercial Council Mag. Michaela KEPLINGER-MITTERLEHNER
Dr. Elisabeth KÖLBLINGER (since 17 December 2021)
Member of Management Board Mag. Kathrin Renate KÜHTREIBER-LEITNER MBA
Head of Local Parliamentary Group, Member of State Parliament, Commercial Council Ing. Herwig MAHR
Gertrude SCHATZDORFER-WÖLFEL (since 4 March 2022)
Thomas Peter STADLBAUER MSc MBA MPA
Josef WALCH, Chartered Accountant and Tax Consultant (retired on 17 December 2021)

Employees' representatives

Ing. Mag. Leopold HOFINGER, Head of Works Council (retired on 21 April 2022)
Mag. Dr. Regina KRENN, Head of Works Council
Ing. Peter NEISSL MBA MSc, Head of Works Council
Edith SCHATZDORFER, Head of Works Council (since 21 April 2022)
Ing. Bernhard STEINER, Head of Works Council Group Representatives
Gerhard STÖRINGER, Head of Central Works Council
Christian STROBL, Head of Works Council
Andreas WALZER, Head of Works Council

GROUP STRUCTURE

GRI 102-18



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

Energie AG has revised its strategy for the expansion of Fibre To The Home (FTTH) with the aim of continuing to promote the best possible growth in this area, and create better

economic conditions for fibre-optic expansion in Upper Austria with the greatest possible coverage, despite the high degree of urban sprawl and the relating building costs. As a result, the operational unit FTTH at Energie AG Oberösterreich Telekom GmbH (Telekom GmbH) was merged with Fiber Service OÖ GmbH, an indirect wholly-owned subsidiary of the Province of Upper Austria. This led to the formation of a new entity, **BBOÖ Breitband Oberösterreich GmbH** (BBOÖ), which is 50% owned by the State of Upper Austria and 50% by Energie AG, and bundles the FTTH activities. The FTTH business of Telekom GmbH was spun off to this newly formed entity.

The fibre-optic backbone and the business customer sector remain with Telekom GmbH. The future focus of Telekom GmbH will be on providing the layer 2 technology (signal technology) and on backbone data transport for BBOÖ. The FTTH fibre-optic network, part of the spun-off FTTH operational unit, was transferred to BBOÖ Breitband Oberösterreich Infrastruktur GmbH, a wholly owned subsidiary of BBOÖ. Further information can be found in **Social affairs, supply security and quality › Page 73**, as well as in the **Group Management Report, Changes under corporate law › Page 115** and **Holding & Services Segment › Page 138**.

The transfer of the **"Metering Services" department** from Telekom GmbH to Netz OÖ GmbH on 1 October 2021, which combined the gas and electricity metering in Netz OÖ GmbH, constitutes a material change in the Group's structure. Another material change is manifest in Energie AG Oberösterreich Vertrieb GmbH (Vertrieb GmbH) selling all shares in Erdgas Oberösterreich Vertriebs GmbH (Erdgas Vertriebs GmbH) in Germany to Energie AG Oberösterreich Tech Services GmbH (Tech Services GmbH) on 15 September 2022. Following the end of gas sales activities in Germany at the end of 2021 and owing to the fact that this entity is only used to process the claim related to the damage at the Grabsleben biogas plant, Erdgas Vertriebs GmbH now comes under the relevant subsidiary within the Group.

In addition to the line and project organisation, Energie AG Group has an established **crisis and emergency management system** with regular drills and meetings convened as required. In the 2021/2022 fiscal year, a dedicated taskforce was formed and established to deal with the impact of the war between Russia and Ukraine on the energy market, supply situation and market position.

Further information about changes under corporate law during the 2021/2022 fiscal year can be found in the **Group Management Report, Changes under corporate law › Page 115**.

KEY FIGURES AT A GLANCE

GRI 102-7

84
photovoltaic plants
4
wind parks
13
wind power facilities

2,442 GWh
proprietary electricity procurement from renewable sources

43
hydropower plants

58.2 mill. m³
drinking water
of which 49.2 mill. m³ in the Czech Republic
of which 9.0 mill. m³ in Austria
45.2 mill. m³
waste water in the Czech Republic

1.6 mill. t
ø waste volume handled**

33,445 km
electricity grid
5,634 km
gas grid

5,820 km
backbone fibre-optic network*

26.9%
company e-cars in Austria

604
charging points managed

EUR 150.6 mill.
EBIT
of which 94.6% in Austria
of which 4.7% in the Czech Republic
of which 0.7% in Italy

5,041
staff
of which 60.0% in Austria
of which 39.2% in the Czech Republic
of which 0.8% in Italy

1,549
apprentices trained since 1943

* The shorter length of the fibre-optic network in comparison to the previous year (7,021 km) results from the spin-off of the FTTH business. The length of the fibre-optic network that remains with Energie AG Group refers to the backbone and business customer segment.

** Starting with fiscal year 2021/2022, the average waste volume handled of the Waste Management Segment includes the volumes from Energie AG Südtirol Umwelt Service GmbH and RVL Reststoffverwertung Lenzing GmbH.

STRATEGY AND MAJOR SUSTAINABILITY ISSUES

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

Energie AG Group is consciously exercising its responsibility in the area of sustainable development and accepts guidance from the contents and objectives of the **Sustainable Development Goals** (SDGs) adopted by the United Nations in 2015. These goals are intended to assist all nations in making significant progress in their sustainably development until the year 2030. The Group contributes to the achievement of the SDGs with its strategic positioning in combination with its individual products and service offerings, also see **Sustainability at a glance › Page 33**.

Source: **Sustainable development goals**

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

The annual **strategy conference** of the Management Board of Energie AG Group took place in April 2022. It focused on an analysis of the prevailing fundamental economic, geopolitical and legal conditions and associated opportunities and risks for Energie AG.

The strategic course of Energie AG together with the necessary capex resources was communicated in the **Group strategy conference** held in July of 2022. In addition to the current challenges and developments, which include the development of gas and electricity prices, inflation and strategy implementation, the group strategy conference examined the human resources strategy and the topic of "how we will work in the future" in further detail.

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 and external interested parties. Sustainability topics were rated in a **materiality matrix** from "important" to "highly important". The quantitative and qualitative key performance indicators to be measured were set based on this matrix. The matrix was last updated in fiscal year 2020/2021 and adapted to the results of the strategy process.

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

Economy › Page 39 and **Group Management Report › Page 106**

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

Social affairs › Page 73

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

Environment › Page 45

- Climate protection & resource conservation

Employees › Page 85

- Acting as a responsible employer
- Workplace health and safety

Compliance (incl. Respect for human rights) › Page 93

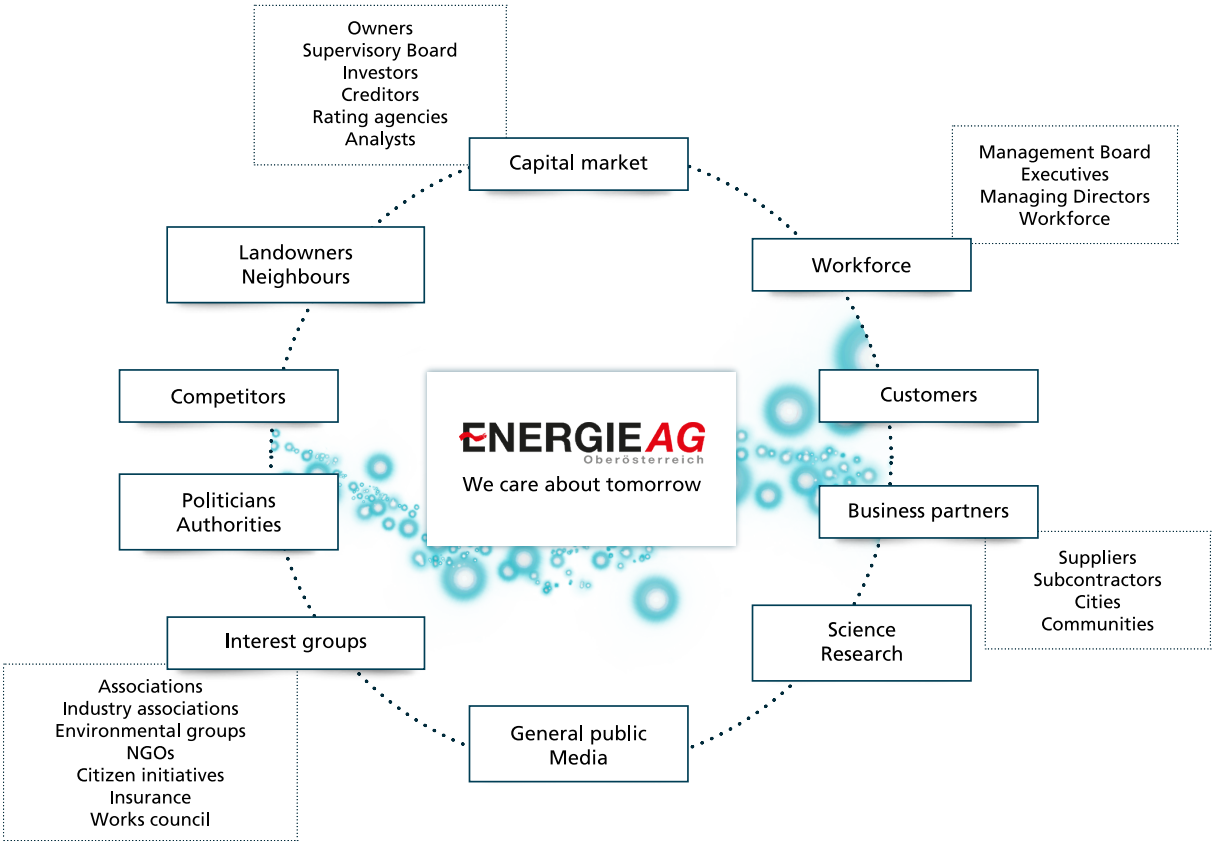
- Legal compliance and prevention of corruption

DIALOGUE WITH STAKEHOLDERS

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

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

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



Among the Group's many stakeholders, Energie AG affords special attention to its **customers**. The intense exchange with internal and external stakeholders is mainly used to satisfy the needs of customers in the best possible way. The Group also seeks to stay in contact with existing, new and potential **staff members**. In terms of future employees, this is on the one hand facilitated by the Group's presence at job fairs held at secondary schools, technical colleges and universities. On the other hand, discussions with new employees, apprentices and their parents as well as student interns are held to precisely analyse and adequately accommodate the interests of the various stakeholder groups. The strong focus on employees in 2021/2022 was also reflected in the **Trend award as Austria's best employer**, which saw Energie AG taking the first place among 1,400 Austrian employers from 19 industry sectors.

The **customer forum** is a place where current sales projects are subjected to a critical and constructive dialogue, see **Social affairs, customer focus › Page 76**.

Under the remit of the Group's socio-political responsibility, Energie AG is seeking to engage in direct **contact with stakeholders** on regional and interregional events, e.g. at the occasion of Energie AG's 130th anniversary, 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 model has been running since 1991, making it the longest 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 the Energie AG Group as the operator of the waste incineration plant and the neighbouring communities. Thanks to open and transparent communication that went hand in hand with assuring a compliant process (compliance with emission limits, minimising noise and smell), this approach has created and sustainably fostered an atmosphere of mutual understanding and trust. The 100th meeting of the Commission for Environmental Policy was celebrated in the summer of 2022.

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 infrastructure projects and approval proceedings in particular beyond the scope prescribed by law.

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

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

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

The contact to schools, educational institutions and associations is fostered in cooperation projects, network events and sponsoring as well as at the various trade exhibitions. The modern job application platform "digiTalent" facilitates the professional communication with job candidates. The **dialogue with staff members** starts with the student interns, who in the summer of 2022 were invited to a "school interns breakfast event" held at the Group's headquarters in Linz. Among other measures, surveys are used for the purpose of including the internal stakeholders. Feedback from the individual managers and employees is collected

on many measures such as personnel and management development events, projects and regulations with the aim of deriving an action plan from them.

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 39**.

Further information and initiatives pursued by Energie AG Group with the aim of considering the wishes and needs of this important group of stakeholders can be found in section **Employees – responsible employer › Page 85**.

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

Media analysis

The non-financial information of Energie AG is supplemented by reports in relevant media in Upper Austria and across Austria on topics that touch on the affairs of the Group. The media interest in fiscal year 2021/2022 focused on Energie AG's activities in the context of the dramatic price developments on the energy markets since the autumn months of 2021 and on the threat of shortages in Europe's supply with natural gas from Russia stemming from the war between Russia and Ukraine. The media responded positively to the initiatives of Energie AG Group seeking to secure the energy supply and drive the further development of renewable energies, manifest in the extension of the SolarCampus in Eberstalzell and the impressive progress made in expanding the electricity grid in Upper Austria.

The media also reported in fond words on Energie AG's social initiatives (helping customers with a price guarantee, temporary special conditions for business customers etc.) as well as those aimed at promoting the efficient use of energy. The accolades were mainly focused on Energie AG's special offers in the area of sustainability, e.g. the reports on the measurement of the CO_2 footprint by Energie AG's subsidiary IfEA Institut für Energieausweis GmbH (IfEA), the promotion of renewable energy syndicates, the presentation of the regional E-Partner network, and the **› E-Fairteiler app** for solar electricity as well as the sustainability certification of Netz OÖ GmbH.

The press was also greatly interested in Energie AG's initiatives related to the continued development of the fibre-optic network and Energie AG Group's involvement in the initiatives of the Province of Upper Austria that seek to provide the state's population with high-performance internet.

STRATEGY 2030

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

Reliability in supply and waste management services

In fiscal year 2021/2022, the turbulences on the energy markets and the continuing COVID-19 pandemic once again presented Energie AG with enormous challenges in warranting the uninterrupted operation of critical infrastructure (power plants, electricity and gas grids, telecommunication, water supply and waste management). In combination with a solid foundation built on the highest technical and organisational standards, the efficient work of the additionally established taskforce warranted a **high level of supply security and supply quality**. Energie AG Group faced particular challenges in this context as a result of the looming shortages in Europe's supply with natural gas caused by the war between Russia and Ukraine. Energie AG therefore afforded special attention to the development of strategic concepts aimed at securing Upper Austria's energy supply in the medium and long term. These efforts included an anticipatory procurement of the necessary gas quotas on the energy markets, the replenishment of the Group's own gas storage facilities, and increased focus on renewable energies.

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

In addition to a high-performance grid infrastructure, the security of supply also depends on a secure and flexible energy output. The **combined cycle gas-turbine power plant in Timelkam** (CCGT power plant Timelkam) plays an important role in congestion management here, and in grid reserve management for transmission system operators. Energie AG's own gas storage rights (or gas storage contracts) and subsidiaries support the high degree of flexibility. The gas storage capacities also serve the purpose of meeting the provisioning obligations pursuant to Article 6 (1) lit. c of the Gas-SOS-Regulation 2017/1938 in conjunction with § 121 para 5 GWG. Under these statutory provisions, Vertrieb GmbH as the supplier of protected customers is obliged to evidence the corresponding volumes in storage.

The development and **application of new technologies** and intelligent system solutions for the integration of volatile decentralised electricity generation systems (PV, wind) and flexible consumer systems (battery storage, e-mobility, heat storage) is of particular importance as well. Together with partners from science and business, the project Underground Sun Storage 2030 examines the role of hydrogen in extending the production of electricity from renewable sources from the summer into the winter months. **Netz OÖ GmbH** actively supports national research projects (e.g. Industry4Redispatch, System management 2.0). The participating experts are developing solutions that can accommodate the increasing requirements for system management, data exchange processes and active participation of additional market players in the electricity market.

The **Waste Management Segment › Page 132** guarantees solutions for hazardous and non-hazardous waste and recycling materials to the highest technological and ecological standards and, due to the two waste incineration plants in Wels and Lenzing, makes a significant contribution to waste management in Austria.

The Energie AG Group has succeeded in establishing itself as a reliable drinking water, waste water management, space heating and hot water supply company in the **Czech Republic Segment › Page 135**. 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 are already connected to the Group's fibre-optic network. In the business with residential and small customer accounts, the past fiscal year witnessed a reorientation of the strategy for the FTTH development that aimed at combining and optimising the broadband activities in Upper Austria, more information can be found in the chapter headed **Business model. › Page 14**

Digitalisation will offer Energie AG numerous future opportunities. The development of digital platforms will allow customers to benefit from new solutions. True to the motto of **"secure digital services"**, Energie AG is actively shaping Upper Austria's digital future in collaboration with its customers and partners. Therefore key topics and objectives, and a corresponding roadmap have been developed and consistently implemented.

Energy transition and circular economy

The **Paris Climate Agreement** requires CO_2 emissions to come down to almost zero (net value) by the year 2050. Austria has set itself the target of becoming **climate neutral by 2040**. Successfully mastering the necessary transformation process in the energy system requires the political actions to focus on measures that are aimed at countering climate change as well as those that prioritise the competitiveness of the economy and security of supply.

On **EU level** there are currently discussions about the wording of many of the existing directives, with the objective of achieving the higher CO_2 reduction target of at least -55% over the period between 1990 and 2030 agreed as part of the Green Deal. Responding to the impact of Russia's invasion of Ukraine on the global energy market and resulting turbulences, the European Commission moved to present the REPowerEU plan. The plan provides for a diversification of energy sources and acceleration of the transformation processes along with higher targets for the expansion of renewable energy and energy savings. The European Commission approved the financial assistance mechanisms of **Austria**'s Renewable Energy Expansion Act, with the relevant provisions entering force on 1 January 2022. The decarbonisation of space heating is implemented by virtue of a law on heat from renewable energies, which postulates an end to fossil energy sources by no later than 2040. An amendment of the Environmental Compatibility Assessment Act (UVP-G) was the subject of consultations until September 2022. Among other issues, it is concerned with the identification of certain zones that are necessary for a rapid implementation of the energy revolution. These projects related to the energy transformation are of a particularly high interest in the public eye.

Further information on the fundamental political and regulatory framework can be found in the **Group Management Report, Energy and climate policy environment › Page 107** and **Statutory and regulatory framework in the Grid Segment › Page 129**.

The national **energy and climate targets for 2030** as well as the decarbonisation path to be pursued up to 2040 are a very challenging step towards the future energy supply in Austria. By using biomass, geothermal energy and industrial waste heat, the Energie AG Group has for many years pursued a consistent **decarbonisation strategy** in the area of heat supply and thus plays a pioneering role as a sustainable utility in its market sectors. From

the perspective of Energie AG, it is relevant to take a holistic, integrated look at the entire energy system, taking into account the electricity and heat and mobility sectors ("sector coupling"), as well as a regulatory framework for the ramping up of green gases and hydrogen.

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. Fiscal year 2021/2022 witnessed Energie AG assuming the operational management of three hydropower plants owned by Wels Strom GmbH: Traunleiten, Breitenbach and the run-of-river power plant in Traunleiten. Energie AG Group also operates 84 PV plants (previous year: 75) and holds interests in four wind farms with 13 wind power facilities across Austria.

Energie AG supports the government's programme for 2020-2024 by making **sustainable strategic decisions**. This includes the planning and implementation of a number of power plant projects in the areas of hydroelectric power, photovoltaic and wind power. This is part of Energie AG's contribution to the climate and energy policy of the Austrian Federal Government, which is pursuing the goal of covering 100% of Austria's total electricity demand from renewable energies – on balance over a year - by the year 2030.

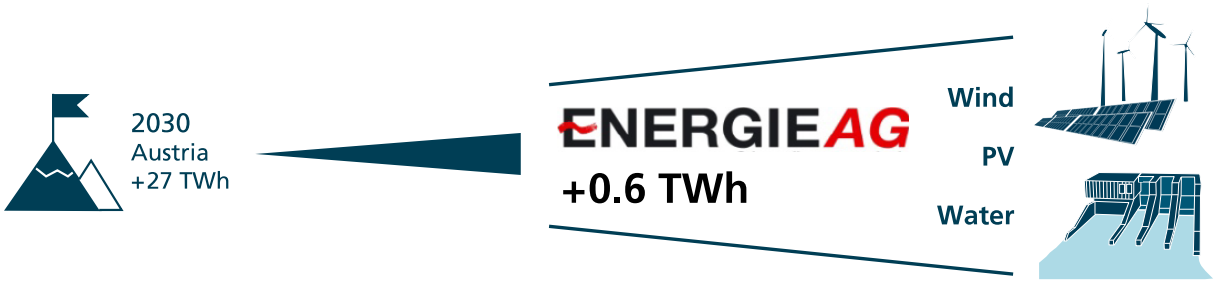
As a pioneer in the area of sustainable energy supply and **partner for the energy transition in Upper Austria**, the Energie AG Group endorses the energy and climate goals and supports them with concrete measures and projects: **Environment › Page 45**. Most Energie AG Group projects pursue the objective of advancing the use of renewable energy and improving energy efficiency on the one hand, while on the other hand reducing the consumption of resources and production of waste both within the Group as well as at the customer.

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

Additional electricity generation from renewables until 2030

The strategic goal of Energie AG Group is to provide **630 GWh** of additional **electricity from renewable energies** produced by new and revitalised energy generation plants by the year 2030. This will deliver savings of around 200,000 tonnes of CO_2 (reference value = ENTSO-E Mix 2020).

The expansion of electricity generation from renewable energies will make a significant contribution to the reduction and prevention of greenhouse gas emissions. 2,442 GWh of electricity from renewable sources were generated and 784,000 tonnes of CO_2 saved in the fiscal year 2021/2022.



Energie AG will also be continuing to promote the sustainable use of waste, geothermal energy, industrial waste heat and renewable gases in **heat production** in the coming years – adding yet another element to the efforts to achieve a future characterised by renewables.

In addition to these measures, what is also required to fundamentally **transform the energy system** is that the grid infrastructure is expanded quickly at all voltage levels, that additional storage capacity is created and that the gas/hydrogen grid is coupled with this sector and correspondingly integrated.

The progressing expansion of electricity generation from renewable energies gives rise to additional **challenges in safeguarding the security of supply**. Particularly important is the continued safeguarding of the supply during times of low water levels, diminished solar power or phases of weak wind activity. To some extent, this can be achieved by a changed scheduling of production volumes with the help of new pumped-storage power plants. Additional power plants that can provide a high output over a longer period of time will however also be required. At the moment, this is mainly achieved with the help of gas power plants. In the long term, there are plans to operate these power plants with renewable gas and green hydrogen in particular. This is part of the EU's energy strategy as well as national energy strategies, e.g. in Germany and Austria. Energie AG Group is investigating and monitoring the technological possibilities, including by means of participation in research projects. The further implementation does however require framework conditions that support a functioning business model.

Focus on the customer

Energie AG Group stands for **high-quality, reliable products and services**, which it continuously and consistently adapts to the needs and preferences of existing and potential customers. The strategic orientation of all organisational units of the Group is guided by the benefit offered to the customer. New innovative solutions aim at generating additional value for consumers, e.g. by creating special incentives for the purchase of environmentally friendly products or by digitally supporting their decision-making processes.

In its business environment, Energie AG stands for **sustainable and fair solutions**, which it can guarantee on the basis of permanent process optimisation efforts. Despite wholesale prices increasing since 2017, existing **residential and commercial customers** alike were guaranteed **stable prices** for standard electricity products until 1 January 2023 (with the exception of residential/commercial electricity float prices). The stable prices are made possible by an expedient procurement strategy: for risk diversification and optimisation reasons, the procurement for these customers takes places on a very long-term "rolling" basis, which means equally distributed over various points in time, with the result of an average price and a smoothing out of peak price points.

Starting in the autumn months of 2021, the prices for **new customers** were successively adjusted to match the higher procurements costs and changed market price levels. This is because even though Energie AG's customers in Austria receive electricity from 100% renewable energies, they are nevertheless affected by the enormous price hike and price fluctuations on the European electricity market.

As a result of the price guarantee, customer offers for **standard gas products** have also remained unchanged for many years, which was also made possible by the rolling procurement strategy described above. An adjustment to the new framework conditions for new customers was implemented in fiscal year 2021/2022. In the autumn of 2020, the **prices for internet services were guaranteed** for the first time. The price guarantee

assumed until 1 January 2023 ensured that Energie AG Group once again positioned itself as a **reliable and fair partner** in the past fiscal year.

Once the price guarantee assumed in the household and commercial sector expires, higher procurement costs will necessitate a **price increase** for the gas and electricity supply to existing customers.

Customers ascribe responsibility to Energie AG Group in particular in the area of **security and regionality**. In both areas, Energie AG Group aspires to meet these expectations by developing and investing in renewable energies and the establishment of a sustainable circular economy. Turning to social responsibility, Energie AG contributes to the common good by providing ongoing support in the areas of health, education, sport, arts and culture as well as charitable and not-for-profit activities, also see the section headed **Social Affairs › Page 73** and the section headed **Employees › Page 85**. Energie AG Group clearly showcased its solidarity by actively supporting customers affected by energy poverty, e.g. by means of goodwill offers.

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 titled "This is how we think, this is how we act"**, 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 started in the autumn of 2019 has focused on raising employees' awareness for the prudent handling of personal data and potential risks (cyber crime etc.). The campaign aims at increasing the awareness for information security among employees. A dedicated topic (e.g. data protection, phishing, social engineering) is presented in each quarter using a range of materials such as banners, flyers and e-learning sessions.

Regional focus

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

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

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

Financial stability

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

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

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

Workforce

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

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

SUSTAINABILITY OBJECTIVES

GRI 102-14

ECONOMY

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

ENVIRONMENT

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

SOCIAL AFFAIRS

- **Reliability in supply and waste management services**
- Positioning ourselves as a **responsible company**
- Development and maintenance of sustainable relationships with customers

EMPLOYEES

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

COMPLIANCE

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

SUSTAINABILITY OPPORTUNITIES AND RISK MANAGEMENT

GRI 102-11

Due to the rising importance of sustainability issues for commercial decisions, **environmental, social and governance (ESG) aspects** are becoming increasingly important factors in the risk management process. This task falls in the remit of the **group-wide risk management system**, which is taken with ascertaining and actively managing the arising risks at an early point in time. Opportunities and risks are events outside of the "ordinary" business activities that entail potential positive or negative consequences. For details on the Group-wide risk management and a description of Energie AG's opportunities and risks, please see the **Group Management Report › Page 117** and the **Notes to the Consolidated Financial Statements, Management of risks and opportunities › Page 232**.

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

The focus in the 2021/2022 fiscal year was on further developing the ESG risk management system. The activities pursued by other organisational units within the Group and their **significant impact** on matters regulated under the NaDiVeG were integrated into the group-wide ESG risk management system. This also included an **"outside-in" evaluation** of the issues that resulted in the inclusion of previously omitted risks and opportunities in the risk inventory of Energy AG Group. These are dealt with accordingly and are given due consideration within the strategy.

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

SUSTAINABILITY AT A GLANCE

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

Concepts, significant opportunities (+) / risks (-)[1], measures and SDGs

ECONOMY

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

Concepts

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

Opportunities and risks

see the **Notes to the Consolidated Financial Statements, Management of risks and opportunities › Page 232**

Measures

see the **Group Management Report › Page 106**

SDGs

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

ENVIRONMENT

CLIMATE PROTECTION | RESOURCE CONSERVATION

Concepts

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

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
- Company fleet of electric cars to rise to 40%
- Legally compliant corporate management

[1] Risks/opportunities are defined as events outside of the "ordinary" business activities that entail potential negative/positive consequences; for Energie AG's risks/opportunities resulting from the NaDiVeG, please see "Significant Opportunities (+)/Risks (-) and Measures" in the **Notes to the Consolidated Financial Statements, Management of risks and opportunities › Page 232**

- 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
- Crisis and emergency plans
- Rights management database
- Management of official decisions
- Ensuring that the legally required staff appointments are made
- Ideas management
- "Code of conduct for contractors"

SDGs

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

SOCIAL AFFAIRS

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

Concepts

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

Opportunities and risks

Opportunities

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

Risks

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

Measures

- "QSE Management" Group Policy
- "Sponsoring and Giving" Group Policy
- Investments into (grid) infrastructure
- Overhaul and maintenance work to ensure security (of supply)
- Crisis and emergency plans
- Group-wide organisational structures for the management of risks and opportunities
- Customer forum
- Proactive inclusion of stakeholders
- "Principles on democratic politics"
- 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"
- Ideas management
- Complaint management
- "Code of conduct for contractors"
- **› www.wir-denken-an-morgen.at**
- also see measures in Compliance

SDGs

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

EMPLOYEES

ACTING AS A RESPONSIBLE EMPLOYER | WORKPLACE HEALTH AND SAFETY

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 safeguarding of fitness to work and quality of life as a result of health promotion measures for the workforce
- 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
- Dialogue with the employees' representatives
- Various employer branding measures for the individual target groups
- Personnel and management development
- Apprenticeship|trainee programmes
- Promoting diversity: "Women in technology jobs"
- Trend monitoring
- Strategic succession planning
- Continuous development of the high work safety standards
- Safety training courses for internal and external employees
- Work safety awareness campaign
- Introduction of sabbaticals
- Ideas management
- Cultural & sport events for the workforce

SDGs

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

COMPLIANCE

LEGAL COMPLIANCE AND PREVENTION OF CORRUPTION

Concepts

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

Opportunities and risks

Opportunities

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

Risks

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

Measures

- "Compliance Management System" Group Policy
- "Anti-corruption" Group Policy
- "Capital Market Compliance" Group Policy
- "Information Security Management" Group Policy
- "Data Protection Management System" Group Policy
- "Data Protection Compliance Policy" Group Policy
- "Internal Control System (ICS)" Group Policy
- Code of Conduct "This is how we think, this is how we act"
- "Code of conduct for contractors"
- Whistleblower instrument "Tell me"
- In-person training and e-learning courses

SDGs

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

RESPECT FOR HUMAN RIGHTS

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

Concepts

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

Opportunities and risks

Opportunities

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

Risks

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

Measures

- "Compliance Management System" Group Policy
- Works council
- Code of Conduct "This is how we think, this is how we act"
- "Code of conduct for contractors"
- Whistleblower instrument "Tell me"
- Procurement sourcing is geared to sustainability criteria and principles
- Training courses
- › www.wir-denken-an-morgen.at

SDGs

- SDG 8: Decent work and economic growth

QUALITY, SAFETY AND ENVIRONMENTAL MANAGEMENT

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

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

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

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

To ensure **compliance with relevant environmental and occupational safety requirements**, the entities that are not certified to ISO 14001:2015 and ISO 45001:2018 are guided by the historical values for the environmental management standards ISO 14001:2015 and EMAS ("Eco Management and Audit Scheme") as well as occupational health and safety according to ISO 45001:2018 from the already certified subsidiaries. 43.0% of employees at Energie AG Group are working in areas that are certified to ISO 45001:2018.

The integrated QSE management system ensures the continuous improvement of 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 by TÜV Süd after a **review audit** between 22 April 2022 and 5 July 2022.

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

All staff in Austria and northern Italy work at entities certified in accordance with **quality management standard** ISO 9001:2015. 28.5% of the Austrian and Italian workforce is employed at entities certified to environmental management standard ISO 14001:2015. Furthermore, 29.9% of employees in Austria are working in accordance with the Group's environmental management system EMAS. The additional and specific standards ISO 14001:2015 and EMAS were implemented for the Waste Management Segment, which accounts for 27.6% of employees in Austria, between 2010 and 2013.

The **Grid Segment** is certified to ÖVGW QS GNB 200 (quality requirements for gas grid operators) and TSM P100 (technical safety management in electricity grids). The audit concerned industry-specific requirements pertaining to the assessment of gas and electricity grid operators with regard to the qualification and organisation of their technical units. Other certifications held by Netz OÖ GmbH include ISO 9001:2015 and ONR 192500:2011 concerning the social responsibility of organisations (CSR). Netz OÖ GmbH has successfully solidified its leading position within the industry by gaining a new certification in

fiscal year 2021/2022. Following intensive preparations and an audit phase lasting almost a full month, the company's information security management systems (ISMS) was successfully certified to ISO/IEC 27001:2013. Parallel to the ISO/IEC 27001:2013 audit, all requirements of the Network and Information System Security Act (NISG) were co-audited by a qualified body, with the NISG audit report expected early in the 2022/2023 fiscal year.

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

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

The companies Gas- und Dampfkraftwerk Timelkam GmbH (GuD-Kraftwerk Timelkam GmbH) and the Group IT Services department of Business Services GmbH and Telekom GmbH are additionally certified in accordance with the **information security management standard ISO 27001:2015**.

ECONOMY

SDG 8, 9, 12

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

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

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

Information on the economic position of Energie AG Group can be found in the Group Management Report, and at that location in the chapter headed **Business Development in the Group › Page 110**, **Economic environment › Page 106** and **Economic environment for the energy sector › Page 107** as well as in the **Consolidated Financial Statements › Page 146**.

EU TAXONOMY

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

Based on the previously published regulations and delegated acts, an interdisciplinary project initially defined the economic activities within Energie AG Group that are to be classified as **environmentally sustainable**. In accordance with the Taxonomy Regulation, a differentiation was made between an economic activity's taxonomy-eligibility and taxonomy-aligned. The reporting for fiscal year 2021/2022 requires information on whether an economic activity is described in the delegated act and thereby rendered taxonomy-eligible.

For the two **environmental goals** "climate change mitigation" and "climate change adaptation", the EU has published the delegated acts on sustainable economic activities within the meaning of the Taxonomy Regulation. The remaining four environmental goals are not yet applicable to Energie AG Group in the current fiscal year.

According to relief granted by the EU, the reporting year 2021/2022 only requires Energie AG to disclose the proportions of the economic activities that are eligible and not eligible under the taxonomy in the **sales revenues** as well as **capital expenditure** and **operating expenses**. This consideration in principle includes all fully or partly consolidated subsidiaries.

Owing to Article 8 no. 1 of the Taxonomy Regulation in conjunction with § 243b and/or § 267a Austrian Commercial Code (UGB), application of the **regulations under the Taxonomy Regulation** is compulsory for Energie AG. As required under § 245a para 1 UGB, the Consolidated Financial Statements of Energie AG as of the closing date were compiled in accordance with the "International Financial Reporting Standards" (IFRS). The figures used to calculate the key figure for sales revenues, investments (capex) and operating expenses (opex) stem from the figures reported in the Consolidated Financial Statements.

Based on a complete analysis of the company's economic activities with respect to the environmental goals "climate change mitigation" and "climate change adaptation", the proportion of taxonomy-eligible **sales revenues, capex and opex** in the respective total figures are stated in accordance with the Taxonomy Regulation for fiscal year 2021/2022.

Identified economic activities within the meaning of the EU Taxonomy Regulation

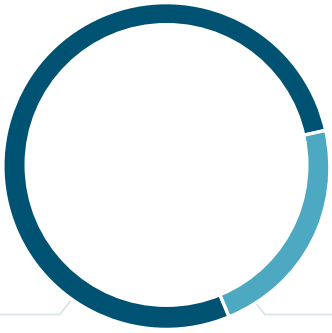
Economic sector according to the EU Taxonomy Regulation	Material economic activities identified in the Energie AG Group
Energy	Electricity generation from hydroelectric power and photovoltaics Storage of electricity, transmission and distribution of electricity Heat generation from bioenergy, waste heat and district heat distribution
Water supply, waste water management and waste management	Construction and operation of systems for water extraction, treatment and supply Construction and operation of waste water collection and treatment systems Collection and transportation of non-hazardous waste
Traffic	Transport using passenger cars and light commercial vehicles On-road freight haulage Construction and operation of infrastructure for low-carbon road traffic
Building industry and real estate	Acquisition and ownership of buildings Installation, maintenance and repair of technologies for renewable energies Installation, maintenance and repair of energy-efficient devices and charging stations for electric vehicles
Information and communication	Data processing, hosting and associated activities

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

Sales revenues – definition

According to the Taxonomy Regulation, the numerator only considers taxonomy-eligible goods or services that are produced or rendered directly by Energie AG Group. The proportion of taxonomy-eligible economic activities in the total sales revenues was determined as the proportion of sales revenues from goods and services that is associated with taxonomy-eligible economic activities (numerator), divided by Energie AG Group's consolidated net sales revenues determined in accordance with the "International Accounting Standard" (IAS) 1.82 (a) (denominator) (also see the **Notes to the Consolidated Financial Statements, Consolidated Statement of Income › Page 146**). The proportion of Energie AG Group's taxonomy-eligible sales revenues was 22% in the reporting period.

Sales revenues



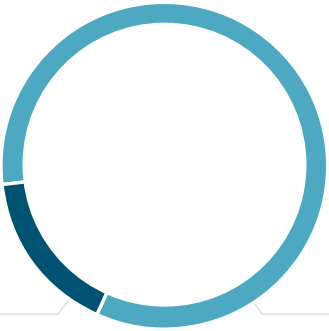
77.51% non-eligible **22.49%** eligible

Investment expenditure (capex) - definition

The key figure capex expresses the proportion of the investment expenditure that is either associated with a taxonomy-eligible economic activity or relates to the procurement of products and services from a taxonomy-eligible economic activity.

The key figure capex is defined as the taxonomy-eligible investment expenditure (numerator) divided by the total investment expenditure for intangible assets, property, plant and equipment, and IFRS 16 leasing investments (denominator) (also see the **Group Management Report, Business development in the Group › Page 110**). 84% of the investment expenditure was defined as taxonomy-eligible in fiscal year 2021/2022.

CapEx



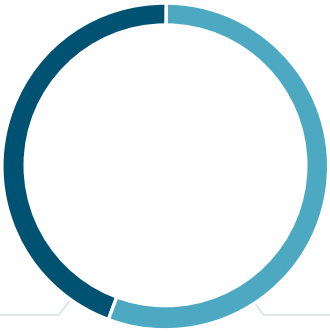
16.48% non-eligible **83.52%** eligible

Operating expenses (opex) - definition

The key figure opex expresses the proportion of the operating expenses within the meaning of the Taxonomy Regulation that is either associated with a taxonomy-eligible economic activity or relates to the procurement of products from a taxonomy-eligible economic activity.

The key figure opex is defined as the taxonomy-eligible operating expenses (numerator) divided by the total defined operating expenses (denominator). The operating expenses are comprised of the expenses for research and development (R&D), expenses for maintenance and repairs, direct expenses in relation to the daily maintenance of assets, and short-term leases. 56% of operating expenses in the reporting period were classified as taxonomy-eligible within the meaning of the Taxonomy Regulation.

OpEx



44.27% non-eligible **55.73%** eligible

PARTNERSHIP WITH EQUITY INVESTORS AND OUTSIDE CREDITORS

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

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

The goal of the Energie AG Group is to generate an **ROCE** (Return on Capital Employed) that is **higher than the WACC** (Weighted Average Cost of Capital) **value** through consistent value-oriented corporate management and control. Energie AG Group primarily relies on the ROCE and the operating result (EBIT) for its internal management and assessment of the Group's earning power.

The target for the long-term creditworthiness of Energie AG Group is a rating within the A group. In late February 2022, the international **rating agency Standard & Poor's** again confirmed the creditworthiness of Energie AG with an 'A' rating (with a stable outlook). The analysts assessed the Group's stability and resilience in today's highly volatile and crisis-laden environment as particularly positive. For more than two decades, the Energie AG Group has had a credit rating by external experts as one of the top ranking European energy suppliers.

As a result of the heavy turbulences on the European markets for energy and raw materials in combination with the associated potentially high liquidity requirements from the energy trading business, Energie AG in fiscal year 2021/2022 **secured its liquidity** by agreeing on additional – partly committed – lines of credit up to EUR 385 million with banks in Austria and Germany. This means that total lines of credit up to EUR 700 million are available to safeguard Energie AG's ability to take action even if markets were to become volatile in the future. Also see the **Group Management Report, Funding and investment strategy › Page 112**.

The securing of long-term funding on the capital markets plays an important role, in particular for the **financing of sustainable infrastructure projects** for the expansion and renewal of hydroelectric power and photovoltaic plants as well as the expansion of the electricity grid in Upper Austria. The transformation toward a **sustainable** energy supply will require massive investment programmes from the entire industry over the next couple of years. The commercial successes enjoyed in recent years enable Energie AG to make a significant contribution to and actively participate in the energy transition.

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

The magnitude of value creation for the stakeholders is evident in a study from the 2018/2019 fiscal year, in which Economica-Wirtschaftsforschung determined the **economic footprint of Energie AG**. The study found the Group to have Austria-wide relevance with a total value creation of EUR 1.1 billion and more than 10,000 safe jobs. In Upper Austria,

2.1% of the region's gross domestic product and 1.3% of employments are directly or indirectly dependent on Energie AG.

BUSINESS MODELS FIT FOR THE FUTURE – INNOVATION

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

Wertstatt 8 GmbH (Wertstatt 8) has been developing innovative solutions for the energy transition as an independent innovation company since 1 October 2019 with the goal of exploring the potential of different subject areas for future business models and placing an even stronger focus on the advancement of innovation-related activities. A dedicated **innovation lab** geared to the specific needs of innovation work was opened in December of 2021. Wertstatt 8 is continuously developing new solutions that cater to individual customer requirements. Rapid learning and experimentation is used to work on innovative concepts in areas such as sustainability, the circular economy or energy. The **open innovation approach** is used to develop sustainable service proposals together with customers and **external partners** (e.g. Industry meets Makers (IMM), bizup, Energy Institute at Johannes Kepler University (JKU) of Linz, or industry partners from the network of Wertstatt 8 GmbH). To promote the dialogue with employees, Wertstatt 8 has founded an internal sustainability community in fiscal year 2021/2022.

One of the solutions developed by Wertstatt 8, the **› online heating adviser "HEINZI"**, supports customers who need to renovate their heating system by recommending heating technology options in accordance with their individual requirements and preferences. "HEINZI" also provides information about the heating systems' CO_2 and fine dust emissions and supplies users with information about financial support for heating system replacements from the federal or state governments. Customers receive non-binding cost estimates and may request to be connected with specialist companies in the region who can support them in the practical implementation.

Users who are interested in installing **privately-owned PV plants** are supported by Energie AG's **› "PV calculator"**, which allows them to calculate the potential capacity and cost efficiency of their own PV plant. Energie AG thereby enables its customers to gain a quick overview of available options and receive suitable offers. Netz OÖ GmbH is the electricity grid operator for Energie AG and offers its customers a wide range of information and support in installing their own photovoltaic systems. In the fully automated approval process with the licensed electrical services companies, the latter also act as the point of contact for customers. Due to the sudden jump in applications in early 2022, Netz OÖ GmbH offered customers an extensive pool of information on its website at **› www.netzooe.at/photovoltaik** and also introduced online tools for customer support.

In combination with a special new tariff model, the **› "E-Fairteiler"** app developed by Wertstatt 8 and launched in July 2021 enables groups of private electricity producers and consumers to distribute their internally generated PV electricity (**peer-to-peer trading**) within the group. The only prerequisite is a smart meter. Surplus electricity can be sold to one or several groups of other customers (without a PV system) at an individually set price. The price is set in the app by the group administrator. By joining the group, the individual decides whether or not they accept the set conditions. More features for the "E-Fairteiler" app are planned. As of 30 September 2022, 793 customers had already used the app. No new tariff

has been offered since the end of April 2022 as a result of the turbulences on the energy markets and the resulting difficulties in determining the price of electricity.

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	2021/2022	2020/2021	2019/2020
Ideas submitted	Number	130	101	121

In the 2021/2022 fiscal year, this translated to 130 suggested improvements submitted by employees from all units within Energie AG Group in the form of a "Loominati" idea (previous year: 101).

The regularly conducted digitalisation initiative "**Neuland**" is one of the measures taken to implement Energie AG's digital strategy. Many pioneering ideas were once again received from Energie AG's employees in the past fiscal year 2021/2022. The initiatives included, for the first time, a hackathon, which allows employees to program their own digital solution on the basis of Microsoft PowerPlatform. Competent IT coaches supported the team with training during the lead-up to the event as well as directly in the development of new apps and workflows that can make their daily work easier by digital means. This was accompanied by brief webinars that were offered to the employees in the form of twelve inputs over 30 minutes each. A total of 482 staff members have used them for digital training. The PowerPlatform skills developed at the occasion of the hackathon represent solid knowledge that is added to the overall organisation and used sustainably for the development of other digital solutions.

New technologies

Energie AG believes that **new technologies** offer great potential for developing solutions for future challenges and harnessing opportunities in existing and new business areas. Accordingly, new technologies are afforded a high priority in the Group's research, development and innovation activities. The works in fiscal year 2021/2022 included, among others, projects in the areas of decarbonisation, flexibilisation, safety, digitalisation and automation.

For more information, see the **Group Management Report › Page 106**, **Research, development and innovation › Page 118**.

ENVIRONMENT

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

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

Energie AG pursues the following environmental objectives:

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

Energie AG's major sustainability issues in the realm of the environment and sustainability are climate protection and the responsible, careful and efficient consumption of natural energy resources. They are covered in the section Environment, broken down according to the Segments **Energy › Page 53**, **Grid › Page 63**, **Waste Management › Page 65**, **Czech Republic › Page 69**, and **Holding & Services › Page 70**.

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

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

CLIMATE PROTECTION & RESOURCE CONSERVATION

GRI 305-1, 305-2

Energie AG is a steadfast supporter of the Austrian government's **climate policy**. In addition to utilising and expanding electricity generation from renewable sources, Energie AG Group's climate protection action is assisted by the principles of resource preservation and energy efficiency. The company takes measures aimed at increasing the energy efficiency of existing plants and systems and at the same time advises customers in the implementation of their own energy efficiency measures. It is implementing projects focused on **decentralising the market** that lay the foundation for the emergence and functionality of renewable energy communities and facilitate a sensible, practical future cooperation with these new market players.

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

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

Emissions

GRI 305-1, 305-2

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

Fiscal year 2021/2022 accounts for the generation of 1,358 kt of direct CO_2 emissions (Scope 1; previous year: 1,099 kt), of which 1,184 kt are attributable to fossil energy sources (previous year: 923 kt) and 173 kt to biogenic energy sources (previous year: 176 kt). Energie AG Group accounted for 27 kt of indirect market-based CO_2 emissions (Scope 2; previous year: 29 kt) and 101 kt site-based CO_2 emissions (previous year: 120 kt). The variations in the previous year's figures resulted from an improved data collection methodology and more precise process analysis.

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.

Scope 1 encompasses direct emissions from the incineration processes of stationary and mobile facilities plus direct emissions from processes (CO_2 and CH_4).

Direct greenhouse gas emissions are released when primary energy sources are converted in the Company's facilities, vehicles and building heating. This includes all fuels such as natural gas, heating oil, diesel, petrol, liquefied petroleum gas and biogenic fuels. Energie AG creates electricity and district heating from these sources, allowing it to operate its own fleet of road vehicles.

Scope 2 encompasses indirect emissions from electricity purchases and district heating. For Group units located within Austria, the generation mix of Vertrieb GmbH is used to measure the market-based CO_2 emissions from electricity purchases. Electricity sales have been assigned the value of 0.00 g CO_2/kWh since fiscal year 2020/2021. The Czech Republic Segment is measured at the average annual generation mix for the Czech Republic as per the "European Environment Agency".

Indirect greenhouse gas emissions are released by the use of electricity from the grid and heating from non-Energie AG systems. This includes the operation of systems that generate no electricity in-house, such as electricity supply to Energie AG buildings, grid purchases during system shutdowns/overhauls and pumped-storage electricity.

CO_2 emissions in tonnes per year

Total direct (Scope 1) CO_2 emissions

	2021/2022	2020/2021	2019/2020
Total [1]	**1,357,555**	**1,098,730**	**1,217,676**

1) Previous years' values were restated due to improved data transmission.

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

Business unit	2021/2022	2020/2021	2019/2020
Erzeugung GmbH	626,386	390,503	491,328
Waste Management Segment	495,679	468,552	483,828
Czech Republic Segment	31,316	33,561	32,062
Vertrieb GmbH	25,567	25,169	23,966
Netz OÖ GmbH	3,188	3,575	3,395
Business Services GmbH [2]	1,978	1,629	1,714
Total	**1,184,115**	**922,990**	**1,036,292**

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

2) Previous years' values were restated in fiscal year 2020/2021 as the improved data transmission resulted in a lower consumption of fossil fuels by Business Services GmbH.

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

Business unit	2021/2022	2020/2021	2019/2020
Erzeugung GmbH [2]	8,203	8,082	6,693
Waste Management Segment	157,300	160,046	166,952
Czech Republic Segment	7,840	7,502	7,652
Vertrieb GmbH	96	110	86
Netz OÖ GmbH	0	0	0
Business Services GmbH	1	0	0
Total	**173,440**	**175,740**	**181,383**

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).

2) Previous years' values were restated for Erzeugung GmbH due to improved data transmission; a significant deviation was identified for biomass use.

Indirect (Scope 2) CO_2 emissions market based

Business unit	2021/2022	2020/2021	2019/2020
Erzeugung GmbH	12	14	4,310
Waste Management Segment	0	0	11,927
Czech Republic Segment	26,684	29,005	28,997
Vertrieb GmbH [1]	0	0	529
Netz OÖ GmbH	0	0	28,739
Business Services GmbH	421	0	0
Total	**27,117**	**29,018**	**74,503**
Total Scope 1 + 2, market based (in t CO_2eq)	**1,384,672**	**1,127,749**	**1,292,178**

1) Previous years' values were restated due to improved data transmission. The measurement of the contracting systems of Vertrieb GmbH was adjusted.

Indirect (Scope 2) CO_2 emissions site based

Business unit	2021/2022	2020/2021	2019/2020
Erzeugung GmbH [1]	5,758	7,173	7,841
Waste Management Segment	17,400	21,814	21,737
Czech Republic Segment	26,684	29,005	28,997
Vertrieb GmbH [2]	592	960	965
Netz OÖ GmbH	48,618	61,404	52,374
Business Services GmbH	1,797	0	0
Total	**100,849**	**120,355**	**111,914**
Total Scope 1 + 2, site based (in t CO_2eq) [3]	**1,458,404**	**1,219,086**	**1,329,590**

1) An improved data transmission resulted in a restatement of the emissions of the electricity input for Erzeugung GmbH in fiscal year 2020/2021.

2) Previous years' values were restated due to improved data transmission. The measurement of the contracting systems of Vertrieb GmbH was adjusted.

3) The values for the fiscal year 2021/2022 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)). Conversion factors are used for the use/consumption of natural gas, petrol, diesel, liquefied petroleum gas, heating oil, methane, biomass, biogas and district heating, for example. The market-based approach was based on the Vertrieb GmbH generation mix and the generation mix of the Czech Republic. The site-based approach was based on the generation mix of Austria and the Czech Republic. The emission values from waste incineration (Waste Management Segment) are based on continuous measurements. Methane is included in the "direct fossil emissions". The data of Umwelt Service GmbH (Waste Management Segment) has been collected for the calendar year 2021. For availability reasons, the data for buildings and the Czech Republic Segment is from the fiscal year 2020/2021. The following entities have not been included due to their small scale compared to the overall balance (< 1%): Trading GmbH, Telekom GmbH, the service areas (except Business Services GmbH) and Ennskraftwerke AG. The CCGT power plant in Timelkam is jointly owned by Energie AG (50%) and Groupe E (CH) (50%). The CO_2 emissions are included at 100% in accordance with the operative controlling approach.

CO_2 emissions from electricity production

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

1) Fuel mix disclosure figures of Vertrieb GmbH excl. Energie AG Oberösterreich Businesskunden GmbH and Energie AG Oberösterreich Öko GmbH (Öko GmbH); the data for the CO_2 emissions for the electricity production in the 2021/2022 fiscal year was not available at the time the report for 2021/2022 was prepared.

