

Revenue

EUR 2,394.9 m

EBIT

EUR 386.4 m

Group net result

EUR 325.3 m

Dividend proposal

EUR 0.52 per share



Contents

01 Non-financial report

04 About this report

06 Company profile

Business model (Austrian Sustainability and Diversity Improvement Act)

10 Interview with the Executive Board

16 Clear values, focused strategy

Involvement of stakeholders, analysis of key issues, strategy, sustainability risks (Austrian Sustainability and Diversity Improvement Act)

Sustainability organisation // Strategy // Impact of our business activity

28 Sustainable increase in corporate value

Respect for human rights, combatting corruption (Austrian Sustainability and Diversity Improvement Act)

Human rights, ethics and integrity // EVN on the capital market // Value creation for our stakeholders // Suppliers

40 Supply security

Supply security // Natural heat // Drinking water // Energy future

54 Customer orientation, innovation and digitalisation

Focus on the customer // EVN Customer Advisory Board 4.0 // Innovation and digitalisation // Responsibility

68 Attractive employer

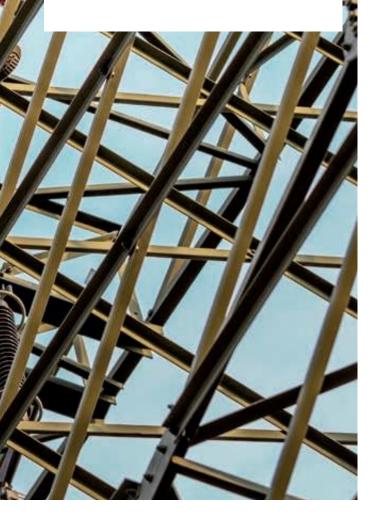
Employee issues (Austrian Sustainability and Diversity Improvement Act)

The EVN working world // Principles and models for our cooperation // Diversity // Health and security // Corporate social partnership





121 Independent assurance report on the non-financial reporting 2020/21



125 Corporate governance 125 Report of the Supervisory Board 127 Consolidated corporate governance report Diversity concept (Austrian Sustainability and Diversity Improvement Act) 136 Management report 136 Energy policy environment 138 General business environment 139 Energy sector environment 140 Business development 149 Innovation, research and development 150 Risk management 155 Consolidated non-financial report 155 Disclosures required by § 243a of the Austrian Commercial Code 156 Outlook for the 2021/22 financial year 157 Segment reporting Consolidated financial statements Service 263

263

265

Cover

Glossary

Contact

GRI content index

About this report

Under the title "EVN Full Report", we publish an integrated annual and sustainability report for each financial year. The equal treatment of non-financial and financial information and the corporate governance report in this publication underscore our self-image as a responsible energy, water and environmental services provider.

Applied standards and guidelines

This full report meets the high standards of the UN Global Compact and presents our progress in the related areas. The following corporate departments were responsible for the collection and calculation of data in accordance with national and international standards and with the guidelines for financial and sustainability reporting: accounting, controlling and human resources management as well as the staff department for innovation, sustainability and environmental protection. The consolidated financial statements were prepared in accordance with § 245a of the Austrian Commercial Code based on the requirements of the IFRSs issued by the International Accounting Standards Board (IASB) and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC) which required mandatory application as of the balance sheet date and had been adopted by the European Union.

Non-financial reporting was based on the applicable standards and sector supplements of the Global Reporting Initiative (GRI), which were applied as completely as possible. This full report for 2020/21 meets the requirements of the Global Reporting Initiative, option "core" and also presents additional performance indicators. Moreover, it includes company-specific indicators as defined by the GRI Sector Supplement for the Electric Utilities Sector. The indicators listed in the GRI content index reflect the requirements of the Global Reporting Initiative and, consequently, provide a summary of the content. The GRI content index does not cover supplementary non-financial information.