Electric mobility

Energie AG emphasises its role as a paragon and pioneer in the area of resource preservation by enthusiastically **endorsing electric mobility** and alternative engine power. The share of Company-owned electric passenger vehicles (excluding the Czech Republic Segment) rose to 54 vehicles in the 2021/2022 fiscal year (previous year: 39) and now represents 26.9% (previous year: 20.5%). The goal is to successively increase the share of **electric cars** in the Austrian fleet to **around 40% by the year 2024**. To achieve this objective, there will be a massive **expansion of the internal charging infrastructure** at existing and numerous new Energie AG locations in Austria. In fiscal year 2021/2022, Energie AG operated 152 charging points in Austria with 22 kW (previous year: 76), 1 direct-current rapid charger with 24 kW, as well as 2 rapid chargers with 2x75kW. The goal of expanding the charging infrastructure to 161 charging points at existing and numerous new sites by 2024 was overachieved.

Internal charging infrastructure

	Unit	2021/2022	2020/2021	2019/2020
Charging points	Number	155	76	48
Sites with charging infrastructure	Number	28	23	14

Energie AG thereby supports the Austrian Government Programme 2020-2024, which provides strong impetus for public companies to switch their fleets to electric vehicles. The **charging and operation of the vehicles** with 100% renewable energy enables the Group to reduce CO_2 emissions and the dependence on fossil energy sources.

Energie AG's charging card is the key to Austria's largest charging network, giving customers a convenient way to charge their electric cars. A total of 2,480 charge cards were issued to date (previous year: 1,385). More than 9,100 electric car charging stations across Austria are provided by cooperation partners and can be used with the **Energie AG charging card** (previous year: 7,200). In Upper Austria, Energie AG has established a dense charging network to provide public and fast charging facilities for electric cars. A further expansion (in cooperation with municipalities and local partners) in different capacity categories is planned. The electricity supplied to all charging stations operated by Energie AG is to 100% sourced from hydroelectric power, wind and solar energy. Energie AG also offers charging solutions for densely populated residential buildings and company fleets. These solutions are geared to the charging requirements of the local target groups.

In addition to charging solutions for private and business customers, the Energie AG Group is pursuing a targeted expansion of public charging stations – including operations management and service packages with local partners and municipalities – that is aimed at providing **full-coverage supply** to the general population. Energie AG currently operates 164 publicly accessible charging stations (previous year: 128) with various output ranges from 3.7 kW to 150 kW, including a billing system, and manages a total of 604 charging points (previous year: 425). As of the reporting date, rapid charging stations were in operation at 13 sites (previous year: 8).

E-mobility services

	Unit	2021/2022	2020/2021	2019/2020
Charging points that accept the Energie AG charge card	Number	9,100	7,200	4,500
Public charging stations operated	Number	164	128	98
Charging points managed	Number	604	425	257

Energy audit

The **energy audit**, in line with § 9 of the Austrian Federal Energy Efficiency Act 2015 (Bundes-Energieeffizienzgesetz), is conducted once every four years and covers all the Energie AG Group's locations in Austria. The most recent energy audit was concluded in November 2019 and the next audit will take place in fiscal year 2022/2023. 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, as well as hot water systems used in industrial activities.

Energie AG is continuously working on **increasing the energy efficiency** of its processes and also runs numerous campaigns that support its customers in making the switch to efficient devices and energy-saving illuminants. The switch to LED lighting was further advanced successively in fiscal year 2021/2022. The Waste Management Segment placed a particular emphasis on the energetic efficiency of grate firing and fluidised bed waste incineration plants. The expansion of district heat extraction from the waste incineration plant in Wels was completed in the summer of 2022. Additionally, the installation of a 50 kWp photovoltaic system at the Redlham site will provide the base load of this production site from renewable energies.

Biodiversity

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

Energie AG is also implementing measures to **improve ecological conditions** and reduce the environmental footprint.

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

Fish bypasses

	Unit	2021/2022	2020/2021	2019/2020
Dams with fish bypasses	Number	26	26	25
Dams without fish bypasses	Number	19	19	20

In the **"European Nature Reserve Lower Traun"** and the Natura-2000 area "Lower Traun and Alm Valley", a section of the embankment of the Traun river was adapted to the requirements for the rare habitat type "soft floodplain" (biosphere 91E0) in February of 2022. This delivered a supplementary environmental improvement to the efforts to preserve the biodiversity. Back in the winter of 2017/2018, measures were taken to stabilise the river bed with a special attention to the fish biosphere. These measures had a positive impact on the groundwater level and the overall condition of the floodplain at the Lower Traun river. A positive secondary effect is better **flood protection for neighbouring communities**.

Energie AG holds more than 20 **fishing rights** in Upper Austria and Salzburg and not only supports the natural reproduction of the fish stock, but also secures the naturally authentic population density by means of ecological breeding programmes and regular stocking with native fish species.

Resources

Energie AG Group requires **energy** in various forms in order to operate its business activities. The administration buildings of Energie AG in Austria (excluding the Waste Management Segment) consume around 5 GWh for heating. The biggest source is district heat, which accounts for 42%. Other sources are gas (32%), electricity from heat pumps (13%), direct electricity (9%), and pellets (3%). The pure electricity demand is approx. 5 GWh. Photovoltaic systems installed at Energie AG sites in Austria (excluding the Waste Management Segment) generated 0.2 GWh of electricity in fiscal year 2021/2022.

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

In fiscal year 2021/2022, the entire portfolio of real estate assets in Upper Austria (office, workshop and storage buildings) was analysed on the properties' **CO_2 footprint**. This analysis identified potential for optimisation, e.g. by replacing certain gas supply systems. Due to its size, the micro gas turbine at the Haid site has already been converted to district heat. Other revisions of the heating system aiming at an integrated energy concept as well as a wide range of measures to reduce the CO_2 output are being analysed and will be implemented over the coming fiscal years. For the Waste Management Segment, the CO_2 footprint is recalculated on a yearly basis at the same time the environmental statement is prepared.

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

The office buildings in particular need an input of resources in the form of electricity, heating energy, paper and water. In fiscal year 2021/2022, the Energie AG Group's sites in Austria consumed 18 t of **paper for printers and copying machines** (excluding the Waste Management Segment), which is 11.7% less than in the previous year and 30.1% less than in fiscal year 2019/2020. The digitalisation campaign means that more and more processes are being digitalised, which reduces the consumption of paper even further. The Energie AG Group's sites in Austria mainly use paper that is FSC- (Forest Stewardship Council) and PEFC- (Programme for the Endorsement of Forest Certification) certified.

The process to **reduce physical mail** started in fiscal year 2017/2018 is continuing. After switching to the digital inbox for correspondence from government authorities and automatic forwarding to the respective organisational units with the help of robotics technology, the future focus will increasingly shift to reducing the number of outgoing paper-based mail items. Efforts to further establish digital customer communications (invoice delivery, customer mail etc.) are ongoing. A targeted analysis of the senders of paper-based mail items (e.g. newspapers, catalogues, promotional and business mail) has already collected more than 3,000 data records (exclusive of the Waste Management Segment) from across Austria. Coordinated efforts with the affected organisational units have resulted in a reduction of these mail items by around 70%, which translates into around 1,600 kg of paper-based mail that was not sent out. This process is evaluated and expanded on an ongoing basis.

Thanks to ongoing digitalisation and the **storage space optimisation project** initiated in the 2021/2022 fiscal year, an impressive quantity of office materials was saved and recycled.

Paper consumption

	Unit	2021/2022	2020/2021	2019/2020
Paper consumption	t	18	20	25

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

Water management

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

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

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

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

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

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

Employees in Austria (excl. the Waste Management Segment) whose workplace (field service) situation entitles them to a daily serve of mineral water will in the future receive freshly carbonised **drinking water** directly from the well or local water outlet of their respective support base. All taps used in the field offices in Austria (excl. the Waste Management Segment) will successively be retrofitted with a technical system that uses an activated carbon filter to purify, chill and carbonise drinking water using an active carbon filter. This will cut down on plastic packaging.

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

Internal waste management

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

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

Waste generated in tonnes [1)]

	Unit	2021/2022	2020/2021	2019/2020
Non-hazardous waste (Austrian sites)	t	2,794	11,301	1,186
Non-hazardous waste (Waste Management Segment)	t	125,961	115,028	117,827
Hazardous waste (Austrian sites)	t	202	144	118
Hazardous waste (Waste Management Segment)	t	1,260	1,242	2,143

1) The volumes of the Waste Management Segment include, for the purposes of the EMAS certification, residual waste from waste incineration plants, e.g. slags, ashes and scrap metal. Waste generated by Energie AG Südtirol and RVL Reststoffverwertung Lenzing GmbH (RVL) are not included.

ENERGY SEGMENT

GRI 203-1, EU1, EU2

Generation

The **program pursued by the Austrian government** provides for a massive expansion of renewable power plants between now and the year 2030: The electricity generation is set to increase by 50% or 27 TWh, which will require the construction of many new hydropower plants, wind turbines and photovoltaic (PV) systems along with a moderate expansion of biomass.

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

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

Steady expansion of renewable energy

The further expansion of the existing generation portfolio from renewable sources is a focal point of the strategic development. According to technical and commercial potential estimates, Energie AG Group has the capacity to **generate 630 GWh of renewable electricity** between now and 2030 by utilising new plants (hydroelectric power, wind power, and PV) and improving the efficiency of existing plants. Energie AG Group's existing capacities will be increased by approx. 24% to around 3,250 GWh of electricity from renewable energy sources, also see **Energie AG Strategy 2030, Additional renewable electricity generation until 2030 › Page 27**.

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

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

Hydroelectric power

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

Storage expansion creates flexibility. In the future, the electricity supply in Austria will have to have an even greater capacity to store electricity and release it upon request at short notice. This is why Energie AG is advancing the implementation of the pumped storage power plant in Ebensee, which has already gained approval in the environmental impact assessment and is earmarked to significantly increase the security of supply with an output of up to 170 MW.

The **expansion of hydropower** also depends on preserving the existing power plant capacities, which will require measures and regulatory processes aimed at maintaining the water rights. Environmental measures will be designed with an eye on minimising the loss of works water for hydropower generation. The expansion of hydroelectric power is partially necessary to compensate the production decline caused by the ever more stringent environmental requirements.

Energie AG operates 43 of its own **hydropower plants** with a total capacity of around 280 MW and around 1,160 GWh in standard production capacity (previous year: 1,160 GWh). In addition, the Group holds procurement rights to run-of-river power plants along the Enns and Donau with a proportionate standard production capacity of around 1,210 GWh as well to the pumped-storage power plant Malta/Reisseck II with a proportionate output of around 130 MW.

The operational management of three **hydropower plants of Wels Strom GmbH** was assumed by Erzeugung GmbH on 1 January 2022.

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

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

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

Photovoltaics

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

Energie AG Group is operating 84 **PV power plants** (previous year: 75) with an output of approximately 18 MW (previous year: 14 MW) and a standard production capacity of 19 GWh (previous year: 14 GWh). The PV plants in operation have a module surface of around 125,000 square metres (previous year: 100,000) and can produce the yearly electricity consumption of around 4,500 freestanding family homes (previous year: 3,500).

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

The **expansion of the SolarCampus in Eberstalzell** in the autumn of 2021 doubled the previous photovoltaic surface by adding 15,751 m^2, with the result that the existing land area is now fully used for electricity generation. The use of significantly more powerful PV modules and their optimised installation delivered an total output increase to 4.32 MWp, which represents a four-fold increase of the average yearly electricity generation. Compared on the basis of the ENTSO-E Mix 2020, this saves more than 1,500 tonnes of CO_2 emissions. Instead of the previous number of 300, the SolarCampus in Eberstalzell is now supplying around 1,400 households with solar electricity from the region.

Wind power

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

turbine, which has been in trial operation since October 2022, was constructed in the wind park in Munderfing in fiscal year 2021/2022.

Generation plants

	Unit	2021/2022	2020/2021	2019/2020
Hydropower plants	Number	43	43	43
Total output	MW	280	280	280
Standard production capacity	GWh	1,160	1,160	1,150
Procurement rights from hydroelectric power	MW	380	380	380
Procurement rights from hydroelectric power, standard production capacity	GWh	1,410	1,410	1,410
Thermal power plants (locations) [1]	Number	6	6	6
Electricity output	MWe	400	400	400
Standard production capacity	GWh	2,260	2,260	2,260
District heating grid Austria	Number	12	12	12
Heat contracting plants	Number	614	607	598
Wind power facilities	Number	13	13	13
Output	MW	15	15	15
Standard production capacity	GWh	36	36	36
PV systems	Number	84	75	71
Output	MW	18	14	12
Standard production capacity	GWh	19	14	13

1) Previous years' values were restated from 7 to 6. The combined heat and power plant (CHP) in Attnang-Redlham was decommissioned in 2019.

Proprietary electricity procurement

	2021/2022		2020/2021		2019/2020	
	GWh	%	GWh	%	GWh	%
Natural gas power plants	1,015	28.4	465	14.7	688	19.9
Waste incineration	120	3.4	118	3.7	128	3.7
Hydroelectric power	2,232	62.4	2,381	75.1	2,433	70.4
Biomass and biogenic waste	154	4.3	157	5.0	156	4.5
Wind power	38	1.1	35	1.1	37	1.1
Photovoltaics	18	0.5	13	0.4	12	0.3
Total proprietary procurement	**3,577**		**3,169**		**3,454**	
Share of renewable energies	**2,442**	**68.3**	**2,586**	**81.6**	**2,638**	**76.4**

In the 2021/2022 fiscal year, 68.3% of Energie AG's proprietary electricity procurement came **from renewable sources** (previous year: 81.6%), with around 62.4% of this coming from

hydroelectric power (previous year: 75.1%) and the remainder from PV systems, wind power, biomass and biogenic waste. The reasons behind the declining share of electricity production from renewable sources are river water levels that are 12.1% lower than the long-term average (previous year: -6.1% lower) in combination with a more than doubling of the utilisation of thermal power plants as a result of the prevailing market conditions.

Effects of climate change on the business model

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

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

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

Need for flexibility in electricity production

In addition to a high-performance grid infrastructure, the security of supply also depends on a **secure and flexible energy output**. After reaching the "100% renewables" target in electricity generation in the year 2030, the summer months are expected to deliver a clear surplus production of PV electricity. In winter, on the other hand, it is not possible to cover the higher electricity demand - mainly resulting from heat pumps, e-mobility and industrial electrification - due to the insufficient output of the PV and wind power plants. Forecasts expect the shortfall to amount to up to 9,500 MW for brief periods. "Backup capacities" from flexible CCGT power plants are needed to warrant the **system stability** during these months. The **CCGT power plant Timelkam** plays an important role in congestion management and as a grid reserve.

In order to make flexible capacities available at short notice, which may be necessary due to forecasts that deviate from actual wind levels or solar irradiation, Energie AG is taking the next step toward realising the **pumped-storage power plant in Ebensee**, which has already been approved by the environmental impact assessment. The preliminary project will also include preparation of the final economic evaluation under energy criteria and the profitability calculation. Once the preliminary project has been completed, the Supervisory Board will be asked to make the final investment decision on the project. The demand for additional storage capacities until 2030 undoubtedly exists. Battery storage, e-mobility, and

managing consumer behaviour may be sensible additions from today's perspective but fall a long way short of covering the total additional need for flexibility on their own. Maintaining the system stability requires synchronous and parallel support for the volatile generation from renewable sources by flexible "backup capacities" such as pumped-storage power plants. The appropriate regulatory and public funding framework will have to be put in place for these extremely capital-intense investments.

The **Ebensee site** offers a range of significant advantages given its topography, the associated high degree of efficiency and the existing grid connection. Due to the economic environment for the energy sector, the project's economic viability was not guaranteed up to now. Europe's Green Deal, Germany's plans to phase out coal and nuclear power, and Austria's ambitious climate and energy strategy all mean that there is a growing need for more high-performance storage capacities and flexible solutions. Depending on the project development, the building permit might already be issued in fiscal year 2022/2023, the construction will then last around 4 years, which means that an optimum project execution will lead to a commissioning in the year 2027.

Thermal power plants & district heating

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

Energie AG has six locations [1] for **thermal power plants** with an output of around 400 MW_e and a standard production capacity of up to 2,260 GWh [2]. The power plant with the highest output in Upper Austria is the **CCGT power plant in Timelkam** with an output of 405 MW_e [3]. It warrants the flexibility needed to guarantee the security of supply on the energy market and allows for a stabilisation of the electricity grid during congestion management. The Timelkam plant is particularly relevant to the Austrian control area manager with regard to the security of supply.

The **main inspection** of the CCGT power plant in Timelkam and its upgrade to state-of-the-art technology took place in the autumn of 2022 and aimed at increasing the efficiency and reducing the consumption of natural gas. The output was increased to around 414 MW_e. The conversion works will also see the installation of new furnaces and more advanced turbine blades, an increase of the incineration temperature, and adjustments to the cooling air.

The last of the coal was burnt up at the Riedersbach power plant in 2016. Since then, only natural gas and biomass have been used to generate electricity and district heating at the Riedersbach and Timelkam sites. The **biomass power plant at Timelkam** (output: 9.5 MW_e, 28 MW_t) uses forest and herbaceous biomass as well as biogenic waste in accordance with the Austrian Green Electricity Act to generate green electricity and district heating.

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

Conserving resources is more than simply a focus area in the operation of these plants; it begins as soon as infrastructure facilities are built and spans their entire useful life. The environmental impact of new production and supply facilities is kept as low as possible with the close involvement of affected stakeholders and the support of outside experts.

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

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

3) Timelkam CCGT power plant (100%)

A **forward-thinking maintenance strategy** ensures high system availability and maximises system lifespans.

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

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

Energie AG operates 12 **district heating distribution networks** (previous year: 12) and manages 614 **heating systems under service contracts** on behalf of customers (previous year: 607). 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.

In October 2022, Energie AG teamed up with the Austrian Institute of Technology (AIT) and other partners in research and industry to start a research project that examines the **assessment of geothermal resources** in three areas in Upper Austria together with the potential utilisation of this heat in industrial operations as well as the local district heating networks.

In yet another research project in cooperation with the Energy Institute of Johannes Kepler University in Linz (JKU) and other research and industry partners, Energie AG has launched a research project that investigates the **development of interregional heat transfer networks** that are supposed to link several industrial waste heat and other sustainable sources, district heating networks, industrial process heat and storage facilities with each other.

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

Renewable heat

In the area of heat, Energie AG has already initiated the switch to renewable energy through a number of projects over the past years. Until the year 2030, all of the measures combined will lead to a quota of 80% for sustainable, **CO_2-neutral heat generation** from biomass with more than 260 GWh from biomass (Erzeugung GmbH, district heating networks Aschach, Freistadt, Pregarten, Weichstetten, Bioenergie Steyr GmbH and Energie Contracting Steyr GmbH), approx. 45 GWh from geothermal (GRB Geothermie Ried Bohrung GmbH and Geothermie-Fördergesellschaft Simbach-Braunau mbH), and approx. 40 GWh from industrial waste heat utilisation (Kirchdorf and Gmunden). The significantly expanded utilisation of waste heat in the waste incineration plant in Wels as part of the project "Future initiative electricity and heat supply Wels" allows for the current production of around 180 GWh to be more than doubled to around 390 GWh in the long term. The use of fossil fuels is reduced by

maximising the utilisation of heat from waste incineration. The strategy of **densification and optimisation of the existing district heating networks** is being continued. Additional waste heat sources will be evaluated between now and 2030, the heat used this way will be integrated into the district heat networks, making them even more sustainable.

For more information about energy generation, see the **Key performance indicators › Page 120** section of the **Group Management Report › Page 106,** as well as the **Energy Segment › Page 122**.

Sales

GRI EU DMA (formerly EU7)

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

As a **provider of energy audits** in accordance with the Federal Energy Efficiency Act that is registered with the National Energy Efficiency Monitoring Centre, Vertrieb GmbH and its wholly owned subsidiary Ingenieurbüro IfEA Institut für Energieausweis GmbH (IfEA) employ 12 listed energy auditors (previous year: 12), making the Company one of the largest providers of this service in Austria. IfEA offers a wide range of other energy services for individuals and companies that seek to promote a sustainable and conscious consumption of energy and enable customers to benefit from easily accessible high-quality services. Energy performance certificates, thermograms, blower door tests, and heating monitoring are among the standard service offers. The IfEA supports businesses on their way to more sustainability and resource-efficiency by offering energy audits, energy advice for small and medium-sized companies, CO_2 footprint and load profile analyses for electricity and natural gas, as well as optimisation concepts. Delivered in cooperation with an external cooperation partner, IfEA's new **› Fit4Green** service creates significant additional value for customers. The focus is on energy efficiency, decarbonisation, development of a climate strategy and concrete implementation planning. It also includes a public funding strategy. A special campaign in 2022 aimed at raising the awareness for sustainability among the workforce by offering IfEA services at discounted rates.

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

Vertrieb GmbH also offers a **CO_2-reduced gas product**, which contains biogas from the company's own biogas plant in Engerwitzdorf. The biomethane plant in Engerwitzdorf supplied around 11.9 GW (previous year: 10.8 GWh) of renewable gas (biomethane) into the natural gas grid in fiscal year 2021/2022.

For the most part, Energie AG supplies its electricity customers with electricity from environmentally friendly hydroelectric power. The following presentations of the energy mix of the product label "OÖ Wasserkraft", and the product label "OÖ Ökostrom" of the Vertrieb GmbH relate to the 2020/2021 fiscal year [1)].

Fuel mix disclosure

Hydroelectric power	79.67%
Wind energy	11.92%
Biomass, solid	4.26%
Biogas	1.05%
Photovoltaics	3.10%
Other eco-energy	0.01%
Natural gas	0.00%
Crude oil and its products	0.00%
Coal	0.00%
Others	0.00%

Environmental impact of electricity generation:

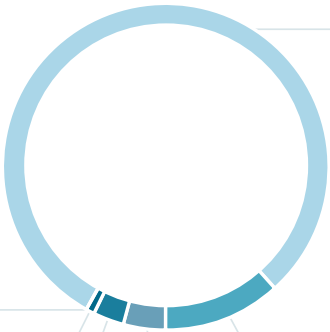
CO_2 emissions	0.00 g/kWh
Radioactive waste	0.00 mg/kWh

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

Upper Austria hydroelectric power

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

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



80.01% Hydroelectric power

0.01% Other eco-energy

1.05% Biogas

2.97% Photovoltaics

11.70% Wind energy

4.26% Biomass, solid

Figures as of 13 January 2022

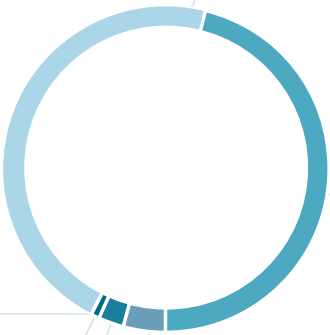
[1] Fuel mix disclosure figures as defined by the Austrian Electricity Industry and Organisation Act (Elektrizitätswirtschafts- und -organisationsgesetz; ElWOG), § 78 onwards, were not yet available for the 2021/2022 fiscal year at the time this report was written.

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

Upper Austria green electricity

Product "Ökostrom Plus"

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



46.15% Photovoltaics

46.15% Wind energy

0.01% Other eco-energy

1.05% Biogas

2.38% Hydroelectric power

4.26% Biomass, solid

Figures as of 13 January 2022

Energy efficiency at the customer

The **Federal Energy Efficiency Act** (Bundes-Energieeffizienzgesetz) of 2015 was to the largest part rescinded at the end of calendar year 2020. It took great effort for the Vertrieb GmbH to satisfy all requirements from the Act. The new Energy Efficiency Act and the requirements and obligations resulting from it are expected in the first half of 2023. Energie AG continues to engage in promotional funding and campaigns to encourage efficient and sustainable energy use.

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

Energie AG incentivises its customers to use energy efficiently in numerous ways. Around 27,000 **LED lamps** were distributed to customers free of charge at the occasion of the regional roadshow in calendar year 2021.

The **household appliance exchange** campaign promotes the replacement of old energy-hungry household appliances with energy-efficient new appliances. In cooperation with the network of partner stores, the number of customers who replaced one of their household appliances was increased in the year 2021. 845 old household appliances were replaced with more efficient new models (previous year: 743), 813 of them were in the white goods category (e.g. fridges, freezers, washing machines).

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

In the year 2021, Energie AG partially funded a total of 394 **heat pumps**, of which 113 were in new buildings, 68 in renovated older buildings, and 197 in unrenovated older buildings.

Funding was also made available to 16 projects that sought to replace hot water heat pumps. In the year 2020, this was comprised of 115 projects funded under the EEffG, 61 of them for new buildings, 45 for renovated older buildings, and 9 for hot water heat pumps.

An additional funding option for heat pumps was made available in the campaign **"Exit oil"**, which supported the switch from old oil-fired heating systems to environmentally friendly and energy efficient heat pump solutions. The "energy saver package" campaign, which in past fiscal years supported the replacement of old heating systems with an efficient natural gas-fired condensing boiler, has not been actively promoted since the war between Russia and Ukraine broke out. In line with contractual terms, the campaign does however remain current until the end of 2022.

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

Energie AG has extensive expertise and experience in the **area of photovoltaics**. **PV contracting solutions** enable business and industrial customers to harvest the benefits of an environmentally friendly electricity generation from solar power without having to finance the installation of the system and take care of its operation. Vertrieb GmbH is operating a total of 61 PV contracting systems for customers (previous year: 50) with an output of around 9.9 MWp (previous year: 8.4 MWp) on the roofs of companies in Upper Austria. Other PV contracting plants at customers' premises are currently under construction.

PV contracting plants

	Unit	2021/2022	2020/2021	2019/2020
PV contracting plants	Number	61	50	51
Output	MWp	9.9	8.4	8.4

Energie AG **promotes the expansion of roof-mounted PV plants** by offering its customers the **› "PV Superdeal"**, which is a way of using a hire-purchase model to put a powerful, high-quality and individualised PV solution on the roof without the upfront investment. The focus is on **PV plants up to 5 kWp** for individual consumption; the unused electricity is either purchased by Energie AG, or traded peer-to-peer via a mobile phone app. In the B2B business, the contracting solution **› "PV-Profideal"**, which offers **PV system packages from 10 to 80 kWp**, was developed for commercial and agricultural customers as well as municipalities, associations and corporations. This provides strong support to the "Photovoltaic Strategy for Upper Austria 2030".

GRID SEGMENT

GRI 203-1, EU3, EU12

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

Netz OÖ GmbH is committed to the sustainable treatment of the resources available to us as well as to exercising its social responsibility. This includes being actively involved in shaping the living environment of customers and laying the foundations for the measures that are needed to master the energy transition and combat climate change. This is why Netz OÖ

GmbH gained certification to **ONR 192500:2011 "Social responsibility of organisations" (CSR)** in the 2020/2021 fiscal year. The CSR goals are closely linked with the QSE management system of Netz OÖ GmbH. Regular internal and external audits review the compliance with the QSE and CSR standard.

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

The integration of the mainly decentralised PV generation systems with approx. 589 MW installed capacity into the electricity grid entails a **high capital expenditure** for adapting the grids to the additional requirements in terms of capacities and grid-balancing capability. Taking Upper Austria's goals for the expansion of renewable energies as a basis, far more than EUR 100 million in capital will be needed over the next 10 years. Thanks to local sourcing, more than half of this amount will **generate additional value in Upper Austria**.

Important sub-projects that fall under the auspices of the "**Electricity Grid Master Plan Upper Austria 2028**", e.g. the projects "electricity supply Almtal and Kremstal" and "electricity supply Pramtal south" and the new Hörsching substation have already been completed. Other projects are currently in the implementation or planning phase. All projects pursue the objective of warranting a reliable and secure electricity supply in Upper Austria.

In light of the expected massive expansion of e-mobility and decentralised systems for electricity generation from renewable sources, the low and medium voltage grids will also have to be expanded in the years ahead.

Between now and 2027, around EUR 55.0 million will be invested into the **gas grid**, which is needed to support sector coupling and integration. Investments into this grid are necessary notwithstanding the planned exit from fossil energy sources due to the fact that these grids can also transport and distribute green, climate-neutral gases such as organically or artificially produced biomethane or hydrogen.

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

Grid losses

	Unit	2021/2022	2020/2021	2019/2020
Electricity grid losses	GWh	222	238	203
Electricity grid losses	%	2.7	2.8	2.6
Gas grid losses	m^3	10,798	31,367	26,533
Gas grid losses in CO_2	t	217.69	632.36	534.91

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

In the 2021/2022 fiscal year, the **losses in the electricity grid** amounted to 2.7% or 222 GWh (previous year 2.8%/238 GWh). The **gas grid losses** caused by venting (cold flaring) for repairs and maintenance works amounted to 10,798 m^3 in the 2021/2022 fiscal year (previous year: 31,367 m^3). The gas grid losses correspond to 217.69 t

of CO_2 (previous year: 632.36 t of CO_2). Due to the number and nature of the projects in comparison to the previous year, the venting quantity has declined greatly.

Use of land

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

In order to keep concerns to a minimum, the company already affords maximum **consideration to the settlement structure** and neighbours during the planning phase. In most cases it is possible to reach mutual agreement with regard to the utilisation of land for the erection of the necessary energy systems. The compulsive registration of an easement that allows the use of land in the public interest of assuring the energy supply is only a measure of last resort in cases where this is not possible.

Social responsibility at Netz OÖ GmbH

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

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

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

WASTE MANAGEMENT SEGMENT

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

The Waste Management Segment handles a **total waste volume** of around 1.6 million tonnes a year (previous year: 1.7 million t) at 24 facilities. Due to modern logistics and the extensive network of facilities, this waste is collected, treated, incinerated or disposed of in a commercially and environmentally state-of-the-art process. The market for waste management is subject to permanently changing general conditions.

The **careful use of resources** and prevention or reduction of emissions with the active involvement of customers, employees, and owners as well as their level of satisfaction are fundamental prerequisites for the Group's long-term success. To guarantee customer focus and rapid service, the Waste Management Segment operates at various sites across all of Austria.

The **environmental targets** of the Waste Management Segment are stated in the current **› environmental declaration 2022 pursuant to EMAS**.

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

The majority of the handled waste volumes is processed in Group-owned treatment and recycling plants and then returned on the market or used for **electricity or heat generation**. Investments into the highest technical standards and in environmental protection are one of the foundation stones of the Waste Management Segment's business activities.

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

The recycling of the residual **slag** from waste incineration at Energie AG's Wels plant has been ongoing for more than 10 years. About a quarter of the input mass remains after the incineration process in the form of inert residual substances (slag) that also contain various types of metals. In a multi-stage mechanical separation process using a mobile treatment plant, ferrous and non-ferrous metals remaining in the slag after incineration are extracted. These raw materials (aluminium, copper, brass and stainless steel) are separated, recycled and returned into the metal processing cycle to replace primary raw materials, which also saves CO_2 emissions in comparison to primary production. The recycling of the metals additionally reduces the use of the landfill in Wels and thereby prevents the need to use other landfills and the associated truck journeys and fuel consumption.

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

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

In order to keep the waste incineration plants up to date with the latest technology and warrant an **uninterrupted security of waste management**, the waste incineration plants are regularly inspected with a focus on the replacement of bigger system components.

A key objective of the Waste Management Segment lies in **compensating for emissions** caused by own plants and reducing the consumption of resources. The Segment's **CO_2 footprint** was determined in the 2019/2020 fiscal year in cooperation with the Environment Agency Austria and forms the basis for the climate change mitigation strategy that the waste management sector is implementing in order to achieve CO_2 neutrality. According to Environment Agency Austria, the direct and indirect emissions amount to a total of 530,000 t of CO_2eq (resulting from the operation of incineration plants, logistics, electricity consumption etc.). Around 60% of these emissions are already directly compensated by the services provided by the Umwelt Service GmbH, e.g. by the production of substitute fuels and the recycling of waste materials to secondary raw materials. Additionally, the generation of electricity and district heat in the waste incineration plant in Wels generates a theoretical prevention potential of around 250,000 t of CO_2eq for the Umwelt Service GmbH.

Based on the insights from the investigation conducted by Environment Agency Austria, the Umwelt Service GmbH is now implementing additional projects within the **climate change mitigation strategy**. The focus of these projects is on the switch to electric vehicles and the in-house generation of electricity from photovoltaics. The positive development of these projects with respect to the CO_2 footprint is monitored continuously.

The site in Wels with its two **waste incineration plants** is not only the centre piece of the waste solution for Upper Austria, but also a hub for many waste management activities within Energie AG Umwelt Service GmbH. In Wels, Energie AG makes a positive contribution to the circular economy and climate protection by returning humified organic substances and nutrients to the natural cycle by means of pre-treated compost materials. The **compost material** of Energie AG is of quality class A+, which means that it can not only be used for soil maintenance with fruits and vegetables, but also for the establishment of new vegetation and lawn areas.

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

Total waste volume in tonnes [1)]

	2021/2022	2020/2021	2019/2020
By waste type			
Non-recyclable waste	1,196,742	1,298,784	1,280,717
Paper	197,651	211,231	218,973
Plastics & packaging	46,444	47,677	50,650
Glass	54,538	54,409	55,406
Organic waste	56,701	58,981	59,820
Metals	23,240	30,156	25,796
By hazardous substance			
Hazardous waste	98,164	100,540	94,304
Non-hazardous waste	1,477,151	1,600,697	1,597,059
By waste management method [1)]			
Recycling	567,685	639,077	616,703
Incineration			
High-caloric	49,629	54,880	57,508
Medium-caloric	909,762	943,282	955,981
Low-caloric			
Landfill	48,240	63,998	61,170

1) The waste management method relates to the prevalent waste management method after waste generation. The total waste volume of the Waste Management Segment also includes the volumes from Energie AG Südtirol Umwelt Service GmbH, reporting changed with retroactive effect from financial year 2019/2020.
Example 1: So-called non-recyclable waste is generated in private households. The first treatment stage takes place at the waste incineration plant. The incineration produces residual substances that are then processed in additional steps. The subsequent processing steps are disregarded as the waste volumes are significantly smaller than the originally produced residual waste.
Example 2: batches of separately collected packaging materials (such as paper, glass, plastic) always contain wrongly discarded packaging materials. A sorting machine separates these misplaced materials from the recyclable materials. The by far biggest portion of the waste materials can be recycled. As a result, the collected paper, plastic and packaging materials as well as glass items come under the recycling category in terms of their disposal method.

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

Water supply and waste water management services

The Waste Management Segment also offers **water supply and waste water management services** to cities and municipalities across Austria. In fiscal year 2021/2022, the Waste Management Segment, via WDL-Wasserdienstleistungs GmbH, supplied around 130,000 persons with approx. 9.0 million m^3 of drinking water that is sources from wells in a number of waterworks and delivered to the customers (municipal customers) at defined transfer points.

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

Energie AG only has limited influence over **water losses** in the distribution networks of the municipalities serviced, as the municipalities who own the infrastructure in these areas have

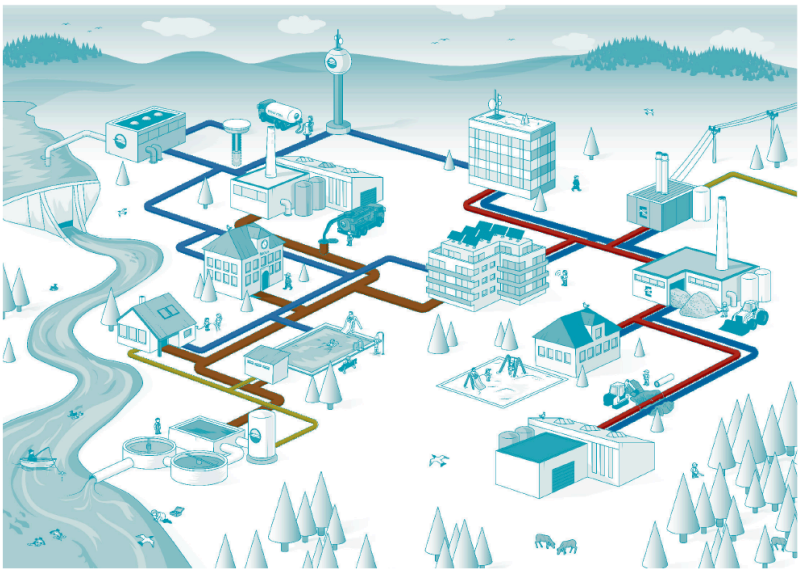
the power to decide on any measures (upgrades, investments, etc.). Energie AG carries out monitoring, measurements and broad-based analysis and formulates proposed measures for decision-makers to reduce non-revenue water.

CZECH REPUBLIC SEGMENT

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

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

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



Lines and cables: Drinking water Waste water Heat Gas

181
water extraction and treatment plants operated or owned

13,669 km
water and wastewater network operated or owned

690
water/wastewater contracts with cities, municipalities and communities

340
sewage treatment plants operated or owned

53.6 km
heating network

198 GWh
heat sales

In fiscal year 2021/2022, the Czech Republic Segment supplied just short of 1 million people with approx. 49.2 million m^3 of drinking water (previous year: approx. 48.2 million m^3) and provides **waste water management services** to around 700,000 residents with around 45.2 million m^3 waste water (previous year: approx. 45.1 million m^3). Given that local authorities are responsible as the owners for **renovating networks** (except for one investment – VaK Beroun a.s.), Energie AG's measures focus on locating and repairing leaks. In recent years, extensive investments have been made in modern hardware and software for hydraulic network modelling, as well as in expanding district metered areas, supplying equipment and providing employee training.

The measures taken in response to the turbulences on the **European energy market** in fiscal year 2021/2022 include, for example, a distribution of the procurement risks among a number of suppliers and an intensified monitoring of the development of energy prices. The supply of residential, commercial and industrial customers in the Czech Republic with

drinking water and waste water management services was, despite the impact of the war between Russia and Ukraine, assured at all times in fiscal year 2021/2022.

A **benchmarking** in accordance with the internationally accepted "unit water leakage" method paints a positive overall picture for the 69 supply areas (previous year: 52) that each have a population of more than 5,000. In fiscal year 2019/2020, 92% of the networks were in good condition, 6% in average condition and 2% in poor condition. For the 2020/2021 fiscal year, these values have changed to 88% in good condition, 9% in average condition and 3% (representing two municipalities) in poor condition.

The **business area "Heat"** in the Czech Republic Segment supplies over 80,000 residents with district heat (previous year: 50,000) and provides installation services for municipalities and private customers with a focus on energy efficiency and CO_2 reduction. The ongoing investments in generation systems and heat distribution networks deliver an improved security of supply and a better energy efficiency. In the Czech Republic, the Energie AG Group operates boiler houses with an installed thermal output between 50 kW and 20 MW. Measures aimed at increasing their efficiency and reducing their CO_2 footprint are carried out regularly.

Effects of climate change on the business model

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

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

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

Further information on performance and output data as well as key figures, benchmarking and environmental topics can be found at **› www.energieag-bohemia.at** and **› www.energieag.cz**, as well as in the **Group Management Report, Czech Republic Segment › Page 135**.

HOLDING & SERVICES SEGMENT

Building management

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

Energie AG has placed its focus firmly on its employees and their well-being at the workplace. This is why modern energy concepts for the various sites are planned and implemented in addition to Energie AG proactively exercising **operator responsibility in accordance with ÖNORM B1301** (property and building safety).

Together with other prominent Austrian companies and corporate groups, Energie AG is participating in a **building benchmarking** that in the 2021/2022 fiscal year once again documented the pioneering character of the included buildings with respect to economic operations and efficiency. Building techniques used for the PowerTower, such as the facade or component activation technique, were also used in the construction of the tower's extension, which conformed with the standard promulgated by the Austrian Society for a Sustainable Real Estate Economy (ÖGNI). The building was commissioned in August 2022 and offers 230 additional workplaces along with 58 underground car parking spaces to the organisational units of Energie AG. In addition to health-oriented and modern workplaces, Energie AG employees also have access to flexible meeting facilities, socialising zones and a state-of-the-art "conference level". Living up to its social responsibility, Energie AG is operating a childcare facility where the employees' children are looked after.

As of 30 September 2022, administration buildings in Austria owned by Energie AG (with the exception of the Waste Management Segment) had four **PV systems** with an output of around 344 kWp and an average yearly production of 317 MWh installed on their roofs. The total surface covered with PV modules is approx. 2,400 square metres. A further 6 new systems with 870 kWp bottleneck capacity are planned between now and the year 2027.

The **building yard project in Gmunden** (PSG-PowerService Gmunden) was planned in accordance with climate-friendly standards. The civil engineering and building construction works (up to the roof substructure) were completed in fiscal year 2021/2022.

Energie AG is firmly committed to a **sustainable real estate strategy** for its properties in Austria. The up-to-date energy certificate for each property is complemented by an energy monitoring report (not applicable to the Waste Management Segment). The report recapitulates the status quo with regard to the CO_2 footprint of the subject matter real estate portfolio. Various scenario calculations formed the basis on which measures were derived that will also be reflected in the Group's sustainability action to be seen in the years ahead.

Staff catering

The **company restaurants** and canteens of Energie AG in Linz, Gmunden, Timelkam and Riedersbach have placed an even stronger focus on the use of regional and seasonal fresh produce compared to the previous years. Direct partnerships with regional suppliers of produce and meat are sought out and established with increased intensity. In the 2021/2022 fiscal year, the canteens prepared a total of 136,567 fresh servings of food for employees (previous year: 93,078). The decline in fiscal year 2020/2021 is attributable to

employees working from home as a result of the COVID-19 pandemic. In the interest of a balanced diet, the menus also feature **vegetarian meal options**. Around 25% of all lunches sold are vegetarian. The menu planning system is evaluated regularly with the aim of preventing or minimising food waste.

Servings of food

	Unit	2021/2022	2020/2021	2019/2020
Servings of food for employees	Number	136,567	93,078	122,892

IT services

To reduce electronic waste, the **useful life of user devices** such as laptops and PCs was increased to five years. Once the equipment has reached the end of its useful life, there will be a certified data deletion and a refurbishment carried out by a sheltered workshop.

Efficiency gains and **energy consumption reductions** are the predominant objectives in the operation of the data centre. Thanks to having virtualised more than 95% of its server landscape, significant energy savings were achieved in the consumption of electricity and air conditioning as well as operation of the hardware resources. Additionally, the exhaust warm air is used to heat the building.

The **use of central multi-function devices** delivers savings in consumables such as toner and ink, which in turn save money and resources. The relocation of printers from the office workstations to central pickup points also contributes to an improvement of the air quality at the office workstations.

SOCIAL AFFAIRS

SDG 4, 6, 7, 9

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

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

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

SECURITY AND QUALITY OF SUPPLY

GRI 103-1, 103-2, 103-3, EU DMA (formerly EU6), EU4, EU28, EU29

The planning and implementation of projects focuses on the **reliable and uninterrupted** delivery of all services, including during a crisis.

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

Owing to the war between Russia and Ukraine, the Austrian government and E-Control Austria are currently making **preparations to further improve the security of supply**. They include far-reaching measures such as the provisioning of a government-mandated reserve stock of natural gas, measures that facilitate the substitution of natural gas, and many others. Energie AG is also implementing measures to improve the security of supply and is not only focusing its precautions on gas customers, but also places a particular focus on assuring the secure supply with district heat. Keeping the CCGT power plant in Timelkam available for the energy market and congestion management is another important contribution to safeguarding the security of supply. The situation with regard to provisioning for eventualities is good when seen in conjunction with the measures introduced by the government, uncertainties do however arise from the difficulties in anticipating gas deliveries from Russia, Germany's exit from nuclear energy, and insufficient power plant capacities in France. An EU-wide coordinated approach in the current energy crisis would be of great importance for the security of supply but also with regard to the development of energy prices.

The **black start and island operation capability of power plants** allows for these plants to be started up without access to an external electricity supply. In fiscal year 2021/2022, Netz OÖ GmbH has successfully carried out a number of inspections of the black start and island operation functions with the generation resources available for a grid restoration.

Netz OÖ GmbH is conducting regular **training with grid simulators** to evaluate coordinated grid restoration scenarios. Regularly recurring functional testing of the

generation plants relevant to a grid restoration along with testing of the operational processes are an important element in assuring the security of supply.

In the current energy crisis, triggered by the war between Russia and Ukraine, measures to **improve the security of supply with natural gas** are being evaluated. They include an optimisation of fuel procurement, additional natural gas reserves in storage, as well as the harnessing of potentials for conversion and substitution of natural gas. The Group is also preparing the substitution of natural gas in response to the expected 1st Regulation on Natural Gas Steering Measures.

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

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

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

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

The unconditional assurance of security of supply, including under **extraordinary conditions** (threat of supply shortages on the energy market, dramatic price increases, the COVID-19 pandemic), and the ensuing strengthening of the Company's resilience are among the top priorities of Energie AG Group.

The impact of the war between Russia and Ukraine on the energy markets in fiscal year 2021/2022 led to the installation of a dedicated **taskforce** that convenes weekly. The aim of the taskforce is to develop appropriate technical, commercial and communicative responses that are commensurate in light of the supply and market situation. A weekly situation briefing and forecast is compiled on the basis of the information received from the environment and important business units.

A task force that monitors the ongoing pandemic developments and devises the necessary measures has been in place since the 2019/2020 fiscal year. Special precautions to **warrant the operation of critical infrastructure** were taken and are explained in further detail in the section covering the **social initiatives during hefty turbulences on the energy markets and after the COVID-19 pandemic › Page 80**.

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

Netz OÖ's **asset management** efforts are aimed at achieving the highest possible levels of efficiency in all activities in terms of reliability, quality and cost-effectiveness.

To assess the ability to perform and the security and quality of supply, key performance indicators such as available grid capacity, grid reliability, grid interruptions and their causes (interruption time >3 minutes) are determined on an annual basis. The Group then uses these

findings to establish options for **future action in the context of grid maintenance and expansion**.

Netz OÖ GmbH operates an **electricity grid** consisting of 33,445 km of power lines (previous year: 33,185 km), in addition to a 5,634 km **gas grid** (previous year: 5,624 km). These reliable and modern grids warrant the secure energy supply for more than 575,000 grid customers.

Grids in km

	2021/2022	2020/2021	2019/2020
Electricity	33,445	33,185	32,873
Gas	5,634	5,624	5,603
Fibreglass [1)]	5,820	7,021	6,600

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

The electricity grid's **supply reliability**, measured in terms of service-related unavailability (ASIDI; "Average System Interruption Duration Index"), was 44.53 min/a in calendar year 2021 (2020: 50.82 min/a). It was 1.10 [1/a] (2020: 1.52 [1/a]) when measured on the basis of the ASIFI ("Average System Interruption Frequency Index"), with the statistic in both cases disregarding regionally exceptional events. The customer-related system unavailability (SAIDI – "System Average Interruption Duration Index") stood at 52.89 min/a (2020: 53.58 min/a), while the customer-related average interruption frequency (SAIFI - "System Average Interruption Frequency") was 1.34 [1/a] (2020: 1.68 [1/a]). The weather in calendar year 2021 featured a series of strong thunderstorms between June and August. As a result of the geographic realities of the supply territory of Netz OÖ GmbH, the unavailability figures in Upper Austria are usually higher than the national average for all of Austria. The availability of the gas grid in calendar year 2021 was unchanged from the previous years at 99.99%.

Supply reliability [1)]

	2021	2020	2019
SAIDI (min/a)	52.89	53.58	34.47
ASIDI (min/a)	44.53	50.82	31.62
SAIFI (1/a)	1.34	1.68	1.17
ASIFI (1/a)	1.10	1.52	1.07

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

In the generation unit, the Group takes a holistic approach to **optimise technical availability**, starting with the planning and designing phase of power plants as well as by systematically developing maintenance strategies as part of due diligence measures.

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

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 99.98% (previous year: 99.99%). The fault resolution time designates the timespan between receipt of the fault report and the resolution of the fault. As of the end of the reporting period, the Group-owned fibre-optic network in the backbone

and business customer areas had a physical length of 5,820 km. The difference to the previous year's figure results from the demerger of the FTTH fibre-optic network to BBOÖ, see **Business model, Organisational structure of the Group › Page 17**.

Supply reliability customer connections in %

	2021/2022	2020/2021	2019/2020
Supply reliability customer connections	99.98	99.99	99.99

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

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

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

The operational processes of the Waste Management Segment were frequently adapted to the prevailing requirements in order to warrant the safe and reliable **collection and management of all types of waste** during the COVID-19 pandemic.

CUSTOMER ORIENTATION AND SATISFACTION

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

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

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

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

The **customer forum** introduced three years ago serves to actively involve Energie AG's customers in the area of product design and collects valuable feedback on the Group's offers and services. The intense customer dialogue assists in understanding their perspective, bringing the "outside perspective" into the company, and adding a whole new facet to the notion of customer proximity.

A new platform for the customers of Vertrieb GmbH was launched in fiscal year 2020/2021 when Energie AG introduced the customer club "My Bonus". The members-only area gives

customers online access to special services and products, some of them available exclusively on the platform. The **customer club** is being revised on an ongoing basis – including in a dialogue with the stakeholders – and adjusted to meet the preferences and needs of the customers.

Energie AG's portfolio of digital services was complemented with additional **innovative applications** that assist customers in making economical use of energy and gaining access to electricity from renewable sources. This includes the development of a WiFi reader unit for smartphones that can detect energy-wasting household appliances.

For many years, the **Energy Saving Trade Fair** has been an important leading trade fair for Energy AG in Austria. After the event's cancelation in fiscal year 2020/2021, the most recently held event saw the Energie AG booth giving advice to around 2,100 interested parties. In the previous year, the physical trade fair was substituted with online advisory days that served around 1,000 customers.

Energie AG responds to the increasing consumer demand for online services by **expanding the fibre-optic network** in urban and rural areas. 16,723 customers were already actively using the high-speed internet service offered by Energie AG as of 30 September 2022 (previous year: 13,166).

Energie AG's **customer service** was honoured to be chosen once again as the recipient of the ÖGVS award from the Austrian Society for Consumer Studies in fiscal year 2021/2022. The annual "Industry Monitor" of the ÖGVS is the dominant Austrian ranking in the areas of customer satisfaction, customer service and price/value ratio and has collected more than 250,000 reviews on a total of 1,824 companies. Energie AG was distinguished as **"Industry Champion 2022"** in the customer service category and received one ÖGVS award each for "TOP customer service electricity utility" and "TOP customer service gas utility". A high level of service quality together with individual and competent customer care have always been important keys to success for Energie AG.

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

Netz OÖ GmbH has responded to the strong increase in the demand of residential customers who, as a result of higher energy prices, wish to sell the PV electricity produced on their roofs by introducing fundamental changes to the handling process in the spring months of 2022. This delivered noticeably shorter waiting times for customer applications. In the summer of 2022, a comprehensive review of the **Netz OÖ GmbH's online presence** made it significantly easier for interested parties to access important information on the topic of photovoltaic systems.

Digitalisation: a powerful asset

Energie AG places a **focus on the digitalisation of services, processes and customer interaction** along the entire value chain. One of the objectives of the digitalisation measures is to offer customers flexible, individual, and straight-forward options to get in contact with Energie AG and to offer self-services such as switching plans, registering as a new customer, the Energy Manager, consumption alerts, invoice download etc.

The use of technologies such as "Artificial Intelligence" (AI) and "Machine Learning Algorithms" enable – when applied in consideration of the framework under data protection law – better and more cost-efficient customer services in the area of **data analytics** as well as more rapid and efficient service and decision making processes. The merging of customer

data from the Electricity, Gas, Heat and Telecom areas and a corresponding system harmonisation allow for the best possible service "from a single source".

The **customer portals of Netz OÖ GmbH** were merged and harmonised in terms of their functions in fiscal year 2020/2021. The new and revised customer portal now allows grid customers to review and administer the data of their electricity and gas connections. Responding to a run for decentralised generation units, the customer portal at **› https://eservice.netzooe.at** now features an information tool that enables customers to track the current status of their "PV application" (extension of the grid access agreement). The process is adjusted on a regular basis and thereby improved continuously.

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

Customer Phone Service

A fundamental criterion for **customer satisfaction** is the rapid processing of enquiries received over the phone, which Energie AG handles with the help of service staff that has received extensive training and boasts strong communication skills. They are supported by artificial intelligence deployed for the automated processing of simple enquiries. An additional intelligent "peak management" allows for calls to be rescheduled to less busy times of the day. This increases the availability for the customers and in turn also their satisfaction with the Company. The ongoing energy crisis is causing a massive amount of customer inquiries that are handled in the best possible way with the help of the instruments outlined above.

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

Introduction and Use of New Technologies

Energie AG is actively committed to introducing and using new technologies, but always keeps the focus on the customer. Netz OÖ GmbH is among Europe's leaders in large-scale **smart metering**. The intelligent electricity meters allow customers to precisely analyse and manage their energy consumption. A currently ongoing upgrade project aims at upgrading the smart meters with additional useful and pioneering functions. The proven system AMIS features several smart-grid functions that support grid operations and assist in achieving a high quality supply with electricity. The AMIS system is proving successful in real-world applications, regularly delivering availability figures in excess of 99%.

Energie AG uses the new smart meter technology for developing new business models. The Company views smart electricity meters as the key component for turning a house into a **"smart home"**. Interaction between electricity meters and home automation systems

facilitate a perfect use of energy, which users will be able to generate, purchase or store. This delivers cost savings, lower consumption and greater comfort for the customer. Smart meters are also a prerequisite for the new market models and market roles introduced with the Renewable Energy Expansion Act package. Their benefits include, inter alia, consumption billing within the renewable energy communities, and they can also serve as the foundation for the peer-to-peer trading app › **"E-Fairteiler"**.

The Czech water investments have been using smart **digital water meters** for several years at this point. The digitalisation projects focus on smart metering in Beroun and smart metering and grid digitalisation in Kolin. Other studies on the digitalisation of control centres and operations as well as the development of a "digital twin" for a sewage treatment plant are ongoing. "Digital twins" are models that e.g. virtually simulate the operation of a sewage treatment plant in order to probe the effects of different measures taken within the simulation before they are implemented in live operations.

Customer satisfaction surveys

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

The continuous **evaluation of the needs** of existing and potential new customers has shown that prices are the issue closest to their heart. The focus is increasingly shifting to aspects like the security of supply as well as confidence in the energy supplier and its reputation. With the long-standing price guarantee, product bundles at special conditions and numerous additional offers, Energie AG presents itself as a reliable partner.

Regular **market studies and customer surveys** are conducted among various target groups as a due diligence measure to ensure their satisfaction. Valuable information for the ascertainment of the most important key performance indicators and their development over time was once again collected through basic surveys conducted in fiscal year 2021/2022.

The majority of customers of Vertrieb GmbH were found to exhibit a high **loyalty**: 95.6% of them, for example, are very satisfied or rather satisfied with the sales unit (previous year: 95.9%). Continually measuring loyalty levels in defined categories (e.g. product range, price communication, provision of information, regional commitment etc.) provides specific focal points that allow the company to improve services on an ongoing basis.

The customer satisfaction survey conducted by **Netz OÖ GmbH** regarding gas grid operators in autumn of 2021 once again delivered a very good result. The highest level of satisfaction was expressed for the availability of the gas supply, followed by the satisfaction with the technical expertise, keeping with agreed dates, and the performance of works and meter readings. Using a 1 to 5 scale based on Austria's school grades system, Netz OÖ GmbH's customers rated their distribution grid operator's reliability (grade 1.42, previous year: grade 1.15), safety (grade 1.48, previous year: grade 1.24) and quality (grade 1.54, previous year: grade 1.28).

Annual customer satisfaction surveys are also carried out at all the **Waste Management Segment**'s sites. These include a school marking-style assessment system, in which the segment received a 1.42 (previous year: 1.36) during the reporting period 2021/2022.

Customer satisfaction survey results

	Unit	2021/2022	2020/2021	2019/2020
Vertrieb GmbH (electricity/total)				
Very or rather satisfied	%	95.6	95.9	96.5
Netz OÖ GmbH				
Reliability	Grade	1.42	1.15	1.13
Security	Grade	1.48	1.24	1.32
Quality	Grade	1.54	1.28	1.32
Waste Management Segment	Grade	1.42	1.36	1.40

Online communication

Energie AG makes target group-specific information available via a number of different channels. This includes the traditional website of the Group **› www.energieag.at**, 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.

Responding to the customers' needs and preferences, Energie AG offers functional **self-service portals**, mainly in the mass market areas. These enable customers to independently deal with a number of tasks and issues relating to supply contracts with Energie AG at any time of day.

Social responsibility during hefty turbulences on the energy markets and the COVID-19 pandemic

Energie AG Group seeks to position itself as a strong and **reliable partner** for its stakeholders at all times and especially in exceptional situations. The company has proven its reliability not only during the COVID-19 crisis, but also with concrete activities in fiscal year 2021/2022, which was dominated by the war between Russia and Ukraine and hefty turbulences on the energy markets that emphasised its resolve to stability, security, commitment to social concerns and regional value creation, in line with the **campaign motto "100% for Upper Austria"**.

While competitors were responding to dramatic increases in the price of energy by terminating their customers' contracts, Energie AG extended the **price guarantee** for its existing customers until 1 January 2023. This guarantee of contractually agreed prices was also made available to new customers. In the spring months of 2022, commercial and industrial customers were offered noticeable relief in the form of special conditions under a business tariff that was introduced for this particular purpose on short notice.

Energie AG also showed **solidarity** with Ukrainian families faced with the fallout of the war between Russia and their own country: In an internal fundraiser in the spring months of 2022, the Group's workforce collected EUR 56,000 for the "SOS Kinderdorf Ukraine Nothilfe" orphanage, with the company more than doubling that amount to a total of EUR 120,000.

In order to further fulfil its supply and waste management mandate and at the same time protect the health of its customers and employees, the **internal task force** with experienced members of the crisis management team was permanently monitoring the further development of the COVID-19 pandemic in order to prepare any necessary measures and coordinate their implementation across the whole Group in clearly organised processes. Once normal operations had been resumed and staff members returned to their workplaces, a particular emphasis was placed on aspects related to cultural education. The education and training measures were adapted to the respective pandemic situation.

Austrian customers who were facing difficulties due to the pandemic were supported with **special arrangements**, e.g. a moratorium on electricity disconnections and the option to defer due payments.

REGIONAL RESPONSIBILITY AND SOCIAL COMMITMENT

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

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

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

The high-performance **fibre-optic internet connections** provided by Energie AG offer the residents of structurally disadvantaged regions the opportunity to pursue an occupational activity (working from home). The continued expansion of the fibre-optic network and development of innovative digital services support the positive economic development of the regions in Upper Austria and contribute to **increasing quality of life** of the population.

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

In its supply chains, Energie AG aims at procuring from **companies with a regional connection**. Orders worth a total of EUR 216.2 million were placed with 2,281 suppliers in the 2021/2022 fiscal year (previous year: EUR 208.2 million with 2,303 suppliers). 92.5% of suppliers were headquartered in Austria (previous year: 93.2%), while 7.4% were based in other European countries (previous year: 6.7%).

Regional procurement

	Unit	2021/2022	2020/2021	2019/2020
Contracted suppliers	Number	2,281	2,303	2,213
Of which in Austria	%	92.5	93.2	92.3
Of which in other European countries	%	7.4	6.7	7.6
Others	%	0.1	0.1	0.1
Order volume	EUR mill.	216.2	208.2	204.0

The **cooperation with Genussland Oberösterreich** initiated by Energie AG in autumn 2020 and completed at the end of calendar year 2021 awarded shopping vouchers redeemable at participating businesses to new customers who selected product bundles with green electricity or biogas from local production.

The Energie AG tour bus on its **regional roadshow** through towns and villages in Upper Austria in summer 2022 distributed thousands of energy-saving LED lamps to customers.

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

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

Activities in the fields of sport, culture and social affairs

GRI 102-12

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

In the 2021/2022 fiscal year, 14 athletes of the **Energie AG sports family** received financial assistance as well as other benefits of relevance to their sport and were provided with an environment that promotes and facilitates physical and human development. The main focus is on the sustainable promotion of up-and-coming talents and supporting already successful athletes. The following principles are at the heart of Energie AG's sport promotion programme: willingness to perform, team spirit, authenticity and regionality.

On the **cultural scene**, the company has been partner of exhibition projects organised by OÖ Landes-Kultur GmbH (the state-owned cultural outlet formerly known as Upper Austria's Culture Precinct) 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.

Energie AG awarded a **digital art prize** for the first time in the summer of 2022 and thereby also emphasised its focus on the future and innovative projects.

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

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

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 2021/2022 fiscal year was visited by almost 1,800 interested children and parents (previous

year: 400). Annual visitor numbers were around the 5,000 mark in earlier years (without COVID-19 pandemic restrictions).

Enhancing awareness

The Group considers the raising of an awareness for a sensible and considerate treatment of energy resources and the value of a sustainable circular economy to be one of its most important responsibilities in the area of social affairs. Energy AG is a supporter of **initiatives run by youth organisations** in the area of sustainability, energy and environment. For many years, Upper Austria's scouts, the Pfadfinder, have been implementing environmental projects with the support of the Energie AG Group and the Province of Upper Austria. The yearly project contest "**› UmWeltdenker**", for example, elicits creative ideas in this area and implements the best of them.

The **"Energie AG at School" education programme** (Energie AG macht Schule) offers kindergartens and schools classroom handouts on the topics of energy, sustainability and digitalisation.

Energie AG takes initiative in strengthening the media competency of children and adolescents in connection with digitalisation and, by means of school materials and the website **› www.wirdenkenanmorgen.at**, familiarises them with a sensible and responsible use of new technologies and digital media. The platform is complemented by interactive quizzes, videos and instructions for practical exercises and experiments.

In addition, the Group has a selection of short books for the youngest programme participants, which cover topics relating to energy and sustainability. The eight books published so far can be ordered by private persons, schools and kindergartens free of charge. Approximately 390,000 copies of these short books are already in circulation (previous year: 380,000). This is supplemented with a workshop for kindergartens, which introduced children from the age of four to sustainability issues in a playful way.

Energie AG accompanies an **educational programme for Czech primary and junior secondary school pupils**, which aims to protect our natural environment and water resources and began in 2014. The Group promotes awareness of how to properly dispose of rubbish by providing customised classroom materials for primary schools and creative projects for older pupils.

The Czech Republic Segment honoured the occasion of the World Water Day 2022 by publishing the card game "Serenato", which aims at explaining the processes involved in the treatment of waste water in sewage treatment plants.

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

Federation, association and organisation memberships

GRI 102-12, 102-13

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

webinars, as well as access to online portals, publications, studies, models, analytical findings and more. The following memberships are particularly noteworthy:

- **› Association of Austrian E-Businesses (Verein Österreichs E-Wirtschaft)**
- **› Association of Industrial Companies** (Industriellenvereinigung, IV)
- **› Chamber of commerce** (Wirtschaftskammer, WK)
- **› Initiative for Upper Austria as a business location** (Initiative Wirtschaftsstandort Oberösterreich, IWS)
- **› Österreichische Energieagentur** (Austrian Energy Agency GmbH, AEA)
- **› Federal Association of Energy and Water Companies** (Bundesverband der Energie und Wasserwirtschaft, BDEW)
- **› Energy Saving Association of Upper Austria (Energiesparverband Oberösterreich)**
- **› Association for Ecology and Environmental Research** (Verein für Ökologie und Umweltforschung, VÖU)
- **› Federal Association of Electric Mobility** (Bundesverband Elektromobilität, BEÖ)
- **› Austrian Association of Water and Waste Management Companies** (Österreichischer Wasser- und Abfallwirtschaftsverband, ÖWAV)
- **› Verband österreichischer Entsorgungsfachbetriebe** (Verband österreichischer Entsorgungsfachbetriebe, VÖEB)
- **› Sdružení oboru vodovodů a kanalizací ČR, z.s** (SOVAK)

Science and research have traditionally been accorded high value at Energie AG. One area in which this is evident is the long-standing partnership with the **› Energy Institute (Energieinstitut) at Johannes Kepler University** (JKU) in Linz. As a founding member, Energie AG Group actively participates in shaping and further improving the institute and draws on its high level of expertise in energy-related areas and its interdisciplinary team. Energie AG commissions studies from the institute on a consistent basis and **works together closely with it on research projects**. Noteworthy example projects include those concerned with the use of sustainable heat sources (e.g. industrial exhaust heat) and their distribution within district heating networks ("HeatHighway", "Gmunden HT-Link") or the possibilities of future energy storage systems on hydrogen basis ("Underground Sun Storage 2030").

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

EMPLOYEES – RESPONSIBLE EMPLOYER

SDG 4, 5, 8

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

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

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

ACTING AS A RESPONSIBLE EMPLOYER

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

An elaborate procedure executed by an economy magazine in cooperation with three prominent online platforms determined Austria's 300 best employers 2022, with Energie AG taking the **first place** in the energy sector as well as the nationwide overall ranking thanks to the measures taken.

In a study of the attractiveness of employers in Upper Austria conducted by "Market Institute" on the basis of a representative survey of Upper Austria's population in gainful employment, Energie AG Group took the third place in the overall rating as **"best employer 2021"**. Energie AG took the first place among all rated companies in Upper Austria in the subcategories crisis safety and job safety and was awarded the associated quality badge.

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

The **implementation of sustainability objectives** requires committed and satisfied employees. As an important employer in the supply regions, Energie AG offers attractive and secure jobs. Flexible work time models, high quality work equipment, and a wide range of training and professional education options are important contributions to this goal.

STAFF LEVELS AND PERSONNEL STRUCTURE

	Unit	2021/2022	2020/2021	2019/2020
Staff (number of employees)	**Persons**	**5,041**	**5,030**	**4,997**
Workplace				
Full-time equivalents (FTE) [1]	**Number**	**4,606**	**4,593**	**4,560**
In Austria		2,858	2,843	2,847
Female		537	541	535
Male		2,321	2,302	2,312
In the Czech Republic		1,711	1,715	1,678
Female		408	410	400
Male		1,303	1,305	1,278
In other European countries		37	35	35
Female		5	4	4
Male		32	31	31
Part-time	**Persons**	**508**	**477**	**475**
Female	%	68.3	69.0	68.0
Male	%	31.7	31.0	32.0
Newly hired	**Persons**	**593**	**520**	**562**
Newly hired	%	11.8	10.3	11.2
Female percentage of newly hired	%	27.0	-	-
Male percentage of newly hired	%	73.0	-	-
Turnover rate (excluding retirements) [2]	**%**	**6.8**	**5.9**	**6.3**
Demographics				
Average age of workforce	Years	44.5	44.2	44.4
Average time served in company [3]	Years	12.2	-	-

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

As of 30 September 2022, Energie AG Group had 5,082 employees or 4,630 FTE in **three countries** (previous year: 5,061 employees; 4,611 FTE). An average of 184 temporary staff (154 FTE) were employed for limited-time projects and to balance peak work loads in the 2021/2022 fiscal year (previous year: 198 employees, 165 FTE).

All **employment contracts** with employees are governed by collective agreements or works agreements. Energie AG Group employs personnel from 32 different countries (previous year: 29).

A **staff turnover rate** of 6.8% in fiscal year 2021/2022 is mainly attributable to the Waste Management Segment and the company Market Calling Marketinggesellschaft mbH.

The Group offers **indefinite employment contracts** to the vast majority of its personnel. Only 368 staff members had fixed-term employment contracts in fiscal year 2021/2022, 334 of them in the Czech Republic Segment.

Employment contracts

	Unit	2021/2022
Fixed-term contracts	**Number**	**368**
Female		94
Male		274
In Austria		28
In the Czech Republic		334
In other European countries		6
Indefinite contracts	**Number**	**4,673**
Female		1,055
Male		3,618
In Austria		2,996
In the Czech Republic		1,644
In other European countries		33

LIFE AND WORK AT ENERGIE AG OBERÖSTERREICH

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

The **"Active Parental Leave Management"** programme supports employees in Austria in planning the periods they will be off work. A **nursing care platform** offers comprehensive information and service links for employees who care for and support dependents. To make holiday planning easier, Energie AG supported its employees through the summer months of 2022 by providing a varied **programme for children** between the ages of six and 12. Since July 2020, the cooperation with the Salzkammergut Hospital in Gmunden has been offering employees a year-round kindergarten for their children in addition to the daily bookable summer camp. The company's **in-house childcare facility** ("Loomiland") in the new corporate headquarters in Linz opened its doors in July 2022. The little ones are cared for by two qualified early childhood teachers from the Family Alliance Upper Austria (OÖ Familienbund). In addition to the child-friendly rooms with sophisticated designs, the facility offers exterior grounds of almost 300 m^2 with play equipment, a sand pit and pavilions.

In order to increase the awareness for Energie AG's **"Charter of agile, interdisciplinary cooperation"**, numerous small groups discussed the contents' relevance and derived areas with potential for optimisation.

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

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

The revised works agreement concerning the **granting of a paid "training period"** was introduced in response to the newly arisen needs of employees in relation to training and professional development.

PERSONNEL AND MANAGEMENT DEVELOPMENT

A key goal is to provide targeted services to prepare employees and managers for the challenges they will face in the working world of the future. The **training programme** 2021/2022 offered employees a wide range of options to improve their own skills and competencies. In addition to a proven series of seminars, the programme was expanded by adding new contemporary contents, mainly in the area of methodology and media competence.

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

The focus in the area of **methodological competence** was on the wider field of "communication". Various new seminars explored a range of aspects, e.g. the speaker's voice, argumentation and quick-wittedness as well as the moderation of hybrid events.

Occupational development

Occupational development

	Unit	2021/2022	2020/2021	2019/2020
Training per employee [1]	Hours	11.3	8.6	8.8
Performance review rate	%	69.3	69.3	74.2
Apprentices	Persons	76	76	73
Apprenticeships completed	Persons	17	26	16

1) incl. hire personnel and apprentices, excl. training at the leadership academy and safety inductions

Due to the success of the virtual "Digithek", an element of the "Neuland 2021" digitalisation campaign, this programme will transition into a permanent format under the heading **"Digithek 365"**: a short seminar on a current IT topic will be offered once a month by an internal lecturer. Further information on the digitalisation campaign "Neuland" can be found in the section headed **Business models fit for the future – innovation › Page 43**.

The personnel development programme accessible via the EINSTEIN system offered **various training opportunities** in the areas of media competency and methodological competency, thereby making a significant contribution to keeping the employee's know-how up to date, especially in the area of digital media and work methods, and securing their best work performance.

A master thesis compiled in fiscal year 2021/2022 examined the **conflict management system** of Energie AG and evaluated it on the basis of surveys and their analysis. An accompanying seminar programme for groups and team managers is intended to raise the awareness for the topic and the instrument available to them. Employees were offered information events that also aimed at sensitising them for the topic.

The Energie AG workforce was offered the online training on **how to stay motivated and perform at work** to support them during the COVID-19 pandemic, a situation that many staff members have experienced as extremely difficult. Employees were also enabled to engage with the topic "polarisation and opposites" in a webinar.

Managing directors and departmental heads deliberated on the challenges related to good leadership during the COVID-19 pandemic in a day of reflection offered in cooperation with an external coach. An instrument that supports the teams in reflecting on their cooperation was made available in the form of the **guideline titled "Healthy leadership"**.

The **"Leadership Experience Discussion Circle"** for team and group leaders was continued in the 2021/2022 fiscal year and consisted of three yearly sessions that deal with leadership topics in small groups that are guided by a coach. The group is intended to help attendees solve problems that arise in their day-to-day leadership roles, as well as encouraging these supervisory staff to be open to bouncing ideas off each other. The **"Manager Group Coaching"** continues to be the method of choice on the level of the managing directors and departmental heads.

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

The "**Energie AG Future Lab**" is an open and innovative format (workshops, seminars, excursions, lectures etc.) that aims at providing methodological and technical training to managerial personnel and also offers space to engage with future topics. Junior staff (PowerTalents) from Energie AG Group are involved in the programme in addition to Managing Directors and heads of departments.

Employer branding

The age structure of the employees working in the Group entities and the challenges in recruiting suitable skilled personnel call on the Energie AG Group to employ a strategically coordinated recruiting and succession management that serves the purpose of making potential employees aware of the Company and of opportunities to apply for jobs at an early stage. In addition to continuing the general **employer branding campaign**, the 2021/2022 fiscal year also focused on trainees and scholars. The sponsoring package for associations and clubs gives Energie AG Group the opportunity to harness the social circle of its employees to approach additional potential job candidates. The positioning of the employer brand was evaluated in workshops and interviews with staff members.

Promoting diversity and women in technical careers

Due to the great success achieved in the previous years, two more **scholarships were awarded to female technicians** in autumn 2021 (previous year: three). The scholars not only receive financial support, but can also complete internships at Energie AG and write their master's thesis drawing on their experiences with the Company, potentially fostering strong ties between the Company and these scholars from an early stage.

Diversity

	Unit	2021/2022	2020/2021	2019/2020
Women	%	23.5	23.5	23.1
Men	%	76.5	76.5	76.9
Women in management positions [1)]	%	14.6	15.2	15.8
Men in management positions	%	85.4	84.8	84.2

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 mastering future challenges, it is important for Energie AG that its employees have the relevant skills at their disposal and for **diversity** to be

embraced not only in recruiting, but also internally (for example, when filling management positions).

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

MAINTAINING THE HIGH QUALITY OF APPRENTICESHIP PROGRAMMES

Energie AG's **in-house apprenticeship programme** is an important competitive advantage. Since 1943, 1,549 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 2022, 22 youngsters (previous year: 22), began their apprenticeships at Energie AG in the areas of electrical engineering and metals engineering, as well as for the first time in **gas, water and heating technology**. In keeping with our mission to promote diversity, apprentices of immigrant descent and asylum seekers also have their place in the Energie AG Group.

The **marketing activities** have been significantly scaled up in districts with a higher demand for skilled workers (e.g. Schärding, Ried, Braunau). The apprenticeship trainers will pay personal visits to the polytechnic schools in these districts. A new advertising campaign is currently being developed and will be launched in future fiscal years.

The **cooperation with mandatory-attendance schools** (electrical engineering polytechnic course, PowerGirls, Girls Day) as well as the **offers for job shadowing** took place in almost the same way as in the years before, despite the COVID-19 pandemic.

Safety and health are especially important to Energie AG in its apprentice training. The Company offers professional workshops and seminars to provide guidance to young people on topics such as preventing addiction and using the internet safely, as well as since fiscal year 2021/2022 a three-part communication training that is spread across the full length of the apprenticeship programme.

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 2021/2022 fiscal year, receiving an outstanding result. Between them, the 16 current graduates (previous year: 18) earned 10 distinction grades in vocational school and 13 good or outstanding results in their final examinations. At the **Apprentice Awards held by the industrial sector in Upper Austria**, the team of Energie AG apprentices in their second year took the first and third place in the category energy technology.

With 22 new apprentices per year, the **apprentice workshop** continues to operate at maximum capacity. The modernisation of the building and its fitout was continued in fiscal year 2021/2022 with the start of the conversion of the mechanical workshop, the roof and the facade and will not be completed before the year 2025.

The **recruiting process** is continuously adapted to the situation on the market. Due to a multi-faceted approach geared to the qualification, local demand and place of residence of the candidates, all apprenticeship positions were filled with qualified young talents.

In 2018, Energie AG initiated the establishment of the **› "zukunft.lehre.österreich" association Future Apprenticeships Austria (ZLÖ)**. Its objective is to strengthen the image of

apprenticeships in Austria. The role of president is currently occupied by its creator, Chief Executive Officer DDr. Werner Steinecker MBA. Joining forces with the other members of the association, Energie AG aims to restore the status that apprenticeships deserve as a key foundation of business and, in turn, of society both today and in the future. Since 2018, we have worked meticulously to design and advertise an Austria-wide **apprenticeship platform** and an apprenticeship-related image campaign aimed at the target group.

WORKPLACE HEALTH AND SAFETY

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

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

Only **healthy and satisfied staff** can be successful with their work for a company. Energie AG works to ensure awareness and personal responsibility around the quality of work and occupational safety among its employees. In fiscal year 2021/2022, the **internal campaign "100% safe"** was launched to alert employees to potential hazards in their work environment and at the same time motivate them to contribute their own ideas on how to further improve work safety.

The **"in-house psychological service hotline"** of Energie AG Group offers employees free advice and help in conflicts, stress, work overload, anxiety, sleep disorders and personal crises (bereavements, sickness etc.). The service offers advice in person or over the phone and aims at carving out possible solutions that the employees can implement in their own responsibility.

In accordance with § 4 of the Employee Protection Act (ASchG), **potential hazards** are ascertained and assessed by the respective managerial staff (or the responsible commissioned staff member pursuant to § 9 Administrative Penal Act (VStG)) and § 23 Work Inspection Act (ArbIG) with the help from the relevant work safety and occupational health experts. This forms the foundation for the determination of measures (workplace evaluation). The **"Safety Manual" of the Austrian lobby group "Österreichs Energie"** serves to evaluate individual activities. Shortcomings in the Austrian entities detected during the regular inspections pursuant to § 77a Work Safety Act (ASchG) are also assessed in accordance with a risk matrix pursuant to ISO 45001:2018 (excluding the Waste Management Segment). The employees also rate their work activities on a risk matrix provided by the safety management in the form of training templates.

Work accidents or incidents that almost resulted in an accident are investigated by the safety management in accordance with the Employee Protection Act insofar as an investigation appears expedient for the **prevention of further accidents**. This allows for the development of suitable measures, such as a change of work materials, work equipment, work processes, personal protective equipment, or more frequent inductions.

Hazards and risks are reported to the direct line manager. Other persons (employer, safety expert, occupational health specialist etc.) are involved as required to identify these hazards and minimise risks as far as possible. In accordance with § 82 Employee Protection Act, the employees have access to all services offered by an occupational health specialist.

As required under the Employee Protection Act, the **involvement** of safety liaison staff or the relevant employee representatives assures that the employees are involved in issues concerning work safety.

The employer **communicates safety-relevant issues** to employees down the hierarchical levels in accordance with the organisational structure and in consultation with the safety

liaison officer. The employees in Austria have access to a **wide range of training options** on work safety (e.g. e-learning modules on preventative fire protection, protection against falls, work in enclosed spaces; in-person events for construction site safety, working with electricity, and working with lifting equipment).

Preventive action and information are used to prevent work-related adverse health conditions and staff are directed to be more conscious in their approach to health through the **"energy@work" project**. If an individual has already fallen ill, the Company takes steps to promote their recovery. Energie AG's company health management policy was awarded the **"Betriebliche Gesundheitsförderung bis 2022" (Workplace Health Promotion) seal of approval** (except for the Czech Republic and Waste Management Segments).

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

Topical issues are discussed and solutions are developed in **regular health meetings** including employee representatives, occupational health professionals and safety management specialists. Weekly exercise programmes at a number of work sites also promote health awareness. The range of occupational healthcare services includes extensive contact during consultation hours and vaccination campaigns. The results of the employee survey 2021 was followed up with a range of measures in the individual subsidiaries.

The **first health day** took place at the new building of Umwelt Service GmbH in Wels in the spring of 2022. Employees had the opportunity to have preventive medical check-ups with trained experts from the health sector at several stations, attend workshops and learn about healthy nutrition.

Workplace safety

	Unit	2021/2022	2020/2021	2019/2020
Work accidents	Number	69	70	80
Accident rate	‰	14.10	14.80	16.20
Days of sick leave	Number	19.90	29.20	32.40
LTIF [1)]		8.29	9.70	9.35
Deaths after work-related injuries	Number	0	0	1
Workplace and construction site inspections [2)]	Number	157	169	52

1) Lost Time Injury Frequency Index – frequency of work accidents per one million work hours

2) Workplace and construction site inspections 2021/2022 and 2020/2021 excl. Czech Republic Segment 2019/2020 excl. Waste Management Segment and Czech Republic Segment

Energie AG ensures that the specifications of the Employee Protection Act and the associated regulations are consistently observed throughout the Group, and that appropriate preventative measures are implemented. In the 2021/2022 fiscal year, the Group (excl. Czech Republic Segment) saw around 157 announced and unannounced **workplace, external workplace and construction site inspections** carried out by safety experts and occupational health professionals together with those responsible on site and/or Energie AG Group management as part of due diligence measures (previous year: 169). 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 69 reportable **work accidents** were registered (previous year: 70), which corresponds to an accident rate of 14.1 accidents per 1,000 employees (previous year:

14.8 accidents per 1,000 employees) [1]. The accident severity amounted to an average of 19.9 days of sick leave per work accident (previous year: 29.2). Converted to an international indicator value, this corresponds to an LTIF (Lost Time Injury Frequency) of 8.29 per 1 million working hours (previous year: 9.70). As in the previous year, there were no fatal work accidents.

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

A large number of subject-specific **training courses** were conducted during the reporting period as part of due diligence measures. Employees of third-party contractors in the technical and electrical engineering sectors are also allowed to attend if they require additional training. In addition to training courses on "working with live electrical equipment" and operational use authorisation, training modules on low and high voltage electrical system operation and management authorisation were also offered, along with other safety-related topics such as working with lifting equipment.

While the natural objective of the **safety experts** is to bring the rate and severity of accidents down to zero, they place great emphasis on potential work accidents with a high likelihood of occurrence and high severity of the potential injury. Approaching this number requires employees to receive the best possible training and the responsible colleagues to receive maximum support. Workplaces and activities are also subjected to a continuous evaluation and the necessary measures are adjusted as required.

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

COMPLIANCE

SDG 5, 8

GRI 102-16, 103-1, 103-2, 103-3, 205-3

Energie AG's compliance goals are:

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

[1] Up to cut-off date of 30 September 2022, including partially consolidated companies.

LEGAL COMPLIANCE AND PREVENTION OF CORRUPTION

Particular emphasis is placed on the protection of customer interests, which is ensured by the Group-wide applicable **› Code of Conduct "This is how we think, this is how we act"** together with internal monitoring, quality assurance, and complaint management systems.

› Compliance at Energie AG is based on a mutual understanding of values, which is expressed in the **› Code of Conduct** and published for all stakeholders, managers and employees. The Code of Conduct assures the compliance of our actions with the relevant laws and regulations. It forms the foundation for all business activities and decisions within Energie AG Group as well as for a morally, ethically and legally flawless conduct of all employees of the Group. The Code of Conduct is mandatory for all employees and contains essential rules concerning respectful conduct and open communication. All managers and employees throughout the Group have been and will continue to be informed about the in-house Code of Conduct.

Additionally, the **› "Code of Conduct for Contractors"** newly developed in fiscal year 2021/2022 deals with safeguarding human dignity, responsible communications and data processing, environmental conduct and sustainability, as well as integrity and also sets out the consequences of violations of these principles and rules.

Internal and external audits serve the purpose of highlighting potential improvements and necessary actions that support the continuous development of the management systems. Audits are very important for Energie AG in this context as well as in light if the changing general conditions, especially with regard to the risks from the progressing digitalisation.

Compliance Management System

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

Whistleblower system

Staff members may use Energie AG's web-based **whistleblower system** to report, including anonymously, suspected compliance breaches to the Compliance Officer. Employees and external persons may also contact a compliance email address or telephone number to report their observations. Reports about suspicious activities (including from external persons) that are received elsewhere within the Group must be forwarded to the Compliance Officer without delay. All whistleblowers are assured strict confidentiality with regard to their identity as well as the contents of the reported circumstances.

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

In the interest of a continuous improvement process, the compliance management system was subjected to an **external evaluation** in 2021. The result confirmed that the system conforms with all essential elements required for certification to the international standard ISO 19600:2014.

The 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.

Internal control system

For further information about Energie AG's internal control system, see the **Group Management Report, Internal control system › Page 116**.

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 80.0% of the employees in the country (previous year: 79.1%).

There were **no incidents** of corruption in the Energie AG Group in the 2021/2022 fiscal year or in the previous years.

Antitrust compliance

GRI 206-1

Energie AG unconditionally declares its commitment to fair competition with its competitors, business partners and other market participants. With its comments on the necessary market behaviour, the **antitrust law manual** is primarily aimed at the sales-oriented divisions and is also available to all employees in the Energie AG Group via the Intranet. Since the 2018/2019 fiscal year, a Group-wide learning module has been available on the subject of antitrust law/competition law to ensure that all members of staff (in particular, new employees) demonstrably have access to a well-prepared treatment of the topic. The primary target groups for graduating this module are all sales and sales-related units as well as procurement staff.

The Austrian Federal Competition Authority (BWB) is conducting investigations throughout Austria into the area of collection and transport in the waste management industry. These investigations also entailed search warrants executed at the premises of Umwelt Service GmbH in March 2021 and April 2022. Umwelt Service GmbH is actively assisting in the investigation. There were no other incidents related to antitrust law.

Data protection

GRI 418-1

Energie AG maintains a **data protection management system** to ensure Group-wide implementation and compliance with the provisions of the General Data Protection Regulation (EU 2016/679; GDPR) and the new Austrian Data Protection Act (Datenschutzgesetz; DSG 2018) that has been in effect since 2018.

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

The data protection processes the Group has implemented log and process valid complaints regarding breaches of customer data protection, resulting in corrective action if necessary. As was the case in the previous year, no reportable data protection violations pursuant to GDPR Article 33 were identified in the past fiscal year.

Promoting a compliance-conscious culture

Management are responsible for **promoting a compliance-conscious culture** among staff. Energie AG ensures that its employees know the compliance standards and the values from the Code of Conduct and put them into practice. Within the annual definition of targets, the Management Board has the opportunity to agree on measurable and adjustable compliance goals that form part of the management performance with the Company's managers and executives. The managerial staff further confirm their adherence to the relevant and compulsory compliance requirements of Energie AG in these individual target agreements.

The conduct of Netz OÖ GmbH's management and employees in relation to **lobbying activities** is based on its own **› Code of Conduct** in accordance with § 7 of the Austrian Lobbying Act (LobbyG). Netz OÖ GmbH has created an equal treatment programme and appointed an equal treatment officer based on its legal obligations as an electricity and gas distribution grid operator.

Compliance forum

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

Information security management

In order to be able to reliably guarantee continuous service to customers and other stakeholders in line with their needs, Energie AG has maintained a comprehensive, Group-wide **information security management system** for a number of years. Especially in the age of digitalisation and cyber-attacks, detecting and countering risks and attacks of this nature is of great importance. A risk-based assessment is made on the basis of a group-wide analysis of the impact on the process landscape (business impact analysis). It is carried out using a newly established governance risk compliance (GRC) system and forms the starting point for the subsequent risk assessment, in which Energie AG periodically and systematically analyses and evaluates threats to its information security, decides its stance on any risks and takes effective steps to control and reduce these risks.

The cyber risk and fidelity insurance taken out in fiscal year 2018/2019 has been updated and forms part of the information security management risk assessment 2021/2022. Key areas of activity are ISO 27001:2015-certified and are regularly reviewed. A recertification audit pursuant to ISO 27001:2015 was carried out in the 2021/2022 fiscal year in the department for Group IT Services of the Business Services GmbH. The requirements stemming from the Austrian Network and Information System Security Act (Netz- und Informationssystemsicherheitsgesetz; NISG), which aim to ensure a high degree of security for

networks and information systems, were gradually implemented in the relevant areas in a timely manner. The Group-wide awareness campaign "Schlaufuchs" regularly informs users about the risks and dangers and offers yearly (electronic) training programmes.

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

Supply chain

GRI 102-9, 102-10

Owing to the current fundamental market conditions and ensuing market turbulences, almost all of Energie AG's procurement areas are affected by massive price increases and enormous delivery delays. A forward-looking approach has so far served well in dampening these effects and safeguarding the core business areas of Energie AG. An example is the auditing of cable producers with a boycott-safe supply chain and reaffirmed fixed delivery dates.

The pertinent contractual terms and conditions Energie AG (excluding the Czech Republic Segment) has relied upon in fiscal year 2021/2022 require all contractors to disclose their subcontractors, suppliers and all of their respective **upstream contractors and subcontractors**. Contractors are obliged to replace any (sub)contractors if there are justified reasons that speak against the respective subcontractor and supplier.

Anyone contracting with Energie AG as a supplier must give an undertaking to perform orders in compliance with the relevant **regulations**, including all employee protection regulations, e.g. the Employee Protection Act, Regulation on the Protection of Construction Workers; the Employment of Foreign Nationals, undertaking to legally compliant waste disposal, and no prior convictions for wage and social dumping. For regional sourcing, please see **Social affairs, Regional responsibility › Page 81.**

In **purchasing processes**, some environmentally relevant criteria are set as mandatory requirements in the text of requests for proposal. The supplier assessment provided for in the Group's **purchasing manual** includes an environmental component. Tenders for transport services are awarded with a strong preference on low CO_2 emissions. Tenders for cleaning services pay particular attention to the biodegradability of cleaning products. Purchases are geared to longevity, e.g. the average useful life of transformers is 45 years.

The majority of **natural gas** for customers and for the production of electricity and heat and operation of the gas reservoirs is sourced on stock markets and OTC trading venues in the following markets: TTF (Netherlands), THE (Germany), VTPa (Austria). There are no direct contracts with natural gas prospecting companies. The system does not provide information on the physical origin of the gas. The composition of the natural gas distributed within Europe has changed over the course of calendar year 2022. The Russian proportion has declined from around 40% in the year 2021 to around 20% (as of September 2022), while the proportion of LNG and gas from Norway has increased.

RESPECT FOR HUMAN RIGHTS

SDG 8

GRI 406-1

The **well-being of all persons** within its supply area is an important goal for Energie AG Group. The Group focuses its actions on providing a safe and reliable supply that enables well-being, trade and commerce, and a high quality of life.

Respect for human rights is a natural part of life for the Energie AG Group. Energie AG expects all business partners to adhere to the statutory framework, along with the applicable laws and standards on human rights. In this respect, the Group cannot discern any material risks for compliance with the applicable legal standards in the European Union and in Europe. Risks in the earlier links of the supply chain cannot be entirely ruled out. For this reason, the Group exercises due diligence in procurement. Since early 2022, bidders and contractors who wish to do business with Energie AG must accept the General Terms and Conditions along with the **› "Code of Conduct for Contractors"**. The latter also sets out the principles related to human dignity.

Equal treatment has been identified as a human rights issue that could fall within the Company's direct sphere of influence, although there is no significant risk in this regard. Employees may contact the Compliance Officer, the Works Council or their respective supervisors if they have concerns about a possible discrimination. As in the previous years, no incidents of discrimination were reported in the 2021/2022 fiscal year, nor were any legal proceedings underway.

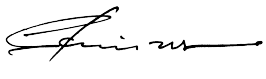
Energie AG does not tolerate any discriminatory conduct or any unequal treatment, whether on the basis of national or ethnic origin, religion, age, gender or other traits. Diversity presents valuable potential for Energie AG as an international company Group. Energie AG respects the unique nature of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

Intentional or targeted misinformation will not be tolerated. Maintaining an **open and constructive dialogue** with those responsible on the European, national, regional, and municipal levels, as well as lobbyists, non-governmental organisations (NGOs: non-governmental organisations formed privately or under private law) and the residents directly affected by Energie AG's projects is very important to the Group, especially in the interest of sustainability and responsible governance.

The actions of Energie AG always abide by the Group's guiding principle **"We care about tomorrow"**. The Energie AG Group will continue to develop its sustainability management in the 2022/2023 fiscal year on the basis of environmental and social aspects.

Linz, 5 December 2022

The Management Board of Energie AG Oberösterreich



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

Dr. Andreas Kolar
Member of the Management Board
CFO

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

GRI CONTENT INDEX 2021/2022

The GRI content index describes, in accordance with the GRI standard of the "Global Reporting Initiative" (GRI), "core" option, where in this non-financial report 2021/2022 the reader can find standard disclosures and the farther-reaching supplementary indicators.

General disclosures

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
GRI 102: General Disclosures 2016			
Organizational Profile			
102-1	Name of the organisation	About this report › Page 13	
102-2	Activities, brands, products, and services	Business model › Page 14	
102-3	Location of headquarters	Business model › Page 14	
102-4	Location of operations	Business model › Page 14	
102-5	Ownership and legal form	Shareholder structure › Page 16	
102-6	Markets served	Business model › Page 14	
102-7	Scale of the organisation	Key figures at a glance › Page 19 Employees – responsible employer › Page 85 Group Management Report › Page 106	
102-8	Information on employees and other workers	Employees – responsible employer › Page 85	
102-9	Supply chain	Regional responsibility and social commitment › Page 81 Supply chain › Page 97	
102-10	Significant changes to the organisation and its supply chain	Supply chain › Page 97	No significant changes.
102-11	Precautionary principle or approach	Sustainability opportunities and risk management › Page 32 Sustainability at a glance › Page 33 Quality, safety and environmental management › Page 37	
102-12	External initiatives	Activities in the fields of sport, culture and social affairs › Page 82 Federation, association and organisation memberships › Page 83	
102-13	Membership of associations	Federation, association and organisation memberships › Page 83	
Strategy			
102-14	Statement from senior decision-maker	Letter by the Management Board › Page 11 Strategy 2030 › Page 24 Sustainability objectives › Page 31	
102-15	Key impacts, risks and opportunities	Sustainability at a glance › Page 33	
Ethics and Integrity			
102-16	Values, principles, standards, and norms of behaviour	Stakeholder dialogue › Page 22 Sustainability at a glance › Page 33 Quality, safety and environmental management › Page 37 Compliance › Page 93	
Governance			
102-18	Governance structure	Group management bodies › Page 16 Group structure › Page 17 Group Management Report, Change in the Group Management › Page 116	
102-32	Highest governance body's role in sustainability reporting	About this report › Page 13	

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
Stakeholder Engagement			
102-40	List of stakeholder groups	Dialogue with stakeholders › Page 22	
102-41	Collective bargaining agreements	Employees – responsible employer › Page 85	
102-42	Identifying and selecting stakeholders	Dialogue with stakeholders › Page 22	
102-43	Approach to stakeholder engagement	Dialogue with stakeholders › Page 22	
102-44	Key topics and concerns raised	Letter by the Management Board › Page 11 Major sustainability issues › Page 0 Dialogue with stakeholders › Page 22 Strategy 2030 › Page 24 Business models fit for the future – innovation › Page 43 Customer orientation and satisfaction › Page 76	
Reporting Practice			
102-45	Entities included in the consolidated financial statements	Notes to the Consolidated Financial Statements, Scope of consolidation › Page 155	
102-46	Defining report content and topic boundaries	About this report › Page 13 Major sustainability issues › Page 0	
102-47	List of material topics	Major sustainability issues › Page 0	
102-48	Restatements of information	Business model › Page 14 Changes under corporate law › Page 115	No restatement of information due to the agreed termination of electricity and gas sales activities in Germany.
102-49	Changes in reporting	Major sustainability issues › Page 0	
102-50	Reporting period	About this report › Page 13	
102-51	Date of most recent report	About this report › Page 13	The 2020/2021 Group annual report was published in December 2021.
102-52	Reporting cycle	About this report › Page 13	
102-53	Contact point for questions regarding the report	About this report › Page 13	
102-54	Claims of reporting in accordance with the GRI Standards	About this report › Page 13	
102-55	GRI content index	GRI content index 2021/2022 › Page 100	
102-56	External assurance		The 2021/2022 non-financial report was reviewed by the Energie AG Group audit on behalf of the Supervisory Board. An external assurance did not take place.

SIGNIFICANT ISSUES

Partnership with equity investors and outside creditors

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its boundary	Major sustainability issues › Page 0 Strategy 2030 › Page 24 Sustainability at a glance › Page 33 Economy › Page 39 Group Management Report › Page 106	
103-2	The management approach and its components	Sustainability at a glance › Page 33 Economy › Page 39 Group Management Report › Page 106	
103-3	Evaluation of the management approach	Sustainability at a glance › Page 33 Quality, safety and environmental management › Page 37 Economy › Page 39 Group Management Report, Internal control system › Page 116	
GRI 201: Economic Performance 2016			
201-1	Direct economic value generated and distributed	Economy › Page 39 Group Management Report › Page 106 Consolidated Financial Statements › Page 146	

Business models fit for the future & innovation

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its boundary	Major sustainability issues › Page 0 Strategy 2030 › Page 24 Sustainability at a glance › Page 33 Economy › Page 39	
103-2	The management approach and its components	Sustainability at a glance › Page 33 Economy › Page 39	
103-3	Evaluation of the management approach	Sustainability at a glance › Page 33 Quality, safety and environmental management › Page 37 Economy › Page 39 Group Management Report, Internal control system › Page 116	
G4 EU Electric utilities sector supplement			
EU DMA (2013) formerly EU8	Research and development	Business models fit for the future – innovation › Page 43 Group Management Report, Research, development and innovation › Page 118	

Security and quality of supply

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its boundary	Major sustainability issues › Page 0 Strategy 2030 › Page 24 Sustainability at a glance › Page 33 Security and quality of supply › Page 73	
103-2	The management approach and its components	Sustainability at a glance › Page 33 Security and quality of supply › Page 73	
103-3	Evaluation of the management approach	Sustainability at a glance › Page 33 Quality, safety and environmental management › Page 37 Security and quality of supply › Page 73 Group Management Report, Internal control system › Page 116	
G4 EU Electric utilities sector supplement			
EU1 (2013)	Installed capacity, broken down by energy source	Energy Segment › Page 53 Proprietary electricity procurement › Page 56	
EU2 (2013)	Net energy output	Energy Segment › Page 53 Proprietary electricity procurement › Page 56	
EU4 (2013)	Length of transmission and distribution lines	Security and quality of supply › Page 73	
EU DMA (2013) formerly EU6	Availability and reliability	Security and quality of supply › Page 73	
EU28	Power outage frequency	Security and quality of supply › Page 73	
EU29	Power outage duration	Security and quality of supply › Page 73	

Customer orientation and satisfaction

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its boundary	Major sustainability issues › Page 0 Strategy 2030 › Page 24 Sustainability at a glance › Page 33 Customer orientation and satisfaction › Page 76	
103-2	The management approach and its components	Sustainability at a glance › Page 33 Customer orientation and satisfaction › Page 76	
103-3	Evaluation of the management approach	Sustainability at a glance › Page 33 Quality, safety and environmental management › Page 37 Customer orientation and satisfaction › Page 76	

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
		Group Management Report, Internal control system › Page 116	
G4 EU Electric utilities sector supplement			
EU3 (2013)	Number of customer accounts	Grid Segment › Page 63	
EU DMA (2013) formerly EU7	Demand-side-management	Sales › Page 60	
EU DMA (2013) formerly EU23	Programmes for the improvement and maintenance of access to electricity and services, including partnerships with the government	Dialogue with stakeholders › Page 22 Customer orientation and satisfaction › Page 76	

Regional responsibility & social commitment

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its boundary	Major sustainability issues › Page 0 Strategy 2030 › Page 24 Sustainability at a glance › Page 33 Regional responsibility and social commitment › Page 81	
103-2	The management approach and its components	Sustainability at a glance › Page 33 Regional responsibility and social commitment › Page 81	
103-3	Evaluation of the management approach	Sustainability at a glance › Page 33 Quality, safety and environmental management › Page 37 Regional responsibility and social commitment › Page 81 Group Management Report, Internal control system › Page 116	
GRI 203: Indirect Economic Impacts 2016			
203-1	Infrastructure investments and services supported	Strategy 2030 › Page 24 Energy Segment › Page 53 Grid Segment › Page 63 Group Management Report, Business development in the Group › Page 110	
203-2	Significant indirect economic impacts	Economy › Page 39	
GRI 204: Procurement Practices 2016			
204-1	Proportion of spending on local suppliers	Regional responsibility › Page 81	
G4 EU Electric utilities sector supplement			
EU DMA (2013) formerly EU19	Stakeholder involvement in decision-making in connection with energy planning and infrastructure investments	Dialogue with stakeholders › Page 22	

Climate protection & resource conservation

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its boundary	Major sustainability issues › Page 0 Strategy 2030 › Page 24 Sustainability at a glance › Page 33 Environment › Page 45	
103-2	The management approach and its components	Sustainability at a glance › Page 33 Environment › Page 45	
103-3	Evaluation of the management approach	Sustainability at a glance › Page 33 Quality, safety and environmental management › Page 37	

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
		Environment › Page 45 Group Management Report, Internal control system › Page 116	
GRI 305: Emissions 2016			
305-1	Direct (Scope 1) GHG emissions	Emissions › Page 46	
305-2	Energy indirect (Scope 2) GHG emissions	Emissions › Page 46	
GRI 306: Waste 2020			
306-1	Waste generation and significant waste-related impacts	Waste Management Segment › Page 65	
306-2	Management of significant waste-related impacts	Waste Management Segment › Page 65	
306-3	Waste generated	Waste Management Segment › Page 65	
G4 EU Electric utilities sector supplement			
EU12 (2013)	Transmission and distribution losses	Grid Segment › Page 63	

Responsible employer & workplace health and safety

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its boundary	Major sustainability issues › Page 0 Strategy 2030 › Page 24 Sustainability at a glance › Page 33 Employees – responsible employer › Page 85	
103-2	The management approach and its components	Employees – responsible employer › Page 85	
103-3	Evaluation of the management approach	Sustainability at a glance › Page 33 Quality, safety and environmental management › Page 37 Employees – responsible employer › Page 85 Group Management Report, Internal control system › Page 116	
GRI 403: Occupational Health and Safety 2018			
403-1	Occupational health and safety management system	Sustainability at a glance › Page 33 Workplace health and safety › Page 91	
403-2	Hazard identification, risk assessment, and incident investigation	Workplace health and safety › Page 91	
403-3	Occupational health services	Workplace health and safety › Page 91	
403-4	Worker participation, consultation, and communication on occupational health and safety	Workplace health and safety › Page 91	
403-5	Worker training on occupational health and safety	Workplace health and safety › Page 91	
403-6	Promotion of worker health	Workplace health and safety › Page 91	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		Not relevant
403-8	Workers covered by an occupational health and safety management system	Quality, safety and environmental management › Page 37	
GRI 404: Training and Education 2016			
404-2	Programs for upgrading employee skills and	Personnel and management development › Page 88	No transition assistance programmes to facilitate career endings resulting from

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
	transition assistance programs		retirement were provided in the 2021/2022 fiscal year.
GRI 406: Non-discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken	Respect for human rights › Page 98	

Legal compliance and prevention of corruption

GRI Standard	Disclosure	Reference to information available online	Remarks and omissions
GRI 103: Management Approach 2016			
103-1	Explanation of the material topic and its boundary	Major sustainability issues › Page 0 Strategy 2030 › Page 24 Sustainability at a glance › Page 33 Compliance › Page 93	
103-2	The management approach and its components	Sustainability at a glance › Page 33 Compliance › Page 93	
103-3	Evaluation of the management approach	Sustainability at a glance › Page 33 Quality, safety and environmental management › Page 37 Compliance › Page 93 Group Management Report, Internal control system › Page 116	
GRI 205: Anti-corruption 2016			
205-3	Confirmed incidents of corruption and actions taken	Compliance › Page 93	
GRI 206: Anti-competitive Behaviour 2016			
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Antitrust compliance › Page 95	
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data protection › Page 95	

Group Management Report 2021/2022
for Energie AG Oberösterreich [1), 2)]

GROUP

GENERAL CONDITIONS

Economic environment[3)]

After a dynamic economic recovery in the first months of the reporting period, the **2021/2022 fiscal year (1 October 2021 to 30 September 2022)** at Energie AG Oberösterreich (Energie AG) was characterised by a series of crises of a political and economic nature. The outbreak of the Russian-Ukrainian war on 24 February 2022 exacerbated existing supply chain problems and price increases, provoking an energy and raw materials crisis along with a substantial acceleration of inflation, which had already been on the rise beforehand.

This was followed by the first interest rate rises by the European Central Bank to curb historically high inflation. The financial markets expect further increases in key interest rates. Given the burgeoning risk of stagflation or recession in the major economies, the conflict of interests between fighting inflation and supporting the economy remains intense.

The Institute for Advanced Studies (IHS), the Institute of Economic Research (WIFO) and the International Monetary Fund (IMF) expect economic growth in the range of +2.7% to +3.1% for the **euro area** in 2022 (previous year: +5.3%).

Current forecasts see growth in the **Austrian economy** of between +4.7% and +4.8% in 2022. In the previous year, Austria's gross domestic product (GDP) growth was +4.6%. The high inflation rate, mainly driven by energy and raw material prices is a cause for concern. After reaching +2.8% in 2021, the rate is expected to settle at between +7.7% and +8.5% in 2022. Having said this, the IMF is of the opinion that inflation rates are likely to peak at the end of 2022 in most countries, with inflation expected to remain at significantly elevated levels for some time after this.