Reporting in accordance with the Austrian Sustainability and Diversity Improvement Act

EU Directive 2014/95/EU on the disclosure of non-financial and diversity-related information (NFI Guideline) was implemented in Austria through the Sustainability and Diversity Improvement Act ("Nachhaltigkeits- und Diversitätsverbesserungsgesetz"). In order to meet the related requirements, we selected the option to prepare a separate non-financial report for the 2020/21 consolidated financial statements and integrate this information in our full report. The disclosures required by the Sustainability and Diversity Improvement

Act on environmental, social and employee issues, respect for human rights and combatting corruption are therefore presented under the section "Non-financial report" and listed separately in the table of contents for easier orientation.

Reporting principles and structure

A central element of EVN's integrated business model is the equal treatment given to the interests and concerns of our various stakeholders. This is reflected, above all, in the EVN materiality matrix, which identifies the priority topics for the various interest groups based on a regular survey. The non-financial reporting content is selected according to its relevance for sustainability and in order to achieve a balanced and complete presentation of the most important current issues, as well as in line with the following principles:

→ Inclusion of stakeholders:

The reporting content is based on legal requirements and the information needs of our stakeholders, which were identified through a stakeholder survey in 2021. This structured survey process takes place every three years.

→ Materiality: EVN's most important activity and subject areas are defined by the EVN materiality matrix based on the results of the stakeholder survey and are reflected in the structure for this full report. The classification by area of activity is intended to give equal treatment to the diverse and varied information needs of EVN's target groups. In agreement with the GRI reporting standards, information of low importance is not provided in order to maximise relevance and transparency by concentrating on the most significant issues.

- → Completeness: The reporting meets the applicable legal requirements as well as the applied GRI standards.
- ☐ For information on EVN's materiality matrix, see page 17

External verification

BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft was responsible for the audit of the consolidated financial statements and the verification of compliance with GRI standards and the Austrian Sustainability and Diversity Improvement Act for the 2020/21 financial year.

- ☐ The auditors' report can be found on page 258ff
- ☐ For the independent assurance report on the non-financial reporting in accordance with GRI standards and the Austrian Sustainability and Diversity Improvement Act, see page 121ff

References

You can find additional information on certain topics on EVN's website, as indicated by the cross-references in this report. The full report also includes references to GRI standards and to other information within the report. The signs used in this full report are listed below:

- Reference to additional information in this full report
- O Reference to content on the internet
- △ Reference to GRI standards

Content accuracy and gender-specific wording

We prepared this full report and verified the data with the greatest possible diligence. Nevertheless, rounding, typesetting and/or printing errors cannot be excluded. The use of automatic data processing equipment can lead to rounding differences in the addition of rounded amounts and percentage rates. This full report also contains forwardlooking statements, estimates and assumptions which are based on the information available to us up to the editorial deadline. Such statements are typically connected with terms such as "expect", "estimate", "plan", "anticipate" etc. We would like to point out that actual circumstances - and, in turn, the company's performance and results may differ from the expectations and forward-looking statements contained in this report for a variety of reasons.

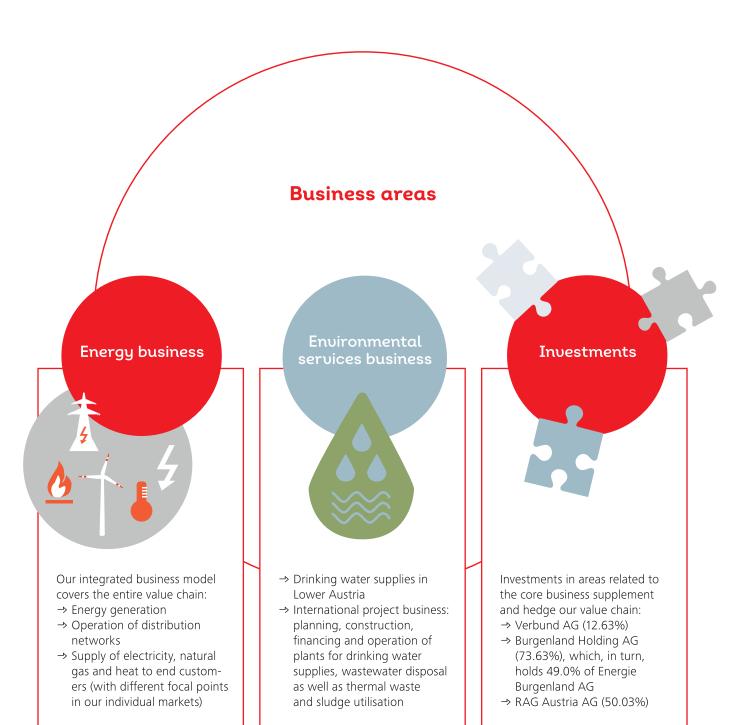
EVN is also committed to equal treatment in references to all genders in its internal and external publications, i.e. also in this full report. In the German non-financial report, we use gendersensitive language for the first time and gender with the help of the mediopoint. Texts in which only the masculine form is used to improve readability should be understood to refer to all genders equally.

This full report is available in German and English. In case of doubt, the German version takes precedence.

The editorial deadline for this report was 24 November 2021.

- ☐ For information on the GRI content index, see page 265ff
- O For information on the Global Reporting Initiative, see www.globalreporting.org
- O For information on the UN Global Compact, see www.unglobalcompact.org
- △ GRI indicators: GRI 102-46, GRI 102-54

Our EVN - the company for energy, water and environmental services



Germany

- → Generation: electricity
- → Energy supplies: electricity
- → Environmental services business: drinking water supplies and wastewater treatment, thermal sludge utilisation

Markets¹⁾ and business areas

DE



Austria

- → **Generation:** electricity, heat, thermal waste utilisation
- → Network operations: electricity, natural gas, heat, cable TV, telecommunications
- → Energy supplies: electricity, natural gas, heat
- → Environmental services business: drinking water supplies

HR

Croatia

- → **Network operations:** natural gas
- → **Energy supplies:** natural gas
- → Environmental services business: wastewater treatment

Bulgaria

- → **Generation:** electricity, heat
- → **Network operations:** electricity, heat
- \Rightarrow **Energy supplies:** electricity, heat

BG

MK

AL

North Macedonia

- → Generation: electricity
- → Network operations: electricity
- → Energy supplies: electricity

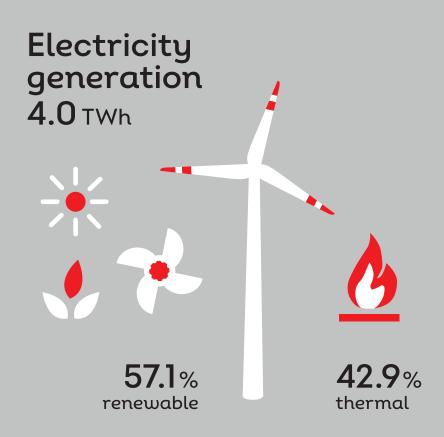
Albania

→ Generation: electricity

Other countries

- → International project business: construction and operation of plants for drinking water supplies, wastewater treatment and thermal waste and sludge utilisation in Germany, Poland, Lithuania, Romania, Slovenia, Croatia, Cyprus, Bahrain and Kuwait
- 1) Map outlines markets in the energy business