For the **Czech Republic** market relevant to Energie AG, an increase in the gross domestic product of between +1.9% and +2.5% is anticipated for the calendar year 2022 (previous year: +3.4%).

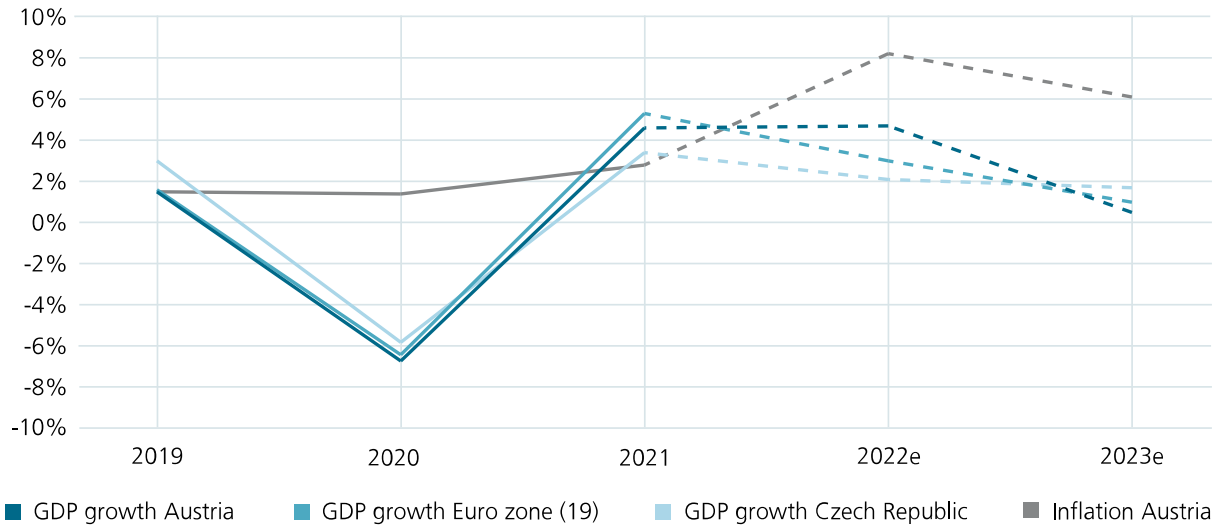
1) The Group Management Report presented here was prepared in accordance with the requirements of § 267 of the Austrian Commercial Code (UGB) and refers to the IFRS consolidated financial statements of Energie AG Oberösterreich in terms of § 245a UGB.

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 Group Management Report 2021/2022 at the same time as the consolidated report on non-financial information (Non-Financial Report) 2021/2022, which is published as part of the Group Annual Report 2021/2022 and online at **Non-financial report › Page 11**

3) Sources: IHS (Institute for Advanced Studies): **› Fall Forecast of the Austrian Economy, 2022 – 2023**, 7 October 2022. IMF (International Monetary Fund): **› World Economic Outlook Database: October 2022 (imf.org)**, 17 October 2022. WIFO (Austrian Institute of Economic Research): **› WIFO Economic Data – WIFO**, 20 October 2022.

Economic growth and inflation

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



e = expected; forecast values

Energy and climate policy environment

In addition to a wide range of agenda decisions in the field of **energy and climate policy**, the reporting period was above all characterised by measures intended to cushion the impact of the energy price shock, reduce energy dependency on Russia and improve the security of supply.

The aim of the EU Commission's **"Hydrogen and Gas Market Package"**, as presented on 15 December 2021, is to integrate renewable and decarbonised gases and hydrogen into the European legal framework. Moreover, the package includes requirements for regulating and unbundling hydrogen networks and strengthening consumer rights.

On 2 February 2022, the EU Commission released the final wording of the complementary delegated act of the **EU Taxonomy Regulation** on technical assessment criteria for electricity and/or heat production with gas-fired power plants and from nuclear energy. The act classifies held-to-maturity investments in hydrogen-capable gas-fired power plants which continue to be operated with natural gas for a transitional period, and for which very strict emission limits were set, as a sustainable transitional activity. The overall objective of the Taxonomy Regulation is to redirect capital flows into sustainable investments by classifying economic activities in accordance with sustainability criteria.

In May 2022, the Commission presented its previously announced "**REPowerEU package**" to rapidly reduce dependence on fossil fuel imports from Russia and accelerate the energy transition. The package also includes considerations relating to short-term market intervention, long-term market design reforms as well as recommendations for preparing for a major interruption to the gas supply.

As part of the **"Fit for 55" package**, the European Parliament drafted reports on the Renewables and Energy Efficiency Directives in September 2022, calling for further acceleration in the expansion of electricity generation from renewables and a significant increase in energy efficiency ambitions. As early as June 2022, a European Parliament report on the revision of the EU emissions trading system was adopted.

On 30 September 2022, the **Commission's proposed regulation on emergency measures** was adopted in the Energy Council of Ministers. The material objective is to counteract price increases and relieve the burden on electricity consumers by setting targets for reducing electricity demand and for siphoning off and redistributing surplus revenues. The measures will come into force on 1 December 2022 and initially apply until 30 June 2023. The EU member states will be tasked with their detailed implementation.

In addition to this, a number of other energy policy directives were adopted at EU level during the reporting period. They include the **communiqué on dealing with higher energy prices ("Toolbox")** and new **EU Guidelines on State aid for Climate, Environmental protection and Energy** (CEEAG).

In **Austria**, the federal government and the electricity and gas utilities undertook a number of activities during the reporting period to alleviate the social hardship caused by the high energy prices. In February 2022, in the scope of the **Electricity Industry and Organisation Act 2010 (ElWOG)**, the National Council also standardised a legal entitlement for households and small businesses to instalment payments, in the face of additional payments for the annual electricity bill. On 7 September 2022, Austria's federal government presented plans for an **electricity cost subsidy law** to ease the burden on household customers. This "electricity price cap" is intended to provide financial relief for basic consumption of up to 2,900 kWh per metering point for the period from 1 December 2022 to 30 June 2024.

In January 2022, the Austrian National Council ratified the **eco-social tax reform**, thereby introducing national CO_2 pricing for petrol, diesel, heating oil, coal and natural gas. The associated National Emissions Allowance Trading Act provides for graded CO_2 pricing of sectors outside the EU emissions trading scheme, with this taxation to be offset by a climate bonus and other relief measures. The enactment planned for July 2022 was postponed to 1 October 2022 by a resolution of the National Council.

Also in January 2022, a minor amendment to the **Renewable Energy Expansion Act** (EAG) was passed in order to address previous state aid concerns voiced by the EU Commission. In April 2022, the first **regulation for investment subsidies accompanying the EAG** was adopted with details of subsidies for small photovoltaic, wind and hydropower plants.

Three amendments to the **Gas Industry Act** stipulated, among other things, the establishment of a strategic gas reserve of 20 TWh by November 2022 and a set of instruments for the procurement of balancing energy with mandatory storage (Market Maker). The last amendment introduced a "use it or lose it" principle for systematically unused storage capacities, requiring all gas storage facilities on Austrian territory to be connected to the Austrian gas grid.

As an economic steering act to be applied in a crisis situation, the amendment to the **Energy Steering Act** from June 2022 governs compensation for asset impairments in the case of steering measures for gas and electricity. On top of this, large consumers can now voluntarily store gas volumes, 50% of which are protected against expropriation in the event of steering.

To further secure the gas supply in Austria, a **Natural Gas Steering Measures Regulation** was submitted for review in July 2022. This is intended to create the conditions for natural gas substitution with fuels such as coal, oil, or biomass for large consumers, district heating companies, and combined heat and power (CHP) plant operators subject to mandatory steering. A resolution has yet to be passed.

The **Gas Diversification Act** was adopted at the end of June 2022 in order to cushion the additional costs of diversifying the procurement of natural gas from non-Russian sources and of converting plants for generating electricity, heat and/or cooling to alternative modes of

operation. An amendment in July also provides additional financial support for switching from gas to other fossil fuels.

A consultation draft for an amended **Environmental Impact Assessment Act** (UVP-G) was published on 25 July 2022. The aim of the amendment is to accelerate projects needed in the scope of the energy transition. Particular attention was paid to avoiding redundant audits and to improving the way in which procedures are structured, including the setting of deadlines by the authority. A further material proposal is that of considering the state of the art at the time a project is launched instead of that at the time of the decision as authoritative. This would lead to a differentiated view of the projects, especially in the case of renewable energy generation plants, prompted by rapid technological progress.

BUSINESS DEVELOPMENT IN THE GROUP

Assets, liabilities, financial position and profit or loss [1)]

Group overview

	Unit	2021/2022	2020/2021	Change
Sales revenues	EUR mill.	4,002.1	2,145.2	86.6%
Operating result (EBIT)	EUR mill.	150.6	188.4	-20.1%
EBIT margin	%	3.8	8.8	-56.8%
Financial result	EUR mill.	-28.7	-20.1	-42.8%
Earnings before taxes	EUR mill.	121.9	168.3	-27.6%
Balance sheet total	EUR mill.	6,912.7	3,875.4	78.4%
Equity	EUR mill.	1,794.5	1,535.8	16.8%
Equity ratio	%	26.0	39.6	-34.3%
Net debt [1)]	EUR mill.	606.8	718.8	-15.6%
Net gearing [2)]	%	33.8	46.8	-27.8%
Investments in property, plant and equipment and intangible assets	EUR mill.	201.2	215.1	-6.5%
Cash flow from operating activities	EUR mill.	1,136.5	378.7	> +100%
Cash flow from investing activities	EUR mill.	-340.3	-215.2	-58.1%
Cash flow from financing activities	EUR mill.	-86.1	9.2	> -100%
ROCE	%	6.9	6.8	1.5%
WACC	%	4.7	4.0	17.5%

1) The key figure net debt represents the net financial liabilities and is calculated by Energie AG Group as follows: Net debt = non-current financial liabilities + current financial liabilities (incl. pending margin payments) – cash and cash equivalents (cash, cheques, credit balances with banks). The previous year's figures have been restated to reflect a change in calculation methods.

2) The key figure net gearing was developed from the key figure debt-equity ratio. While the key figure debt-equity ratio measures the ratio between debt capital and equity, the key figure net gearing juxtaposes the net debt (current and non-current financial liabilities (incl. pending margin payments) less cash and cash equivalents) against the equity. The previous year's figures have been restated to reflect a change in calculation methods.

The 2021/2022 fiscal year was characterised by very high and strongly fluctuating market prices for electricity and gas. Sales revenues of EUR 4,002.1 million (previous year: EUR 2,145.2 million) and an operating result of EUR 150.6 million (previous year: EUR 188.4 million) were generated in the reporting period.

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

The **balance sheet total** increased by EUR 3,037.3 million from EUR 3,875.4 million to EUR 6,912.7 million. The increase primarily resulted from higher fair values of derivative financial instruments, receivables due to collateral provided for derivative financial instruments, and higher cash and cash equivalents. In the previous year, the operational unit "Fibre to the home" (FTTH) was recognised separately in the balance sheet item "Non-current assets held for sale" in line with IFRS 5. In the 2021/2022 fiscal year, the operational

1) With regard to the derivation of the financial performance indicators and the calculation methods, please refer, in addition to the explanations in the **Consolidated Financial Statements › Page 146**

unit was transferred to BBOÖ Breitband Oberösterreich GmbH (BBOÖ GmbH); the share in this joint venture is 50%.

The EBIT in the **Energy Segment** amounted to EUR 18.8 million in the reporting period (previous year: EUR 82.4 million). Earnings contributions from the operation of thermal generation plants in particular had a positive impact. Additionally, a reversal of impairment in the amount of EUR 4.1 million was recognised for the Timelkam combined cycle gas turbine (CCGT) power plant in the reporting period. However, the positive effects were more than offset by the significantly lower water level compared with the previous year (hydro coefficient: 0.88; previous year: 0.94) and by sharp increases in procurement prices for electricity and gas.

In the **Grid Segment**, the operative result was EUR 45.3 million (previous year: EUR 37.2 million). The increase in earnings is attributable to the contribution of the Metering Services operational unit (previously part of the Holding & Services Segment) and to operational improvements in earnings.

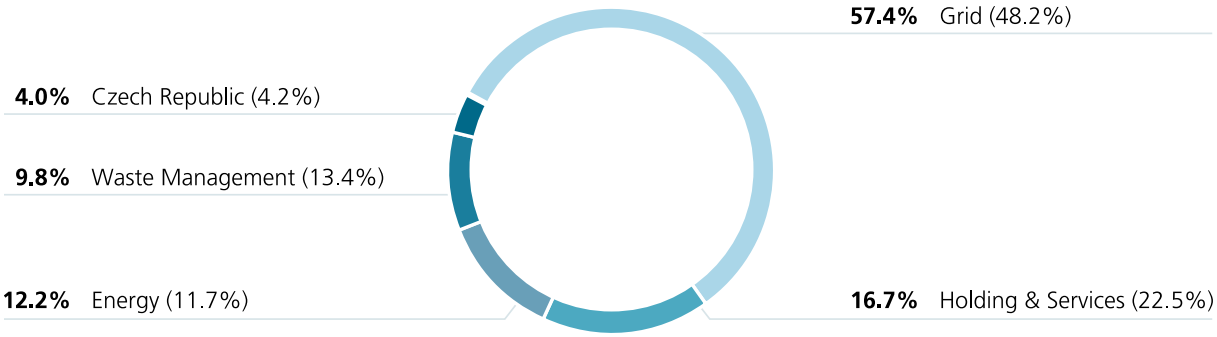
The **Waste Management Segment** generated an EBIT of EUR 33.9 million (previous year: EUR 29.6 million). Favourable market conditions and higher electricity and heat revenues contributed to this increase.

In the **Czech Republic Segment**, an operating result in the amount of EUR 6.0 million was generated in the reporting period (previous year: EUR 11.1 million). The lower operating result was due in particular to significantly higher costs for the procurement of electricity and gas compared with the previous year.

The operating result of the **Holding & Services Segment** amounted to EUR 46.6 million in the reporting period (previous year: EUR 28.1 million). The result for the 2021/2022 fiscal year includes earnings of EUR 37.0 million from the spin-off of the "Fiber to the home (FTTH)" operational unit. In addition, a reversal of impairment of EUR 3.5 million was recognised in the reporting period for the subsidiary Wels Strom GmbH, which is accounted for using the equity method. The transfer of the Metering Services operational unit to the Grid Segment had a negative impact on the result.

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

2021/2022; previous year's figures in brackets



In the fiscal year 2021/2022, **investments** in intangible assets and property, plant and equipment amounted to EUR 201.2 million, and were thus EUR 13.9 million or 6.5% below the previous year's level (EUR 215.1 million). With a share of 57.4%, the Grid Segment accounted for the largest part.

Net debt (non-current and current financial liabilities minus cash and cash equivalents) fell by EUR 112.0 million year-on-year from EUR 718.8 million to EUR 606.8 million. Net debt

includes margin payments received from derivatives that will result in a cash outflow in the next few years.

Cash flow from operating activities in the 2021/2022 fiscal year was EUR 1,136.5 million, compared with EUR 378.7 million in the previous year. The increase is particularly due to inflows from derivative financial instruments.

The **financial result** changed from EUR -20.1 million in the previous year to EUR -28.7 million in the 2021/2022 fiscal year. This development is attributable to higher interest expenses and losses on remeasurement of securities.

Funding and investment strategy

The main focus of the funding and investment strategy of Energie AG continues to be on comprehensively maintaining the solvency of the Group at all times and on maintaining the Group's good credit rating. Financial stability is of essential importance, especially in a phase of the greatest uncertainty with regard to the economic environment – particularly accentuated by massive distortions on the energy trading markets.

The conservative orientation of the funding and investment strategy essentially rests on three pillars here:

Securing a sustainably strong credit rating

In February 2022, Energie AG again had its very good credit rating "A" confirmed by Standard and Poor's. The "stable" rating outlook was also sustained. This strong credit rating enables the Group to obtain access to funding at optimal cost at any time, and to draw on a variety of different funding sources.

Stable and future-proof finances

Financial liabilities were reduced by EUR 9.6 million to EUR 660.5 million in the past fiscal year (previous year: 670.1 million). The Group's repayment profile is characterised by bullet loans with residual terms of up to 28 years. A significant refunding requirement will not arise again until the 2024/2025 fiscal year due to the scheduled repayment of a EUR 300 million bond.

As of 30 September 2022, the Energie AG Group had EUR 929.4 million (previous year: 219.2 million) in cash and cash equivalents. Beyond this, as of the reporting date, the Group had EUR 273.5 million (previous year: EUR 105.8 million) in fixed-term deposits and short-term investments, which are held as a strategic liquidity reserve. The risk profile of the strategic liquidity reserve is extremely conservative – a large proportion is held in cash or cash-equivalent instruments.

In addition to these financial reserves from cash and cash equivalents as well as marketable securities, Energie AG had EUR 700.0 million (previous year: EUR 315.0 million) in partly committed credit lines with Austrian and international banks as of 30 September 2022, which had not been utilised as of the reporting date. The very high level of cash and cash equivalents compared with the previous years is mainly attributable to cash inflows from hedging transactions in electricity and gas trading. In the context of the sharp rise in energy prices and price volatility, the volumes of security deposits in energy trading have been significantly expanded. In view of the present turbulence on the markets, Energie AG regularly carries out stress tests in order to assess the impact of extreme market movements on the Group's liquidity requirements and to be able to prepare for them.

Central Group funding

Group-internal funding management is handled centrally by Energie AG Group Treasury GmbH (Group Treasury GmbH). Financing within the Group is generally centralised, with the required funds being passed on to the Group companies at market conditions and in line with their requirements. In the short term, the liquidity of the Austrian Group companies is managed in the scope of a state-of-the-art cash pooling system. As of 30 September 2022, 27 Group companies are involved in Group cash pooling, with Group Treasury GmbH acting as the pooling centre.

Value-based corporate management and capital costs

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

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

This WACC method is subjected to on-going evaluation taking current publications and expert opinions into consideration. Adaptations are made as needed. Moreover, the costs of capital are continuously monitored against the background of a volatile financial market environment. The **consolidated WACC value** for the 2021/2022 fiscal year was 4.7% (previous year: 4.0%).

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

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

The capital employed is derived by subtracting the non-productive assets and non-interest-bearing liabilities from the average total assets. It reflects the interest-bearing capital pooled in the company. The average capital employed (ø CE) is calculated as the average of the total capital employed of the last two fiscal years. Capital employed includes the carrying amount of the investments accounted for using the equity method, excluding the associated strategic investments. For information on Capital Employed, please refer to the **Notes to the Consolidated Financial Statements, section 7. Segment reporting › Page 174**.

The goal of the Energie AG Group is to generate an ROCE above the WACC through consistent value-oriented corporate management and control. The ROCE minus the WACC results in the relative value contribution. The absolute value added is calculated by multiplying it by the capital employed. In addition to the development of operating earnings, the level of ROCE and value added specifically depends on the capital employed. The NOPAT key indicator corresponds to EBIT less related taxes and other items, amounting to a total of EUR 97.7 million.

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

In the 2021/2022 fiscal year, the **ROCE** of the Energie AG Group was 6.9%, 0.1 percentage points above the previous year (6.8%).

Treasury stocks

By resolution of the Annual General Meeting on 17 December 2021, the share capital of Energie AG Oberösterreich was reduced by EUR 1,224.00 from EUR 88,653,782.00 to EUR 88,652,558.00 by means of a simplified capital reduction by cancellation of 1,224 no-par value registered shares of treasury stock in the form of non-voting preferred shares. As a result, § 4 of the Company's Articles of Association was amended accordingly.

In certain cases, the Energie AG Oberösterreich employee stock option plan provides for the right or the obligation to purchase Energie AG employee shares. In fiscal year 2021/2022, 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 30.09.2021	1,224	0.001	1.2
Disposals 2021/2022	-1,224	-0.001	-1.2
Additions 2021/2022	808	0.001	0.8
Treasury stocks as of 30.09.2022	**808**	**0.001**	**0.8**

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, Section 36. Related party disclosures › Page 238**.

Changes under corporate law

In the scope of **bundling broadband activities** in Upper Austria, the "Operations Layer 1" and "Operations Layer 2" operational units of Energie AG Oberösterreich Telekom GmbH (Telekom GmbH) were spun off for inclusion in Energie AG Oberösterreich under the demerger and acquisition agreement of 4 March 2022. The two operational units, including "Assets Layer 1", were subsequently spun off from Energie AG Oberösterreich for inclusion in OÖ Breitband Infrastruktur GmbH, established in September 2021. The entity was renamed to Breitband Oberösterreich Infrastruktur GmbH.

The next step was to transfer Energie AG Oberösterreich's entire investment in Breitband Oberösterreich Infrastruktur GmbH to Fiber Service OÖ GmbH, which was renamed BBOÖ Breitband Oberösterreich GmbH, in return for a 50% participating interest in the latter. Energie AG Oberösterreich and OÖ Landesholding GmbH now each hold half of the shares in BBOÖ Breitband Oberösterreich GmbH.

Additionally, the "Operation Layer 2" operational unit was spun off from Breitband Oberösterreich Infrastruktur GmbH for integration with BBOÖ Breitband Oberösterreich GmbH. Furthermore, the "Operation Layer 1" operational unit, including "Assets Layer 1" of BBOÖ Breitband Oberösterreich GmbH, was integrated with Breitband Oberösterreich Infrastruktur GmbH in the form of a shareholder contribution.

Erdgas Oberösterreich Vertriebs GmbH, which operates on the German market, was sold by Energie AG Oberösterreich Vertrieb GmbH (Vertrieb GmbH) to Energie AG Oberösterreich Tech Services GmbH (Tech Services GmbH) with a closing date of 15 September 2022.

As of 31 December 2021, all shares in **Oberösterreichische Gemeinnützige Bau- und Wohngesellschaft mbH** were sold to LAWOG – Gemeinnützige Landeswohnungsgenossenschaft für Oberösterreich eingetragene Genossenschaft mit beschränkter Haftung – and GVVG gemeinnützige Vermietungs- und Verwaltungsgesellschaft m.b.H.

With a view to **bundling heat activities in West Bohemia**, the entities Energie AG Teplo Rokycany s.r.o. and Tepelné zásobování Rakovník, spol. s.r.o. were merged into Energie AG Teplo Bohemia s.r.o. on 1 October 2021.

In addition to this, Energie AG Bohemia s.r.o. acquired a 100% holding in Czech heat company RATE s.r.o. on 3 January 2022.

With a closing date of 2 August 2022, all shares in VAK Zápy s.r.o. were sold by Energie AG Bohemia s.r.o. to VAK Beroun a.s. VAK Zápy s.r.o. was merged with VAK Beroun a.s. at the start of the 2022/2023 fiscal year.

Trend in staff levels

In the 2021/2022 fiscal year, the Group's average consolidated workforce stood at 4,606 full time equivalents (FTE), thus representing an increase of 0.3% (13 FTE) over the average of the 2020/2021 fiscal year (4,593 FTE).

The increase in the Grid Segment and the decrease in the Holding & Services Segment primarily result from the transfer of the Metering Services division from Telekom GmbH to Netz Oberösterreich GmbH (Netz OÖ GmbH).

Staff levels [1)]

	Unit	2021/2022	2020/2021	Change
Energy Segment	FTE	459	464	-1.1%
Grid Segment	FTE	582	535	8.8%
Waste Management Segment	FTE	831	821	1.2%
Czech Republic Segment	FTE	1,715	1,718	-0.2%
Holding & Services Segment	FTE	1,019	1,055	-3.4%
Group total	**FTE**	**4,606**	**4,593**	**0.3%**

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

Change in the Management Board

The Supervisory Board on 30 June 2022 appointed Dr. Leonhard Schitter M.A. to the Management Board for the period from 1 January 2023 to 31 December 2027 in the function of Board Member for Sales and Marketing. In this function he will take over from the current Chief Executive Officer DDr. Werner Steinecker MBA, who will retire at the end of the 2022 calendar year, and become the new Chairman of the Management Board of Energie AG.

The Supervisory Board further reappointed Management Board Member KR Mag. Dr. Andreas Kolar in the function of Chief Financial Officer until 31 December 2025 as well as Management Board Member Dipl. Ing. Stefan Stallinger MBA as Chief Technology Officer until 31 December 2027.

Thanks to the board members' extensive knowledge of the company and industry it operates in, this new composition of the Management Board will assure the Group's continuous further development.

INTERNAL CONTROL SYSTEM

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

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

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

The **core processes** of the above-mentioned divisions, and the **process-inherent material risks** along with the appropriate controls, are documented and recorded using a suitable IT tool. Since the 2020/2021 fiscal year, this IT tool links the areas of quality, safety and environmental management (QSE), ICS, data protection, risk management and information and communication technology (ICT) risks and has established itself as a valuable information system for managers and employees.

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

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

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

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

The legal obligation to equal treatment in accordance with ElWOG and GWG 2011 (Natural Gas Act) are subject to appropriate ICS controls and are monitored by the Equal Treatment Officer.

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

RISKS AND OPPORTUNITIES

Energie AG's risks and opportunities situation was strongly influenced in the fiscal year 2021/2022 by the tense economic environment for the energy sector and the energy policy. There was a noticeable increase in the volatility of electricity and gas prices on the markets. New all-time highs were continuously reported. These developments were aggravated by both direct and indirect effects due to the Russian-Ukrainian war and the inflationary economic environment. Further to this, the climatic conditions and general climate policy, the potential further impact of the COVID-19 pandemic, and imminent regulatory changes have a significant impact on the risks and opportunities of Energie AG. Also, the details of the impact of the national implementation of the EU Emergency Measures Regulation on the absorption and redistribution of surplus proceeds as stipulated by the EU Commission cannot be predicted at this time.

At the end of February 2022, a separate task force was established at Energie AG in order to continuously monitor and assess the risk of a potential gas shortage, attributable for the most part to the Russian-Ukrainian war. Situation reports are prepared at regular intervals, contractual relationships are analysed, and any risks are noted. Energie AG received its purchased gas volumes on schedule during the reporting period and was able to fill its own storage facilities to over 90% by the end of the 2021/2022 fiscal year.

The typical risks associated with operating activities (fluctuations in electricity prices or the water level) proved to be higher in the course of the fiscal year 2021/2022 than in previous years due to price increases. At the same time, however, the opportunities arising from these issues increased. Energie AG relies on targeted strategic and operational measures to minimise or mitigate these risks and to leverage opportunities in the best possible way.

Within the scope of ordinary activities, there is also the risk of trading partners not being able to meet their financial obligations in good time or defaulting altogether. Counterparty risk management at Energie AG focuses on particularly careful monitoring of counterparty limits/ exposures and the implementation of risk mitigation measures.

The reliability of medium- to long-term forecasts is currently limited due to volatile energy markets and uncertainties in energy policy. In the Energie AG Group, however, no risks were identified in the fiscal year 2021/2022 that, either individually or collectively, would have the potential to jeopardize the continued existence of the Company.

For more details on the risks and opportunities situation, see the **Notes to the Consolidated Financial Statements, Section 35. Risk management. › Page 232**

RESEARCH, DEVELOPMENT AND INNOVATION

The topics of research, development and innovation are significant elements in bolstering Energie AG for future challenges. Numerous projects were successfully completed in the fiscal year 2021/2022.

The **climate targets** at a European and Austrian level are increasingly being concretised with derivations and regulations, giving rise to new topics and fields of research. The hydrogen technology activities launched in the past fiscal years are seeing continual further development. Hydrogen will be of great importance in the future to support the shift of renewable electricity production from summer to winter and decarbonisation in industry.

Energie AG is aware of the importance of a supply security for its customers, and its social responsibility for future generations. For this reason, projects to bolster the resilience of the energy system and provide efficient customer services are being driven forward proactively and with a high level of commitment in all areas of the Group. **Digitalisation and automation** play a central role here. Good networking, and intensive cooperation with partners from science and industry on research, development and innovation, are the building blocks for a successful exchange with valuable mutual benefits.

Since 1 October 2019, "innovation", an important issue for the future, has been actively promoted by **Wertstatt 8 GmbH**. This wholly owned subsidiary focuses its activities on the development of digital solutions and innovative business models relating to energy and the environment. In the fiscal year 2021/2022, the focus in this sector was primarily on developing new business ideas. To allow this to happen, platform economy and business ecosystem expertise was established, among other things, and intensive customer research was stepped up. To test these business ideas, several digital prototypes and deliberately small-scale field tests were implemented to gain initial experience in the market.

R&D&I key performance indicators

	Unit	2021/2022	2020/2021	Change
Number of R&D&I projects in the Group	Number	103	128	-19.5%
Staff in R&D&I projects	FTE	56.3	58.9	-4.4%
R&D&I expenses in the Group	EUR mill.	5.3	5.5	-3.6%

In fiscal year 2021/2022, research, development and innovation were pursued in the following projects (non-exhaustive list):

Carbon Cycle Economy Demonstration (CCED)

The "Carbon Cycle Economy Demonstration" project focuses on the sustainable implementation of a circular economy for CO_2. This involves investigating a number of different options for a further use of carbon dioxide taken from the atmosphere or manufacturing processes for energy purposes with the help of hydrogen. In this way, it may be possible to decisively reduce emissions of climate-damaging gases. Energie AG is involved with field trials at its biogas plant in Engerwitzdorf. This project is expected to further boost the efficiency and environmental friendliness of the plant.

Industry4Redispatch

Volatility in the electricity grid caused by further expansion of renewable energies, and dynamic energy prices to match, are leading to growing demands on the electricity grid infrastructure in transmission and distribution grids. The "Industry4Redispatch" research project, which was launched in the 2020/2021 fiscal year, focuses on leveraging the potential of load flexibility in large and medium-sized industrial operations. The aim is to use the identified flexibility to replace the use of power plants for redispatching (= interventions in generation output to avoid power grid overloads) on the Austrian electricity transmission grid. In the current project phase, Netz OÖ GmbH is collaborating with several distribution system operators, the Austrian transmission system operator and other partners from the fields of research and automation technology to develop a suitable procedure that will enable offers from the electricity distribution system, including analysis of the corresponding required grid capacity.

SSCCS – Secure Supply Chains for Critical Systems

The aim of the "Secure Supply Chains for Critical Systems" (SSCCS) project is to improve the resilience and reliability of delivery chains against cyber attacks. Based on appropriate analysis and documentation of the supply chains, supply chains are investigated for vulnerabilities relating to cyber security and corresponding measures are developed to improve resilience. One key feature of the project is the shift away from a purely technical perspective towards the integration of various attack vectors and vulnerabilities along the supply chain. Furthermore, an exchange of experience and know-how transfer between the project partners in various industries is planned.

Predictive maintenance

Establishing a predictive maintenance strategy at hydropower plants is one project from Energie AG's digitalisation and automation initiative. Energie AG Oberösterreich Erzeugung GmbH is striving to develop a strategy for data-based decision support in operations management and maintenance. Development work on a dashboard for a pilot

power plant began in the reporting period with a view to conducting and evaluating field trials.

KEY PERFORMANCE INDICATORS

Group overview

	Unit	2021/2022	2020/2021	Change
Electricity procurement	GWh	14,096	16,509	-14.6%
Electricity procured from third parties	GWh	10,519	13,340	-21.1%
Proprietary electricity procurement [1]	GWh	3,577	3,169	12.9%
Thermal power plants	GWh	1,135	583	94.7%
Renewable energy	GWh	2,442	2,586	-5.6%
Group's own hydropower plants	GWh	1,046	1,096	-4.6%
Procurement rights from hydroelectric power	GWh	1,186	1,285	-7.7%
Other renewable energy (photovoltaics, wind, biomass)	GWh	210	205	2.4%
Electricity grid distribution volume to end customers	GWh	8,118	8,231	-1.4%
Electricity sales volume [2]	GWh	6,621	6,990	-5.3%
Gas grid distribution volume to end customers	GWh	19,592	19,379	1.1%
Gas sales volume	GWh	5,461	6,407	-14.8%
Heat procurement	GWh	1,753	1,796	-2.4%
Heat sales volume	GWh	1,619	1,663	-2.6%
Total waste volume handled [3]	1,000 t	1,575	1,701	-7.4%
Incinerated waste volume	1,000 t	591	586	0.9%
Invoiced drinking water volume	m^3 mill.	58.2	57.2	1.7%
Invoiced waste water volume	m^3 mill.	45.2	45.1	0.2%
Length of fibre-optic network [4]	km	5,820	7,021	-17.1%

1) of which in the fiscal year 2021/2022 3,574 GWh on the domestic market (previous year: 3,167 GWh)
2) of which in the fiscal year 2021/2022 4,975 GWh distribution to consumers on the domestic market (previous year: 5,265 GWh)
3) Previous year's value restated
4) Revaluation due to spinning off the fiber-to-the-home (FTTH) fibre-optic network, see section Changes under corporate law › Page 115 and section Holding & Services Segment › Page 138

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

SEGMENTS

In accordance with internal reporting and pursuant to IFRS 8 "Operating segments", the Energy, Grid, Waste Management, Czech Republic and Holding & Services Segments will be reported on in the **Notes to the Consolidated Financial Statements, Section 7. Segment reporting › Page 174**.

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

ENERGY SEGMENT

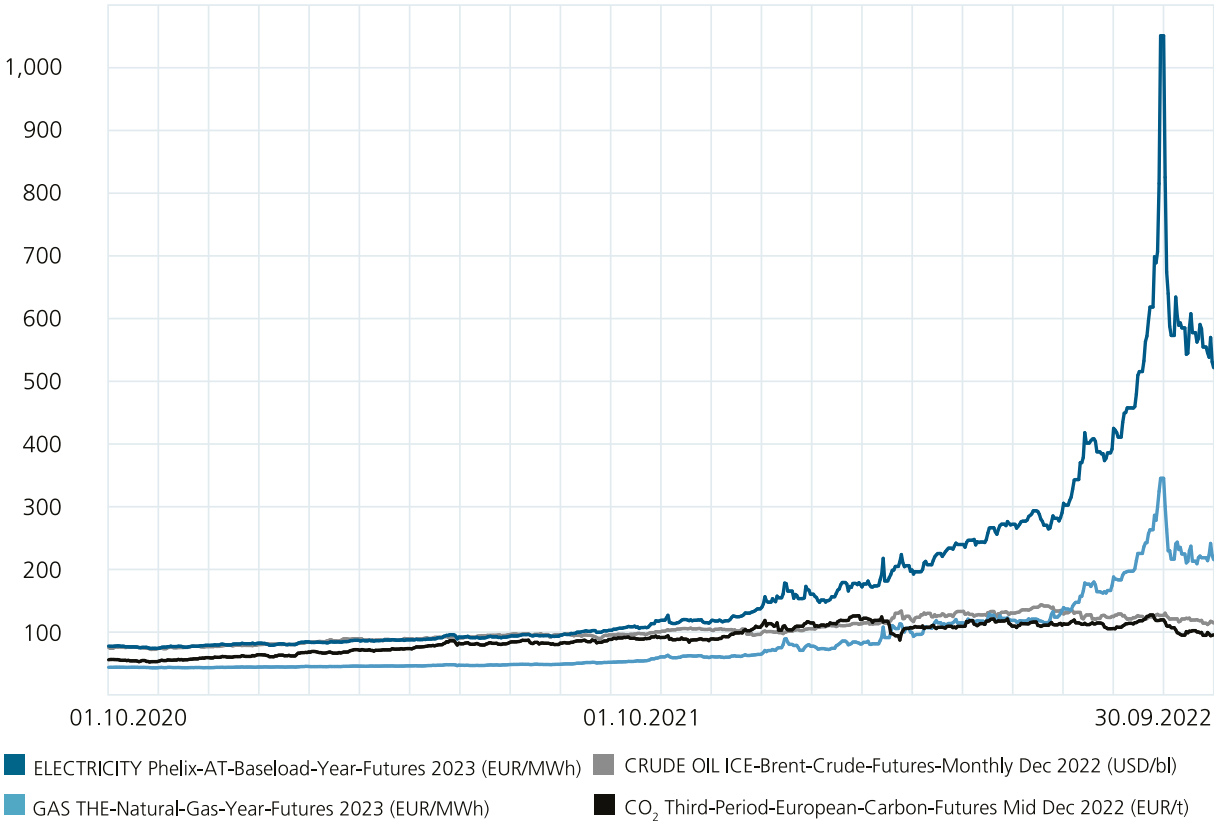
Energy Segment overview

	Unit	2021/2022	2020/2021	Change
Total sales	EUR mill.	3,139.2	1,346.1	> +100%
EBIT	EUR mill.	18.8	82.4	-77.2%
Investments in property, plant and equipment and intangible assets	EUR mill.	24.5	25.2	-2.8%
Workforce (on average)	FTE	459	464	-1.1%
Electricity procurement, incl. third-party procurement	GWh	13,898	16,315	-14.8%
Proprietary electricity procurement	GWh	3,379	2,975	13.6%
Electricity sales volume	GWh	6,621	6,990	-5.3%
Gas sales volume	GWh	5,461	6,407	-14.8%
Heat procurement	GWh	1,288	1,355	-4.9%
Heat sales volume	GWh	1,178	1,240	-5.0%

ECONOMIC ENVIRONMENT FOR THE ENERGY SECTOR [1)]

Price development on international energy markets

Sources: EEX, ICE



1) Sources: EEX (European Energy Exchange AG) market data: **› Market data (eex.com)**. ICE (Intercontinental Currency Ex-change) market data: **› Products - Futures & Options | ICE (theice.com)**

The forward market prices for **electricity** for delivery in 2023 in Austria showed a massive upward trend especially in the summer of 2022. The main factor influencing this was the price of gas, influenced by uncertainties surrounding the Russian-Ukrainian war and the associated reduction in supplies from Russia, and worries relating to the supply situation. Starting at around EUR 90.0/MWh at the beginning of the reporting period, electricity prices moved steeply upwards. The price for the annual base of 2023 in the price zone Austria reached its highest value on 26 August 2022 at EUR 1,015.0/MWh. The average price was EUR 247.3/MWh in the 2021/2022 fiscal year. On the spot market, electricity prices rose by around 300% 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 259.5/MWh with a volatile development and with prices rising sharply from what was already a high starting level in the summer of 2022.

The **oil price** for delivery in December 2022 rose from a low of USD 66.0/barrel of Brent crude oil at the end of November 2021 to peak at USD 114.2/barrel on 8 June 2022. Up to February 2022, the increase can be explained by the global economic upswing following the slump caused by the COVID-19 pandemic; from February, the effects of the Russian-Ukrainian war predominated.

In the autumn of 2021, the price increase for **natural gas** was still attributed to uncertainties in connection with the commissioning of the Nord-Stream 2 gas pipeline and the initially good economic outlook. From February 2022, the decline in gas supplies from Russia and increased demand as European gas storage facilities were filled led to a steep rise in prices. The Trading Hub Europe (THE) gas price for the front year 2023 rose in the fiscal year 2021/2022 from around EUR 32.0/MWh at the beginning of October 2021, peaking at EUR 314.4/MWh on 26 August 2022, to EUR 185.6/MWh by the end of September 2022, showing lateral movement in the last few weeks of the reporting period.

In the reporting period, prices for **CO_2 emission allowances** fluctuated between EUR 54.9/t and EUR 98.0/t. After a continuous increase in prices up to February 2022 as a result of high demand, there was a slump at the beginning of the Russian-Ukrainian war due to uncertainties regarding economic developments. Subsequently, demand for electricity generation again caused CO_2 prices to rise, with a need to compensate for low production levels from hydroelectric and nuclear power plants by increased use of coal and gas-fired power plants.

BUSINESS DEVELOPMENT IN THE ENERGY SEGMENT

In the 2021/2022 fiscal year, sales revenues in the Energy Segment amounted to EUR 3,139.2 million. The notable increase compared to the same period of the previous year (EUR 1,346.1 million) is attributable to the significant increase in wholesale prices for electricity and gas, which lead to higher sales revenues in energy trading, in the sale of electricity and gas as well as in the management of power plants and electricity procurement rights.

In the reporting period, the EBIT of the Energy Segment amounted to EUR 18.8 million and was 77.2% below the level of the previous year (EUR 82.4 million). The decline was mainly caused by below-average electricity generation from hydropower plants due to low river water levels. In sales, the sharp rise in procurement prices for electricity and gas not only had a negative impact on EBIT in the Energy Segment but also triggered the recognition of risks in the form of provisions.

The use of the CCGT power plant in Timelkam on the electricity market, on the other hand, had a positive effect on the operating result. Further details on the thermal power plants can

be found in the **Notes to the Consolidated Financial Statements, section 24.1. Derivative financial instruments and hedging › Page 195**.

Besides this, contributions to results from the management of the gas storage facilities also improved, although a provision of EUR 6.8 million for the 7Fields gas storage facility had been recognised in the previous year.

Due to higher expectations of future earnings contributions, an impairment reversal in the amount of EUR 4.1 million was recognised for the Timelkam CCGT power plant in the reporting period. The previous year's EBIT included reversals of impairment in the amount of EUR 2.8 million for the Timelkam CCGT power plant and in the amount of EUR 4.4 million for the Ebensee pumped-storage power plant project.

INCREASED OWN ELECTRICITY GENERATION DESPITE LOW WATER LEVELS

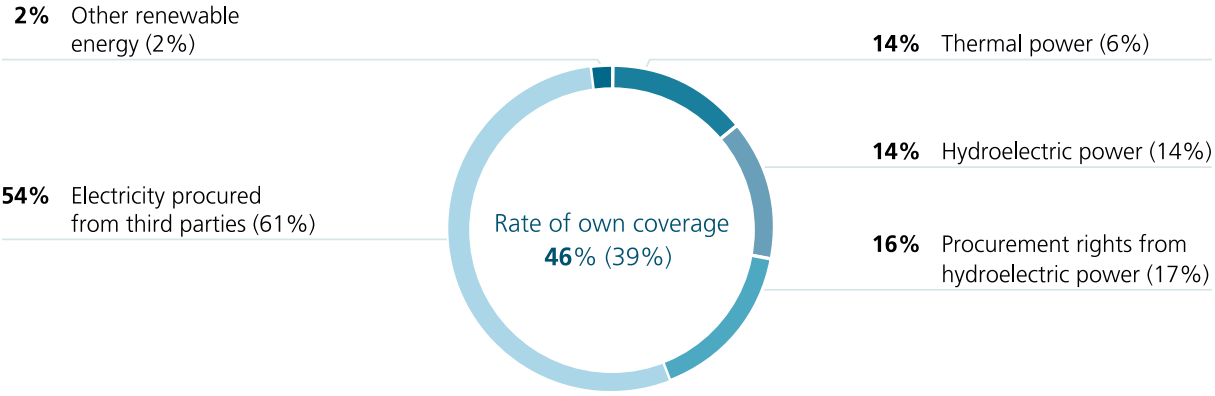
Total electricity procurement in the Energy Segment in the 2021/2022 fiscal year totalled 13,898 GWh and was 14.8% lower than in the previous year (16,315 GWh). While proprietary electricity procurement of 3,379 GWh was 13.6% higher than in the previous year (2,975 GWh), generation on the electricity markets was lower at 10,519 GWh (previous year: 13,340 GWh). This was mainly due to lower volumes for the management of the Group portfolios compared with the previous year.

Electricity production from thermal capacities in the Energy Segment amounted to 1,015 GWh and thus nearly doubled compared to the previous year's value of 465 GWh. Compared to the previous year, this development is attributable to increased utilisation of the CCGT power plant Timelkam and to Cogeneration-Kraftwerke Management Oberösterreich GmbH (CMOÖ GmbH) in Laakirchen. The Timelkam CCGT power plant was in standby operation and in use for grid reserve and congestion management in the first quarter of the 2021/2022 fiscal year. However, the market situation from December onwards showed full marketability for CCGT power plants, leading to the standby for grid reserve being discontinued in January 2022 and to a resumption of electricity production for the free market; however, this use was reduced again at the start of the Russian-Ukrainian war for risk mitigation reasons.

As the water level was significantly (6.0%) lower compared with the previous year, **proprietary electricity procurement from hydroelectric power** during the 2021/2022 fiscal year totalled 2,232 GWh, which is 6.3% below the previous year's figure of 2,381 GWh. Compared with the long-term average, river water levels were 12.1% below average in the reporting period. The hydro coefficient of the Group's own power plants and procurement rights was 0.88 during the reporting period (previous year: 0.94).

Electricity procurement structure without electricity trading

2021/2022; previous year's figures in brackets



With a view to the expansion of electricity generated from renewable energies, work pushed forward on the preliminary projects for the construction of the new Weissenbach power plant, and the replacement of the Traunfall power plant, in order to establish projects capable of approval.

As a result of the strategy project with eww ag launched in 2020, Energie AG took over the operational management of the new Traunleiten hydropower plant and of several smaller power plants as of 1 January 2022. Therefore, Energie AG now manages the entire Traun power plant chain; this allowed for further optimisation in the interaction of the generation plants, leading to a significant increase in efficiency in the production of green electricity.

Due to the changing conditions in the energy market, especially the expansion of electricity generation from volatile forms of energy such as wind and solar, there is an increasing need for additional, high-performance flexibility and storage capacities. This is why work on detailed planning, and request for quotation planning, for the Ebensee pumped-storage power plant began in the 2021/2022 fiscal year. The intent is to bring about a construction decision in the 2022/2023 fiscal year. The legally binding EIA approval notice for the project was secured as early as in the 2016/2017 fiscal year.

Ennskraftwerke AG, in which Energie AG holds a participating interest of 50%, also reported electricity production below the long-term average in the 2021/2022 fiscal year, with a hydro coefficient of 0.85 (previous year: 0.88). Energie AG holds electricity procurement rights to the hydropower plants of Ennskraftwerke AG and Verbund Hydro Power GmbH with a total annual standard production capacity amounting to 1,410 GWh.

Energie AG's **wind power portfolio** in Austria continues to comprise investments in four wind parks with a pro rata overall performance of nearly 14.7 MW. Generation from wind power in the reporting period was 38 GWh (previous year: 35 GWh). The Munderfing wind farm is currently being expanded to include a further wind turbine with an output of 3.45 MW. Trial operations and commissioning are scheduled for the fiscal year 2022/2023.

Energie AG operates **photovoltaic plants and PV contracting plants** in Austria and Italy with a total capacity of 18 MW_p (previous year: 14 MW_p) via subsidiaries. In the fiscal year 2021/2022, PV systems generated 18 GWh of electricity (previous year: 13 GWh). A 3.3 MW_p expansion of the SolarCampus in Eberstalzell went operational in the reporting period.

The distribution of **district heating** from the power plant locations in Riedersbach and Timelkam was 242 GWh, a drop of 5.5% compared with the previous year (257 GWh). Due to above-average temperatures in the winter of 2021/2022, demand for space heating fell.

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 2021/2022 fiscal year amounted to 685 GWh and was therefore 4.9% below the previous year's value (720 GWh).

DYNAMIC ENVIRONMENT AND ON-GOING DEVELOPMENT OF THE SALES ORGANISATION

The 2021/2022 fiscal year was characterised by unprecedented dynamics on the European electricity and gas markets. Vertrieb GmbH responded to this challenging development with appropriate strategic and operational measures. In the course of the tightening of the energy markets, intensive monitoring of the Russian-Ukrainian war and its impact on the supply situation in Austria in particular has been material to energy procurement and sales.

In the competitive environment, there were price increases and customer contract terminations by other market entities; this, in turn, generated strong demand for new customer contracts in Energie AG's Sales unit. Vertrieb GmbH responded to this development by introducing several price adjustments for new customers while ensuring that existing customers in the household and commercial sector benefitted from the price guarantee for standard electricity and gas products (with the exception of domestic/commercial float prices) and fibre-optic internet. Due to the significant increase in prices and the high volatility on the electricity and gas market, a product was developed to help business customers manage procurement timing risks; the risk mechanisms in the contracts were therefore adapted.

The General Terms and Conditions (GTC) for electricity and gas used in the consumer sector were revised in the reporting period; this was prompted, in part, by a recent decision by Austria's Supreme Court (OHG) on price adjustment clauses.

The number of heating degree days in Upper Austria in the reporting period decreased by 3.5% compared with the previous year, and was 3.1% above the average for the past five years. This meant that there was a year-on-year decline in sales volumes in the temperature-dependent Vertrieb GmbH business units. However, due to massive price increases and high volatility, even small volume deviations are economically significant in the current market situation.

Since the beginning of the COVID-19 pandemic, receivables risk monitoring has been an unusually significant factor in sales activities, becoming even more important due to the current energy industry environment with greatly increased market prices. Standardised ratings ensured stability in ongoing monitoring operations and targeted risk management; as a result, no significant effects emanated from this item in the fiscal year 2021/2022.

Constant forward-looking development of the organisation, especially in dynamic times, appears material: The retirement of ENAMO as an entity and brand following the renaming of "ENAMO Ökostrom GmbH" to "Energie AG Oberösterreich Öko GmbH" completed the last of a number of milestones for achieving the target structure in the Sales unit.

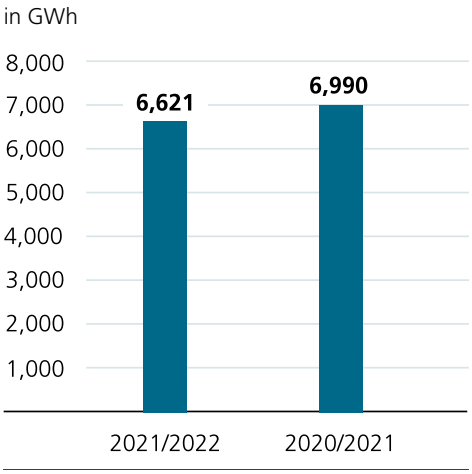
Following in-depth strategic pre-analysis, the decision was also taken to discontinue electricity and gas sales activities in Germany and to implement this decision as of 31 December 2021.

Electricity

At 6,621 GWh, Energie AG's consolidated electricity sales volume in fiscal year 2021/2022 was 369 GWh below the previous year's figure of 6,990 GWh.

Sales volumes to business and industrial customers were down on the previous year, especially at Energie AG Oberösterreich Businesskunden GmbH (Businesskunden GmbH), where the volume fell due to customer switching and the discontinuation of business in Germany. The volumes in the residential, commercial and municipal customer sector were also below the previous year's value due to the weather conditions.

Electricity sales volume

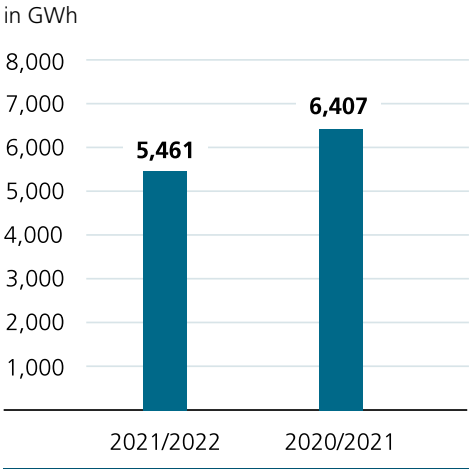


Gas

At 5,461 GWh, the volume of gas sold by Energie AG in the 2021/2022 fiscal year was 946 GWh or 14.8% below the previous year's figure of 6,407 GWh.

There were massive price fluctuations in the business and industrial customer areas. As a result, besides isolated customer losses, there was also a drop in base load deliveries and in the purchasing behaviour of existing customers. The volume sold to residential, commercial and municipal customers was slightly lower than in the previous year due to the weather conditions.

Gas sales volume

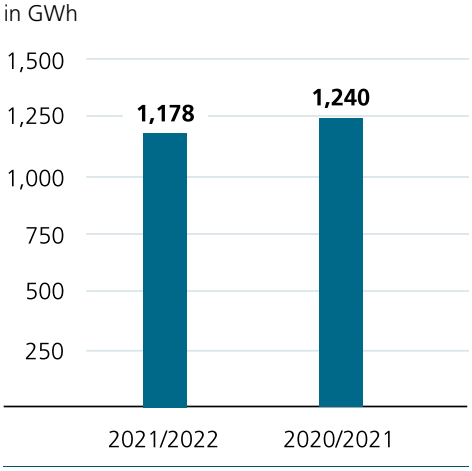


Heat

The heat sales volume in Austria amounted to 1,178 GWh in the 2021/2022 fiscal year; this was down 5.0% on the previous year's figure of 1,240 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 volumes from energy contracting.