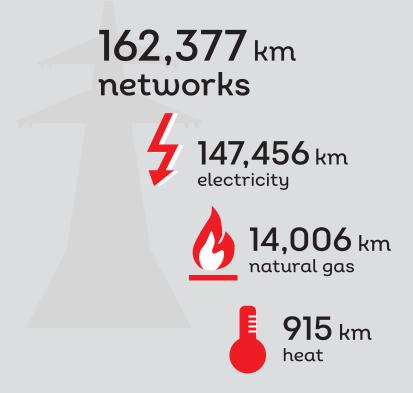
Value chain and key data





Trade and supply

Energy sales volumes 28.2 TWh

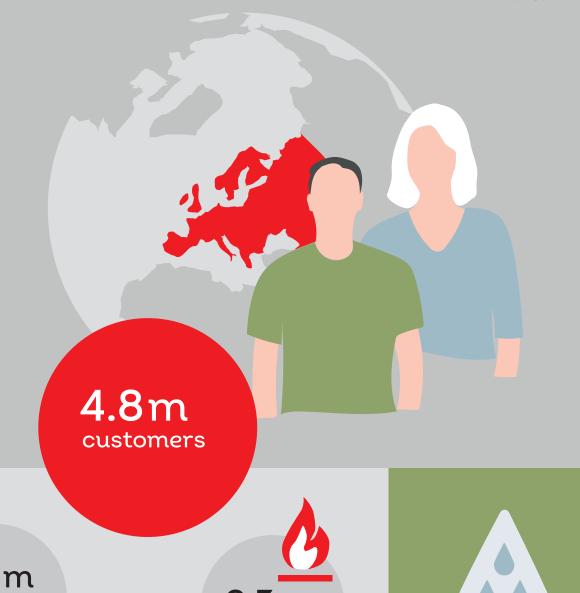




Storage

6.3 bn m³ natural gas storage capacity of RAG











0.3m natural gas





0.6m



0.3m
cable TV and
telecommunications

U.6 m drinking water



Environmental services business

Drinking water supply in Lower Austria and 14 international projects in realisation Stefan
Szyszkowitz and
Franz Mittermayer on
initiatives to transform the
energy system, wide-ranging
investments, EVN's increasing
attractiveness for ESG investors
and 100 years of constant
values.



We focus on sustainable solutions

Stefan Szyszkowitz and Franz Mittermayer, EVN Executive Board



»The EVN climate initiative also includes wide-ranging decarbonisation goals.

And that will make us even more attractive for ESG investors. «

Stefan Szyszkowitz,Spokesman of the Executive Board

The countdown has started for the Strategy 2030 which you announced a year ago. What progress did you make during the first year of implementation?

Stefan Szyszkowitz: "More sustainable. More digital. More efficient." is the motto for our Strategy 2030. Work in these subject areas continued intensively during the past year. The EVN climate initiative sets ambitious accents for climate protection. As a group, we definitely want to contribute to meeting the Paris Climate Goals. For this reason, we joined the Science Based Targets Initiative and have defined reduction targets for the years up to 2034. These targets will now be validated by an international institution based on scientific criteria and, consequently, will be comparable worldwide. We want to send a clear signal to our stakeholders that we take our commitment to climate protection and energy future very seriously and underscore this commitment through transparency and regular evaluation. Another cornerstone of EVN's climate initiative includes the efforts by individual group companies to gradually attain climate neutrality – which, of course, will also be certified according to international standards.

Let's stay with the subject of climate protection. Has EVN finally closed the chapter on coal-fired electricity generation?

Franz Mittermayer: That's correct. We terminated production at the coalfired plant in Dürnrohr, Lower Austria, earlier than originally planned in August 2019. And at the end of September 2021, we transferred our 49% stake in the Walsum 10 power plant in Germany to the majority owner STEAG and ended our electricity purchases

from this source. EVN is, therefore, no longer active in coal-fired electricity generation. Our greenhouse gas balance has improved significantly and sustainably in recent years following the shift away from thermal generation, totally in line with our Strategy 2030.

Is EVN concentrating on the expansion of renewable generation as an alternative?

Stefan Szyszkowitz: The energy system transformation required by society and politics represents an enormous challenge that we, as an integrated supplier, are addressing with a healthy portion of faith in technology and the future. We are facing this challenge with commitment and motivation because we see ourselves as an enabler of this system transformation along the entire energy sector value chain.