Heat sales volume Austria



Telecommunications

By the end of the 2021/2022 fiscal year, 16,723 customers were already actively using Energie AG's products (previous year: 13,166). Despite the challenging competitive environment, Energie AG was also able to convince more customers in the business customer sector of its product benefits.

Photovoltaics

In the 2021/2022 fiscal year, 61 photovoltaic contracting customer plants (previous year: 50) with an output of 9.9 MW_p (previous year: 8.4 MW_p) were in operation. In addition to this, standardised products such as the "PV Super Deal" for households or the "PV Professional Deal" for commercial customers were developed, and already saw very high demand, during the reporting period.

Electromobility

The focus of electromobility activities is currently on charging solutions and the targeted establishment of public charging stations. Energie AG currently operates 164 publicly accessible charging stations (previous year: 128) and manages a total of over 604 charging points (previous year: 425).

GRID SEGMENT

Grid Segment overview

	Unit	2021/2022	2020/2021	Change
Total sales	EUR mill.	392.0	380.9	2.9%
EBIT	EUR mill.	45.3	37.2	21.8%
Investments in property, plant and equipment and intangible assets	EUR mill.	115.4	103.6	11.4%
Workforce (on average)	FTE	582	535	8.8%
Electricity grid distribution volume to end customers	GWh	8,118	8,231	-1.4%
Gas grid distribution volume to end customers	GWh	19,592	19,379	1.1%

STATUTORY AND REGULATORY FRAMEWORK IN THE GRID SEGMENT

In addition to the operational challenges of implementing the Renewable Energy Expansion Act (EAG) package, grid operators are also feeling the effects of the current geopolitical situation and decarbonisation hype. This is reflected, for example, in the Electricity Segment by a further increase in demand for PV systems – on top of the aspects attributable to the incentives from the EAG package.

The statutory environment was stable in the 2021/2022 fiscal year due to the fact that regulatory periods were still in effect until the end of 2022 for gas and until the end of 2023 for electricity. Discussions are underway between E-Control Austria and industry representatives on formulating regulations for the subsequent periods starting in 2023 and 2024. In the Gas Segment, the regulatory authority carried out a comprehensive cost review in the reporting period; the review forms the basis for the distribution grid operator benchmarks and cost path. Encouragingly, the gas division of Netz OÖ GmbH was confirmed as an efficient benchmark leader in the preliminary investigation report. This cost review is scheduled for fiscal year 2022/2023 for the electricity unit.

The grid utilisation fees in the electricity sector increased by between 3.0% and 7.9% as at 1 January 2022. This increase is attributable to high grid loss costs in the wake of rising energy market prices and higher upstream grid costs.

The grid utilisation fees in the gas sector for consumers at grid level 3 rose by 5.5% as of 1 January 2022. There was a substantial increase by 21.6% for end consumers at grid level 2. The reason for the increase was the roll-up of the regulatory parameters for the third regulatory period due to complaints filed by the Austrian Chamber of Commerce and the Federal Chamber of Labour. The procedure for 2020, which was still open, was decided on in the reporting period in line with previous procedures and is expected to be rolled up in future tariffs.

BUSINESS DEVELOPMENT IN THE GRID SEGMENT

The Grid Segment generated sales revenues of EUR 392.0 million in the reporting period. This represents a moderate increase of 2.9% compared with the previous year's sales revenues. In fiscal year 2021/2022, the EBIT of the Grid Segment amounted to EUR 45.3 million and was therefore EUR 8.1 million up on the previous year's operating result of EUR 37.2 million.

The Grid Segment EBIT now also includes the activities of the Metering Services operational unit, which was transferred from Telekom GmbH to Netz OÖ GmbH as part of an organisational change with effect as of 1 October 2021.

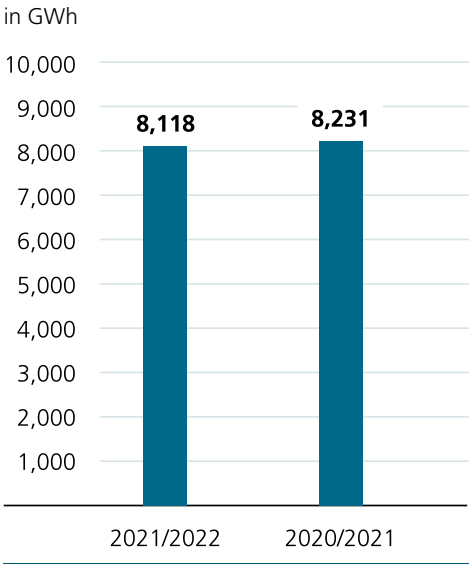
In terms of operational activities, the regulatory tariff increase in the electricity and gas sectors had a positive impact on EBIT, while higher upstream grid costs and grid losses reduced earnings.

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

Netz OÖ GmbH, as the electricity and gas grid operator of Energie AG, solidified its leading position within the industry by gaining a new certification in fiscal year 2021/2022. Following intensive preparations and an audit phase lasting almost a full month, the company's information security management systems (ISMS) could be successfully certified to ISO/IEC 27001:2013. Parallel to the requirements of ISO/IEC 27001:2013, all requirements of the Network and Information System Security Act (NISG) were co-audited by a qualified body (QuaSte), with the NISG audit report expected early in the 2022/2023 fiscal year.

Compared to the same period of the previous year, the **electricity grid distribution volume** fell by a total of 1.4% from 8,231 GWh to 8,118 GWh in the fiscal year 2021/2022. This decrease in volumes is mainly attributable to the commercial and residential customer sector, which fell in the second half of the fiscal year in particular. Volumes in the industrial customer segment also decreased slightly in the reporting period. As of 30 September 2022, the electricity sector of the Grid Segment supplied approx. 522,000 active customer installations (previous year: 517,000).

Electricity grid distribution volume to end customers



A sequence of several hurricane lows in February 2022 posed a challenge for grid operations. It was not only the individual events themselves, but the number of consecutive events in this period of time that placed a strain on the response teams. 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 2021/2022 fiscal year, grid activities focused on both grid upgrade and expansion measures to maintain and secure a stable electricity supply, and on the consistent implementation of the "Electricity Grid Master Plan Upper Austria 2028" (Stromnetz-Masterplan Oberösterreich 2028). This meant that the "Power Supply Pramtal South" projects, and the substations Hörsching, Ohlsdorf and Kronstorf West were completed or commenced operations. Work on the environmental impact statement began, following the decision to introduce a mandatory EIA for the "Electricity Supply Mühlviertel" project.

Replacing of overhead power line sections of the medium and low-voltage grid with underground cable was continued wherever expedient. Just less than 10 kilometres of medium-voltage overhead power line were replaced by underground cables in the reporting period.

The very large number of grid connection applications for decentralised electricity generation systems or, more specifically, for photovoltaic systems since the beginning of calendar year 2022 was highly challenging. The number of applications is a multiple of the previous year's figure. It proved impossible to provide 100% of the required grid capacity – it will be

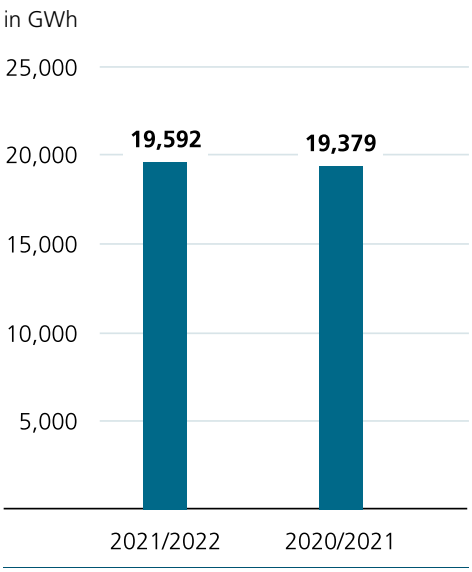
necessary to create this capacity through additional low- and medium-voltage grid construction work. The installed capacity from photovoltaics is around 589 MW (previous year: 396 MW) with around 39,300 connected systems (previous year: 30,100 systems).

The **gas volume** transported for end customers in the Group's own grid increased by 1.1% to 19,592 GWh year-on-year in the 2021/2022 fiscal year (previous year 19,379 GWh). This development was largely the result of higher volumes delivered to industry and power plants, while volumes in the household and commercial sectors declined.

The number of customers declined in the past fiscal year. The causes are assumed to be trends in society, political requirements, especially relating to environmental protection, and uncertainties relating to sufficient availability of gas.

To ensure reliable operation of the gas grid, extensive upgrades were carried out at the RS 149 Bad Ischl throttling station on top of scheduled grid expansion. Three high-pressure gas pipelines with a total length of 36.9 km were investigated using smart pigging. Various repairs to high-pressure pipelines were carried out in the reporting period.

Gas grid distribution volume to end customers



WASTE MANAGEMENT SEGMENT

Waste Management Segment overview

	Unit	2021/2022	2020/2021	Change
Total sales	EUR mill.	272.6	256.2	6.4%
EBIT	EUR mill.	33.9	29.6	14.5%
Investments in property, plant and equipment and intangible assets	EUR mill.	19.7	28.9	-31.8%
Workforce (on average)	FTE	831	821	1.2%
Total waste volume handled [1)]	1,000 t	1,575	1,701	-7.4%
Incinerated waste volume	1,000 t	591	586	1.0%

1) Previous year's value restated

ECONOMIC ENVIRONMENT FOR THE WASTE MANAGEMENT SECTOR

In the 2021/2022 fiscal year, the Waste Management Segment continued to benefit from what was, for the most part, a very good economic environment.

Both nationally and internationally, the Circular Economy Package, formulated at EU level, continues to be the focus of attention. The Circular Economy Package amendment under the Waste Management Act (AWG) is intended to ensure waste avoidance, recycling, reuse, and product design geared towards sustainability. Targets in line with this for recycling, quotas for reusable and disposable packaging, requirements for the reduction of certain plastic products and on the issue of producer responsibility, incineration bans and landfill restrictions have been formulated and pose major challenges for the stakeholders.

One of the focuses here is plastic packaging: in order to achieve the EU target of a 50% recycling rate in 2025, recycling must be doubled in the coming years. In addition, a new independent quota for separate collection of PET beverage bottles becomes mandatory as of 2025. In order to be able to achieve these high targets, the Circular Economy Package, an amendment to the Waste Management Act, envisages the mandatory, staggered introduction of reusable packaging quotas in the food industry as well as a commitment on the part of the beverage industry to charge a deposit on PET and aluminium containers as of 1 January 2025.

Further provisions from the Waste Management Act (AWG) mandates that, starting on 1 January 2023, waste transportation of volumes above 10 t over distances of more than 300 kilometres must be effected by rail or similarly climate-friendly means of transport, with the kilometre threshold due to drop to 100 kilometres by 1 January 2026. Although the amendment offers opportunities, such as relieving the fraught situation in logistics services provoked by a lack of heavy goods vehicle drivers, however, it also entails economic risks.

From 1 January 2023 onward, the amendment to the Packaging Regulation (VVO) requires commercial packaging placed on the market exclusively to be returned via a collection and recovery system. As a waste management company, Energie AG Oberösterreich Umwelt Service GmbH (Umwelt Service GmbH) would in future essentially be limited to only logistics services for a part of the paper and cardboard volumes. The concrete application, feasibility and potential financial impact are still uncertain due to numerous open issues relating to feasibility in practice.

The positive trend from the previous year continued for the recyclable materials paper/cardboard and scrap metals. The Wiesbaden index for paper and cardboard packaging was even higher on average in the 2021/2022 fiscal year than in the previous year, meaning that higher sales revenues were achieved in the reporting period. However, a significant fall in prices was visible at the end of fiscal year 2021/2022. In the scrap metal sector, the average price for steel scrap was also significantly higher than one year earlier, peaking around the middle of the 2021/2022 fiscal year. At the end of the 2021/2022 fiscal year, although the price was lower than the starting price at the beginning of the fiscal year, however, it was still at a relatively high level.

BUSINESS DEVELOPMENT IN THE WASTE MANAGEMENT SEGMENT

In the 2021/2022 fiscal year, sales revenues in the Waste Management Segment amounted to EUR 272.6 million (previous year: EUR 256.2 million), representing an increase of 6.4%. The operating result rose by EUR 4.3 million to EUR 33.9 million compared with the previous year's figure (EUR 29.6 million).

The price development for the recyclable materials paper/cardboard and scrap metals once again contributed to the increase in sales revenues and EBIT, despite significant price declines for paper/cardboard becoming noticeable at the end of fiscal year 2021/2022. Similarly, electricity and heat revenues for the volumes decoupled from Welser Abfallverwertung (WAV) increased significantly in the first half of the year compared to the previous year. Growth in sales revenues and earnings was also noted for municipal, commercial and industrial waste. The previous year's EBIT included reversals of impairment for waste incineration plants totalling EUR 4.7 million.

STABLE DEVELOPMENT IN WASTE MANAGEMENT SERVICES

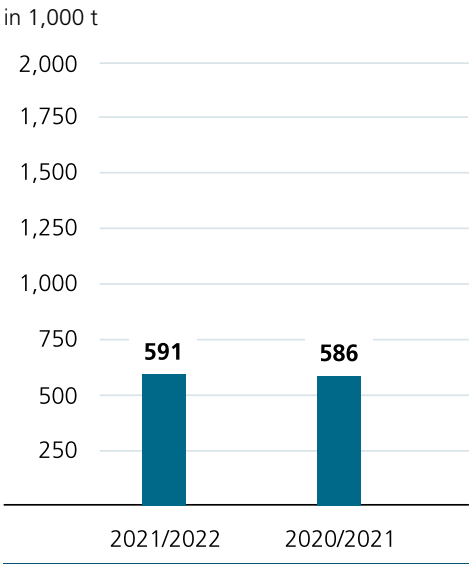
A **throughput** of some 591,400 t of incinerated waste volume was achieved at the **waste incineration plant in Wels and Lenzing**. This is equivalent to an increase of 1.0% compared with the previous year.

The annual inspection at the Lenzing waste incineration plant took place in spring. At WAV, the overhaul of line 2 was completed in May, with line 1 being completed in August 2022.

In the reporting period, the waste incineration plant in Wels distributed 243 GWh of **heat** (previous year: 234 GWh) to the district heating network and to one other key account customer. Electricity procurement totalled 198 GWh (previous year: 194 GWh).

In the course of the comprehensive strategy project with eww ag, the heat supply to both households and businesses in the Wels area has been significantly expanded and condensed since 2021. In addition, a second large transport pipeline was built in the north of the city in 2021 and 2022, while two state-of-the-art hot water generators were built to secure the district heating supply. This will substantially increase heat extraction at the Wels waste incineration plant. Umwelt Service GmbH took over the exclusive heat supply to eww ag as of 1 May 2022. The extensive preparatory work required for this was successfully completed.

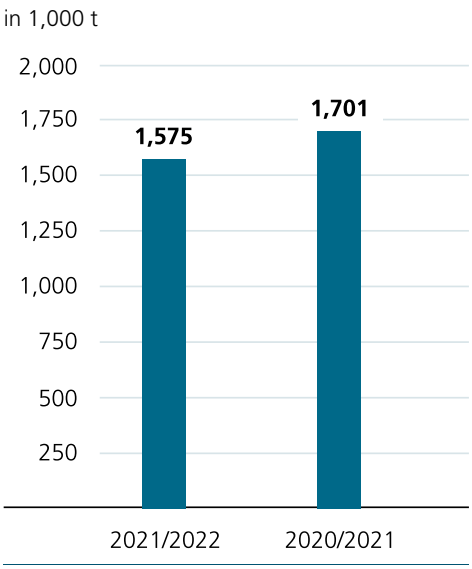
Incinerated waste volume



The **treatment plants for hazardous waste in Steyr** were again very well utilised in the 2021/2022 fiscal year. In terms of maintenance, the focus was primarily on the renovation of the CPO plant (chemical/physical treatment plant for organic waste). In addition, the fire alarm and extinguishing systems were upgraded.

Compared with the fiscal year 2020/2021, the **total volume handled** in the Waste Management Segment dropped by approx. 7.4% to a total of some 1,575,000 t (previous year: 1,701,000 t). While the volumes in Austria declined, especially for waste wood, paper/cardboard, and construction waste, the total volumes in South Tyrol remained at the previous year's level.

Total waste volume handled



The extension work at the repair workshop in Attnang-Puchheim for company-owned heavy goods vehicles was completed in the reporting period. Beyond this, large-scale roofing work using PV modules was started at the Mühldorf site in order to, among other things, protect the waste material collection centre for several communities against external weather influences, while at the same time generating renewable energy. In addition, modernisations and expansion work has pushed forward at several sites, including fire protection work.

The reconstruction work relating to the relocation of the company headquarters from Hörsching to the WAV site in Wels has been concluded. The relocation of the company headquarters and the accompanying relocation work were completed in the first half of the 2021/2022 fiscal year.

The investigations throughout Austria into the area of collection and transport in the waste management industry initiated by the Federal Competition Authority (BWB) are still in progress. Umwelt Service GmbH is actively involved in the investigation and has assured the BWB of its full willingness to cooperate.

The Neumarkt site in **South Tyrol** achieved higher earnings compared with the previous year. There were positive developments in commercial and industrial waste. Operations in the production of refuse derived fuels (RDF) and glass sorting were also positive. Compared to this, the scenario in paper and board volumes was challenging with paper mills increasingly competing directly with waste management companies to acquire paper volumes.

In the **WDL-Wasserdienstleistungs GmbH** (WDL GmbH), the general conditions for drinking water supply and waste water disposal in Austria were largely stable during the reporting period. An important contract with an industrial customer in the service sector was successfully extended. At WDL GmbH, the main focus was on maintaining the secure supply of drinking water and further developing the services offered.

CZECH REPUBLIC SEGMENT

Czech Republic Segment overview

	Unit	2021/2022	2020/2021	Change
Total sales	EUR mill.	194.7	173.2	12.4%
EBIT	EUR mill.	6.0	11.1	-45.9%
Investments in property, plant and equipment and intangible assets	EUR mill.	8.0	9.1	-12.1%
Workforce (on average)	FTE	1,715	1,718	-0.2%
Invoiced drinking water volume	m^3 mill.	49.2	48.2	2.1%
Invoiced waste water volume	m^3 mill.	45.2	45.1	0.2%

GENERAL CONDITIONS IN THE CZECH REPUBLIC

The COVID-19 situation in the Czech Republic increasingly eased during the 2021/2022 fiscal year. Following this, the Czech government rescinded most of the measures to prevent the further spread of the COVID-19 pandemic.

Although this had a positive effect on the economic development of the country, the generally difficult conditions on the energy market and the Russia-Ukraine war on top had a negative impact on the economy. Inflation in the Czech Republic rose sharply during the reporting period, reaching a peak of 18% in September 2022. The unemployment rate settled near full employment during the 2022 calendar year.

In the Water unit, a new price regulation between the operator and the infrastructure owner – in particular relating to the maximum permissible costing margin on drinking water, and wastewater charges – was agreed as on 1 January 2022. One significant innovation here is determining a permissible margin based on the replacement values of the non-current assets in operation. This will create sufficient funds for the owners to replace infrastructure.

At the same time, the Czech regulatory authority for the heating sector enacted a change in heat pricing on 1 January 2022. Based on this, the maximum profit is now calculated, among other things, by the inflation-adjusted acquisition value of the assets in operation. From today's perspective, these regulatory adaptations will not have any negative impact on the Czech Republic Segment.

In the reporting period, the energy crisis with sharply rising market prices exposed trading companies for electricity and gas in particular to massive pressure, ultimately triggering insolvencies and the departure of numerous market participants; this also affected the Czech Republic Segment. This has led to further massive price increases for energy customers who now have to procure replacements at high prices on the spot market – in part for volumes that had already been secured. On top of this, energy suppliers are refusing to conclude new contracts in many cases. As a consequence the commodities to be procured are being distributed across several suppliers in order to minimise the risk of default.

High gas prices were particularly relevant for the heating business of Energie AG's Czech Republic Segment, as a large proportion of heat is generated by gas-fired boilers and combined heat and power plants. In the case of water supply and waste water management, higher market prices impacted on electricity expenses for water and waste water treatment and allocation. However, the remedial actions taken, including passing on the increased

energy costs to the customers or damage agreements with the previous supplier, have substantially mitigated the impact.

The Czech koruna steadily strengthened against the euro in the course of the 2021/2022 fiscal year. The exchange rate was around EUR/CZK 24.6 towards the end of the reporting period.

BUSINESS DEVELOPMENT IN THE CZECH REPUBLIC SEGMENT

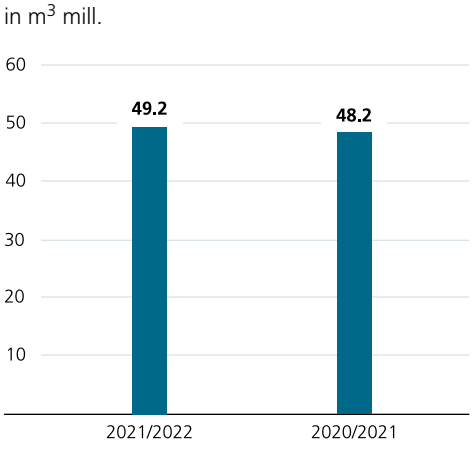
In the 2021/2022 fiscal year, the Czech Republic Segment generated sales revenues of EUR 194.7 million in its water and heating business. This was equivalent to an increase of 12.4% compared with the previous year and was attributable to exchange rate effects, price and volume increases and the services sector. In addition, the sales revenues of the Czech Republic Segment now also include the activities of RATE s.r.o., which was acquired by Energie AG Bohemia s.r.o. as of 3 January 2022.

The EBIT in the Czech Republic Segment amounted to EUR 6.0 million in the reporting period. This is equivalent to a decrease of 45.9% (previous year: EUR 11.1 million), which is mainly due to the significant rise in energy overheads, triggered by replacement purchases of electricity and gas, as well as the massive price increases due to the Russian-Ukrainian war.

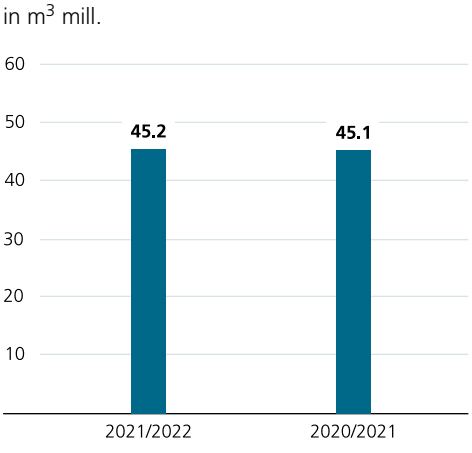
STABLE VOLUME DEVELOPMENT IN THE CZECH REPUBLIC

In the Czech Republic Segment, a total of 49.2 million m^3 of **drinking water** (previous year: 48.2 million m^3) and 45.2 million m^3 of **waste water** (previous year: 45.1 million m^3) were invoiced in the reporting period. In total, this corresponds to slightly higher volumes in drinking water and waste water business, although developments varied from region to region.

Invoiced drinking water volume



Invoiced waste water volume



All major tenders for drinking water and wastewater were won, the most important being those in Přeštice, Žirovnice, Dobřany (ČEVAK a.s. in all cases) and those of the association of local authorities JEKOZ (Energie AG Kolín a.s.).

The **heat sales volume** in the Czech Republic amounted to 198 GWh in the reporting period, which is 5.0% above the previous year's figure (189 GWh) due to the acquisition of a heat supplier in Štětí and despite the mild winter.

In organisational terms, the focus in the reporting period was on company mergers in the western part of the supply area and in the central Prague region. In the process, the companies Energie AG Teplo Rokycany s.r.o. and Tepelné zásobování Rakovník, spol. s.r.o. were merged and now operate as Energie AG Teplo Bohemia s.r.o. In the second half of the reporting period, the focus was also on preparing the strategic merger of the water and wastewater activities in the central region around Prague. The first step was the takeover of VAK Zápy s.r.o. by its affiliate company VAK Beroun a.s.

Additionally, 100% of the shares in RATE s.r.o. were acquired by Energie AG Bohemia s.r.o. on 3 January 2022. The company, which has a workforce of 23, is located 80 km north of Prague and uses industrial waste heat from the paper industry to supply heat and hot water to approximately 10,000 inhabitants of the town of Štětí and surrounding communities.

HOLDING & SERVICES SEGMENT

Holding & Services Segment overview

	Unit	2021/2022	2020/2021	Change
Total sales	EUR mill.	258.1	274.7	-6.0%
EBIT	EUR mill.	46.6	28.1	65.8%
Investments in property, plant and equipment and intangible assets	EUR mill.	33.6	48.3	-30.4%
Workforce (on average)	FTE	1,019	1,055	-3.4%
Length of fibre-optic network	km	5,820	7,021	-17.1%

BUSINESS DEVELOPMENT IN THE HOLDING & SERVICES SEGMENT

Sales revenues in the Holding & Services Segment in the reporting period were EUR 258.1 million; this is equivalent to a decrease of 6.0% compared with the previous year (EUR 274.7 million). The reduction in sales revenues and EBIT in the Holding & Services Segment was prompted by the transfer of the Metering Services operational unit, which was transferred from Telekom GmbH to Netz OÖ GmbH as part of an organisational change with effect as of 1 October 2021.

The EBIT of the Holding & Services Segment increased from EUR 28.1 million in the previous year to EUR 46.6 million in the fiscal year 2021/2022. The positive development of the operating result in the reporting period primarily resulted from the measurement of the share in BBOÖ Breitband Oberösterreich GmbH in the amount of EUR 37.0 million. Beyond this, a reversal of impairment of EUR 3.5 million was recorded for Wels Strom GmbH, which is consolidated using the equity method, while the EBIT of the previous year included a reversal of impairment in the amount of EUR 15.4 million for Wels Strom GmbH. The Energie AG's service companies allocated to the Holding & Services Segment declined slightly overall, while the Telecommunications business area's remaining activities in the segment showed a slightly positive development in the reporting period.

STRATEGIC FOCUS IN THE TELECOM SECTOR

For Telekom GmbH, the 2021/2022 fiscal year was characterised by restructuring and process realignment.

Following the completion of the mass smart meter rollout, the "Metering Services" operational unit was already merged with the affiliated Netz OÖ GmbH at the start of the reporting period.

Wide-ranging structural adjustments were made (with retrospective effect on the balance sheet as of the beginning of the 2021/2022 fiscal year) in April 2022. Due to the bundling of broadband activities with the Province of Upper Austria to leverage synergy potential in the fibre-optic rollout, the FTTH unit of Telekom GmbH was spun off into BBOÖ GmbH. The Province of Upper Austria brought Fiber Service OÖ GmbH into the joint venture. For further details see the section **Changes under corporate law › Page 115**.

At Telekom GmbH, the focus in the second half of the reporting period was primarily on strategic realignment due to the new situation, and on revising the processes and designing the newly created interfaces.

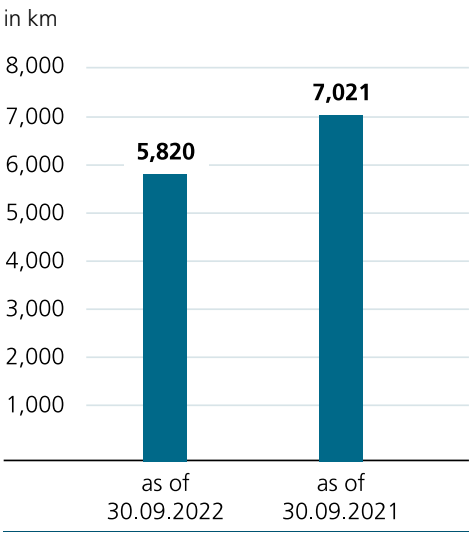
In the future, Telekom GmbH will focus on expanding its position as a strong partner for future-orientated communication and control solutions. Specific development measures and innovative customer offerings were elaborated for the company's two main pillars "Fibre Wholesale" and "Control Solutions".

In the Fibre Optics business area, Telekom GmbH offers carriers a specific range of services relating to data transport on the backbone network and layer 2 technology (signalling technology – data link layer). Besides this, Telekom GmbH acts as a wholesale partner for internet service providers (ISPs) and Group affiliate Vertrieb GmbH, to connect additional locations and business customers to its own fibre-optic network and therefore to further boost the capacity utilisation of the network and generated value.

In the backbone and wholesale area, the length of the fibre-optic network remaining in the Group was 5,820 km (previous year's figure: 7,021 km). The decrease compared with the previous year's figure is attributable to the spin-off of the FTTH area to BBOÖ GmbH.

Other activities in the telecommunications area in the reporting period included providing internal communications and control solutions within the Group, for example, data provisioning and connecting the Group's own facilities (control system support).

Length of fibre-optic network



STRATEGIC INVESTMENTS

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

Wels Strom GmbH, in which Energie AG holds a 49% participating interest, is the integrated electricity supply company of the city of Wels. Other business areas include services relating to electric mobility and energy systems for key account customers.

In the last completed fiscal year (1 January 2021 to 31 December 2021), the electricity sales volume to customers increased to 742 GWh (2020: 692 GWh), 15% of which was covered by own production, mainly from hydroelectric power. Some 48% of the electricity distribution was generated outside the grid area of Wels Strom GmbH. The volume increases in the electricity grid are attributable in part to the fact that the COVID-19 lockdowns in 2020 resulted in greater volume reductions than were experienced in 2021.

In the scope of an extensive strategy project that started in 2020, the owners of Wels Strom GmbH – eww ag and Energie AG – realigned the supply of heat and energy to the Wels area in cooperation with the subsidiary. The aim was to leverage synergy potentials and improve service quality. The operational implementation steps of this comprehensive future initiative started in 2021 and will continue until the end of 2022.

Salzburg AG für Energie, Verkehr und Telekommunikation (Salzburg AG), in which Energie AG holds a 26.13% participating interest, has consistently pursued the forward-looking growth strategy adopted in the summer of 2020 on the path to a greener future, despite the challenges posed by COVID-19. This meant that Salzburg AG was geared even more strongly for growth, innovation and customer orientation in terms of content and organisation, and its reorientation from an infrastructure company to a "green tech company" was pushed forward.

Investments continued along the previous path, consistently pushing forward with the expansion of green energy with simple products and innovative solutions, in the photovoltaics and e-mobility sectors for example. There will also be substantial investment in broadband expansion, with more than EUR 100.0 million to be invested throughout the state of Salzburg by 2025. Beyond this, Salzburg AG is pursuing an innovation strategy that strengthens its core business with digital solutions and forward-looking ideas while focusing on new markets and business areas. Cooperation with start-ups is part of this strategy.

Business performance in the most recently completed fiscal year (1 January 2021 to 31 December 2021) was characterised by a decline in total procurement in the electricity sector. Although electricity distribution to end customers rose slightly to 3,387 GWh (previous year: 3,304 GWh), the trading volume of 10,708 GWh was significantly lower than in the previous year (12,801 GWh). Generation from hydroelectric power fell by 9.7% compared with the previous year to 1,390 GWh (previous year: 1,539 GWh) due to below-average water levels.

Gas sales to end customers totalled 1,793 GWh; this was up on the previous year's figure (1,606 GWh) due to growth in the key account segment. Electricity and gas grid distribution to end customers in the Salzburg Netz GmbH grid were both up on the previous year. At 976 GWh, total district heating sales including grid losses was 8.5% higher than in the previous year. Electricity and gas sales to customers were at 3,304 GWh and 1,606 GWh, respectively, which is 3.5% and 3.4% below the level of the previous year.

The telecommunications business unit has seen constant growth for years; this is also the case in Salzburg AG's 2021 fiscal year. Customer numbers increased again in the areas of cable TV and internet. This year, internet trade magazine connect confirmed that Salzburg AG offered the best performing internet in the entire Province of Salzburg.

Additions to non-current assets totalled EUR 185.7 million (previous year: EUR 129.0 million). This includes, among other things, investments of EUR 16.1 million in generation plants (previous year: EUR 9.0 million), investments of EUR 57.7 million in the electricity grid (previous year: EUR 45.0 million), investments of EUR 38.5 million in the telecommunications sector (previous year: EUR 33.3 million) and investments of EUR 19.3 million attributable to the introduction of smart meters (previous year: EUR 13.5 million).

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. One focus of work in fiscal year 2021/2022 was the finalisation of the extension to Group headquarters in Linz in the form of an office building with an energy-efficient design. In the scope of the construction of a new office and workshop building in Gmunden, various official and award procedures were completed and civil engineering work began. Besides this, the focus was on the start of the design phase for the S/4HANA transformation of the enterprise resource planning (ERP) system landscape, the implementation of various projects to enhance IT security, and the successful completion of the project to harmonise commercial sales and customer care processes. The test phase of the "Digital Driver's Logbook" project started.

The **Customer Services GmbH** bundles the Group's customer services and data protection back office, billing, provider switch management, receivables management and payment processing in customer-facing operations. In the 2021/2022 fiscal year, employees provided services for around 1.55 million customer contracts. In addition to the reliable provision of all services in the face of the continuing COVID-19 pandemic, the 2021/2022 fiscal year was characterised by many projects. In the reporting period, for example, the focus was on the topics "changes in consumption data transmission", "energy cost compensation" and "implementation of energy communities in the scope of the Renewable Energy Expansion Act package". Customer Services GmbH was also strongly involved in the successful migration and GoLive of the project to adapt the SAP system architecture in the area of billing and customer services.

The focus of **Personalmanagement GmbH**'s activities is both on matters related to personnel strategy and personnel policy for the Group, governed by the Holding division "HR Strategy and Control", and on all agendas relating to personnel and management development, personnel support, personnel accounting and apprenticeship programs. In addition to the challenges posed by COVID-19, the strategic focus in the 2021/2022 fiscal year was on employer branding activities. In addition, the focus was on management development using innovative formats and supplementary measures for the rapid and uncomplicated advanced training of employees on subjects related to digitalisation. During the reporting period, the conclusion of a company agreement on remote work took another important step forward towards making working hours more flexible. In the context of work-life balance, the opening of a company childcare facility in July 2022 is particularly worthy of note.

Tech Services GmbH is the central know-how provider in the Group's technical services segment. These services include conceptual design, project planning, construction, maintenance and prompt troubleshooting of electricity, gas, and telecommunications infrastructures and power plants, especially in the field of hydroelectric power, heat and photovoltaics. These services were primarily provided for affiliated companies in the Group in the 2021/2022 fiscal year. To ensure capacity utilisation, numerous external customer orders were won, underlining competitiveness. In addition to the constant challenges posed by the COVID-19 pandemic, the Russian-Ukrainian war also resulted in increasing supply issues for key material resources. One major challenge in the reporting period was the increasing order volume, particularly in the area of electricity grid expansion, and the recruitment of essential personnel. Maintaining an effective task force for troubleshooting and retaining expertise in the planning, construction and maintenance of plants in the Group's environment with high quality and at marketable prices remain our top priorities.

OUTLOOK

With a view to **economic development** in the fiscal year 2022/2023, forecasts by economic research institutes are pessimistic across the board due to the sharp rise in prices and limited consumer purchasing power. In any case, the IHS, WIFO and IMF expect the economy to drop very sharply in 2023, forecasting GDP growth for Austria in the range of +0.2% to +1.0% with inflation between +5.1% and +6.8%. In the euro zone, economic growth of +0.3% to +2.3% is expected for 2023.

Shortly after the end of the reporting period, the **National Emission Allowance Trading Act (NEHG) 2022** implementing the eco-social tax reform came into force on 1 October 2022 and the **Market Premium Regulation** on 4 October 2022. The changes in the tax system resulting from CO_2 pricing and the new legal regulations announced for energy efficiency, heating and climate protection will define new general conditions for all sectors of the energy industry; this will naturally have an impact across all consumption segments – from households to industry – and will be a factor shaping further sales activities.

On 18 November 2022, the Austrian federal government announced the key points related to the national implementation of the EU Emergency Measures Regulation on the absorption and redistribution of surplus proceeds. In future, a revenue cap of EUR 140.0/MWh will apply for electricity producers, which can increase in case direct additional costs are proven. There will also be an input credit for investments into renewable energies and energy efficiency. These regulations come into effect on 1 December 2022 in Austria and will apply until 31 December 2023. An initiative for the new **Energy Crisis Levy Act** was already submitted to the National Council and a resolution is expected in December.

The **general conditions in the energy industry** remain challenging for Energie AG, and for the entire industry. The future development of prices on the international energy markets is difficult to assess for the 2022/2023 fiscal year due to the many unpredictable factors influencing these. Key factors will include the further course of the Russian-Ukrainian war, political or regulatory intervention in the market, including possible energy-steering measures by the Austrian government, economic developments, and weather conditions, particularly in the coming winter.

Against the backdrop of the rising and volatile energy prices and the related procurement risk, tightly meshed integration of **procurement and sales processes** will continue to play a central role in the coming months. The price guarantee in the residential and commercial customer segment will end at the beginning of the 2023 calendar year; prompted by higher procurement costs, a price increase will be necessary for the electricity and gas supply to existing customers. The support measures planned or adopted by government – such as the electricity price cap – are intended to ease the burden on customers.

In the **generation sector**, work on the Ebensee pumped-storage power plant project will push forward intensively in order to bring about a building decision in the 2022/2023 fiscal year. The construction of additional flexible storage capacities is a basic prerequisite for achieving the ambitious national expansion targets for electricity generation from renewable energies while at the same time ensuring security of supply.

The focus for the **Grid Segment** in the fiscal year 2022/2023 will be on the in-depth regulatory review of costs and structures in the electricity grid sector and the establishment of the electricity distribution grid operator benchmark based on this. In terms of tariffs, higher electricity grid utilisation fees can be expected due to the fraught situation on the energy market, as high energy prices will also have an impact on the procurement prices for grid losses. In addition to this, the implementation of the EAEC package will play a central role.

Expansion of photovoltaic systems is expected to remain at a similarly high level in the coming years; the challenges will then shift to expanding the existing grid infrastructures. In addition, further relevant changes in the statutory environment are expected for the Grid Segment in the course of the 2022/2023 fiscal year, for example, due to the Electricity Market Act for the electricity sector, and due to the Renewable Heat Act for the gas sector.

In the **Waste Management Segment**, the very good economic environment prevalent in the 2021/2022 fiscal year is unlikely to continue at the same level. A noticeable turnaround has already begun and the market situation is expected to be challenging in the 2022/2023 fiscal year. In the paper/cardboard sector in particular, the paper industry is expected to purchase significantly lower volumes due to production cutbacks. The market for waste wood is currently tight due to high demand and limited availability. In addition, further cost increases can be expected due to high inflation.

High energy costs will continue to be a major challenge in the **Czech Republic Segment**, particularly in the first quarter of the new fiscal year 2022/2023. The Czech government has decided to cap prices for electricity and gas as of 1 January 2023; this is expected to prompt a positive development in results from the heating and water sectors. Close monitoring of the current developments on the electricity and gas market, which are dramatic in terms of costs, is continuing, especially since these drastic price increases are exposing suppliers, operators and customers under serious pressure. One focus in the coming fiscal year will be on the ongoing development of energy efficiency projects for the heat and water supply and wastewater management. VAK Zápy s.r.o. was merged with its owning company VAK Beroun a.s. at the beginning of the 2022/2023 fiscal year; the company will in future manage the water and wastewater activities in the central region around Prague. The services provided to municipalities and cities are forecasted to remain stable in the 2022/2023 fiscal year, although – here too – there are signs of greater reticence in terms of communal investment.

In the **telecommunications business area**, the focus in the next fiscal year will be on wholesale, i.e., the marketing of bandwidths to internet service providers. In this area, work is underway to optimise the product range and take a more active approach to customer support and acquisition. In addition, the interfaces and processes with the recently created BBOÖ GmbH are being continuously improved in order to push forward with the fibre-optic roll-out for Upper Austria in the best possible way. In the area of intra-Group services – in particular operational technology – the aim is to continue to develop existing services with a view to the needs of users, and create attractive offerings for the Group's partners by doing so.

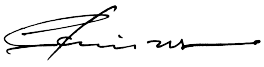
In its function as an energy supplier majority-owned by the Province of Upper Austria, **Energie AG** will continue to make every effort in the 2022/2023 fiscal year to reliably perform its system-critical tasks, in particular supplying its customers, in a fragile economic and geopolitical situation. The permanent orientation of all services to customer needs, the focuses of digitalisation and innovation, and the financial stability of the Group will remain important strategic objectives in the future.

At the same time, the focus is more than ever on making a significant contribution to the energy transition by expanding renewable energies, establishing a comprehensive circular economy system and pushing forward with the transformation in mobility. The stable financial situation achieved in recent years through forward-looking measures and the Group's diversified business portfolio provide the basis for mastering these challenging developments.

Against the backdrop of the significant number of uncertainties and highly volatile price developments, EBIT for the 2022/2023 fiscal year is expected to come in at least at the level of the 2021/2022 fiscal year – subject to further potential interventions in the market by policymakers or regulators.

Linz, 5 December 2022

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 2021/2022
of Energie AG Oberösterreich

CONSOLIDATED STATEMENT OF INCOME
1 OCTOBER 2021 TO 30 SEPTEMBER 2022

			2021/2022 EUR 1,000	2020/2021 EUR 1,000
1.	Sales revenues	(6)	4,002,090.3	2,145,163.5
	Procurement costs for proprietary electricity trading	(6)	-193,860.1	-118,964.6
	Net sales revenues	(6)	3,808,230.2	2,026,198.9
2.	Change in inventories of finished goods and work in progress		2,585.0	1,388.4
3.	Other capitalised corporate services		41,737.4	44,049.3
4.	Share in result of companies consolidated at equity	(3.1.; 17)	23,729.8	29,182.2
5.	Other operating income			
	Reversals of impairment	(16.2.)	4,107.2	11,880.6
	Other	(8)	60,874.2	21,229.6
			64,981.4	33,110.2
6.	Expenses for material and other purchased services	(9)	-3,114,162.3	-1,292,784.5
7.	Personnel expenses	(10)	-318,354.6	-308,420.6
8.	Depreciation, amortisation and impairments (thereof impairments EUR -993.9 thousand (previous year: EUR -723.0 thousand))	(11; 16)	-165,597.4	-164,425.8
9.	Other operating expenses	(12)	-192,512.8	-179,894.7
10.	**Operating result**		**150,636.7**	**188,403.4**
11.	Financing expenses	(13)	-27,942.1	-24,166.0
12.	Other interest income	(13)	1,231.2	1,077.3
13.	Other financial result	(14)	-2,016.1	2,954.5
14.	**Financial result**		**-28,727.0**	**-20,134.2**
15.	**Earnings before taxes**		**121,909.7**	**168,269.2**
16.	Income taxes	(15)	-10,688.7	-36,410.3
17.	**Consolidated net earnings**		**111,221.0**	**131,858.9**
	Thereof attributable to non-controlling interests		1,061.6	1,111.8
	Thereof attributable to investors in the parent company			
	Consolidated net profit		**110,159.4**	**130,747.1**

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME
1 OCTOBER 2021 TO 30 SEPTEMBER 2022

		2021/2022 EUR 1,000	2020/2021 EUR 1,000
1. Consolidated net earnings		**111,221.0**	**131,858.9**
2. Other comprehensive income			
Items that will not be subsequently reclassified to the statement of income:			
Remeasurement of the defined benefit obligation	(25)	43,740.6	-3,593.3
Changes in value of at-equity companies recognised in equity		43.3	-7.8
Changes in value of investments and securities FVOCI	(23)	5,911.4	5,529.5
Deferred taxes	(15)	-13,122.5	-529.9
Items that may be subsequently reclassified to the statement of income:			
Hedge accounting	(23; 24)	223,203.8	142,754.3
Changes in value of at-equity companies recognised in equity		763.4	119.5
Translation differences	(5.19.)	3,802.8	6,321.9
Deferred taxes	(15)	-49,372.5	-35,688.6
Total expenses and revenues recognised in other comprehensive income		**214,970.3**	**114,905.6**
3. Total comprehensive income after taxes		**326,191.3**	**246,764.5**
4. Thereof attributable to non-controlling interests		1,321.4	2,035.4
5. Thereof attributable to parent company		**324,869.9**	**244,729.1**

CONSOLIDATED STATEMENT OF FINANCIAL **POSITION** AS OF 30 SEPTEMBER 2022

ASSETS		30.09.2022 EUR 1,000	30.09.2021 EUR 1,000
A. Non-current assets			
I. Intangible assets and goodwill	(16)	235,897.9	233,121.8
II. Property, plant and equipment	(16)	1,990,004.0	1,949,379.3
III. Investments (thereof at-equity companies: EUR 287,087.3 thousand (previous year: EUR 233,868.9 thousand))	(17)	327,531.7	264,704.9
IV. Other financial assets	(18)	126,827.3	80,318.4
		2,680,260.9	**2,527,524.4**
V. Derivative financial instruments	(24.4.)	729,518.2	84,465.5
VI. Other non-current assets	(19)	8,156.8	32,404.7
VII. Deferred tax assets	(15)	4,651.3	6,606.3
		3,422,587.2	**2,651,000.9**
B. Current assets			
I. Inventories	(20)	137,193.6	53,322.6
II. Derivative financial instruments	(24.4.)	1,239,345.1	287,236.5
III. Receivables and other assets	(21)	910,620.5	436,612.0
IV. Fixed term deposits and short-term investments	(5.10.)	273,472.6	105,775.3
V. Assets held for sale	(32)	-	122,220.1
VI. Cash and cash equivalents	(22)	929,449.9	219,197.3
		3,490,081.7	**1,224,363.8**
		6,912,668.9	**3,875,364.7**

LIABILITIES		30.09.2022 EUR 1,000	30.09.2021 EUR 1,000
A. Equity			
I. Share capital	(23)	88,652.6	88,653.8
II. Capital reserves	(23)	216,616.1	216,596.3
III. Retained earnings	(23)	1,192,647.8	1,151,305.8
IV. Other reserves	(23)	280,435.6	63,314.4
V. Non-controlling interests	(23)	16,146.9	15,887.4
		1,794,499.0	**1,535,757.7**
B. Non-current liabilities			
I. Financial liabilities	(24)	611,136.2	648,969.7
II. Non-current provisions	(25)	227,730.0	293,810.9
III. Deferred tax liabilities	(15)	128,368.6	62,576.9
IV. Construction cost subsidies	(26)	328,462.5	313,058.9
V. Advances received	(27)	1,849.0	475.2
VI. Derivative financial instruments	(24.4.)	1,130,824.9	88,405.5
VII. Other non-current liabilities	(28)	45,772.6	48,549.5
		2,474,143.8	**1,455,846.6**
C. Current liabilities			
I. Financial liabilities	(24)	49,342.0	21,127.2
II. Current provisions	(29)	79,033.5	45,661.3
III. Tax provisions	(30)	176.6	109.2
IV. Trade payables	(24)	279,156.4	162,178.9
V. Liabilities related to assets held for sale	(32)	-	42,836.9
VI. Derivative financial instruments	(24.4.)	1,815,628.6	428,978.8
VII. Other current liabilities	(31)	420,689.0	182,868.1
		2,644,026.1	**883,760.4**
		6,912,668.9	**3,875,364.7**

STATEMENT OF CHANGES IN EQUITY

	Share capital EUR 1,000	Capital reserves EUR 1,000	Retained earnings EUR 1,000	Reserves under IAS 19 EUR 1,000	Reserves under IFRS 9 EUR 1,000
Balance as of 30.09.2021	**88,653.8**	**216,596.3**	**1,151,305.8**	**-86,006.9**	**112,759.2**
Items that will not be subsequently reclassified to the statement of income:					
Remeasurement of the defined benefit obligation	-	-	-	44,162.3	-
Changes in value of associated at-equity companies recognised in equity	-	-	-	43.3	-
Changes in value of investments and securities FVOCI	-	-	-811.6	-	6,723.0
Deferred taxes	-	-	117.0	-12,458.9	-924.5
Items that may be subsequently reclassified to the statement of income:					
Hedge accounting	-	-	-	-	223,203.8
Hedge accounting at-equity companies	-	-	-	-	763.4
Translation differences	-	-	-	-	-
Deferred taxes	-	-	-	-	-49,372.5
Other comprehensive income	**-**	**-**	**-694.6**	**31,746.7**	**180,393.2**
Consolidated net earnings	-	-	110,159.4	-	-
Total income for the period	**-**	**-**	**109,464.8**	**31,746.7**	**180,393.2**
Dividend distribution	-	-	-66,489.4	-	-
Treasury stocks	-	18.6	-18.6	-	-
Other	-1.2	1.2	-1,614.8	-	-
Transactions with shareholders	**-1.2**	**19.8**	**-68,122.8**	**-**	**-**
Balance as of 30.09.2022	**88,652.6**	**216,616.1**	**1,192,647.8**	**-54,260.2**	**293,152.4**

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	**-9,306.1**	**8,327.0**	**63,314.4**	**1,519,870.3**	**15,887.4**	**1,535,757.7**	
-	-	-	44,162.3	44,162.3	-421.7	43,740.6	
-	-	-	43.3	43.3	-	43.3	
-	-	-	6,723.0	5,911.4	-	5,911.4	(23)
-	-	-	-13,383.4	-13,266.4	143.9	-13,122.5	
-	-	-	223,203.8	223,203.8	-	223,203.8	(23)
-	-	-	763.4	763.4	-	763.4	
-	-	3,265.2	3,265.2	3,265.2	537.6	3,802.8	(5.19.)
-	-	-	-49,372.5	-49,372.5	-	-49,372.5	
-	**-**	**3,265.2**	**215,405.1**	**214,710.5**	**259.8**	**214,970.3**	
-	-	-	-	110,159.4	1,061.6	111,221.0	
-	**-**	**3,265.2**	**215,405.1**	**324,869.9**	**1,321.4**	**326,191.3**	
-	-	-	-	-66,489.4	-748.0	-67,237.4	
-	-18.6	-	-18.6	-18.6	-	-18.6	(23)
1,734.7	-	-	1,734.7	119.9	-313.9	-194.0	
1,734.7	**-18.6**	**-**	**1,716.1**	**-66,388.1**	**-1,061.9**	**-67,450.0**	
39,275.8	**-9,324.7**	**11,592.2**	**280,435.6**	**1,778,352.1**	**16,146.9**	**1,794,499.0**	

	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 30.09.2020	**88,655.5**	**216,567.0**	**1,073,776.7**	**-83,324.7**	**1,476.3**
Items that will not be subsequently reclassified to the statement of income:					
Remeasurement of the defined benefit obligation	-	-	-	-3,565.8	-
Changes in value of associated at-equity companies recognised in equity	-	-	-	-7.8	-
Changes in value of investments and securities FVOCI	-	-	-	-	5,529.5
Deferred taxes	-	-	-	891.4	-1,428.2
Items that may be subsequently reclassified to the statement of income:					
Hedge accounting	-	-	-	-	142,749.5
Hedge accounting at-equity companies	-	-	-	-	119.5
Translation differences	-	-	-	-	-
Deferred taxes	-	-	-	-	-35,687.4
Other comprehensive income	**-**	**-**	**-**	**-2,682.2**	**111,282.9**
Consolidated net earnings	-	-	130,747.1	-	-
Total income for the period	**-**	**-**	**130,747.1**	**-2,682.2**	**111,282.9**
Dividend distribution	-	-	-53,192.3	-	-
Treasury stocks	-	27.6	-27.6	-	-
Other	-1.7	1.7	1.9	-	-
Transactions with shareholders	**-1.7**	**29.3**	**-53,218.0**	**-**	**-**
Balance as of 30.09.2021	**88,653.8**	**216,596.3**	**1,151,305.8**	**-86,006.9**	**112,759.2**

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	**-9,278.5**	**2,945.7**	**-50,640.0**	**1,328,359.2**	**14,610.3**	**1,342,969.5**	
-	-	-	-3,565.8	-3,565.8	-27.5	-3,593.3	
-	-	-	-7.8	-7.8	-	-7.8	
-	-	-	5,529.5	5,529.5	-	5,529.5	(23)
-	-	-	-536.8	-536.8	6.9	-529.9	
-	-	-	142,749.5	142,749.5	4.8	142,754.3	(23)
-	-	-	119.5	119.5	-	119.5	
-	-	5,381.3	5,381.3	5,381.3	940.6	6,321.9	(5.19.)
-	-	-	-35,687.4	-35,687.4	-1.2	-35,688.6	
-	**-**	**5,381.3**	**113,982.0**	**113,982.0**	**923.6**	**114,905.6**	
-	-	-	-	130,747.1	1,111.8	131,858.9	
-	**-**	**5,381.3**	**113,982.0**	**244,729.1**	**2,035.4**	**246,764.5**	
-	-	-	-	-53,192.3	-756.4	-53,948.7	
-	-27.6	-	-27.6	-27.6	-	-27.6	(23)
-	-	-	-	1.9	-1.9	-	
-	**-27.6**	**-**	**-27.6**	**-53,218.0**	**-758.3**	**-53,976.3**	
37,541.1	**-9,306.1**	**8,327.0**	**63,314.4**	**1,519,870.3**	**15,887.4**	**1,535,757.7**	

CASH FLOW STATEMENT

	2021/2022 EUR 1,000	2020/2021 EUR 1,000	
Earnings before income taxes	**121,909.7**	**168,269.2**	
Tax payments	-33,054.5	-31,025.8	(15)
Earnings after income taxes	**88,855.2**	**137,243.4**	
Depreciation, amortisation and impairments/impairment reversals of non-current assets	166,226.7	152,050.2	(16)
Change in non-current provisions	-22,340.3	-253.7	
Change in other non-current assets	24,247.8	-26,435.9	
Change in other non-current liabilities and advances received	-190.7	-2,319.5	
Retained earnings of equity companies	-10,653.4	-21,775.0	
Construction cost subsidies received	44,682.9	40,800.1	(26)
Income from the reversal of construction cost subsidies	-29,279.3	-28,092.9	(26)
Losses from the disposal of assets	2,048.7	1,540.9	
Gains from the disposal of assets	-38,069.2	-2,427.0	(32)
Other non-cash expenses and income	-1,457.1	-2,142.9	
	224,071.3	**248,187.7**	
Change in current assets	-256,467.6	-65,273.2	
Payments from hedging transactions	1,694,620.8	320,798.4	(24.1.)
Non-cash items from derivatives	-382,959.2	-44,880.7	(24.1.)
Initial margins for derivatives	-342,518.4	-50,881.8	(24.1.)
Change in current liabilities	169,688.3	-54,254.1	
Change in current provisions	30,085.8	24,977.2	
Cash flow from operating activities	**1,136,521.0**	**378,673.5**	
Inflow from the disposal of property, plant and equipment, and intangible assets	1,783.3	4,194.1	
Outflow for additions to property, plant, equipment and intangible assets	-184,499.4	-198,072.5	(16)
Inflow from the disposal of financial assets	34,806.7	13,579.1	
Change in scope of consolidation less acquired cash	-3,259.4	-	(3)
Outflow for additions to financial assets and other financial investments	-189,105.5	-34,891.4	
Cash flow from investments	**-340,274.3**	**-215,190.7**	
Dividend distribution	-67,237.4	-53,948.7	(34)
Acquisition of own shares and non-controlling interests	-237.8	-27.6	
Issuance of registered bonds	-	75,000.0	(24.7.)
Other changes in financial liabilities	-18,660.2	-11,795.1	(24.7.)
Cash flow from financing activities	**-86,135.4**	**9,228.6**	
Total cash flow	**710,111.3**	**172,711.4**	
Cash funds at beginning of period	219,197.3	46,304.8	(22)
Cash flow	710,111.3	172,711.4	
Exchange rate effects	141.3	181.1	
Cash funds at end of period	929,449.9	219,197.3	(22)
The cash flow from operating activities includes:			
Interest received	1,103.8	1,000.0	
Interest paid	24,309.7	21,312.9	
Dividends received	15,683.3	9,331.5	(17)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS 2021/2022 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 2021/2022 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 Code to prepare consolidated annual financial statements in keeping with the Austrian Commercial Code. Whenever the Austrian Commercial Code so requires, additional disclosures are made in the respective notes.

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

2. Change in accounting methods

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

Newly applicable amended standards adopted by the EU that take effect on 1 January 2021 or later:

- IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16 (Amendments: Interest Rate Benchmark Reform – Phase 2)
- IFRS 4 (Amendments: Extension of the Temporary Exemption from Applying IFRS 9)
- IFRS 16 (Amendments: Covid-19-Related Rent Concessions beyond 30 June 2021)

The amended standards do not have a material impact on the Consolidated Financial Statements.

2.2. Standards and interpretations that have not been applied early

In the 2021/2022 Consolidated Financial Statements, the following amendments adopted by the EU were not applied early:

Entry into force in the EU on 1 January 2022 or later:

- IFRS 3 (Amendments: Reference to the Conceptual Framework)
- IAS 37 (Amendments: Onerous Contracts – Costs of Fulfilling a Contract)
- IAS 16 (Amendments: Property, Plant & Equipment: Proceeds before Intended Use)
- Annual Improvements to IFRS Standards 2018-2020 Cycle (Amendments to IFRS 1, IFRS 9, IFRS 16 and IAS 41)
- IFRS 17 (Insurance Contracts)
- IFRS 17 (Amendements: Intitial Application of IFRS 17 and IFRS 9 – Comparative Information)
- IAS 1 (Amendments: Disclosure of Accounting Policies)
- IAS 8 (Amendments: Definition of Accounting Estimates)
- IAS 12 (Amendments: Deferred Tax related to Assets and Liabilities arising from a Single Transaction)

The following standards and interpretations, amendments and improvements of standards enter into force on 1 January 2023 or a later date, although they have not yet been adopted by the European Union at this time:

- IAS 1 (Amendments: Classification of Liabilities as Current or Non-current)
- IFRS 16 (Amendments: Lease Liability in a Sale and Leaseback)
- IAS 1 (Amendments: Non-Current Liabilities with Covenants)

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

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

- IFRS 14 (Regulatory Deferral Accounts)

Application of the following standard was postponed indefinitely:

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

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

2.3. Derivative financial instruments

In the previous year, surpluses from derivative financial instruments were recognised in the item "Other non-current assets" (EUR 84,465.5 thousand) as well as in the item "Receivables and other assets" (EUR 287,236.5 thousand). Deficits were recognised in the item "Other non-current liabilities" (EUR 88,405.5 thousand) and "Other current liabilities" (EUR 428,978.8). Owing to materiality criteria, the amounts were recognised in separate balance sheet items ("Derivative financial instruments") from 30 September 2022 onward and the previous year was restated accordingly.

2.4. Eco-social tax reform

One of the effects of the eco-social tax reform is a change in the tax rate for corporate tax. The previous rate of 25% applicable in Austria will be reduced to 24% in calendar year 2023 and to 23% from calendar year 2024. The future tax rates (24.25% for 2022/2023; 23.25% for 2023/2024; 23% from 2024/2025) were applied when calculating the deferred tax assets and liabilities. The adjustment resulted in a recognition of EUR 5.2 million of income through profit and loss and a further EUR 5.7 million of income through equity.

3. Scope of consolidation

3.1. Principles

Subsidiaries

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

Joint arrangements

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

Joint operations

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

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

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

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

Joint ventures

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

Associated companies

Companies in which Energie AG Oberösterreich exercises a significant influence (associated companies) are consolidated using the equity method. Significant influence exists due to holdings of the entity's share capital. Salzburg AG für Energie, Verkehr und

Telekommunikation is an infrastructure provider for energy, transport and telecommunication. Wels Strom GmbH is an energy utility and service company.

The changes in the scope of consolidation are as follows:

	Full consolidation	Proportionate consolidation	Equity consolidation
30.09.2021	**49**	**2**	**11**
Inclusion for the first time	1	-	2
Merger	-1	-	-
30.09.2022	**49**	**2**	**13**

Energie AG Teplo Rokycany s.r.o. was merged with Tepelné zásobování Rakovník spol. s.r.o. and subsequently renamed Energie AG Teplo Bohemia s.r.o.

In the Czech Republic Segment, RATE s.r.o (Czech Republic, Štětí) was fully consolidated for the first time, with the implications thereof for the Consolidated Financial Statements being insignificant. The entity is involved in supplying heating and hot water, as well as providing the related services.

BBOÖ Breitband Oberösterreich GmbH (50%) and its wholly-owned subsidiary Breitband Oberösterreich Infrastruktur GmbH have been included for the first time in the Consolidated Financial Statements for the present fiscal year using the equity method. Please refer to **section 32 "Non-current assets held for sale" › Page 230** here.

Joint ventures

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

	BBOÖ Breitband Oberösterreich GmbH, Breitband Oberösterreich Infrastruktur GmbH		Windpower EP GmbH		Other joint ventures	
	30.09.2022 EUR mill.	30.09.2021 EUR mill.	30.09.2022 EUR mill.	30.09.2021 EUR mill.	30.09.2022 EUR mill.	30.09.2021 EUR mill.
Non-current assets	183.4	-	27.4	28.6	52.9	52.5
Current assets	81.6	-	8.2	6.4	27.7	24.8
	265.0	**-**	**35.6**	**35.0**	**80.6**	**77.3**
Equity	76.5	-	7.2	4.8	32.4	27.5
Non-current liabilities	97.1	-	26.4	29.4	37.4	16.8
Current liabilities	91.4	-	2.0	0.8	10.8	33.0
	265.0	**-**	**35.6**	**35.0**	**80.6**	**77.3**
Cash and cash equivalents	75.5	-	7.3	2.1	5.5	3.0
Non-current financial liabilities	-	-	25.2	28.3	26.1	30.0
Current financial liabilities	67.5	-	0.2	0.2	2.1	2.0

	BBOÖ Breitband Oberösterreich GmbH, Breitband Oberösterreich Infrastruktur GmbH		Windpower EP GmbH		Other joint ventures	
	2021/2022 EUR mill.	2020/2021 EUR mill.	2021/2022 EUR mill.	2020/2021 EUR mill.	2021/2022 EUR mill.	2020/2021 EUR mill.
Sales revenues	1.7	-	10.3	5.8	69.3	55.7
Depreciation, amortisation and impairments	-12.6	-	-2.9	-2.9	-3.6	-3.6
Interest income	-	-	-	-	0.2	0.2
Interest expense	-0.5	-	-0.3	-0.5	-0.6	-0.6
Taxes	0.2	-	-1.5	-0.4	-1.9	-0.9
Earnings after taxes	-6.6	-	4.4	1.1	5.8	3.3
Share in net assets as of 01.10.	-	-	2.3	1.7	12.3	10.9
Inclusion for the first time	41.6	-	-	-	-	-
Profit for the period	-3.3	-	3.0	0.6	2.8	1.7
Dividends	-	-	-1.7	-	-0.6	-0.3
Share in net assets as of 30.09.	38.3	-	3.6	2.3	14.5	12.3
Goodwill	0.2	-	-	-	0.7	0.7
Carrying amount as of 30.09.	**38.5**	**-**	**3.6**	**2.3**	**15.2**	**13.0**

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	
	30.09.2022 EUR mill.	30.09.2021 EUR mill.	30.09.2022 EUR mill.	30.09.2021 EUR mill.	30.09.2022 EUR mill.	30.09.2021 EUR mill.
Non-current assets	1,552.0	1,438.3	94.2	99.8	5.4	5.9
Current assets	392.2	96.5	26.4	16.5	4.6	3.1
	1,944.2	**1,534.8**	**120.6**	**116.3**	**10.0**	**9.0**
Equity	605.5	588.0	25.2	19.7	7.2	5.9
Non-current liabilities	735.8	675.6	29.0	32.6	2.6	2.5
Current liabilities	602.9	271.2	66.4	64.0	0.2	0.6
	1,944.2	**1,534.8**	**120.6**	**116.3**	**10.0**	**9.0**

	Salzburg AG für Energie, Verkehr und Telekommunikation		Wels Strom GmbH		Other associated companies	
	2021/2022 EUR mill.	2020/2021 EUR mill.	2021/2022 EUR mill.	2020/2021 EUR mill.	2021/2022 EUR mill.	2020/2021 EUR mill.
Sales revenues	2,661.2	1,623.1	182.7	119.0	7.6	5.0
Earnings after taxes	47.8	50.0	10.7	-4.8	2.0	1.5
Dividends	-30.3	-25.7	-5.2	-	-0.9	-0.9
Share in net assets as of 01.10.	153.7	147.2	9.6	12.1	2.4	2.2
Profit for the period	12.5	13.2	5.2	-2.5	0.8	0.6
Reversal of impairment	-	-	3.5	-	-	-
Dividends	-8.0	-6.7	-2.5	-	-0.3	-0.4
Share in net assets as of 30.09.	158.2	153.7	15.8	9.6	2.9	2.4
Goodwill	19.7	19.7	33.2	33.2	-	-
Carrying amount as of 30.09.	**177.9**	**173.4**	**49.0**	**42.8**	**2.9**	**2.4**

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 (100.00)	FC (FC)
Energie AG Oberösterreich Business Services GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Bohemia GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Customer Services GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Erzeugung GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Kraftwerk Ennshafen GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Kommunalservice GmbH	Wels	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	Wels	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	Wels	100.00 (100.00)	FC (FC)
Cogeneration-Kraftwerke Management Oberösterreich GmbH	Linz	100.00 (100.00)	FC (FC)
Energie AG Oberösterreich Öko GmbH	Linz	100.00 (100.00)	FC (FC)
IfEA Institut für Energieausweis GmbH	Linz	100.00 (100.00)	FC (FC)
Netz Oberösterreich GmbH	Linz	100.00 (100.00)	FC (FC)
Wertstatt 8 GmbH	Linz	100.00 (100.00)	FC (FC)
MA Restabfallverwertung GmbH	Wels	99.00 (99.00)	FC (FC)
WDL-Wasserdienstleistungs GmbH	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)
BBOÖ Breitband Oberösterreich GmbH	Linz	50.00 (-)	JV (-)
Breitband Oberösterreich Infrastruktur GmbH (formerly: OÖ Breitband Infrastruktur GmbH)	Linz	50.00 (100.00)	JV (UC)

	Domicile	Interest held in % (prev. year)	Consolidation (prev. year)
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)
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)	- (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)
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.	Vimperk	100.00 (100.00)	FC (FC)
Energie AG Teplo Rokycany s.r.o.	Rokycany	- (100.00)	- (FC)
RATE s.r.o.	Štětí	100.00 (-)	FC (-)
Energie AG Teplo Bohemia s.r.o. (formerly: Tepelné zásobování Rakovník spol. s r.o.)	Rakovník	100.00 (100.00)	FC (FC)
VAK Zápy s.r.o.	Zápy	100.00 (100.00)	FC (FC)
VHOS a.s.	Moravská Třebová	100.00 (100.00)	FC (FC)
Vodárenská společnost Beroun s.r.o.	Beroun	100.00 (100.00)	FC (FC)
VODOS Velkoobchod s.r.o.	České Budějovice	100.00 (100.00)	FC (FC)
Energie AG Kolin a.s.	Kolín	97.33 (97.30)	FC (FC)
Vodárenská společnost Chrudim a.s.	Chrudim	95.00 (95.00)	FC (FC)
SATEZA a.s.	Šumperk	95.83 (91.67)	FC (FC)
Aqua Servis a.s.	Rychnov nad Kněžnou	66.00 (66.00)	FC (FC)
Vodovody a kanalizace Beroun a.s.	Beroun	59.29 (59.22)	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)

	Domicile	Interest held in % (prev. year)	Consolidation (prev. year)
Vodovod Radyně a.s.	České Budějovice	100.00 (100.00)	UC (UC)
Italy			
ECOFE S.R.L.	Meran	100.00 (100.00)	FC (FC)
Energie AG Südtirol Umwelt Service GmbH	Neumarkt	100.00 (100.00)	FC (FC)
Salvatonica Energia S.R.L.	Meran	100.00 (100.00)	FC (FC)
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. z o.o.	Warszawa	- (100.00)	- (UC)
Finadvice Fair Energy Wind Development 5 Sp. z o.o.	Warszawa	- (100.00)	- (UC)
Hungary			
Energie AG Heves Régió Környezetvédelmi és Hulladékgazdálkodási Korlátolt Felelősségű Társaság	Miskolc	100.00 (100.00)	FC (FC)

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

4. Consolidation methods

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

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

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

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

5. Accounting and measurement principles

5.1. General conditions

The 2021/2022 fiscal year saw a significant easing of the constraints and impacts of the COVID-19 pandemic compared with the previous year. The year under review was influenced, among other things, by the outbreak of the Russian-Ukrainian war and related sanctions, volatile prices for electricity and gas at a high level, and an increase in interest rates and inflation.

The higher prices for electricity and gas are taken into account in the impairment testing of assets. The increase in interest rates affects in particular the discounting of provisions for social capital and other non-current provisions (see **section 25 Non-current provisions › Page 222**). The increase in inflation leads, among other things, to a change in the assessment of future wage, salary and pension development.

To support the Austrian economy during the Corona crisis, the Austrian Federal Government has launched a programme aimed at promoting business investment. Investments in depreciating non-current assets are promoted with a one-off non-repayable subsidy of 7% or 14% of the investment amount. The subsidy is granted on condition that a so-called "first measure" (order placement, conclusion of a purchase contract, down payment, construction start etc.) is implemented by no later than 31 May 2021. Commissioning and payment must take place by no later than 28 February 2023; this date may be extended to 28 February 2025 under certain conditions. Subsidiaries from Austria have already applied for the investment bonus and funding approvals have been received. As of 30 September 2022, claims for subsidies in an amount of EUR 3,292.0 thousand were recognised for already implemented investments. The corresponding liability item is reported under other non-current liabilities and will be eliminated through profit or loss in accordance with their useful lives after completion of the assets.

5.2. Estimates

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

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

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

The salary trend used to determine the personnel provisions consists of the expected future increase of salaries and wages under collective agreements 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 165** and following items).

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

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

Carrying amounts	30.09.2022 EUR 1,000	30.09.2021 EUR 1,000
Goodwill	89,725.5	87,316.9
Property, plant and equipment	1,990,004.0	1,949,379.3
Investments	327,531.7	264,704.9
Non-current provisions	227,730.0	293,810.9
Current provisions	79,033.5	45,661.3

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 amortisation 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	10-25
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 complete and ready for use.

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

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

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

5.5 Impairment of goodwill

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

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

The cash flows used to determine the value in use are based on the five-year mid-term planning approved by the Management Board. The planning figures are based both on past experience and on external sources of information. The assumptions concerning cash flows beyond the period of detailed planning are based on analyses of the past as well as on forecasts for the future. Future restructuring measures and expansion investments, for which no funds were expended or no obligation incurred yet, are not included. A growth rate of 1.0% (previous year: 1.0%) is assumed for the time after the detailed planning period. The growth rate is based on electricity prices and forecasts for future GDP growth, as well as expected increases in expenses. The assumptions concerning future GDP growth are based on European Commission publications. The testing of goodwill impairment is based on the goodwill's value in use.

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

5.5.1. Planning assumption for Sales

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

The volatility on the energy markets meant that planning was carried out separately for the main and secondary brands in the electricity and gas units on the basis of achievable margins.

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

The inflation rate is used to extrapolate the future external costs.

5.5.2. Planning assumptions in the Waste Management Segment

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

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

The recycling and throughput volumes were planned for the major waste management systems based on expected market developments. The expected throughput is 305,000 tonnes for the Wels waste incineration plant and 295,000 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 and waste water as well as for the heating sector in the Czech Republic 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. Emissions allowances

The CO_2 emissions 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 emissions allowances, corresponding provisions are built up and the reduction of the liability from their allocation is recognised in the Statement of Income. Upon delivery of the emissions allowances to the registration office, the provision is netted against the asset.

Emissions 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 emissions allowances, corresponding provisions are built up. Upon delivery of the emissions 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. Fixed term deposits with terms of more than one year are recognised in the "other financial assets". They are measured at amortised costs under the category "Financial Assets at Amortised Cost (AC)". This item also recognises investments in money market funds that are allocated to the category "Financial Assets at Fair Value through Profit or Loss (FVPL)".

5.11. Cash and cash equivalents

The item "Cash and cash equivalents" includes cash in hand, deposits at banks with an original maturity of up to three months, provided that they are not subject to limitations on availability, and investments in short-term bonds that are readily convertible to a fixed amount of cash and which are only subject to an insignificant risk of changes in value. They are measured at amortised costs under the category "Financial Assets at Amortised Cost (AC)".

5.12. Financial instruments

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

5.12.1. Primary financial instruments

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

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

An impairment in the amount of the expected credit loss over the term is recognised for financial assets measured at amortised costs (AC) whose default risk has significantly increased since their first-time recognition, as well as for trade receivables. An allowance for

accounts receivable is, differently to what was explained above, recognised in the amount of the expected credit losses over the full term. If the term is less than 12 months, the impairment is determined on the basis of the shorter term.

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

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

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

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

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

5.12.2. Derivative financial instruments and hedging transactions

In the Group, derivative financial instruments are used above all to hedge the risks of fluctuations in interest rates and electricity, gas and CO_2 prices.

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

If a derivative financial instrument pursuant to IFRS 9 is used for hedge accounting in a cash flow hedge, the effective portion of the gain or loss on the hedging instrument's fair value is recognised in equity in other comprehensive income. This is reclassified in the Statement of Income in the same period in which the cash flows of the hedged item are recognised in profit or loss. If the hedged item ceases to exist, the hedging result is recognised in the Statement of Income. The ineffective portion of the change in fair value of a hedging instrument for which a cash flow hedge has been created is recognised through profit or loss to the extent required.

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

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

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

5.13. Provisions under IAS 19

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

5.14. Other provisions

Other provisions include all recognisable obligations as of 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 and impairments for the corresponding asset.

5.17. Investment subsidies

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

5.18. Contingent liabilities

Contingent liabilities are potential or existing obligations (resulting from past events) for which an outflow of resources is not probable. There are no material 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 2022 for the Czech koruna was 24.56725 (previous year: 25.42595), for the Hungarian forint 421.84750 (previous year: 359.921), for the US dollar 0.97984 (previous year: 1.15896).

5.20. Revenues from customer contracts

Revenues are recognised at the time a customer gains the authority to dispose over the goods or services. The sales revenues correspond to the revenues presented in the segment reporting. There are no significant obligations to accept returns or grant refunds, guarantees and/or discretionary decisions.

Sales revenues in the Energy Segment and the Grid Segment

Written contracts are in place with electricity and gas customers and/or electricity grid and gas grid customers.

These result in performance obligations for the delivery of electricity and natural gas, as well as obligations from the operation of the electricity and gas grid for the Group.

These performance obligations are satisfied within the relevant periods. Electricity and gas customers as well as electricity grid and gas grid customers with monthly volume metering are invoiced on a monthly basis. Payment is usually received within one month from the invoice date. Where no monthly volume metering takes place, the customers usually pay monthly instalments.

The transaction price is determined on the basis of the concluded electricity and gas supply contracts, or the grid utilisation fees for the grid utilisation period. In the case of multi-component contracts, the consideration payable is allocated to the performance obligations on the basis of the contractually agreed prices for the individual performance obligations. This essentially concerns energy supplies, balancing energy and other services.

Sales revenues are recognised within the period in which electricity or natural gas deliveries take place or the grid is utilised.

Sales revenues include revenues from proprietary trading of electricity and gas. Net sales revenues (after deducting procurement costs for proprietary electricity and gas trading) include the realised margin. Procurement costs for proprietary energy and gas trading pertain to quantities of electricity and gas that have been purchased solely for the purpose of reselling at the wholesale level while achieving an appropriate margin.

Sales revenues in the Waste Management Segment

The revenues from the collection of waste concern the collection and intake of refuse. These performance obligations are, to the largest extent, satisfied at a certain point in time. The transaction price is determined on the basis of the contracts concluded. Multi-component contracts usually provide for the consideration payable to be allocated to the performance obligations.

Waste recycling includes the incineration of waste. Written contracts are in place with customers purchasing the generated heat and/or electricity. The performance obligations – 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

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Energy Segment		
Revenues from electricity sales	2,205,344.0	935,436.1
Revenues from natural gas sales	780,294.8	287,055.1
Revenues from district heat sales	91,327.2	56,032.8
Others	55,892.1	60,471.4
	3,132,858.1	**1,338,995.4**
Grid Segment		
Revenues from the electricity and gas grids	342,984.8	334,752.4
Revenues from the reversal of construction cost subsidies	28,442.4	27,118.5
Others	7,314.3	4,223.2
	378,741.5	**366,094.1**
Waste Management Segment		
Revenues from the collection of waste	109,354.1	104,495.5
Revenues from the recycling of waste	81,990.2	83,085.6
Revenues from the processing of waste	62,280.2	50,040.7
Others	10,015.4	9,403.1
	263,639.9	**247,024.9**
Czech Republic Segment		
Revenues from water deliveries	80,169.0	73,473.4
Revenues from waste water intake	69,798.5	63,811.8
Revenues from district heat sales	20,261.6	13,980.3
Others	24,468.9	21,801.0
	194,698.0	**173,066.5**
Holding & Services Segment	**32,152.8**	**19,982.6**
Sales revenues	**4,002,090.3**	**2,145,163.5**
Procurement costs for proprietary electricity trading	-193,860.1	-118,964.6
Net sales revenues	**3,808,230.2**	**2,026,198.9**

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 revenues in the Holding & Services Segment primarily involve delivery of goods and services that are charged at prices corresponding to market conditions.

Capital employed is the key figure relating to assets and liabilities in the Group that are reported to the chief operating decision makers on a regular basis. Capital employed includes above all equity and interest-bearing liabilities, including lease liabilities, less cash and cash equivalents, fixed term deposits, and certain financial assets.

Energy

The Energy Segment figures include the production, trade and sales of electrical energy. Electricity is primarily generated using hydraulic and thermal power generation plants. In addition, electricity is also obtained from third-party power plants via procurement rights, as well as on the electricity market. The Energy Segment includes Energie AG Oberösterreich Trading GmbH as a central electricity and gas trading company, as well as the 7-Fields gas reservoir. The trade with and distribution of natural gas, the heating business unit, as well as Bioenergie Steyr GmbH, Fernwärme Steyr GmbH, Windpower EP GmbH, Geothermie-Wärmegesellschaft Braunau-Simbach mbH, Geothermie-Fördergesellschaft Simbach-Braunau mbH and Energie Ried Wärme GmbH, all measured using the equity method, 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 using the equity method), 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, as

well as the investments in Salzburg AG für Energie, Verkehr und Telekommunikation, Wels Strom GmbH, BBOÖ Breitband Oberösterreich GmbH and Breitband Oberösterreich Infrastruktur GmbH, all recognised at equity.

Segment reporting by business units is as follows:

2021/2022	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	3,132.9	378.7	263.6	194.7	32.2		4,002.1
Intersegment sales	6.3	13.3	9.0	-	225.9	-254.5	-
Total sales	**3,139.2**	**392.0**	**272.6**	**194.7**	**258.1**	**-254.5**	**4,002.1**
Results from investments in equity companies	5.4	-	0.4	-	17.9	-	23.7
Depreciation, amortisation and impairments	-28.8	-95.0	-21.2	-8.3	-12.3	-	-165.6
Thereof impairments	-1.0	-	-	-	-	-	-1.0
Operating result	18.8	45.3	33.9	6.0	46.6	-	150.6
Carrying amount of investments in equity companies	16.5	-	5.2	-	265.4	-	287.1
Goodwill	21.1	-	45.3	23.2	0.1	-	89.7
Investments in intangible assets and property, plant and equipment	24.5	115.4	19.7	8.0	33.6	-	201.2
Capital employed	-242.7	759.4	213.0	100.2	212.1	-	1,042.0

	EUR mill.
Capital employed	1,042.0
Assets not used in the service production and sales process	1,596.6
Non-interest bearing liabilities, provisions	4,274.1
Balance sheet total	**6,912.7**

The operational unit "Metering" was transferred from Energie AG Oberösterreich Telekom GmbH (Holding & Services Segment) to Netz Oberösterreich GmbH (Grid Segment) in the 2021/2022 fiscal year. Segment reporting in 2021/2022 by the old segment structure is as follows:

2021/2022	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	3,132.9	378.6	263.6	194.7	32.3		4,002.1
Intersegment sales	6.3	13.2	9.0	-	252.2	-280.7	-
Total sales	**3,139.2**	**391.8**	**272.6**	**194.7**	**284.5**	**-280.7**	**4,002.1**
Results from investments in equity companies	5.4	-	0.4	-	17.9	-	23.7
Depreciation, amortisation and impairments	-28.8	-77.6	-21.2	-8.3	-29.7	-	-165.6
Thereof impairments	-1.0	-	-	-	-	-	-1.0
Operating result	18.8	39.0	33.9	6.0	52.9	-	150.6
Carrying amount of investments in equity companies	16.5	-	5.2	-	265.4	-	287.1
Goodwill	21.1	-	45.3	23.2	0.1	-	89.7
Investments in intangible assets and property, plant and equipment	24.5	108.3	19.7	8.0	40.7	-	201.2
Capital employed	-242.7	632.6	213.0	100.2	338.9	-	1,042.0

	EUR mill.
Capital employed	1,042.0
Assets not used in the service production and sales process	1,596.6
Non-interest bearing liabilities, provisions	4,274.1
Balance sheet total	**6,912.7**

The segment information 2020/2021 broken down by business unit presents as follows:

2020/2021	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	1,339.0	366.1	247.0	173.1	20.0	-	2,145.2
Intersegment sales	7.1	14.8	9.2	0.1	254.7	-285.9	-
Total sales	**1,346.1**	**380.9**	**256.2**	**173.2**	**274.7**	**-285.9**	**2,145.2**
Results from investments in equity companies	2.3	-	0.7	-	26.2	-	29.2
Depreciation, amortisation and impairments	-27.1	-74.5	-20.4	-7.7	-34.7	-	-164.4
Thereof impairments	-0.5	-	-	-	-0.2	-	-0.7
Operating result	82.4	37.2	29.6	11.1	28.1	-	188.4
Carrying amount of investments in equity companies	12.7	-	5.0	-	216.2	-	233.9
Goodwill	21.1	-	45.3	20.8	0.1	-	87.3
Investments in intangible assets and property, plant and equipment	25.2	103.6	28.9	9.1	48.3	-	215.1
Capital employed	473.3	684.5	213.3	93.4	335.4	-	1,799.9

	EUR mill.
Capital employed	1,799.9
Assets not used in the service production and sales process	652.3
Non-interest bearing liabilities, provisions	1,423.2
Balance sheet total	**3,875.4**

Reversals of impairment concern the Energy Segment with EUR 4.1 million (previous year: EUR 7.2 million), and the Waste Management Segment with EUR 0.0 million (previous year: EUR 4.7 million). Non-cash items in connection with derivatives in the amount of EUR 385.5 million (previous year: EUR -45.2 million) pertain to the Energy Segment. The income from the reversal of construction cost subsidies attributable to the Grid Segment amounted to EUR 28.4 million (previous year: EUR 27.1 million). Non-cash income from companies valued using the equity method amounting to EUR 7.4 million (previous year: EUR 19.4 million) and income from the disposal of the "Fiber to the Home" operational unit amounting to EUR 37.0 million (see **section 32 › Page 230**) relate to the Holding & Services 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".

2021/2022	Austria EUR mill.	Czech Republic EUR mill.	Other countries EUR mill.	Group EUR mill.
Sales to third parties	3,795.4	194.7	12.0	4,002.1
Capital employed	927.5	100.3	14.2	1,042.0

2020/2021	Austria EUR mill.	Czech Republic EUR mill.	Other countries EUR mill.	Group EUR mill.
Sales to third parties	1,961.0	173.3	10.9	2,145.2
Capital employed	1,690.8	93.6	15.5	1,799.9

Revenues from electricity trading with customers outside Austria amounting to EUR 526.6 million (previous year: EUR 361.5 million) were also generated.

8. Other operating revenues

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Income from the disposal of intangible assets and property, plant and equipment	37,874.6	2,183.4
Reversals of impairment	4,107.2	11,880.6
Capitalised production costs	649.1	546.0
Rental and lease income	3,284.5	2,917.5
Income from the reversal of investment subsidies	2,667.1	3,350.3
Income from CO_2 emissions allowances	2,393.0	2,654.5
Insurance income	858.5	1,101.9
Other income	13,147.4	8,476.0
	64,981.4	**33,110.2**

9. Expenses for material and other purchased services

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Electricity purchased from third parties	1,860,414.5	736,239.9
Gas purchases	768,142.7	312,222.0
Gas input	292,473.2	45,322.7
Expenses for grid purchases	100,835.7	95,575.7
Other purchased goods	152,056.3	84,913.3
Expenses for purchased services	134,100.0	137,475.5
	3,308,022.4	**1,411,749.1**
Procurement costs for proprietary electricity trading	-193,860.1	-118,964.6
	3,114,162.3	**1,292,784.5**

10. Personnel expenses

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Wages and salaries	242,021.9	235,192.1
Severance payments and contributions to company pension funds	4,095.5	5,989.2
Pension payments	6,106.4	5,291.5
Expenses for statutory social security contributions and payroll-related levies and statutory contributions	62,178.9	59,921.8
Other benefit expenses	3,951.9	2,026.0
	318,354.6	**308,420.6**

The expenses for defined contribution plans amounted to EUR 7,191.5 thousand (previous year: EUR 6,985.2 thousand). Expenses for severance payments of EUR 9.3 thousand (previous year: EUR 8.9 thousand), as well as expenses for pension payments of EUR 188.6 thousand (previous year: EUR 215.3 thousand), pertain to members of the Management Board.

The remunerations of the Management Board and of the Supervisory Board of Energie AG Oberösterreich are as follows:

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Management Board	846.1	826.9
Former Management Board and their survivors	705.1	694.9
Supervisory Board	95.4	93.5
	1,646.6	**1,615.3**

The average number of employees in this fiscal year amounts to 4,606 (previous year: 4,593). Part-time employees are included on a proportional basis.

11. Depreciation, amortisation and impairments

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Depreciation and amortisation	164,603.5	163,702.8
Impairments	993.9	723.0
	165,597.4	**164,425.8**

12. Other operating expenses

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Taxes	7,837.2	7,862.9
External services	67,826.7	51,510.5
Travel expenses	8,498.3	7,693.9
Insurance premiums	9,175.5	7,278.5
Postage and telecommunication	6,073.2	5,995.0
Rental and leasing expenses	1,746.8	1,683.1
Write-offs of receivables	1,381.7	1,589.8
Allocation of allowances and expected losses to receivables	897.6	737.0
Vehicle expense	18,783.5	17,404.6
Losses from the disposal of intangible assets and property, plant and equipment	2,048.7	1,540.8
Repairs	27,608.4	29,798.4
Other expenses	40,635.2	46,800.2
	192,512.8	**179,894.7**

Taxes mainly include property tax, dumpsite levy and electricity levy, as well as the Austrian landfill tax. The expenses incurred for the Group auditor, Deloitte Audit Wirtschaftsprüfungs GmbH, for auditing services and other accounting services provided to the entities of the Energie AG Oberösterreich Group amount to EUR 540.5 thousand (previous year: EUR 519.8 thousand). In addition, the Group auditor provided other consulting services for the Energie AG Oberösterreich Group totalling EUR 88.5 thousand (previous year: EUR 19.0 thousand).

Other expenses primarily include allocations to provisions, transaction costs, marketing expenses and fees.

13. Interest income

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Financing expenses		
Interest and similar expenses	-24,169.0	-21,180.1
Interest expense on personnel provisions	-1,895.1	-2,439.7
Interest expense on lease liabilities	-727.1	-516.9
Foreign exchange losses	-1,150.9	-29.3
	-27,942.1	**-24,166.0**
Other interest income		
Interest and similar income	999.4	841.9
Interest income from lease liabilities	135.9	235.3
Foreign exchange gains	0.8	95.2
Measurement of interest rate derivatives	95.1	-95.1
	1,231.2	**1,077.3**
	-26,710.9	**-23,088.7**

14. Other financial result

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Result from investments		
Non-consolidated affiliated companies	100.0	100.0
Income from other investments	2,507.0	1,824.3
	2,607.0	**1,924.3**
Result from financial investments		
Losses from the measurement of lendings	-33.8	-6.5
Gains from the measurement of lendings	7.0	10.7
Income from securities	652.5	367.0
Losses from the measurement of securities	-4,858.1	-
Gains from the measurement of securities	-	641.1
Gains from the disposal of securities	194.6	243.6
Losses from the measurement of fixed term deposits	-	-113.0
Gains from the measurement of fixed term deposits	205.3	-
Losses from the measurement of investment funds	-624.8	-89.4
Income from the measurement of investment funds	29.6	16.7
Result hedging transaction financial investment	-195.4	-40.0
	-4,623.1	**1,030.2**
	-2,016.1	**2,954.5**

15. Income taxes

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Current income taxes	5,858.6	33,418.4
Adjustment for deferred taxes	4,830.1	2,991.9
	10,688.7	**36,410.3**

Expenses for taxes on income are EUR 19,444.6 thousand lower (previous year: EUR 4,987.6 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:

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Earnings before income taxes	121,909.7	168,269.2
Imputed tax expenses	30,133.3	41,397.9
Tax effects from		
Tax-free earnings from companies measured at equity and tax-free investment income	-4,821.6	-4,410.9
Tax-free profits from reorganisation measures (32)	-9,260.4	-
Impact of the eco-social tax reform on deferred taxes	-5,206.8	-
Other items	-155.8	-576.7
Effective tax income/expenses	10,688.7	36,410.3
Effective tax rate in %	**8.8**	**21.6**

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	
	2022 EUR 1,000	2021 EUR 1,000	2022 EUR 1,000	2021 EUR 1,000	2022 EUR 1,000	2021 EUR 1,000
Intangible assets	-	-	-19,691.1	-22,900.3	-19,691.1	-22,900.3
Property, plant and equipment	7,811.9	9,650.5	-47,605.9	-40,139.6	-39,794.0	-30,489.1
Financial assets	3,295.0	3,830.5	-7,539.6	-6,696.9	-4,244.6	-2,866.4
Provisions	28,456.1	43,282.5	-1,273.5	-1,456.7	27,182.6	41,825.8
Untaxed reserves	-	-	-12,376.1	-14,037.1	-12,376.1	-14,037.1
Construction cost subsidies	284.0	17.4	-1,739.3	-1,896.3	-1,455.3	-1,878.9
Cash flow hedge reserve	-	2,186.5	-79,900.0	-32,690.5	-79,900.0	-30,504.0
Leasing	17,214.7	17,064.3	-17,137.0	-17,835.7	77.7	-771.4
Outstanding write-downs to fair value	-	180.1	-	-	-	180.1
Current derivative financial instruments	239,654.6	62,006.9	-320,236.3	-61,462.9	-80,581.7	544.0
Non-current derivative financial instruments	243,482.9	17,423.0	-162,298.2	-18,693.1	81,184.7	-1,270.1
Other	6,998.2	6,945.1	-1,117.7	-748.3	5,880.5	6,196.8
Deferred tax assets/ liabilities before offsetting	**547,197.4**	**162,586.8**	**-670,914.7**	**-218,557.4**	**-123,717.3**	**-55,970.6**

	Balance as of 30.09.2022 EUR 1,000	Disposal group IFRS 5 EUR 1,000	Exchange differences EUR 1,000	Recognised in equity EUR 1,000	Recognised in profit or loss EUR 1,000	Balance as of 01.10.2021 EUR 1,000
Intangible assets	-19,691.1	-	-43.1	-	3,252.3	-22,900.3
Property, plant and equipment	-39,794.0	-	-152.5	-	-9,152.4	-30,489.1
Financial assets	-4,244.6	-	-	-924.5	-453.7	-2,866.4
Provisions	27,182.6	-	32.5	-12,317.9	-2,357.8	41,825.8
Untaxed reserves	-12,376.1	-	-	-	1,661.0	-14,037.1
Construction cost subsidies	-1,455.3	-	-	-	423.6	-1,878.9
Cash flow hedge reserve	-79,900.0	-	-	-49,396.0	-	-30,504.0
Leasing	77.7	-	-	-	849.1	-771.4
Outstanding write-downs to fair value	-	-	-	-	-180.1	180.1
Current derivative financial instruments	-80,581.7	-	-	-	-81,125.7	544.0
Non-current derivative financial instruments	81,184.7	-	-	-	82,454.8	-1,270.1
Other	5,880.5	-	-115.1	-	-201.2	6,196.8
	-123,717.3	**-**	**-278.2**	**-62,638.4**	**-4,830.1**	**-55,970.6**

	Balance as of 30.09.2021 EUR 1,000	Disposal group IFRS 5 EUR 1,000	Exchange differences EUR 1,000	Recognised in equity EUR 1,000	Recognised in profit or loss EUR 1,000	Balance as of 01.10.2020 EUR 1,000
Intangible assets	-22,900.3	-	-68.6	-	111.0	-22,942.7
Property, plant and equipment	-30,489.1	2,634.2	-284.6	-	-9,308.3	-23,530.4
Financial assets	-2,866.4	-	-	-1,428.2	1,169.1	-2,607.3
Provisions	41,825.8	-	61.5	898.3	7,047.9	33,818.1
Untaxed reserves	-14,037.1	-	-	-	637.4	-14,674.5
Construction cost subsidies	-1,878.9	-	-	-	-1,746.9	-132.0
Cash flow hedge reserve	-30,504.0	-	-	-35,688.6	-	5,184.6
Leasing	-771.4	-	-	-	-866.5	95.1
Outstanding write-downs to fair value	180.1	-	-	-	-180.0	360.1
Current derivative financial instruments	544.0	-	-	-	318.8	225.2
Non-current derivative financial instruments	-1,270.1	-	-	-	-1,218.4	-51.7
Other	6,196.8	-39.0	-9.4	-	1,044.0	5,201.2
	-55,970.6	**2,595.2**	**-301.1**	**-36,218.5**	**-2,991.9**	**-19,054.3**

No deferred tax liabilities were recognised for temporary differences of EUR 922,656.1 thousand (previous year: EUR 643,621.4 thousand) in connection with fully consolidated subsidiaries, joint ventures and associated companies. Deferred taxes in the amount of EUR -924.5 thousand (previous year: EUR -1,428.2 thousand) pertain to changes in value of investments and securities FVOCI recognised outside of profit or loss; deferred taxes in the amount of EUR -49,396.0 thousand (previous year: EUR -35,688.6 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

2021/2022	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						
01.10.2021	254,900.4	118,165.1	98,339.8	77,568.7	74.7	549,048.7
Translation differences	-	162.4	740.0	857.3	3.9	1,763.6
Change in the scope of consolidation	-	9.7	1,668.6	1,278.8	-	2,957.1
Additions	1,689.3	6,329.5	-	-	557.8	8,576.6
Disposals	-	-1,067.1	-	-8,831.8	-	-9,898.9
Transfers	-	430.4	-	-	-430.4	-
30.09.2022	**256,589.7**	**124,030.0**	**100,748.4**	**70,873.0**	**206.0**	**552,447.1**
Accumulated amortisation						
01.10.2021	171,169.2	100,337.1	11,022.9	33,397.7	-	315,926.9
Translation differences	-	144.4	-	588.3	-	732.7
Amortisation	1,307.3	4,029.3	-	4,371.1	-	9,707.7
Disposals	-	-986.3	-	-8,831.8	-	-9,818.1
30.09.2022	**172,476.5**	**103,524.5**	**11,022.9**	**29,525.3**	**-**	**316,549.2**
Carrying amount as of 01.10.2021	83,731.2	17,828.0	87,316.9	44,171.0	74.7	233,121.8
Carrying amount as of 30.09.2022	**84,113.2**	**20,505.5**	**89,725.5**	**41,347.7**	**206.0**	**235,897.9**

2020/2021	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						
01.10.2020	251,950.2	116,571.4	97,240.1	84,862.0	156.4	550,780.1
Change in the scope of consolidation	-	275.1	1,321.6	1,547.7	8.7	3,153.1
Translation differences	2,950.2	2,833.7	-	-	201.7	5,985.6
Additions	-	-1,204.0	-221.9	-8,841.0	-5.1	-10,272.0
Disposals	-	-598.1	-	-	-	-598.1
Transfers	-	287.0	-	-	-287.0	-
30.09.2021	**254,900.4**	**118,165.1**	**98,339.8**	**77,568.7**	**74.7**	**549,048.7**
Accumulated amortisation and impairments						
01.10.2020	169,935.2	97,361.7	11,022.9	36,884.3	-	315,204.1
Translation differences	-	249.7	-	1,024.2	-	1,273.9
Amortisation	1,234.0	4,340.4	-	4,330.2	-	9,904.6
Disposals	-	-1,187.6	-	-8,841.0	-	-10,028.6
Disposal group IFRS 5	-	-427.1	-	-	-	-427.1
30.09.2021	**171,169.2**	**100,337.1**	**11,022.9**	**33,397.7**	**-**	**315,926.9**
Carrying amount as of 01.10.2020	82,015.0	19,209.7	86,217.2	47,977.7	156.4	235,576.0
Carrying amount as of 30.09.2021	**83,731.2**	**17,828.0**	**87,316.9**	**44,171.0**	**74.7**	**233,121.8**

Changes in property, plant and equipment

2021/2022	Land and buildings EUR 1,000	Manufacturing plant and equipment EUR 1,000	Furniture and fixtures EUR 1,000	Assets under construction EUR 1,000	Total EUR 1,000
Costs					
01.10.2021	1,198,297.6	4,115,592.4	234,491.6	111,086.9	5,659,468.5
Translation differences	3,329.3	1,780.2	608.9	209.6	5,928.0
Change in the scope of consolidation	741.7	261.3	14.9	-	1,017.9
Additions	9,430.3	108,542.8	13,924.3	60,739.2	192,636.6
Disposals	-2,645.4	-16,010.4	-6,995.0	-501.1	-26,151.9
Transfers	15,629.9	67,920.4	2,989.0	-86,539.3	-
30.09.2022	**1,224,783.4**	**4,278,086.7**	**245,033.7**	**84,995.3**	**5,832,899.1**
Accumulated depreciation and impairments					
01.10.2021	668,204.0	2,854,219.2	188,002.5	-336.5	3,710,089.2
Translation differences	1,521.7	1,211.2	444.6	-3.8	3,173.7
Depreciation	22,433.7	116,994.1	15,468.0	-	154,895.8
Impairments	-	993.9	-	-	993.9
Reversal of impairments	-3.6	-4,103.6	-	-	-4,107.2
Disposals	-1,333.5	-13,908.2	-6,880.6	-28.0	-22,150.3
Transfers	1.5	4.4	-	-5.9	-
30.09.2022	**690,823.8**	**2,955,411.0**	**197,034.5**	**-374.2**	**3,842,895.1**
Carrying amount as of 01.10.2021	530,093.6	1,261,373.2	46,489.1	111,423.4	1,949,379.3
Carrying amount as of 30.09.2022	**533,959.6**	**1,322,675.7**	**47,999.2**	**85,369.5**	**1,990,004.0**

2020/2021	Land and buildings EUR 1,000	Manufacturing plant and equipment EUR 1,000	Furniture and fixtures EUR 1,000	Assets under construction EUR 1,000	Total EUR 1,000
Costs					
01.10.2020	1,167,385.4	4,097,802.9	227,437.0	88,327.7	5,580,953.0
Translation differences	5,787.5	3,147.7	1,036.9	341.9	10,314.0
Additions	17,822.0	103,860.3	14,838.5	72,590.4	209,111.2
Disposals	-3,660.7	-13,559.7	-11,462.3	-565.4	-29,248.1
Disposal group IFRS 5	-	-104,627.3	-	-7,034.3	-111,661.6
Transfers	10,963.4	28,968.5	2,641.5	-42,573.4	-
30.09.2021	**1,198,297.6**	**4,115,592.4**	**234,491.6**	**111,086.9**	**5,659,468.5**
Accumulated depreciation and impairments					
01.10.2020	650,398.0	2,761,577.8	184,360.8	3,984.9	3,600,321.5
Translation differences	2,609.7	2,103.6	755.6	-6.8	5,462.1
Depreciation	21,525.7	118,195.7	14,076.8	-	153,798.2
Impairments	723.0	-	-	-	723.0
Reversal of impairments	-4,111.1	-3,454.9	-	-4,314.6	-11,880.6
Disposals	-2,935.0	-11,547.6	-11,190.7	-	-25,673.3
Disposal group IFRS 5	-	-12,661.7	-	-	-12,661.7
Transfers	-6.3	6.3	-	-	-
30.09.2021	**668,204.0**	**2,854,219.2**	**188,002.5**	**-336.5**	**3,710,089.2**
Carrying amount as of 01.10.2020	516,987.4	1,336,225.1	43,076.2	84,342.8	1,980,631.5
Carrying amount as of 30.09.2021	**530,093.6**	**1,261,373.2**	**46,489.1**	**111,423.4**	**1,949,379.3**

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	
	30.09.2022 EUR mill.	30.09.2021 EUR mill.	30.09.2022 %	30.09.2021 %
Energy Segment				
Sales	20.7	20.7	5.8	4.3
Other	0.4	0.4	5.8	4.3
	21.1	**21.1**		
Waste Management Segment				
Waste Management Austria	43.1	43.1	6.0	4.5
Other	2.2	2.2	7.4	5.4
	45.3	**45.3**		
Czech Republic Segment				
CEVAK a.s.	15.8	15.3	5.8	3.9
Other	7.4	5.5	5.8-6.1	3.9-4.7
	23.2	**20.8**		
Other	**0.1**	**0.1**	**-**	-
	89.7	**87.3**		

The recoverable amount attributable to the cash generating unit "Sales" exceeds the carrying amount by EUR 50.0 million (previous year: EUR 173.9 million). In the event of a decrease in future cash flows by 21.8% (previous year: 55.1%), or an increase in the interest rate by 1.3% (previous year: 3.7%), the carrying amount corresponds to the present value of the future cash flows.

The recoverable amount of the "Waste Management/Austria" cash-generating unit exceeds the carrying amount by EUR 32.4 million (previous year: EUR 79.8 million), while the recoverable amount of CEVAK a.s. exceeds the carrying amount by EUR 75.8 million (previous year: EUR 146.1 million). In the event of a decrease in future cash flows by 22.9% (previous year: 28.2%), or an increase in the interest rate by 0.7% (previous year: 1.3%), 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 1,741 GWh per year (previous year: 2,227 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 93 to EUR 196/MWh (previous year: EUR 65.92 to EUR 82.61/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 5.8% (previous year: 4.3%). The planning horizon ends in the 2037/2038 fiscal year. Due to higher market expectations in particular, an impairment reversal of EUR 4.1 million (previous year: impairment reversal of EUR 2.8 million) was recognised. The recoverable amount determined using the DCF method corresponds to the value in use in the amount of EUR 47.2 million (previous year: EUR 45.3 million). Fluctuations in cash flows of 20% resulted in a change of EUR 9.4 million in the recoverable amount. An increase in the interest rate by 0.5% results in a reduction of the recoverable amount by EUR 1.2 million.

Impairments in the previous year:

Due to a revised appraisal of the feasibility of the Ebensee pumped-storage power plant, an impairment reversal of EUR 4.4 million was recognised for the Energy Segment. The recoverable amount corresponds to the carrying amount of EUR 4.4 million. Impairment reversals of EUR 4.7 million for waste incineration plants were recognised for the Waste Management Segment, particularly as a result of expected higher proceeds from the utilisation of district heat services.

16.3. IFRS 16 (Leases)

For leased assets, a right-of-use asset representing its right to use an underlying asset is capitalised and, at the same time, a lease liability recognised in the amount of the present value of the lease payments. Discounting takes place at the lease-specific interest rate. If the lease-specific interest rate cannot be determined, the incremental borrowing interest rate is applied. Depending on the term, an incremental borrowing interest rate of 1.53% or 2.00% was assumed to apply in the 2021/2022 fiscal year. The right of use asset is then amortised and the lease liability carried forward using the effective interest method.

IFRS 16 is not applied to short-term leases and leases concerning an underlying asset of minor value. In accordance with IFRS 16.4, the company has opted out of voluntary application of IFRS 16 for intangible assets.

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

The entity is not funded by the Group. The leasing contract is for an indefinite period, cancellation by the lessee is only possible 20 years after the start of the contract at the earliest, under certain circumstances only after 23 years. The Group has the unilateral right, but no obligation, to acquire Power Tower GmbH 15 or 20 years after the commencement of the lease. Leasing payments are linked to interest rate developments. The Group is required to perform the ongoing maintenance of the property and fulfill all legal requirements that could also apply to the owner. There are no other additional risks. Power Tower GmbH is to be considered a structured entity pursuant to IFRS 12, but the lack of control means that it is not to be included as a subsidiary in the Consolidated Financial Statements. In accordance with IFRS 16, a right of use asset in the amount of EUR 36.7 million and a lease liability in the amount of EUR 37.0 million have been recognised as of 30 September 2022.

Additionally, in the 2007/2008 fiscal year, plant and equipment assets were sold and leased back for a term of 15 years (“sale and leaseback”) in the Waste Management Segment. At the end of the lease term, the lessor has the right to sell the asset to the lessee at the outstanding loan amount. During the lease term, subleasing to third parties is not permitted. The right of use assets have a carrying amount of EUR 9.9 million

(previous year: EUR 12.8 million) as of 30 September 2022 and the corresponding liability amounts to EUR 37.4 million (previous year: EUR 40.4 million).

As of 30 September 2022, the lease liabilities amount to EUR 115.9 million (previous year: EUR 114.7 million) (up to 1 year: EUR 45.2 million; 1-5 years EUR 12.7 million, more than 5 years EUR 58.0 million) (previous year: up to 1 year: EUR 7.6 million, 1-5 years EUR 52.4 million, more than 5 years EUR 54.8 million). The Statement of Financial Position recognises the lease liabilities in the item for financial liabilities.

For fiscal year 2021/2022, the cash outflows for leases amount to EUR 10,337.6 thousand (previous year: EUR 9,847.4 thousand). Expenses for leases not recognised in accordance with IFRS 16 amount to EUR 1,746.8 thousand (of which current rental and lease expenses: EUR 604.7 thousand, of which marginal rental and lease expenses: EUR 245.5 thousand, of which rental and lease expenses not covered by IFRS 16: EUR 896.6 thousand, of which variable rental and lease expenses: EUR 0.0 thousand) (previous year: EUR 1,683.1 thousand; of which: short-term rental and lease expenses: EUR 615.1 thousand, of which marginal rental and lease expenses: EUR 227.7 thousand, of which rental and lease expenses not covered by IFRS 16: EUR 840.3 thousand, of which variable rental and lease expenses: EUR: 0.0 thousand).

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

2021/2022	Land and buildings EUR 1,000	Manufacturing plant and equipment EUR 1,000	Furniture and fixtures EUR 1,000	Vehicles EUR 1,000	Total EUR 1,000
01.10.2021	**72,321.2**	**13,413.2**	**228.6**	**1,037.4**	**87,000.4**
Change in the scope of consolidation	39.9	-	-	-	39.9
Translation differences	15.9	-	1.1	-	17.0
Additions	2,928.4	6,599.8	33.3	483.9	10,045.4
Disposals	-1,052.9	-	-30.6	-	-1,083.5
Depreciation	-4,533.6	-3,103.8	-78.3	-504.8	-8,220.5
30.09.2022	**69,718.9**	**16,909.2**	**154.1**	**1,016.5**	**87,798.7**

2020/2021	Land and buildings EUR 1,000	Manufacturing plant and equipment EUR 1,000	Furniture and fixtures EUR 1,000	Vehicles EUR 1,000	Total EUR 1,000
01.10.2020	**68,177.0**	**16,396.9**	**62.8**	**1,026.4**	**85,663.1**
Translation differences	26.6	-	0.8	-	27.4
Additions	8,634.0	52.7	235.9	647.5	9,570.1
Disposals	-92.4	-10.7	-6.8	-154.2	-264.1
Depreciation	-4,424.0	-3,025.7	-64.1	-482.3	-7,996.1
30.09.2021	**72,321.2**	**13,413.2**	**228.6**	**1,037.4**	**87,000.4**

16.4. Further disclosures

Research costs in the amount of EUR 5.3 million (previous year: EUR 5.5 million) were recognised as expenses.

In the 2021/2022 fiscal year, interest on borrowed capital in the amount of EUR 149.5 thousand (previous year: EUR 212.0 thousand) was capitalised. The applied interest rate was 3.6% (previous year 3.8%).

Additions to assets under construction led to outflows of payment instruments in the amount of EUR 60,297.2 thousand (previous year: EUR 65,083.7 thousand). Obligations for the acquisition of property, plant and equipment amount to EUR 46,027.1 thousand (previous year: EUR 47,892.0 thousand).

17. Investments

	30.09.2022 EUR 1,000	30.09.2021 EUR 1,000
Shares in affiliated companies	1,580.2	1,580.7
Shares in companies consolidated at equity	287,087.3	233,868.9
Other investments	38,864.2	29,255.3
	327,531.7	**264,704.9**

The Cash Flow Statement includes dividends from entities consolidated using the equity method in the amount of EUR 13,076.3 thousand (previous year: EUR 7,407.2 thousand).

Due to an increase in expected future cash surpluses, a reversal of impairment of EUR 3.5 million (previous year: 15.4 million) was recognised for Wels Strom GmbH (Holding & Services Segment), which is measured using the equity method.

18. Other financial assets

	30.09.2022 EUR 1,000	30.09.2021 EUR 1,000
Lendings to companies in which an interest is held	84,315.6	5,186.4
Other lendings	7,620.2	6,544.3
Fixed term deposits	-	24,847.2
Securities at Fair Value through Other Comprehensive Income	8,116.7	12,631.5
Securities at Fair Value through Profit or Loss	26,774.8	31,109.0
	126,827.3	**80,318.4**

19. Other non-current assets

	30.09.2022 EUR 1,000	30.09.2021 EUR 1,000
CO_2 emissions allowances	-	24,301.9
Other assets	8,156.8	8,102.8
	8,156.8	**32,404.7**

20. Inventories

	30.09.2022 EUR 1,000	30.09.2021 EUR 1,000
Primary energy	113,109.7	31,358.7
Raw materials and supplies	19,623.7	16,838.1
Contract assets	2,945.0	3,748.8
Finished goods	1,515.2	1,377.0
	137,193.6	**53,322.6**

21. Receivables and other assets

	30.09.2022 EUR 1,000	30.09.2021 EUR 1,000
Trade receivables	351,894.7	259,880.2
Receivables from non-consolidated affiliated companies	18,248.8	252.4
Receivables from joint arrangements and associated companies	37,325.3	5,076.8
Accruals and deferrals of interest	2,021.5	1,957.3
Receivables from initial margins for derivatives	383,788.7	74,620.2
CO_2 emissions allowances	67,971.2	42,422.0
Other	49,370.3	52,403.1
	910,620.5	**436,612.0**

Receivables from electricity and water supplies that have not been invoiced as of the reporting date are accrued and recognised in the item "Trade receivables".

22. Cash and cash equivalents

	30.09.2022 EUR 1,000	30.09.2021 EUR 1,000
Cash in hand	116.7	131.0
Current bonds	300,000.0	-
Cash in bank	629,333.2	219,066.3
	929,449.9	**219,197.3**

23. Equity

The share capital of Energie AG Oberösterreich consists of 88,652,558 individual share certificates (previous year: 88,653,782), of which 88,600,000 are ordinary shares (previous year: 88,600,000), and 52,558 are preferred shares without voting rights (previous year: 53,782). The share capital has been fully paid in.

The capital reserves result from the share premium of the capital increase, minus the directly attributable costs of obtaining equity in the amount of EUR 1,771.9 thousand, as well as from the contribution of own shares in the 2006/2007 fiscal year, and from shares issued to staff in the 2012/2013 fiscal year.

In the 2007/2008 fiscal year, 390,000 preferred shares without voting rights were contributed to Energie AG Oberösterreich. These shares were offered to Group staff members at favourable conditions during the 2007/2008 fiscal year. The benefit per staff member amounted to the maximum tax-exempt sum pursuant to § 3 para 1 subpara 15 letter b of the Austrian Income Tax Act.

In the 2012/2013 fiscal year, 87,750 shares were issued to employees of the Group at discounted prices. The capital increase took effect with entry in the Register of Companies on 29 October 2013.

In fiscal year 2021/2022, the share capital was reduced due to the redemption of 1,224 (previous year: 1,742) 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 using the equity method recognised outside profit or loss.

As of 30 September 2022, the cash flow hedge reserve amounts to EUR 345,219.7 thousand (previous year: EUR 122,015.9 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 share of the fair-value changes from cash flow hedges in the amount of EUR 95.1 thousand (previous year: EUR -85.4 thousand) was recognised as income through profit or loss. Fair value changes in the amount of EUR 394,614.6 thousand (previous year: EUR 149,211.7 thousand) are recognised as other comprehensive income. During the fiscal year, EUR -171,410.8 thousand (previous year: EUR -6,457.4 thousand) were withdrawn from the cash-flow hedge reserve and recognised through profit or loss. Of this amount, EUR 2,543.2 thousand (previous year: EUR 2,748.6 thousand) were recognised as expense in the financial result and EUR 173,954.0 thousand (previous year: EUR 9,206.0 thousand) as income 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 2022, the OCI reserve amounts to EUR 35,082.2 thousand (previous year: EUR 28,359.2 thousand). Changes in market value of EUR 5,911.4 thousand (previous year: EUR 5,529.5 thousand) in the fiscal year were recognised in equity under other comprehensive income and transfers made to retained earnings in the amount of EUR 811.6 thousand (previous year: EUR 0.00 thousand).

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 2022, the company held 808 treasury shares (previous year: 1,224).

Capital management

It is the objective of the Group's capital management to preserve a strong capital base so that the company can continue to generate adequate returns for the investors corresponding with the risk situation of the company, promote the future development of the company, and also provide benefits for other interest groups. Value based management is firmly entrenched in the management systems and in management processes. The equity in the books according to IFRS is what the management considers to be capital. As of the reporting date, the equity ratio amounted to 26.0% (previous year: 39.6%). For purposes of internal reporting and management, the return on capital employed (ROCE) is also used. The capital employed includes the assets attributable to a unit, with the exception of the assets not used in the process of creating and utilising goods and services, less non-interest bearing liabilities and certain provisions.

24. Financial instruments and financial risk management

24.1. Derivative financial instruments and hedging

The Group's risk management uses derivative financial instruments that predominantly serve the purpose of hedging price and interest rate risks. The accounting of these derivative financial instrument applies – in as far as hedging transactions are concerned and the criteria are met – the cash flow hedge and fair value hedge 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 EUR27.54/MWh (previous year: EUR 3.38/MWh) in fiscal year 2021/2022. The commercial relationship results either from almost identical parameters of hedged item and hedging transaction (in particular base price, performance, term and price base), or the high correlation of prices in different market price zones in cases where only a component is hedged. A hedging ineffectiveness may result from temporal differences, price differences, different market price zones or the counterparty's credit risk. The qualitative and quantitative effectiveness of a hedge is determined on the basis of the hypothetical derivatives method.

Futures, forwards and swaps are used to hedge price risks from gas purchases and gas sales. The hedging aims at reducing the cash flow risk or fair value risk from firm commitments. The hedging volume is determined on the basis of the hedging strategy. Only a portion of the purchases and sales are hedged using derivative instruments. The commercial relationship either results from almost identical parameters (in particular volume, price and term), or from the high correlation of prices if the hedged item and the hedging transaction have a different price base. A hedging ineffectiveness may result from temporal differences, price differences, different market price zones or the counterparty's credit risk. The qualitative and quantitative effectiveness of a hedge is determined on the basis of the hypothetical derivatives method.

Futures are used to hedge procurement and sales of CO_2 emissions allowances. The hedging aims at reducing the cash flow risk. Only a portion of the total volume is hedged on the basis of the hedging strategy. The commercial relationship results from almost identical parameters (in particular volume, price and term). Ineffective hedges may result from temporal differences or the counterparties' credit risk. The qualitative and quantitative effectiveness of a hedge is determined on the basis of the hypothetical derivatives method.

Beyond that, gas-oil-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 hedged item and the hedging transaction. Ineffective hedges may result from temporal differences, price differences and the counterparties' credit risk. The qualitative and quantitative effectiveness of a hedge is determined on the basis of the hypothetical derivatives method.

The spark-spread risk from Gas- und Dampfkraftwerk Timelkam GmbH (CCGT power plant) and Cogeneration-Kraftwerke Management Oberösterreich GmbH (CMOÖ) is hedged using electricity, gas and CO_2 emissions allowances. The commercial relationship results from almost identical parameters (in particular volume, price and term). In these cases, a dynamic hedging strategy based on defined targets and price developments does frequently result in the termination and redesignation of hedging relationships. Ineffective hedges may result from temporal differences, price differences and the counterparties' credit risk. The qualitative and quantitative effectiveness of a hedge is determined on the basis of the hypothetical derivatives method.

Due to the volatile and uncertain situation, hedging instruments associated with CCGT and CMOÖ (hedging for the procurement of gas and CO_2 emissions allowances, sale of electricity) were reversed. The reversals resulted in income of EUR 25.5 million for the CCGT and expenses of EUR 17.1 million for the CMOÖ.

The Group holds fair value hedges for firm commitments relating to transactions for procuring and supplying electricity and gas and for supplying CO_2.

Cash flow hedges are used to protect future cash flows. The Group also uses electricity, gas, CO_2 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 and highly probable funding in the future.

The cash inflows from hedging transactions in the amount of EUR 1,694.6 million (previous year: EUR 320.8 million) included in the cash flow statement mainly comprise margins from electricity, gas and CO2 futures as well as cash inflows from collateral annexes. The non-cash items from derivatives of EUR -383.0 million (previous year: EUR -44.9 million) include amounts transferred from the cash flow hedge reserve because the hedged item affected profit or loss and non-cash items from derivatives without a hedging relationship. The

collateral for derivatives in the amount of EUR -342.5 million (previous year: EUR -50.9 million) is cash and cash equivalents that had to be deposited as collateral for stock exchange transactions.

24.2. Disclosures on hedging transactions

24.2.1. Cash flow hedges

For cash flow hedges, the carrying amounts, nominal amounts and changes in fair values for the reporting period used for recognising an ineffective hedge are as follows:

30.09.2022	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	19,733.2	-424,257.6	GWh	1,676.9	-229,692.2
Electricity futures, forwards – procurement	573,374.6	-93,344.4	GWh	4,034.1	260,753.5
Gas futures – sales	-	-10,564.4	GWh	109.7	-8,672.9
Gas futures and swaps – procurement	100,898.5	-	GWh	1,210.8	66,503.2
Gas-oil swaps – procurement	2,344.5	-553.3	Tonnes	7,200.0	820.0
CO_2 futures – sales	26.7	-	Tonnes	1,000.0	682.4
CO_2 futures – procurement	803.3	-2,144.3	Tonnes	167,000.0	-9,435.4
Interest rate swaps	21,689.4	-2,473.8	EUR mill.	168.9	27,885.5
Total	**718,870.2**	**-533,337.8**			**108,844.1**

30.09.2021	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	101.3	-174,933.5	GWh	3,980.9	-176,258.2
Electricity futures, forwards – procurement	219,773.8	-497.1	GWh	3,912.0	221,608.9
Gas futures – sales	-	-1,891.5	GWh	210.9	-1,891.5
Gas futures, forwards and swaps – procurement	34,405.9	-10.6	GWh	1,698.4	36,974.8
Gas-oil swaps – procurement	1,238.7	-267.5	Tonnes	6,900.0	1,306.4
CO_2 futures – sales	-	-655.7	Tonnes	27,000.0	118.0
CO_2 futures – procurement	8,413.8	-319.4	Tonnes	1,024,000.0	7,486.9
Interest rate swaps	2,443.2	-11,113.1	EUR mill.	172.0	7,616.2
Total	**266,376.7**	**-189,688.4**			**96,961.5**

If not yet cleared, the positive fair values of the derivatives are reported in the non-current and current item "Derivative financial instruments", while negative fair values, if not yet cleared, are reported in the non-current and current item "Derivative financial instruments".

The nominal values and average hedging prices for cash flow hedges are as follows:

30.09.2022	Unit	2022	2023	2024	2025	> 2025
Electricity futures, forwards – sales						
Nominal amount	GWh	332.8	1,238.9	105.2	-	-
Average price hedged	EUR	61.45	224.32	277.39	-	-
Electricity futures, forwards – procurement						
Nominal amount	GWh	747.5	2,218.3	508.9	419.3	140.1
Average price hedged	EUR	273.44	344.94	69.42	162.83	117.88
Gas futures – sales						
Nominal amount	GWh	-	-	98.9	10.8	-
Average price hedged	EUR	-	-	19.58	20.25	-
Gas futures and swaps – procurement						
Nominal amount	GWh	64.1	116.7	250.3	665.9	113.9
Average price hedged	EUR	18.46	24.01	18.61	21.48	21.15
Gas-oil swaps – procurement						
Nominal amount	Tonnes	900.0	3,300.0	2,100.0	900.0	-
Average price hedged	EUR	567.73	528.15	569.60	689.47	-
CO_2 futures – Sales CO_2 emissions allowances						
Nominal amount	Tonnes	1,000.0	-	-	-	-
Average price hedged	EUR	93.40	-	-	-	-
CO_2 futures – procurement CO_2 emission allowances						
Nominal amount	Tonnes	167,000.0	-	-	-	-
Average price hedged	EUR	74.76	-	-	-	-
Interest rate swaps						
Nominal amount	EUR mill.	167.3	131.6	131.6	131.6	131.6
Average fixed interest rate	%	3.22	4.62	4.62	1.33	1.33

30.09.2021	Unit	2021	2022	2023	2024	> 2024
Electricity futures, forwards – sales						
Nominal amount	GWh	275.5	1,469.0	1,235.0	1,001.4	-
Average price hedged	EUR	59.88	51.92	65.51	69.82	-
Electricity futures, forwards – procurement						
Nominal amount	GWh	742.6	1,843.1	566.8	417.9	341.6
Average price hedged	EUR	102.96	65.92	54.71	57.26	62.18
Gas futures – sales						
Nominal amount	GWh	-	66.2	35.0	98.9	10.8
Average price hedged	EUR	-	73.95	25.60	19.58	20.25
Gas futures, forwards and swaps – procurement						
Nominal amount	GWh	153.0	381.6	378.0	650.0	135.8
Average price hedged	EUR	17.82	23.63	18.53	19.70	19.83
Gas-oil swaps – procurement						
Nominal amount	Tonnes	900.0	3,000.0	2,100.0	900.0	-
Average price hedged	EUR	428.55	379.51	417.66	435.00	-
CO_2 futures – Sales CO_2 emissions allowances						
Nominal amount	Tonnes	27,000.0	-	-	-	-
Average price hedged	EUR	37.46	-	-	-	-
CO_2 futures – procurement CO_2 emission allowances						
Nominal amount	Tonnes	919,000.0	60,000.0	30,000.0	15,000.0	-
Average price hedged	EUR	55.06	38.00	44.28	66.95	-
Interest rate swaps						
Nominal amount	EUR mill.	170.5	167.3	131.6	131.6	131.6
Average fixed interest rate	%	3.17	3.22	4.62	4.62	1.33

The above reporting of derivatives is broken down by calendar year in which these fall due.

24.2.2. Fair value hedges

For fair value hedges, the carrying amounts, nominal amounts and changes in fair values for the reporting period used for recognising an ineffective hedge are as follows:

30.09.2022	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 forwards – sales	-	-8,681.2	GWh	24.9	-3,636.2
Electricity forwards – procurement	3,827.7	-555.4	GWh	11.0	3,121.7
Gas futures – procurement	68,735.3	-	GWh	948.9	64,563.5
CO_2 futures – sales	-	-	Tonnes	-	2,342.3
Total	**72,563.0**	**-9,236.6**			**66,391.3**

30.09.2021	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 forwards – sales	-	-5,045.0	GWh	57.5	-4,731.1
Electricity futures and forwards – procurement	150.6	-	GWh	11.9	-40.2
Gas futures – procurement	4,190.7	-18.9	GWh	631.2	4,372.9
CO_2 futures – sales	343.9	-2,686.2	Tonnes	835,000.0	-2,342.3
Total	**4,685.2**	**-7,750.1**			**-2,740.7**

The nominal values and average hedging prices for fair value hedges are as follows:

30.09.2022	Unit	2022	2023	2024	2025	> 2025
Electricity forwards – sales						
Nominal amount	GWh	5.2	17.5	-	-	-
Average price hedged	EUR	85.91	77.53	-	-	-
Electricity forwards – procurement						
Nominal amount	GWh	2.2	8.8	-	-	-
Average price hedged	EUR	133.10	76.50	-	-	-
Gas futures – procurement						
Nominal amount	GWh	-	63.6	193.2	569.4	122.7
Average price hedged	EUR	-	35.96	21.94	20.81	21.62
CO_2 futures – sales						
Nominal amount	Tonnes	-	-	-	-	-
Average price hedged	EUR	-	-	-	-	-

30.09.2021	Unit	2021	2022	2023	2024	> 2024
Electricity forwards – sales						
Nominal amount	GWh	28.1	11.9	17.5	-	-
Average price hedged	EUR	44.73	46.58	77.53	-	-
Electricity futures and forwards – procurement						
Nominal amount	GWh	3.2	-	8.7	-	-
Average price hedged	EUR	207.50	-	76.50	-	-
Gas futures – procurement						
Nominal amount	GWh	-	52.6	43.8	166.9	367.9
Average price hedged	EUR	-	23.08	24.86	18.65	18.32
CO_2 futures – sales						
Nominal amount	Tonnes	30,000.0	805,000.0	-	-	-
Average price hedged	EUR	55.20	59.34	-	-	-

The above reporting of energy derivatives is broken down by calendar year in which these fall due.

24.3. Disclosures on hedged items and the reserve for cash flow hedges

The carrying amounts of the hedged items in 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 for the reporting period are as follows:

30.09.2022	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	229,692.2	-30,006.3	-404,524.5	505.7	3,340.2	5,532.9
Future electricity procurement	-260,753.5	180,047.4	480,030.2	575.3	-	-
Future gas sales	8,672.9	-1,794.0	-10,564.4	-	-	-
Future gas purchases	-66,503.2	11,372.5	100,898.5	-66,803.2	-5,894.2	-71,071.9
Future diesel purchases	-820.0	67.8	1,791.1	-	-	-
Future sales of CO_2 emissions allowances	-682.4	-	26.7	-2,302.2	-	-
Future purchases of CO_2 emissions allowances	9,435.4	-	-1,340.9	-	-	-
Financial liabilities bearing variable interest	-27,790.4	-	19,215.6	-	-	-

30.09.2021	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	176,258.2	-3,083.2	-174,832.2	5,027.2	-	5,027.2
Future electricity procurement	-221,608.9	48,400.0	219,276.7	-610.1	-	-575.3
Future gas sales	1,891.5	-	-1,891.5	-	-	-
Future gas purchases	-36,974.8	-8.0	34,395.3	-4,472.6	206.1	-4,268.7
Future diesel purchases	-1,306.4	-76.3	971.2	-	-	-
Future sales of CO_2 emissions allowances	-118.0	-	-655.7	2,302.2	-	2,302.2
Future purchases of CO_2 emissions allowances	-7,486.9	-	8,094.4	-	-	-
Financial liabilities bearing variable interest	-7,711.3	-	-8,574.8	-	-	-

The development of the reserves for cash flow hedges is as follows:

				Transfers from reserves to profit or loss			
2021/2022	**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	**Amounts transferred because the hedged item affected profit or loss** TEUR	**Consolidated Statement of Comprehensive Income item in which transfer was recognised** EUR 1,000	**Amounts for which hedge accounting was previously applied and the hedged future cash flows are no longer expected to occur** TEUR	**Consolidated Statement of Comprehensive Income item in which transfer was recognised** EUR 1,000
Electricity futures, forwards – sales	-374,490.9	-	-	-15,726.0	Sales revenues	133,601.7	Sales revenues
Electricity futures, forwards – procurement	636,772.7	-	-	-244,371.7	Expenses for material and other purchased services	-	
Gas futures – sales	-7,138.5	-	-	-3,186.2	Sales revenues	-	
Gas futures, forwards and swaps – procurement	117,374.7	-	-	-29,213.8	Expenses for material and other purchased services	-10,419.3	Sales revenues
Gas-oil swaps – procurement	2,712.8	-	-	-1,748.8	Sonstige betriebliche Aufwendungen	-	
CO_2 futures – sales	-450.3	-	-	1,132.5	Sales revenues	-	
CO_2 futures – procurement	-5,413.0	-	-	6,977.2	Expenses for material and other purchased services	-10,999.6	Sales revenues
Interest rate swaps	25,247.1	95.1	Other interest income	2,543.2	Financing expenses	-	
Total	**394,614.6**	**95.1**		**-283,593.6**		**112,182.8**	

				Transfers from reserves to profit or loss			
2020/2021	**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	**Amounts transferred because the hedged item affected profit or loss** TEUR	**Consolidated Statement of Comprehensive Income item in which transfer was recognised** EUR 1,000	**Amounts for which hedge accounting was previously applied and the hedged future cash flows are no longer expected to occur** TEUR	**Consolidated Statement of Comprehensive Income item in which transfer was recognised** EUR 1,000
Electricity futures, forwards – sales	-182,572.0	-	-	3,123.2	Sales revenues	-	-
Electricity futures, forwards – procurement	281,299.4	-	-	-11,165.8	Expenses for material and other purchased services	-	-
Gas futures – sales	-1,891.5	-	-	-	Sales revenues	-	-
Gas futures, forwards and swaps – procurement	39,226.3	-	-	-2,251.7	Expenses for material and other purchased services	-	-
Gas-oil futures and swaps – procurement	1,597.4	9.7	Other operating expenses	59.3	Sonstige betriebliche Aufwendungen	-	-
CO_2 futures – sales	-1,654.3	-	-	1,772.4	Sales revenues	-	-
CO_2 futures – procurement	8,230.2	-	-	-743.4	Expenses for material and other purchased services	-	-
Interest rate swaps	4,976.2	-95.1	Other interest income	2,748.6	Financing expenses	-	-
Total	**149,211.7**	**-85.4**		**-6,457.4**		**-**	**-**

The Energie AG Group holds the following derivatives not dedicated to any hedging relationship:

	Nominal Value		Positive fair values	Negative fair values
30.09.2022	Purchase	Sale	EUR 1,000	EUR 1,000
Derivatives not designated as hedging instruments				
Electricity forwards	EUR 1,202.9 mill.	EUR 670.6 mill.	1,224,953.0	-1,860,867.1
Electricity futures	EUR 1,068.0 mill.	EUR 1,258.7 mill.	1,767,405.1	-1,473,395.0
Gas forwards	EUR 45.2 mill.	EUR 13.4 mill.	212,674.9	-16,016.3
Gas futures	EUR 423.1 mill.	EUR 796.3 mill.	1,734,896.1	-1,590,170.1
CO_2 forwards	EUR 47.2 mill.	EUR 21.0 mill.	4,438.0	-3,092.1
CO_2 futures	EUR 142.7 mill.	EUR 174.4 mill.	28,470.9	-25,649.5

	Nominal Value		Positive fair values	Negative fair values
30.09.2021	Purchase	Sale	EUR 1,000	EUR 1,000
Derivatives not designated as hedging instruments				
Electricity forwards	EUR 146.7 mill.	EUR 145.5 mill.	151,708.7	-153,816.2
Electricity futures	EUR 2.0 mill.	EUR 1.0 mill.	245.4	-807.6
Gas forwards	EUR 0.3 mill.	EUR 0.2 mill.	1,018.2	-106.4
Gas futures	EUR 5.2 mill.	EUR 7.9 mill.	4,502.7	-5,326.7
CO_2 forwards	EUR 12.0 mill.	EUR 0.0 mill.	1,797.2	-1.6
CO_2 futures	EUR 5.6 mill.	EUR 19.3 mill.	3,318.6	-3,814.9

24.4. Carrying amounts in accordance with IFRS 9

In accordance with IFRS 9 or IFRS 16, the carrying amounts of financial assets and liabilities are grouped into classes or measurement categories as follows:

	Category acc. to IFRS 9	Carrying amount 30.09.2022 EUR 1,000	Carrying amount 30.09.2021 EUR 1,000
Investments		**40,444.4**	**30,836.0**
Shares in affiliated companies	FVOCI	1,580.2	1,580.7
Other investments	FVOCI	38,864.2	29,255.3
Other financial assets		**126,827.3**	**80,318.4**
Lendings to companies in which an interest is held	AC	84,315.6	5,186.4
Other lendings	AC	7,620.2	6,544.3
Fixed term deposits	AC	-	24,847.2
Securities FVOCI	FVOCI	8,116.7	12,631.5
Securities FVPL	FVPL	26,774.8	31,109.0
Derivative financial instruments (non-current and current)		**1,968,863.3**	**371,702.0**
Derivatives designated as hedging instruments (cash flow hedge)	n/a	512,188.6	211,765.5
Derivatives designated as hedging instruments (fair value hedge)	n/a	14,608.8	5,412.4
Derivatives not designated as hedging instruments	FVPL	1,442,065.9	154,524.1
Receivables and other assets (non-current and current) acc. to the Statement of Financial Position		**918,777.3**	**469,016.7**
Thereof non-financial assets		**107,107.6**	**86,351.6**
Thereof financial assets		**811,669.7**	**382,665.1**
Trade receivables	AC	351,991.7	259,902.2
Receivables from affiliated companies	AC	18,248.8	252.4
Receivables from joint arrangements and associated companies	AC	37,325.3	5,076.8
Other financial assets	AC	404,103.9	117,433.7
Fixed term deposits and short-term investments		**273,472.6**	**105,775.3**
Fixed term deposits	AC	113,868.6	85,816.1
Short-term investments	FVPL	159,604.0	19,959.2
Cash and cash equivalents	AC	**929,449.9**	**219,197.3**
Total financial assets		**4,150,727.2**	**1,190,494.1**
Financial liabilities (non-current and current)		**660,478.2**	**670,096.9**
Bonds	FLAC	300,896.3	301,231.8
Liabilities to banks	FLAC	8,362.7	6,530.5
Lease liabilities	IFRS 16	115,897.0	114,748.8
Other financial liabilities	FLAC	235,322.2	247,585.8
Trade payables (current)	FLAC	**279,156.4**	**162,178.9**
Derivative financial instruments (non-current and current)		**2,946,453.5**	**517,384.3**
Derivatives designated as hedging instruments (cash flow hedge)	n/a	422,366.9	179,434.5
Derivatives designated as hedging instruments (fair value hedge)	n/a	92,445.1	9,986.3
Derivatives not designated as hedging instruments	FVPL	1,879,975.5	153,924.2
Received margin payments	n/a	551,666.0	174,039.3
Other liabilities (non-current and current) acc. to the Statement of Financial Position		**466,461.6**	**231,417.6**
Thereof non-financial liabilities		**216,518.3**	**150,359.7**
Thereof financial liabilities		**249,943.3**	**81,057.9**
Liabilities to affiliated companies	FLAC	560.7	9,292.5
Liabilities to joint arrangements and associated companies	FLAC	5,357.5	2,774.3
Other financial liabilities (non-current and current)	FLAC	244,025.1	68,991.1
Total financial liabilities		**4,136,031.4**	**1,430,718.0**

	Category acc. to IFRS 9	Carrying amount 30.09.2022 EUR 1,000	Carrying amount 30.09.2021 EUR 1,000
Carrying amounts grouped to measurement categories according to IFRS 9			
Financial Assets at Amortized Costs (AC)		1,946,924.0	724,256.4
Financial Assets at Fair Value through Other Comprehensive Income (FVOCI)		48,561.1	43,467.5
Financial Assets at Fair Value through Profit or Loss (FVPL)		1,628,444.7	205,592.3
Financial Liabilities at Amortized Cost (FLAC)		1,073,680.9	798,584.9
Financial Liabilities at Fair Value through Profit or Loss (FVPL)		1,879,975.5	153,924.2

As of 30 September 2022, the Energie AG Group holds shares in affiliated companies and other investments in the amount of EUR 40,444.4 thousand (previous year: EUR 30,836.0), as well as securities (stocks) in the amount of EUR 8,116.7 thousand (previous year: EUR 12,631.5 thousand) classified as "Financial Assets Through Other Comprehensive Income (FVOCI)". These investments are held for long-term, strategic purposes. For fiscal year 2021/2022, the dividends distributed for securities amount to EUR 428.2 thousand (previous year: EUR 210.8 thousand). Dividends distributed for investments amount to EUR 2,607.0 thousand (previous year: EUR 1,924.3 thousand).

In the 2021/2022 fiscal year, two Czech investments and Oberösterreichische Gemeinnützige Bau- und Wohngesellschaft mit beschränkter Haftung (previous year: no strategic investments) were sold. EUR 811.6 thousand (previous year: EUR 0.0 thousand) of accumulated losses were reclassified within equity.

24.5. Offsetting of financial assets and liabilities

The following table shows the effect of netting agreements:

	30.09.2022			30.09.2021		
	Reported financial assets/ liabilities EUR 1,000	Effects from offsetting framework agreements EUR 1,000	Net amounts EUR 1,000	Reported financial assets/ liabilities EUR 1,000	Effects from offsetting framework agreements EUR 1,000	Net amounts EUR 1,000
Financial assets						
Trade receivables	351,991.7	-14,270.1	337,721.6	259,902.2	-13,478.0	246,424.2
Positive fair value of derivatives	1,968,863.3	-1,494,582.9	474,280.4	371,702.0	-250,090.6	121,611.4
Total	**2,320,855.0**	**-1,508,853.0**	**812,002.0**	**631,604.2**	**-263,568.6**	**368,035.6**
Financial liabilities						
Trade payables	279,156.4	-14,270.1	264,886.3	162,178.9	-13,478.0	148,700.9
Negative fair value of derivatives	2,394,787.5	-1,494,582.9	900,204.6	343,345.0	-250,090.6	93,254.4
Total	**2,673,943.9**	**-1,508,853.0**	**1,165,090.9**	**505,523.9**	**-263,568.6**	**241,955.3**

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.

24.6. Measurement at fair value

24.6.1. Fair value of financial assets and liabilities that are measured regularly at fair value

Pursuant to IFRS 13, financial instruments that are measured at fair value are classified within a fair value hierarchy. In view of possible uncertainties relating to possible estimates of the fair values, a distinction is made between three levels:

Level 1: Measurement on the basis of a published price quotation for identical assets or liabilities in an active market.

Level 2: Measurement on the basis of inputs that are observable either directly or indirectly in the market and measurements based on prices quoted in inactive markets.

Level 3: Measurement on the basis of inputs not observable in the market.

If the inputs used to determine the fair value of an asset or liability are attributable to different levels of the fair value hierarchy, the measurement at fair value is wholly assigned to the fair value hierarchy level that corresponds to the lowest input which, in the aggregate, is material for the measurement.

The financial instruments measured at fair value are assigned to levels 1 to 3:

30.09.2022	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)	1,580.2	-	-	1,580.2	1,580.2
Other investments (FVOCI)	38,864.2	1,920.0	-	36,944.2	38,864.2
Securities (FVOCI)	8,116.7	8,116.7	-	-	8,116.7
Securities (FVPL)	26,774.8	26,774.8	-	-	26,774.8
Derivatives designated as hedging instruments (cash flow hedge)	512,188.6	-	512,188.6	-	512,188.6
Derivatives designated as hedging instruments (fair value hedge)	14,608.8	-	14,608.8	-	14,608.8
Derivatives not designated as hedging instruments (FVPL)	1,442,065.9	-	1,442,065.9	-	1,442,065.9
Short-term investments (FVPL)	159,604.0	159,604.0	-	-	159,604.0
Total	**2,203,803.2**	**196,415.5**	**1,968,863.3**	**38,524.4**	**2,203,803.2**
Liabilities					
Derivatives designated as hedging instruments (cash flow hedge)	422,366.9	-	422,366.9	-	422,366.9
Derivatives designated as hedging instruments (fair value hedge)	92,445.1	-	92,445.1	-	92,445.1
Derivatives not designated as hedging instruments (FVPL)	1,879,975.5	-	1,879,975.5	-	1,879,975.5
Total	**2,394,787.5**	**-**	**2,394,787.5**	**-**	**2,394,787.5**

30.09.2021	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)	1,580.7	-	-	1,580.7	1,580.7
Other investments (FVOCI)	29,255.3	1,938.5	-	27,316.8	29,255.3
Securities (FVOCI)	12,631.5	12,631.5	-	-	12,631.5
Securities (FVPL)	31,109.0	31,109.0	-	-	31,109.0
Derivatives designated as hedging instruments (cash flow hedge)	211,765.5	-	211,765.5	-	211,765.5
Derivatives designated as hedging instruments (fair value hedge)	5,412.4	-	5,412.4	-	5,412.4
Derivatives not designated as hedging instruments (FVPL)	154,524.1	-	154,524.1	-	154,524.1
Short-term investments (FVPL)	19,959.2	19,959.2	-	-	19,959.2
Total	**466,237.7**	**65,638.2**	**371,702.0**	**28,897.5**	**466,237.7**
Liabilities					
Derivatives designated as hedging instruments (cash flow hedge)	179,434.5	-	179,434.5	-	179,434.5
Derivatives designated as hedging instruments (fair value hedge)	9,986.3	-	9,986.3	-	9,986.3
Derivatives not designated as hedging instruments (FVPL)	153,924.2	-	153,924.2	-	153,924.2
Total	**343,345.0**	**-**	**343,345.0**	**-**	**343,345.0**

Level 3 financial instruments have developed as follows:

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Carrying amount as of 01.10.	28,897.5	27,568.1
Gains (losses) – not recognised in profit or loss	10,495.1	1,160.6
Additions	20.0	35.0
Disposals	-906.9	-
Transfers	-35.0	-
Currency translation	53.7	133.8
Carrying amount as of 30.09.	**38,524.4**	**28,897.5**

The appreciation of EUR 10,495.1 thousand (previous year: EUR 1,923.7 thousand) relates to Other Investments (FVOCI). The fair value of these Other Investments is determined using a measurement method based on capitalisation of earnings. Essential input factors are the cash flow assumptions from planning and the discount rate. The impairment of other investments in the Czech Republic amounts to EUR 0.0 thousand (previous year: EUR 763.1 thousand). The resulting profit of EUR 10,495.1 thousand (previous year: EUR 1,160.6 thousand) through equity 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 6,878.5 thousand (EUR -6,878.5 thousand) (previous year: EUR 4,702.4 thousand (EUR -4,702.4 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 -1,413.0 thousand (EUR 1,586.1 thousand) (previous year: EUR -1,116.1 thousand (EUR 1,278.2 thousand)).

24.6.2. Valuation techniques and inputs used in measuring fair values

In general, the fair values of the financial assets and liabilities correspond to their market prices on the reporting date. If active market prices are not directly available, then – if they are not of minor significance – they are calculated using recognised actuarial measurement models and current market parameters (in particular interest rates, exchange rates and the credit rating of contractual partners). This is done by discounting the cash flows from the financial instruments to the reporting date.

The following valuation parameters and inputs were used:

Financial instruments	Level	Valuation techniques	Inputs
Other investments	3	Capital value-oriented	Assumptions concerning cash flows, interest rates, planning
Listed securities, mutual funds	1	Market value-oriented	Nominal values, stock market price, net asset value
Listed energy futures	1	Market value-oriented	Settlement price determined at stock exchange
Non-listed energy forwards	2	Capital value-oriented	Forward price curve derived from stock exchange prices, interest rate curve, credit risk of contractual partners on a net basis
Interest rate swaps	2	Capital value-oriented	Cash flows already fixed or determined using forward rates, interest rate curve, credit risk of contractual partners
Gas and gas-oil swaps	2	Capital value-oriented	Cash flows already fixed or determined using forward rates, interest rate curve, credit risk of contractual partners

24.6.3. Fair values of financial assets and liabilities that are not measured regularly at fair value, however for which the fair value must be disclosed

The items trade receivables, receivables from affiliated companies, receivables from joint arrangements and associated companies, other financial assets, as well as fixed term deposits and current investments are characterised by predominantly short remaining terms. This means that their carrying amounts as of the reporting date roughly represent their fair value. If they are material and have a fixed interest rate, then the fair value of non-current lendings corresponds to the present value of the payments associated with the assets, taking into consideration the current market parameters in each case (interest rates, credit spreads).

Trade payables, liabilities to affiliated companies, liabilities to joint arrangements and associated companies and other financial liabilities usually have short remaining terms. The values on the balance sheet are approximately the fair values. If they are material and bear interest at a fixed rate, the fair value of financial liabilities is determined using the present

value of the payments associated with the liabilities, taking into consideration the respectively applicable market parameters (interest rates, credit spreads).

The following financial assets and liabilities have a fair value different from the carrying amount:

	Category acc. to IFRS 9	Carrying amount 30.09.2022 EUR 1,000	Fair value 30.09.2022 EUR 1,000	Carrying amount 30.09.2021 EUR 1,000	Fair value 30.09.2021 EUR 1,000	Level
Assets						
Other financial assets		**91,935.8**	**90,641.9**	**11,730.7**	**12,521.0**	
Lendings to companies in which an interest is held	AC	84,315.6	83,089.7	5,186.4	5,847.9	Level 3
Other lendings	AC	7,620.2	7,552.2	6,544.3	6,673.1	Level 3
Liabilities						
Financial liabilities		**536,218.5**	**469,228.2**	**548,817.6**	**607,949.5**	
Bonds	FLAC	300,896.3	309,045.0	301,231.8	344,823.0	Level 1
Other financial liabilities	FLAC	235,322.2	160,183.2	247,585.8	263,126.5	Level 3

The fair values of the Level 3 financial assets and liabilities disclosed above were determined in agreement with generally accepted valuation techniques based on discounted cash flow analyses. Material input is the discount rate, which takes into account the expected credit loss of the counterparty.

24.7. Net result

The net result from financial instruments is grouped in the different classes of financial instruments as follows:

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Financial Assets at Amortized Cost	461.1	760.2
Financial Assets at Fair Value through Other Comprehensive Income	7,186.0	5,740.3
Financial Assets at Fair Value through Profit or Loss	-5,054.8	936.0
Financial Assets/Liabilities at Fair Value through Profit or Loss	4,595.0	4,733.3
Financial Liabilities Measured at Amortized Cost	-21,630.1	-18,273.6
Net result	**-14,442.8**	**-6,103.8**
Interest income and expenses from financial instruments measured at amortised costs:		
Total interest income	928.1	753.7
Total interest expense	-21,630.1	-18,273.6

The net result for the category Financial Assets at Amortized Cost (AC) mainly includes interest income from invested money and is recognised in the financial result. This item also includes income from the reversal of impairments and expected credit losses, income from the receipt of receivables that had previously been written off, as well as expenses from impairments, expected credit losses and write-offs for trade receivables recognised in the operating result.

The net result of the category Financial Assets at Fair Value through Other Comprehensive Income (FVOCI) shows the measurement result for the investments and securities measured outside of profit or loss. Income from investments and dividends from securities are reported in the other financial result.

The net result of the category Financial Assets at Fair Value through Profit or Loss (FVPL) mainly includes earnings from remeasurement and earnings from disposals, as well as dividends from securities and income from the remeasurement of money market funds and is shown in other financial result.

The net result of the category Financial Assets at Fair Value Trading through Profit or Loss (FVPL) and Financial Liabilities at Fair Value Trading through Profit or Loss (FVPL) essentially results from the derivatives used by Energie AG. The measured value of derivative instruments in the Energy Segment is recognised in the operating result.

The net result of the category Financial Liabilities at Amortized Cost mainly includes interest expenses from financial liabilities and is part of the financial result.

24.8. Financial risk management

24.8.1. Principles of financial risk management

Due to its business activities and the financial transactions it conducts, the Energie AG Group is exposed to various risks. These risks primarily include currency and interest rate risks, liquidity risks, expected credit loss, price risks from securities, and price risks in the commodity sector (energy sector price risks).

Energy sector risks are managed by Energie AG Oberösterreich Trading GmbH, and financial risks are managed centrally by Group Treasury, which is also responsible for any hedging measures for all Group companies. Hedging against energy sector risks is handled on the basis of an internal policy on conducting energy sector hedging transactions. A financial management guideline for the Group (Treasury Policy), in which the main goals, principles and distribution of duties in the Group are set out, serves as a basis for the management of financial risks.

Hedging against energy sector and financial risks is also handled using derivative financial instruments. Transactions of this type are on principle only carried out with counterparties with very good credit ratings in order to minimise the risk of default.

24.8.2. Foreign exchange risk

The foreign exchange risks in the Energie AG Group result from funding provided in foreign currencies and the translation risk from the conversion of foreign Group companies into the Group currency (Czech Republic and Hungary).

For the foreign exchange risk of financial instruments, sensitivity analyses were carried out which show the effects of hypothetical changes in exchange rates on result (after taxes) and equity. The affected holdings as of the reporting date were used as a basis (CZK 7.2 million, HUF 2.7 billion), (previous year: CZK 7.4 million, HUF 2.7 billion). Here it was assumed that the risk on the reporting date basically represents the risk during the fiscal year. A tax rate of 23% to 24.25% (previous year: 25%) was used. 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 467.2 thousand (previous year: EUR 530.3 thousand) and a reduction in equity by EUR 467.2 thousand (previous year: EUR 530.3 thousand). Here, the sensitivity of equity, as well as the sensitivity of profit (after taxes), were affected by the sensitivity of the currency-related translation effects of net investments and hedge accounting in the amount of EUR 0.0 thousand (previous year: EUR 0.0 thousand).

Following the aforementioned assumptions, a write-down of the Euro by 10% against all other currencies on the reporting date would result in increased earnings (after taxes) by EUR 571.0 thousand (previous year: EUR 648.1 thousand) and an increase in equity by EUR 571.0 thousand (previous year: EUR 648.1 thousand). Here, the sensitivity of equity, as well as the sensitivity of profit (after taxes), were affected by the sensitivity of the currency-related translation effects of net investments and hedge accounting in the amount of EUR 0.0 thousand (previous year: EUR 0.0 thousand).

24.8.3. 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:

	30.09.2022 EUR 1,000	30.09.2021 EUR 1,000
Cash in bank	929,333.2	219,197.3
Variable rate lendings	15,054.9	2,595.4
Variable rate loans	-32,897.3	-33,179.8
Variable rate lease liabilities	-74,610.2	-78,370.6
Net risk before hedge accounting	**836,880.6**	**110,242.3**
Hedge accounting and interest rate derivatives	68,924.7	72,028.0
Net risk after hedge accounting and interest derivatives	**905,805.3**	**182,270.3**

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. A tax rate of 23% to 24.25% (previous year: 25%) was used. 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 3,424.5 thousand (previous year: EUR 683.5 thousand) and an increase in equity in the amount of EUR 6,370.4 thousand (previous year: EUR 5,327.4 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 2,945.9 thousand (previous year: EUR 4,643.9 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 3,424.5 thousand (previous year: increase: EUR 683.5 thousand) and a decrease in equity in the amount of EUR 6,588.7 thousand (previous year: EUR 5,713.6 thousand). The sensitivity of equity, as well as the sensitivity of earnings (after taxes), were in this case affected by the sensitivity of the interest rate-related cash flow hedge reserve in the amount of EUR 3,164.2 thousand (previous year: EUR 5,030.1 thousand).

24.8.4. Commodity price risk

Commodity price risks arise primarily from the procurement and sale of electricity, gas and CO_2. Beyond that price risks arise for Energie AG Oberösterreich due to speculative positions taken in proprietary trading. Proprietary trading is only carried out within very tightly defined limits and the risk can therefore be considered immaterial.

Hedging instruments are used for electrical energy, gas and CO_2 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. A tax rate of 23% to 24.25% (previous year: 25%) was used. 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 50% (previous year: 15%) increase (decrease) in the fair value level as of the reporting date would result in a decrease (increase) in profit (after taxes) by EUR 0.0 thousand (previous year: EUR 55.4 thousand) and an increase (decrease) in equity by EUR 324,145.1 (previous year: EUR 8,380.9 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 324,145.1 thousand (previous year: EUR 8,436.3 thousand).

Sensitivity of derivative contracts with regard to the prices for gas and diesel (gas-oil):

Following the aforementioned assumptions, a 50% (previous year: 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 0.0 thousand (previous year: EUR 466.8 thousand) and an increase (decrease) in equity by EUR 45,700.5 thousand (previous year: EUR 11,265.2 thousand). The sensitivity of equity, as well as the sensitivity of earnings (after taxes), were in this case affected by the sensitivity of the gas-price-related cash flow hedge reserve in the amount of EUR 45,700.5 thousand (previous year: EUR 11,732.0 thousand).

Sensitivity of derivative contracts with regard to the price of CO_2:

Following the aforementioned assumptions, a 30% (previous year: 15%) increase (decrease) in the fair value level as of the reporting date would result in a decrease (increase) in profit (after taxes) by EUR 306.6 thousand (previous year: EUR 55.5 thousand) and an increase (decrease) in equity by EUR 2,210.6 thousand (previous year: decrease (increase) EUR 6,823.7 thousand). The sensitivity of equity, as well as the sensitivity of earnings (after taxes), were in this case affected by the sensitivity of the CO_2-price-related cash flow hedge reserve in the amount of EUR 2,517.2 thousand (previous year: EUR 6,879.2 thousand).

24.8.5. 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. A tax rate of 23% to 24.25% (previous year: 25%) was used. 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 21,227.5 thousand (previous year: EUR 5,745.2 thousand) and in equity in the amount of EUR 22,386.7 thousand (previous year: EUR 7,384.3 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 1,159.2 thousand (previous year: EUR 1,639.1 thousand).

24.8.6. Expected credit loss

Credit risks arise for the Energie AG Group due to non-fulfilment of contractual arrangements by counterparties.

The expected credit loss is limited by performing regular credit assessments of the customer portfolio. In the area of financial and energy trading, transactions are only conducted with counterparties with a first-class credit rating. In addition, the risks are mitigated by limit systems and monitoring.

At Energie AG Oberösterreich, the maximum expected credit loss corresponds to the carrying amount of the reported financial assets.

A low credit risk is assumed for derivatives and other instruments accounted for at fair value. Netting agreements are used to reduce the credit risks attached to derivatives.

The carrying amounts of the financial assets are composed as follows:

	Carrying amount 30.09.2022 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)	**793,420.9**	**775,262.5**	**11,945.0**	**737.0**	**622.6**	**745.4**	**4,108.4**
Trade receivables	351,991.7	336,341.9	11,906.4	570.4	622.4	722.6	1,828.0
Receivables from joint arrangements and associated companies	37,325.3	37,306.5	18.8	-	-	-	-
Other financial assets	404,103.9	401,614.1	19.8	166.6	0.2	22.8	2,280.4
Total	**793,420.9**	**775,262.5**	**11,945.0**	**737.0**	**622.6**	**745.4**	**4,108.4**

	Carrying amount 30.09.2021 EUR 1,000	Thereof: not impaired or overdue as of the reporting date EUR 1,000	Thereof: neither impaired nor past due in the following maturity ranges				Thereof: not impaired as of the reporting date EUR 1,000
			Less than 30 days EUR 1,000	Between 30 and 60 days EUR 1,000	Between 60 and 90 days EUR 1,000	More than 90 days EUR 1,000	
Receivables and other financial assets (non-current and current)	**382,412.7**	**366,297.5**	**9,734.4**	**852.2**	**526.8**	**640.3**	**4,361.5**
Trade receivables	259,902.2	247,042.5	9,709.6	674.3	526.6	606.3	1,342.9
Receivables from joint arrangements and associated companies	5,076.8	5,069.0	7.8	-	-	-	-
Other financial assets	117,433.7	114,186.0	17.0	177.9	0.2	34.0	3,018.6
Total	**382,412.7**	**366,297.5**	**9,734.4**	**852.2**	**526.8**	**640.3**	**4,361.5**

The changes in impairments of financial assets were as follows:

	Balance as of 01.10.2021 EUR 1,000	Additions EUR 1,000	Use EUR 1,000	Reversals EUR 1,000	Currency conversion EUR 1,000	Balance as of 30.09.2022 EUR 1,000
Receivables and other financial assets (non-current and current)	**8,556.3**	**665.8**	**-276.1**	**-1,066.1**	**32.0**	**7,911.9**
Trade receivables	8,472.2	665.8	-276.1	-1,065.9	29.0	7,825.0
Other financial assets	84.1	-	-	-0.2	3.0	86.9
Total	**8,556.3**	**665.8**	**-276.1**	**-1,066.1**	**32.0**	**7,911.9**

	Balance as of 01.10.2020 EUR 1,000	Additions EUR 1,000	Use EUR 1,000	Reversals EUR 1,000	Currency conversion EUR 1,000	Balance as of 30.09.2021 EUR 1,000
Receivables and other financial assets (non-current and current)	**9,051.9**	**713.4**	**-77.6**	**-1,203.1**	**71.7**	**8,556.3**
Trade receivables	8,973.1	713.4	-77.6	-1,203.1	66.4	8,472.2
Other financial assets	78.8	-	-	-	5.3	84.1
Total	**9,051.9**	**713.4**	**-77.6**	**-1,203.1**	**71.7**	**8,556.3**

The expenses for complete derecognition of receivables amount to EUR 1,380.7 thousand (previous year: EUR 1,589.8 thousand). The income from the receipt of derecognised receivables amount to EUR 530.0 thousand (previous year: EUR 590.2 thousand). The income from impairment reversals in the fiscal year amounts to EUR 400.3 thousand (previous year: EUR 489.7 thousand) for financial assets classified as "Financial Assets at Amortized Cost (AC)".

With regard to the holdings of financial trade and other receivables that are neither impaired nor in default, there are no indications as of the reporting date that the debtors will not meet

their payment obligations. For the financial assets not listed in the above table, there are no material delinquencies or impairments at the reporting date, and there are no indications that the debtors will not meet their payment obligations.

Individual impairments are made up of a number of individual items, of which none is material when considered by itself. In addition, value adjustments graduated by risk groups are recognised to provide for general credit risks. An impairment of 50% is usually recognised for trade receivables that are more than 180 days overdue.

A financial asset is considered a write-off if the debtor is unlikely to meet his obligations. This is in particular assumed if insolvency proceedings are opened or a claim is overdue for a long time.

Pursuant to the expected credit loss model described in IFRS 9, expected credit losses must also be recognised for financial assets "At Amortised Cost" (AC). The expected credit losses developed as follows:

	01.10.2021 EUR 1,000	Additions EUR 1,000	Reversals EUR 1,000	Currency conversion EUR 1,000	Balance as of 30.09.2022 EUR 1,000
Other financial assets	**206.8**	**33.8**	**-159.8**	**0.4**	**81.2**
Lendings to companies in which an interest is held	18.7	33.8	-0.8	-	51.7
Other lendings	35.3	-	-6.2	0.4	29.5
Fixed term deposits	152.8	-	-152.8	-	-
Receivables and other financial assets (non-current and current)	**501.0**	**232.7**	**-37.7**	**0.4**	**696.4**
Trade receivables	501.0	232.7	-37.7	0.4	696.4
Fixed term deposits and short-term investments	**183.9**	**-**	**-52.5**	**-**	**131.4**
Fixed term deposits	183.9	-	-52.5	-	131.4
Total	**891.7**	**266.5**	**-250.0**	**0.8**	**909.0**

	01.10.2020 EUR 1,000	Additions EUR 1,000	Reversals EUR 1,000	Currency conversion EUR 1,000	Balance as of 30.09.2021 EUR 1,000
Other financial assets	**57.3**	**159.3**	**-10.7**	**0.9**	**206.8**
Lendings to companies in which an interest is held	24.0	-	-5.3	-	18.7
Other lendings	33.3	6.5	-5.4	0.9	35.3
Fixed term deposits	-	152.8	-	-	152.8
Receivables and other financial assets (non-current and current)	**1,123.1**	**23.6**	**-649.0**	**3.3**	**501.0**
Trade receivables	1,123.1	23.6	-649.0	3.3	501.0
Fixed term deposits and short-term investments	**223.7**	**-**	**-39.8**	**-**	**183.9**
Fixed term deposits	223.7	-	-39.8	-	183.9
Total	**1,404.1**	**182.9**	**-699.5**	**4.2**	**891.7**

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.

In the previous fiscal year, the rating of one particular long-term investment with one Austrian bank pursuant to IFRS 9B.5.5.23 deteriorated to "non-investment grade". This has significantly increased the expected credit loss since the investment's initial recognition. The loss expected for this long-term fixed deposit was thus measured over the remaining term and amounted to EUR 107.8 thousand. It is reported in the item other financial assets and included in the addition of EUR 152.8 thousand. The 12-month credit loss is again applied in the present fiscal year.

24.8.7. Liquidity risk

A liquidity risk would exist when liquidity reserves or debt capacity were insufficient to meet financial obligations on time. Due to anticipatory liquidity planning and the liquidity reserves that are held, the liquidity risk is considered very low for the Energie AG Group. In addition, open lines of bank credit and on the capital market are also drawn on as sources for financing. Measures aimed at assuring an appropriate capital structure and a conservative financial profile assist the company in maintaining its current "A" rating.

All financial instruments held on the reporting date and for which payments are contractually agreed upon are consolidated. Plan figures for new, future financial liabilities are not included. An average remaining term of 12 months is assumed for the current operating loans; the loan terms are however extended regularly and are, from a commercial perspective,

available for longer than the stated periods. Foreign currency amounts are translated at the spot rate as of the reporting date. Variable interest payments from financial instruments are determined based on the last interest rates set before the reporting date. Financial liabilities that can be repaid at any time are always assigned to the earliest maturity range.

	Carrying amount	Cash flows 2022/2023		Cash flows 2023/2024 to 2026/2027		Cash flows from 2027/2028	
	30.09.2022 EUR 1,000	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)	**660,478.2**	**20,011.0**	**49,342.0**	**49,797.9**	**335,725.5**	**55,080.2**	**276,599.5**
Bonds	300,896.3	13,500.0	-	27,000.0	301,328.3	-	-
Liabilities to banks	8,362.7	280.0	2,746.8	413.4	2,028.7	530.9	3,587.2
Lease liabilities	115,897.0	1,560.4	45,241.2	5,384.8	12,690.1	10,561.6	57,965.7
Other financial liabilities	235,322.2	4,670.6	1,354.0	16,999.7	19,678.4	43,987.7	215,046.6
Trade payables (current)	**279,156.4**	**-**	**279,156.4**	**-**	**-**	**-**	**-**
Derivative financial instruments (non-current and current)	**2,946,453.5**	**1,569.9**	**1,815,628.6**	**1,559.7**	**1,128,351.2**	**1,133.6**	**-**
Derivatives designated as hedging instruments (cash flow hedge)	422,366.9	1,569.9	343,740.4	1,559.7	76,152.8	1,133.6	-
Derivatives designated as hedging instruments (fair value hedge)	92,445.1	-	19,632.9	-	72,812.2	-	-
Derivatives not designated as hedging instruments	1,879,975.5	-	1,105,237.2	-	774,738.3	-	-
Received margin payments	551,666.0	-	347,018.1	-	204,647.9		
Other liabilities (non-current and current) acc. to the Statement of Financial Position	**466,461.6**						
Thereof non-financial liabilities	**216,518.3**						
Thereof financial liabilities	**249,943.3**	**-**	**246,007.3**	**-**	**3,602.7**	**-**	**333.3**
Liabilities to affiliated companies	560.7	-	560.7	-	-	-	-
Liabilities to joint arrangements and associated companies	5,357.5	-	5,357.5	-	-	-	-
Other financial liabilities (non-current and current)	244,025.1	-	240,089.1	-	3,602.7	-	333.3
Total	**4,136,031.4**	**21,580.9**	**2,390,134.3**	**51,357.6**	**1,467,679.4**	**56,213.8**	**276,932.8**

	Carrying amount 30.09.2021 EUR 1,000	Cash flows 2021/2022		Cash flows 2022/2023 to 2025/2026		Cash flows from 2026/2027	
		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)	**670,096.9**	**18,319.7**	**21,127.2**	**59,446.1**	**376,518.1**	**51,566.7**	**273,897.2**
Bonds	301,231.8	13,500.0	-	40,500.0	301,842.2	-	-
Liabilities to banks	6,530.5	123.4	382.7	442.5	2,111.4	644.7	4,036.4
Lease liabilities	114,748.8	231.4	7,555.4	1,317.9	52,396.2	2,707.6	54,797.2
Other financial liabilities	247,585.8	4,464.9	13,189.1	17,185.7	20,168.3	48,214.4	215,063.6
Trade payables (current)	**162,178.9**	**-**	**162,178.9**	**-**	**-**	**-**	**-**
Derivative financial instruments (non-current and current)	**517,384.3**	**2,665.2**	**428,978.8**	**6,734.4**	**77,292.3**	**3,980.2**	**-**
Derivatives designated as hedging instruments (cash flow hedge)	179,434.5	2,665.2	117,063.1	6,734.4	51,258.2	3,980.2	-
Derivatives designated as hedging instruments (fair value hedge)	9,986.3	-	6,522.8	-	3,463.5	-	-
Derivatives not designated as hedging instruments	153,924.2	-	131,353.6	-	22,570.6	-	-
Received margin payments	174,039.3	-	174,039.3	-	-	-	-
Other liabilities (non-current and current) acc. to the Statement of Financial Position	**231,417.6**						
Thereof non-financial liabilities	**150,359.7**						
Thereof financial liabilities	**81,057.9**	**-**	**77,061.4**	**-**	**3,621.9**	**-**	**374.6**
Liabilities to affiliated companies	9,292.5	-	9,292.5	-	-	-	-
Liabilities to joint arrangements and associated companies	2,774.3	-	2,774.3	-	-	-	-
Other financial liabilities (non-current and current)	68,991.1	-	64,994.6	-	3,621.9	-	374.6
Total	**1,430,718.0**	**20,984.9**	**689,346.3**	**66,180.5**	**457,432.3**	**55,546.9**	**274,271.8**

24.9. Development and terms of the most material financial liabilities

	EUR 1,000
Financial liabilities 30.09.2021	
Non-current	648,969.7
Current	21,127.2
	670,096.9
Registered bond 2022–2051	9,377.1
Other registered bonds	-8,628.1
Other changes in financial liabilities	-10,367.7
Financial liabilities 30.09.2022	
Non-current	611,136.2
Current	49,342.0
	660,478.2

The Group issued the following material funding:

Energie AG Oberösterreich:

4.5% Energie AG OOe. Bond 2005-25 ISIN: XS0213737702 volume: EUR 300,000,000 coupon: 4 March.

Registered bond 2010-2030, 4.75%, Volume: EUR 40,000,000

Registered bond 2020-2040, 1.25%, Volume: EUR 100,000,000

Registered bond 2021-2051, 1.386%, Volume: EUR 65,000,000

25. Non-current provisions

	30.09.2022 EUR 1,000	30.09.2021 EUR 1,000
Provisions for pensions	80,419.7	113,863.5
Provisions for severance payments	77,068.3	95,855.4
Provisions for anniversary bonuses	18,278.7	22,982.4
Provisions for stepped pension and early retirement benefits	8,401.7	13,680.0
Other provisions	43,561.6	47,429.6
	227,730.0	**293,810.9**

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:

	2021/2022 %	2020/2021 %
Discount rate	4.0	0.8
Salary trend	3.5	2.9
Pension trend	2.25-3.5	2.0
Expected return on plan assets	4.0	0.8

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 12.69% (previous year: 0.00% to 12.12%) is assumed, staggered according to length of service with the company.

25.1. Provisions for pensions and similar provisions

Company agreements and commitments under individual contracts have incurred an obligation to pay pensions upon retirement to certain staff members who joined the company prior to 30 September 1996 and have accepted neither full nor partial compensation of their claims to direct payments. Beyond that, there is an obligation to pay pensions to certain staff members who retired before 1 July 1998.

For this group of people, a pension provision has been created in line with IAS 19 (Employee Benefits) using the projected unit credit method of actuarial valuation.

The Group has an obligation to make additional contributions for defined retirement benefit obligations that were transferred to the Group's pension fund.

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Present value of retirement benefit obligations (DBO) as of 01.10.	127,826.1	130,659.1
+ Current service costs	491.1	498.9
+ Interest expense	1,002.6	1,250.5
- Retirement benefits payments	-7,194.2	-7,217.8
(-)/+ Remeasurement – actuarial (gains)/losses:		
Due to experience adjustments	7,744.8	-572.7
Due to changes in demographic assumptions	-13.5	1.0
Due to changes in financial assumptions	-36,325.5	3,207.1
Present value of retirement benefit obligations (DBO) as of 30.09.	**93,531.4**	**127,826.1**
- Fair value of fund assets	-13,111.7	-13,962.6
Recognised pension provisions as of 30.09.	**80,419.7**	**113,863.5**

Changes in fund assets

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Plan assets as of 01.10.	13,962.6	13,610.3
+/(-) Interest income/(expenses) for plan assets	117.9	122.7
+ Contributions to fund	94.0	182.1
- Payments from fund	-1,164.2	-1,145.4
+/(-) Asset gain/(loss)	101.4	1,192.9
Plan assets as of 30.09.	**13,111.7**	**13,962.6**

The actual income from the plan assets amounts to EUR -270.6 thousand (previous year: EUR 1,008.8 thousand).

The composition of the fund's assets presents as follows:

	30.09.2022 %	30.09.2021 %
Shares	39.0	39.2
Bonds	30.5	40.0
Money market	2.5	7.8
Other investments	28.0	13.0
Total	**100.0**	**100.0**

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Current service costs	491.1	498.9
Net interest expense	884.7	1,127.8
Pension expense (recognised in net profit or loss for the period)	**1,375.8**	**1,626.7**
Remeasurement of retirement benefit obligations	-28,695.6	1,442.5
Retirement benefits expense (recognised in other comprehensive income)	**-27,319.8**	**3,069.2**

The present value of the defined retirement benefit obligations is distributed over the individual groups of employees entitled to pension benefits as follows:

	30.09.2022 %	30.09.2021 %
Active	15.7	16.5
Vested	0.5	1.3
Retired	83.8	82.2
	100.0	**100.0**

As of 30 September 2022, the weighted average remaining term of the defined benefit obligations was 10.0 years (previous year: 12.0 years).

Pension payments for the 2022/2023 fiscal year are expected to amount to EUR 7,335.3 thousand.

An increase or decrease in the material actuarial assumptions would have the following effects on the present value of the retirement benefit obligations:

Sensitivity analyses

	30.09.2022 EUR 1,000	30.09.2021 EUR 1,000
Remaining life expectancy		
Change by +1 year	5,810.6	9,272.0
Change by -1 year	-6,203.8	-9,760.3
Discount rate		
Change by +0.5%	-5,262.2	-7,709.2
Change by -0.5%	5,792.8	8,617.8
Future pension increase		
Change by +0.5%	5,595.9	8,134.8
Change by -0.5%	-5,154.0	-7,409.3

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.

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Present value of severance payment obligations (DBO) as of 01.10.	95,855.4	95,623.6
+ Current service costs	2,990.0	3,092.3
+/(-) (Gain)/loss on DBP due to termination benefit	-364.2	-
+ Interest expense	742.5	915.1
- Severance payments	-7,180.5	-5,927.4
(-)/+ Remeasurement – actuarial (gains)/losses:		
Due to experience adjustments	2,329.8	505.3
Due to changes in demographic assumptions	-135.2	-40.5
Due to changes in financial assumptions	-17,169.5	1,687.0
Present value of severance payment obligations (DBO) as of 30.09. = reported provision for severance payment obligations as of 30.09.	**77,068.3**	**95,855.4**

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Current service costs	2,625.8	3,092.3
Net interest expense	742.5	915.1
Severance expenses (recognised in net profit or loss for the period)	**3,368.3**	**4,007.4**
Remeasurement of the severance benefit obligation	-14,974.9	2,151.8
Severance expenses (recognised in other comprehensive income)	**-11,606.6**	**6,159.2**

As of 30 September 2022, the weighted average remaining term of the defined benefit obligations was 6.8 years (previous year: 8.2 years).

Severance payments for the 2022/2023 fiscal year are expected to amount to EUR 9,786.8 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

	30.09.2022 EUR 1,000	30.09.2021 EUR 1,000
Discount rate		
Change by +0.5%	-2,692.3	-4,067.0
Change by -0.5%	2,868.1	4,377.7
Future salary increase		
Change by +0.5%	2,910.5	4,332.4
Change by -0.5%	-2,746.0	-4,057.1

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.

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Present value of anniversary bonus obligation (DBO) as of 01.10.	22,982.4	22,448.2
+ Current service costs	1,376.5	1,323.9
+ Interest expense	183.3	223.1
Anniversary bonus payments	-1,595.3	-1,677.5
(-)/+ Remeasurement – actuarial (gains)/losses	-4,668.2	664.7
Present value of anniversary bonus obligation (DBO) as of 30.09. = reported provisions for anniversary bonuses as of 30.09.	**18,278.7**	**22,982.4**

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Current service costs	1,376.5	1,323.9
Net interest expense	183.3	223.1
Remeasurement	-4,668.2	664.7
Expenses for anniversary bonuses (recognised in net profit or loss for the period)	**-3,108.4**	**2,211.7**

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).

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Present value of early retirement obligations (DBO) as of 01.10.	13,680.0	21,572.2
+ Interest expense	84.6	173.9
+ Past service costs	716.3	573.5
- Early retirement payments	-5,424.9	-7,358.5
(-)/+ Remeasurement – actuarial (gains)/losses	-654.3	-1,281.1
Present value of early retirement obligations (DBO) as of 30.09. = reported provisions for early retirement obligations as of 30.09.	**8,401.7**	**13,680.0**

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Past service costs	716.3	573.5
Net interest expense	84.6	173.9
Remeasurement	-654.3	-1,281.1
Expenses for stepped pension and early retirement benefits (recognised in net profit or loss for the period)	**146.6**	**-533.7**

25.5. Other non-current provisions

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Carrying amount as of 01.10.	47,429.6	33,777.4
Use	-207.0	-63.6
Reversal	-2,375.3	-137.3
Allocation	-7,151.9	13,818.0
Change in interest rate	-8,454.7	-
Translation differences	17.1	35.1
	43,561.6	**47,429.6**

This item predominantly contains provisions for landfills and provisions related to the operation of gas storage facilities.

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 depreciation 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 contains advances received from customers for services to be provided.

28. Other non-current liabilities

	30.09.2022 EUR 1,000	30.09.2021 EUR 1,000
Investment subsidies	26,090.0	27,302.4
Other liabilities	19,682.6	21,247.1
	45,772.6	**48,549.5**

29. Current provisions

Current provisions developed as follows during this fiscal year:

	2021/2022 EUR 1,000	2020/2021 EUR 1,000
Carrying amount as of 01.10.	45,661.3	20,684.1
Use	-14,937.8	-7,359.2
Reversal	-4,771.7	-723.8
Allocation	53,043.4	32,996.0
Translation difference	38.3	64.2
	79,033.5	**45,661.3**

This item mainly consists of provisions for the future performance of electricity and gas supply contracts, provisions for obligations from emissions allowances, and waste management costs.

30. Tax provisions

	30.09.2022 EUR 1,000	30.09.2021 EUR 1,000
Corporate tax for the reporting period	**176.6**	**109.2**

31. Other current liabilities

	30.09.2022 EUR 1,000	30.09.2021 EUR 1,000
Liabilities to non-consolidated affiliated companies	543.2	9,288.1
Liabilities to joint arrangements and associated companies	5,357.5	2,774.3
Tax liabilities	34,063.0	14,710.7
Social-security liabilities	6,562.9	7,082.4
Advances received	37,612.0	13,526.3
Liabilities to employees	60,972.7	57,430.1
Liabilities from collateral annexes	211,670.0	41,780.0
Other liabilities	63,907.7	36,276.2
	420,689.0	**182,868.1**

32. Non-current assets held for sale

The business activities of OÖ Landesholding GmbH and Energie AG Group in the telecommunications sector were consolidated during the reporting period. The aim of consolidation is to expand and provide comprehensive broadband internet in Upper Austria as well as to harness synergy effects.The business activities of OÖ Landesholding GmbH and Energie AG Group in the telecommunications sector were consolidated during the reporting period.

As of 30 September 2021, the operational unit "Fiber to the home" (FTTH) was recognised in the item "Non-current assets held for sale" (Holding & Services Segment).

	30.09.2021 EUR 1,000
Assets	
Non-current assets	
Intangible assets	171.0
Property, plant and equipment	99,000.0
Other non-current assets	23,001.2
	122,172.2
Current assets	
Receivables	47.9
	122,220.1
Liabilities	
Non-current liabilities	
Deferred tax liabilities	2,595.2
Construction cost subsidies	603.1
Other non-current liabilities	39,193.1
	42,391.4
Current liabilities	
Trade payables	445.5
	42,836.9

The assets were essentially comprised of fibre-optic infrastructure and claims for subsidies. They were measured at amortised costs. The other non-current liabilities consisted of subsidies for fibre-optic infrastructure recognised as liabilities. There were also plans to allocate intra-Group liabilities of EUR 75.4 million to this operational unit.

This operational unit was spun out into Breitband Oberösterreich Infrastruktur GmbH (formerly: OÖ Breitband Infrastruktur GmbH) as planned. The interest held in Breitband Oberösterreich Infrastruktur GmbH was transferred to BBOÖ Breitband Oberösterreich GmbH (formerly: Fiber Service OÖ GmbH), a subsidiary of OÖ Landesholding GmbH. BBOÖ Breitband Oberösterreich GmbH operates a company in the telecommunications sector. As a result of the restructuring, Energie AG Oberösterreich received a participating interest of 50% in BBOÖ Breitband Oberösterreich GmbH.

The assets and liabilities reported in the Consolidated Financial Statements as of 30 September 2021 were deconsolidated without any changes. The Consolidated Financial Statements as of 30 September 2022 reports earnings from the disposal of EUR 37.0 million, which were determined in accordance with IAS 28.28, in the item "Other operating income". The participating interest in BBOÖ Breitband Oberösterreich GmbH constitutes a joint venture as per IFRS 11 and is measured using the equity method. As of 30 September 2022, the carrying amount measured using the equity method was EUR 38.4 million.

OTHER EXPLANATORY NOTES

33. Other obligations

Pursuant to an energy supply agreement between Energie AG Oberösterreich Trading GmbH and VERBUND AG, the Group procures a certain annual amount of electricity on the basis of standard market products. The cost of the delivered electricity is recognised under material costs.

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 0.75) per share, amounting to a total of EUR 53,191.1 thousand (previous year: EUR 66,489.4 thousand).

35. Management of risks and opportunities

35.1. Risk management process

Due to the current developments in the energy industry and energy policy environment and the associated volatile situation on the energy markets, the industry as a whole and Energie AG as an industry player are facing numerous uncertainties. The aim of the risk management process is to identify these risks and opportunities at an early stage, to evaluate them and to derive suitable measures from them in order to minimise the risks and take advantage of opportunities in the best way possible. As an integral part of the management and control system, risk assessments support the management team and form part of the strategic and operational issues decision-making process.

The established COSO II framework forms the basis for the Group-wide risk management process at Energie AG. 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. The central management system assures proper documentation and verifiability.

35.2. Significant opportunities (+) | risks (-)[1] and measures

STRATEGIC OPPORTUNITIES | RISKS

+|– Strategic opportunities | risks due to

- Changes in general climatic conditions
  - Extreme events and their consequences (periods of heat | drought, flooding, storms, hail, forest fires, avalanches)
  - Long-term changes in climatic and ecological conditions (precipitation frequency/volume, increase in average temperatures)
- Changes in the general energy policy and energy market environment
- Changes in technological developments, in the market environment, in customer needs …

Measures

- Continuous intensive monitoring of energy policy developments, markets, competitors, customers, the climate and technologies
- Participation in research projects, …
- Early and intensive monitoring of strategic opportunities|risks

VALUE OF ASSETS – OPPORTUNITIES & RISKS

- Write-ups and write-downs of assets, procurement rights, investments
- Allowances for receivables
- Creation of provisions for impending losses

Measures:

- Ongoing monitoring, sensitivity analyses
- Long-term contracts
- Counterparty risk management

PROJECT OPPORTUNITIES | RISKS

- High, long-term investment costs, projects with a high level of complexity
- Underruns and overshooting of the planned values in terms of timing schedule, project costs and quality
- (Energy) policy uncertainty

Measures:

- Project management
- Risk management methods in the entire project cycle
- Optimised contract arrangements

SUSTAINABILITY OPPORTUNITIES | RISKS

In the medium term – in our 5-year planning horizon – we assume that climate-related opportunities | risks will remain within the statistical range of the past few years, and these have been taken into account in our (opportunities | risks) scenarios.

Potential long-term climate-related risks and opportunities beyond this have been taken into account in strategic decision-making.

Environmental, social and governance (ESG) aspects are becoming increasingly important factors in the risk management process.

For opportunities|risks that may affect questions of sustainability as a result of Energie AG's business activities, see **"Sustainability Opportunities and Risks" › Page 32**

1) Risk|opportunities, definition:
- A risk is the possibility of an event occurring which has a negative impact on targets (EBT, EBIT, cash flow)
- An opportunity is the possibility of an event occurring which has a positive impact on targets (EBT, EBIT, cash flow)
For more information on the risks | opportunities which may have an impact on the concerns of the Sustainability and Diversity Act (NaDiVeG) as a result of Energie AG's business activities, see **Sustainability opportunities and risk management › Page 32**

MARKET AND COMPETITION RISKS

+|– Market price changes

(electricity, gas, biomass and CO_2 emissions allowances prices)

Measures:

- Bundled management of commodity price risks by Energie AG Oberösterreich Trading GmbH
- Risk strategies geared for the market environment
- Leveraging of internal synergies within the Group

+|– Electricity generated from hydroelectric power

influenced by development of weather/climate

Measures:

- Optimised management of generation portfolio

+|- Electricity production from thermal power plants

Measures:

- Bundled management of commodity price risks by Energie AG Trading
- Long-term contracts
- Leveraging of internal synergies within the Group
- Risk strategies geared for the market environment

+|- Electricity, gas, heat and telecommunications services sales volumes

influenced by development of weather/climate, competition, economy, policy, …

Measures:

- Bundling of sales organisations
- Price guarantee
- Service and subsidy offerings
- Focus on digitalisation
- Positioning as an energy service provider

+|- Market price and volume changes in waste management

Recycling materials, industrial waste, domestic waste, delivery prices, thermal, …

- Increased competition from pretreatment plants and industrial co-incinerators
- Increased re-municipalisation efforts of municipal waste management associations

Measures:

- Long-term indexed contracts with defined delivery volumes and prices
- Focused market activities
- Intensification of cooperation with the public sector
- Further development of the digitalisation projects

+|- Contractual losses|gains and contract changes in the water|wastewater sector

Measures:

- Synergy projects
- Ongoing participation in (concession) tenders

OPPORTUNITIES | RISKS FROM BUSINESS OPERATIONS

- Facility risks

Impairment of the availability of facilities due to

- Technical malfunctions, sabotage, …
- Natural disasters such as storms, flooding, …

Measures:

- Maintenance and quality controls
- Optimised maintenance strategy
- Structural (flood) protection measures
- Strategy programmes "Replacing overhead medium-voltage lines that are particularly susceptible to disruption with underground cable", "Replacing low-voltage lines", consistent expansion of grid automation
- Crisis and contingency management
- Insurance

+|– Physical weather risks

such as periods of heat|drought, flooding, storms, hail, forest fires, avalanches and their impact on third parties

Measures:

- Structural (flood) protection measures
- Strategy programmes "Replacing overhead medium-voltage lines that are particularly susceptible to disruption with underground cable", "Replacing low-voltage lines", consistent expansion of grid automation
- Crisis and contingency management
- Insurance

- Risks from information security, cyber-security and data protection

Measures:

- Optimised insurance strategy
- Comprehensive technical measures
- Management systems for information security and data protection

- Personnel risks

- Health and safety risks for company staff and temporary employees
- Loss of expertise and practical knowledge

Measures:

- Safety training courses for employees
- In-house health management project energy@work
- Apprentice|trainee education
- Group policies "Human Resource Management", "Management by Objectives" and "Management Academy"

POLITICAL, REGULATORY AND STATUTORY OPPORTUNITIES | RISKS

+|– Changes in the statutory environment

for the electricity and gas grids

Measures:

- Intensive and constructive dialog with the regulatory authorities
- Cooperation with interest groups

+|- Legal risks

from pending legal disputes

Measures:

- Legal support
- Provisions in the balance sheet
- Out-of-court settlements

+|- Political and statutory environment

- EU climate policy provisions and their implementation in Austria
- Statutory environment for project development and implementation
- Changes to subsidy regime

Measures:

- Intensive and constructive dialog with authorities and politicians
- Cooperation with interest groups

COMPLIANCE RISKS AND DATA PROTECTION INFRINGEMENTS

- Compliance risks

- Antitrust and corruption risks
- Financial market compliance

Measures:

- Group policies "Compliance Management System" and "Anti-Corruption", "Handling on Insider Information", "ICT Information Security Management"
- In-person training and e-learning courses

- Data protection infringements

- Accidental or unlawful destruction, loss, alteration or disclosure of data
- Hacker attacks

Measures:

- Group policies "Data Protection Management System" and "Data Protection Compliance Policy"
- In-person training and e-learning courses

FINANCIAL RISKS

+|- Changes in interest rates

Measures:

- Long-term fixed interest agreements

+|- Foreign exchange risk

Primarily from the transaction and translation risks of the Czech Group companies

Measures:

- Ongoing monitoring
- Currency hedging, where necessary

+|- Prices changes in financial assets (securities, funds)

resulting from fluctuations in market value on the capital markets

Measures:

- Conservative investment policy
- Consistent monitoring
- On-going quantification of share price risks

+|- Rating change

means lower| higher refinancing costs

Measures:

- The management of Energie AG continues to seek to maintain Energie AG's Single A credit rating in the long term
- Ensuring compliance with the required key financial performance indicators

+|- Opportunities|Risks from investments in other companies

- Fluctuations in the returns on investments
- Fluctuations in dividends received

Measures:

- Ongoing monitoring
- Representation on the boards of the subsidiaries

+|- Changes in the discount rate for provisions

The present value of provisions decreases at a higher discount rate and increases at a lower discount rate

Measures:

- Ongoing monitoring

- Counterparty risks

Complete or partial failure of counterparties

Measures:

- Ongoing monitoring
- Credit limit systems
- Hedging instruments
- Targeted strategy of diversification of business partners

- Liquidity risk

Measures:

- Centralised, forward-looking liquidity planning
- Sufficient liquidity reserves
- Open, partially committed credit lines

36. Related party disclosures

Related parties include OÖ Landesholding GmbH as majority shareholder as well as its subsidiaries, the Province of Upper Austria as sole investor of OÖ Landesholding GmbH, the joint ventures, the associated companies as well as members of the Management Board and of the Supervisory Board of Energie AG Oberösterreich and their close relatives.

		Revenues EUR 1,000	Expenses EUR 1,000	Receivables EUR 1,000	Liabilities EUR 1,000
Province of Upper Austria	**2021/2022**	**1,356.1**	**429.5**	**147.9**	**1,818.9**
	2020/2021	1,445.4	520.4	164.5	2,395.5
OÖ Landesholding and subsidiaries	**2021/2022**	**16,759.2**	**183.4**	**19,443.9**	**103.2**
	2020/2021	12,278.8	243.0	1,518.1	9,251.7
Associated companies	**2021/2022**	**148,916.4**	**32,574.8**	**10,355.2**	**526.1**
	2020/2021	54,173.9	14,683.6	3,646.6	219.1
Joint ventures	**2021/2022**	**27,426.1**	**4,860.7**	**86,857.9**	**857.2**
	2020/2021	5,415.4	1,978.0	1,012.8	1,786.4

Province of Upper Austria

The Province of Upper Austria is the sole investor of OÖ Landesholding GmbH. OÖ Landesholding GmbH is the majority shareholder of Energie AG Oberösterreich.

OÖ Landesholding GmbH

Energie AG Oberösterreich and selected subsidiaries are members of the OÖ Landesholding GmbH tax group. The provisions of the OÖ Landesholding GmbH Group contract govern the relationship between Energie AG Oberösterreich and the Group parent, whereas Energie AG Oberösterreich calculates its taxable income in consideration of the taxable income of its subordinate Group companies. In the case of positive tax income, any positive tax allocations are offset using the applicable tax rate of 25%. Negative tax results are carried forward. The tax allocations amount to EUR 30,195.7 thousand (previous year: EUR 28,081.0 thousand). Sales revenues were also generated with OÖ Landesholding GmbH and its subsidiaries, in particular through the supply of electricity and gas, in the amount of EUR 16,759.2 thousand (previous year: EUR 12,278.8 thousand). As of the reporting date, this item also includes receivables in the amount of EUR 19,443.9 thousand (previous year: EUR 1,518.1 thousand) and liabilities of EUR 103.2 thousand (previous year: EUR 9,251.7 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 6,787.3 thousand (previous year: EUR 5,951.8 thousand), while expenses are EUR 3,175.8 thousand (previous year: EUR 3,814.9 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 137,476.5 thousand (previous year: EUR 44,227.7 thousand), while expenses are EUR 28,431.4 thousand (previous year: EUR 10,356.7 thousand). As of the reporting date, this item also includes receivables of EUR 9,841.3 thousand (previous year: EUR 3,045.5 thousand).

Joint ventures

BBOÖ Breitband Oberösterreich GmbH

Energie AG Oberösterreich has provided a funding in the amount of EUR 67,500.0 thousand for BBOÖ Breitband Oberösterreich GmbH with a term until 30 September 2023. Furthermore, the Group provided construction services and other services amounting to EUR 20,862.9 thousand (previous year: EUR 0.0 thousand) to BBOÖ Breitband Oberösterreich GmbH and its subsidiary Breitband Oberösterreich Infrastruktur GmbH. Services amounting to EUR 3,045.3 thousand (previous year: EUR 0.0 thousand) were purchased. This item also includes receivables in the amount of EUR 18,363.5 thousand (previous year: EUR 0.0 thousand) and liabilities in the amount of EUR 845.4 thousand (previous year: EUR 0.0 thousand). The settlements are conducted at standard market conditions.

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 16.4 thousand (previous year: EUR 13.1 thousand) and benefits in the amount of EUR 124.3 thousand (previous year: EUR 116.6 thousand). This item also includes receivables in the amount of EUR 1.0 thousand (previous year: EUR 1.4 thousand).

37. Material events after the reporting date

On 18 November 2022, the Austrian Federal Government announced the key points related to the national implementation of the EU Emergency Measures Regulation on the absorption and redistribution of surplus proceeds. In future, a price cap of EUR 140.0/MWH, possibly higher if additional direct costs can be established, will be imposed on electricity producers. There will also be an input credit for investments into renewable energies and energy efficiency. These regulations come into effect on 1 December 2022 in Austria and will apply until 31 December 2023. An initiative for the new Energy Crisis Levy Act was already submitted to the National Council and a resolution is expected in December.

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).

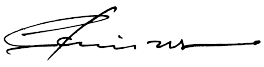
The Supervisory Board of Energie AG Oberösterreich had the following members in the 2021/2022 fiscal year:

Provincial Councillor Markus Achleitner (Chairman); Mag. Stefan Lang LL.M (Vice-Chairman); Dr. Heinrich Schaller (Deputy Vice-Chairman); Dr. Miriam Eder MBA; Mag. Dr. Erich Entstrasser; Mag. Dr. Christiane Frauscher; Mag. Florian Hagenauer MBA; Dipl.-Ing. Erich Haider MBA; Mag. Anna-Maria Hochhauser (until 17 December 2021); Dr. Elisabeth Kölblinger (since 17 December 2021); Mag. Michaela Keplinger-Mitterlehner; Mag. Kathrin Renate Kühtreiber-Leitner MBA; Member of the Provincial Parliament Ing. Herwig Mahr; Gertrude Schatzdorfer-Wölfel (since 4 March 2022); Thomas Peter Stadlbauer MSc MBA MPA; Josef Walch (until 17 December 2021).

Appointed by the Works Council: Ing. Mag. Leopold Hofinger (until 21 April 2022); Mag. Dr. Regina Krenn; Ing. Peter Neißl MBA MSc; Edith Schatzdorfer (since 21 April 2022); Ing. Bernhard Steiner; Christian Strobl; Gerhard Störinger; Andreas Walzer.

Linz, 5 December 2022

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 2022, the Consolidated Statement of Income, Consolidated Statement of Comprehensive Income, Statement of Changes in Equity, and Consolidated Cash Flow Statement for the fiscal year ending on that date, as well as the Notes to the Consolidated Financial Statements.

It is our opinion that the attached Consolidated Financial Statements comply with the statutory requirements and offer an adequately accurate representation of the asset and financial position of the Group as of 30 September 2022, as well as the Group's earnings position and cash flows during the fiscal year ending as of that date, in accordance with the International Financial Reporting Standards (IFRS), as they are to be applied in the EU and the additional requirements stipulated in § 245a of the Austrian Commercial Code (UGB), the Electricity Industry and Organisation Act 2010, and the Gas Industry Act 2011.

Basis for our audit opinion

We have conducted our audit in accordance with Directive (EU) No. 537/2014 (EU Directive hereinafter) and the Austrian Principles of Proper Auditing of Financial Statements. These principles require the application of the International Standards on Auditing (ISA). Our responsibilities under these regulations and standards are set out in more detail in Section "Responsibilities of the Auditor in Auditing the Consolidated Financial Statements" of the audit certificate. We are independent from the Group in compliance with the Austrian corporate law and professional regulation and have discharged our other professional duties in accordance with these requirements. We are of the opinion that the audit evidence obtained by us by the date of our audit certificate is sufficient and suitable for forming the basis for our audit opinion expressed as of that date.

Highly significant audit findings

Highly significant audit findings are findings concerning circumstances that, in our professional judgement, had the highest significance for our audit of the Consolidated Financial Statements for the fiscal year. These findings were considered in the context of our audit of the Consolidated Financial Statements in their entirety, as well as in forming our audit opinion. We do not issue a separate opinion on these findings.

The circumstances bearing the most relevance for our audit were:

1. Measurement of cash generating units

Circumstances and problem

The intangible assets (excluding goodwill assets) and property, plant and equipment with a total carrying amount of around EUR 2,136.2 million represent 30.9% of the Group's total assets as of the reporting date. No impairments or reversals of impairment were recognised for any intangible assets in the year under review. For property, plant and equipment assets, impairments amounting to EUR 1.0 million and reversals of impairment amounting to EUR 4.1 million were recognised.

When preparing the Consolidated Financial Statements, Energie AG Oberösterreich assesses whether there are indications for an impairment or impairment reversal for all significant cash generating units. If indications exist, the recoverable amount for the concerned cash generating units is ascertained and the respective carrying amount is increased or decreased to match the recoverable amount.

The recoverable amount for a cash generating unit corresponds to the larger amount resulting from the fair value less the costs of disposal or the value in use, with the latter determined using the discounted cash flow method. Measuring the recoverable amount requires a number of discretionary decisions and is subject to significant components derived by estimation, e.g. selection of the appropriate method for measuring the company's value, estimation of future cash flows, and determination of a reasonable discounting rate. There is a risk that inadequate estimates and/or discretionary decisions have a significant impact on the resultant recoverable amount and in turn on the carrying amounts recognised for the intangible assets and property, plant and equipment in the Consolidated Statement of Financial Position and the operating result reported in the Consolidated Statement of Income.

Details pertaining to the measurement of cash generating units can be found in the Notes, particularly section 5.6 and section 16.2.

Audit methodology

We have carried out our audit of the measurement of the intangible assets and property, plant and equipment assets as follows:

- We have analysed and critically examined the process for measuring cash generating units on the basis of the documentation available at the company and information received with respect to whether the process is suitable to assure a reasonable measurement of the cash generating units.
- We have identified the internal controls for this process we deemed relevant to the outcome of our audit and assessed how they have been developed and set up.
- We have critically examined the Group's analyses of indications for a necessary material impairment or reversal of impairment, and assessed them in consideration of the insights gained from our audit of the Consolidated Financial Statements.
- Where such indicators were present, we examined the calculation of the recoverable amount with a particular focus on discretionary decisions and estimations as follows:
  - We have reviewed the selection of the valuation model, the planning assumptions, and the valuation parameters.
  - Our valuation specialists have assessed the assumptions made in connection with the discounting rate on their adequacy by verifying them against market- and industry-specific reference values.
  - We have assessed the formal and substantial plausibility of the internal planning calculations that form the foundation for the assumptions made in relation to expected cash flows.
  - The results of the calculations of recoverable amounts were juxtaposed against the carrying amounts for the concerned intangible assets and/or the concerned property, plant and equipment and we assessed any potential need for the recognition of an impairment or impairment reversal.

2. Impairment of goodwill

Circumstances and problem

The Consolidated Statement of Financial Position of Energie AG Oberösterreich as of the reporting date report goodwill assets with a total carrying amount of around EUR 89.7 million. These assets were to the largest extent allocated to the cash generating units "Sales", "Waste Management" and "Czech Republic". No impairments were recognised for goodwill assets in the year under review.

In the fourth quarter of each fiscal year, or during the course of the year when an indicator for an impairment arises, Energie AG Oberösterreich determines any potentially incurred impairment losses by subjecting the goodwill to impairment testing. An impairment loss is recognised when the carrying amount of a cash generating unit allocated to a goodwill asset exceeds its recoverable amount. The recoverable amount corresponds to the larger amount resulting from the fair value less the costs of disposal or the value in use, with the latter determined using the discounted cash flow method.

Measuring the recoverable amount requires a number of discretionary decisions and is subject to significant components derived by estimation, e.g. selection of the appropriate method for measuring the company's value, estimation of future cash flows, and determination of a reasonable discounting rate. There is a risk that inadequate estimates and/or discretionary decisions have a significant impact on the resultant recoverable amount and in turn on the carrying amounts recognised for the intangible (goodwill) assets in the Consolidated Statement of Financial Position and the operating result reported in the Consolidated Statement of Income.

Details pertaining to the measurement of goodwill can be found in the Notes, particularly section 5.5 and section 16.1.

Audit methodology

The value of goodwill assets must – irrespective of indicators for an impairment – be reviewed on a yearly basis. We therefore verified whether impairment testing was carried out for all material goodwill assets.

That notwithstanding, our audit of the measurement of goodwill assets followed the same methodology as our audit of the measurement of the cash generating units. Our deliberations on the audit methodology thus apply analogously with regard to this audit finding of particular importance.

Other Disclosures

The legal representatives are responsible for the other required disclosures. Such other disclosures encompass all information presented in the Group annual report, with the exception of the Consolidated Financial Statements, the Group Management Report and the audit certificate. The Non-financial Report was received by us prior to the date of this audit certificate, the other components of the Group Annual Report are expected to be made available to us after that date.

Our audit opinion on the Consolidated Financial Statements does not extend to these other disclosures, which are excluded from the assurances given by our firm. We refer to the section contained in the "Report on the Group Management Report" with regard to the information contained in the Group Management Report.

Our audit of the Consolidated Financial Statements comes with the responsibility to read and consider the other disclosures with the objective of determining whether they contain significant discrepancies from the Consolidated Financial Statements and the insights gained during our audit, or whether they are significantly misrepresented in another way.

We are compelled to report if the work carried out in relation to the other disclosures received before the date of the audit certificate leads us to the conclusion that these other disclosures are significantly misrepresented. Our audit has not resulted in any reportable circumstances.

Responsibilities of the legal representatives and the Audit Committee for the Consolidated Financial Statements

The legal representatives are responsible for compiling the Consolidated Financial Statements in compliance with the IFRS rules applicable in the EU and the additional requirements stipulated in § 245a of the Austrian Commercial Code (UGB), the Electricity Industry and Organisation Act 2010 and the Gas Industry Act 2011, and for assuring that they provide a true and fair view of the Group's assets, liabilities, financial position and profit or loss. The legal representatives are further responsible for the internal controls deemed necessary by them for preparing a set of Consolidated Financial Statements that is free from significant misrepresentations caused by fraud or human error.

In compiling the Consolidated Financial Statements, the legal representatives have the duty to form an opinion on the Group's ability to continue its business operations, to disclose any relevant circumstances relating to the continuation of the business operations and to base their considerations on the principle of continued business operations, unless they intend to liquidate the Group, cease business operations or find themselves in lack of any viable alternative to such course of action.

The Audit Committee is responsible for supervising the Group's accounting processes.

Responsibilities of the auditors for the audit of the Consolidated Financial Statements

Our objective is to assure an adequate degree of certainty on whether the Consolidated Financial Statements in their entirety are free from significant misrepresentations caused by fraud or human error, and to issue an audit certificate that reflects our audit findings. An adequate degree of certainty means a high degree of certainty, but is not an absolute guarantee that the audit conducted in accordance with the EU Directive and the Austrian Principles of Proper Auditing, which require application of ISA, has in fact identified all significant misrepresentations that may be contained in the audited financial statements. Misrepresentations may result from malicious acts or misconceptions and are deemed significant if they could, individually or collectively, have a potential influence on the commercial decisions made by their readers on the basis of these Consolidated Financial Statements.

In conducting our audit in accordance with the EU Directive and the Austrian Principles of Proper Auditing, which require application of ISA, we form our opinions on the basis of our professional judgement and maintain a critical view of the circumstances presented to us throughout the entire course of the audit.

We further adhere to the following:

- We identify and assess the risks stemming from any significant misrepresentations in the Financial Statements caused by fraud or human error, plan our audit activities as a response to these risks, perform our audit activities and gain sufficient and suitable audit evidence to serve as the basis for our audit findings. The risk of significant misrepresentations resulting from malicious acts remaining undetected is higher than the risk resulting from misconceptions, because malicious acts may include collusion, fraudulent acts, forgery, intentional omissions, deceiving representations or the circumvention of internal controls.
- In order to plan audit activities that adequately address the prevailing circumstances, we gain an understanding of the Group's system of internal controls bearing relevance for our audit, but without the objective of forming an audit opinion on its effectiveness.
- We evaluate the appropriateness of the accounting methods applied by the legal representatives, as well as the tenability of values estimated by the legal representatives and represented in the accounts and the disclosures associated with such estimates.
- We draw inferences about the appropriateness of the legal representatives operating under the accounting principle of continued business operations, as well as, on the basis of the evidence presented to us for our audit, whether any events or circumstances are subject to a considerable uncertainty that would give rise to doubts about the viability of the Group continuing its business operations. If we arrive at the conclusion that a material uncertainty exists, we are obliged to draw attention to the associated disclosures contained in the Consolidated Financial Statements in our audit certificate, or to modify our audit certificate if these disclosures are inappropriate. We draw our conclusions on the basis of the audit evidence gathered by the date of our audit certificate. Future events or circumstances may however result in the Group resolving to discontinue its business operations.
- We form an opinion on the overall presentation, structure and contents of the Consolidated Financial Statements including the disclosures therein, as well as on whether they present a true and fair view of the underlying business transactions and events.

- We issue our audit opinion on the Consolidated Financial Statements on the basis of sufficient and suitable audit evidence for the financial information of the business units or the business activities of the Group. We are responsible for managing, supervising and performing the audit of the Consolidated Financial Statements. We bear the sole responsibility for our audit opinion.

We consult with the Audit Committee on matters such as the planned scope and timing of the audit as well as significant audit findings, including any significant defects in the system of internal control system detected during our audit.

We also issue a statement to the Audit Committee confirming our adherence to the relevant professional requirements pertaining to our independence, and exchange information with the Audit Committee on all relationships and other circumstances that may reasonably be expected to affect our independence and, if applicable, any associated precautionary measures.

From the circumstances discussed with the Audit Committee, we determine those that had the highest significance for the audit of the Consolidated Financial Statements for the fiscal year and are therefore the circumstances bearing special audit significance. We describe these circumstances in our audit certificate, unless public disclosure of a certain circumstance is prohibited by law or other legal requirement, or determine in very rare cases that certain circumstances should not be disclosed in our audit certificate because the negative implications of disclosing them could reasonably be expected to exceed the benefits for the public interest.

Report on the Group Management Report

Austrian corporate law requires an assessment of whether the Group Management Report reconciles with the Consolidated Financial Statements and whether it was compiled in accordance with the applicable legal requirements.

The legal representatives are responsible for compiling the Group Management Report in compliance with the requirements under Austrian corporate law.

We have conducted our audit on the basis of the professional principles for the auditing of group management reports.

Audit opinion

We have formed the opinion that the attached Group Management Report complies with the applicable legal requirements, that it contains accurate information pursuant to § 243a UGB, and that it reconciles with the Consolidated Financial Statements.

Declaration

Our audit of the Consolidated Financial Statements and the understanding formed about the Group and its business environment has not identified any material misrepresentations in the Group Management Report.

Additional information pursuant to Article 10 EU Directive

Our firm was elected auditors of the consolidated and individual financial statements for the fiscal year ending on 30 September 2022 by the General Meeting held on 17 December 2021. On 9 February 2022, the Supervisory Board has granted our firm the mandate to audit the company's financial statements for the fiscal year ending on 30 September 2022. We have been the Group's auditors without interruption since the fiscal year ending 30 September 2021.

We hereby declare that our audit opinion presented in section "Report on the Consolidated Financial Statements" reconciles with the additional report to the Audit Committee pursuant to Article 11 of the EU Directive.

We hereby declare that we have not performed any prohibited non-audit services pursuant to Article 5 para 1 EU Directive and that we have maintained our independence from the audited group during the conduct of our audit of the financial statements.

Responsible auditor

The responsible auditor for this assignment was Mag. Gerhard Marterbauer.

Vienna

5 December 2022

Deloitte Audit Wirtschaftsprüfungs GmbH

Mag. Gerhard Marterbauer
Auditor

Qualifiziert elektronisch signiert:	DocuSigned by: Gerhard Marterbauer 91BF57DFF41C476...
Datum: 05.12.2022	
Die Überprüfung der qualifizierten elektronischen Signatur ist unter www.signaturpruefung.gv.at möglich	

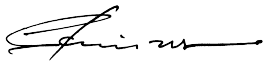
The Consolidated Financial Statements with our audit certificate may only be published or disclosed in the format certified by us. This audit certificate refers exclusively to the full original Consolidated Financial Statements and the Group Management Report issued in German. The provisions of § 281 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, 5 December 2022

The Management Board of Energie AG Oberösterreich



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

Dr. Andreas Kolar
Member of the Management Board
CFO

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

DISCLAIMER

Any gender-specific terms used in this report should be understood as referring to both genders, unless explicitly stated.

When "Energie AG" is referred to in the financial statement, Energie AG Oberösterreich is meant.

This report contains forward-looking statements subject to risks and uncertainties that could cause actual results to differ substantially from those predicted. Terms used such as "presumed", "assumed", "estimated", "expected", "intended", "may", "planned", "projected", "should" and comparable expressions serve to characterise forward-looking statements. No guarantees can therefore be given that the forecasts and planned values will actually materialise regarding economic, currency-related, technical, competition-related and several other important factors that could cause actual results to differ from those anticipated in the forward-looking statements. Energie AG does not intend to update such forward-looking statements and refuses any responsibility for any such updates. We have exercised utmost diligence in the preparation of this report and checked the data contained therein. The present English version is a translation of the German report. The German version of the report is the only authentic version.

LEGAL NOTICE

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Linz, December 2022

Energie AG Oberösterreich
Böhmerwaldstraße 3
4020 Linz, Austria
www.energieag.at