We have further sharpened our ambitious goals for the expansion of renewable generation by 2030. Our focus here is on wind power and, in the future, increasingly also on photovoltaics. Projects are in the planning stage for all our core markets, meaning in Lower Austria, Bulgaria and North Macedonia. We are convinced this will create opportunities throughout the Group by 2030 to increase our installed wind power capacity by 350 MW (to a total of 750 MW) and our photovoltaic capacity by 300 MW.

By the way, we are already very well positioned in this segment today: EVN is the largest producer of wind electricity in Lower Austria and the largest biomass heat producer in Austria – and we also hold strategic investments in Energie Burgenland and Verbund, the leading producers of electricity from wind and hydropower in this country.

A look at your investments shows the networks as the absolute front-runner. Can you explain this?

Franz Mittermayer: These massive investments in our distribution network are needed to support the expansion of decentralised renewable generation equipment throughout Lower Austria. That's the only way to guarantee the reliable transport of climate-friendly electricity into the population centres and, at the same time, ensure uninterrupted supply security. But it's also clear that changes in consumer behaviour, above all through e-mobility and the increased use of heat pumps, create enormous challenges for our network operations. This also requires extensive investments in the network infrastructure. One good example is the increased number of substations needed to handle peak periods.

Do your plans also include further expansion in biomass plants?

Stefan Szyszkowitz: We are already producing natural heat in biomass heating plants and also operate several biomass combined heat and power plants that generate district heat and

environmentally friendly electricity from wood, a renewable fuel which we source from Austrian forests. At the present time, we are supplying all but three of the Lower Austrian district capitals with natural heat. That's a great starting position to further consolidate and expand our existing networks and, in this way, create an environmentally friendly alternative to less environmentally friendly forms of heating.

Let me give you an example from Krems an der Donau, the fifth largest city in Lower Austria. Here, we are already supplying households with district heating. We are also in the process of constructing a biomass cogeneration plant with a thermal output of 15 MW and an electrical output of 5 MW. After the plant will have been commissioned in winter 2023, it will produce natural heat and green electricity for roughly 14,000 households. The investment volume for this project totals approximately EUR 40m.

Krems also plays an important role in another investment project ...

Franz Mittermayer: Yes, because of the cross-regional drinking water supply pipeline between Krems and Zwettl. We are in a very fortunate position in Austria, as we have sufficient supplies of excellent quality drinking water. However, these supplies are located in different regions. The effects of climate change are also becoming more visible in our supply areas – more periods with low precipitation, rising average temperatures and, at the same time, an increase in water consumption. These factors are the reason for our very proactive actions and our long-term investments in protecting supplies of high-quality drinking water. Examples of our activities include the new 60 km supply pipeline that will connect Krems and Zwettl starting in 2025 and supply up to 120,000 residents in the Waldviertel region. The first 20 km section of this pipeline, which leads from Zwettl to Pallweis, was commissioned in autumn 2021.

Let's stay with the subject of water: What focal points does the Strategy 2030 set for environmental services where water and wastewater play a central role?

Franz Mittermayer: Our strategy is to increasingly use and improve on the business opportunities created by the circular economy – whereby our focus has also turned to thermal sewage sludge utilisation. In this area, we can benefit from our long-standing expertise in wastewater and thermal waste treatment and, on the other hand, ideally combine these two business areas. There is a high demand for these types of projects, especially in Germany. The planning and work on our projects in Straubing, Hanover and Berlin are proceeding very well. And in Halle-Lochau, trial operations started in autumn 2021 at the first turnkey thermal sewage sludge utilisation plant built in our function as general contractor – where we are also responsible for ongoing operations.

I assume your shareholders are reacting positively to the high pace of activity in all areas ...

Stefan Szyszkowitz: Absolutely. We have taken important decisions. With a view to the challenges that are accompanying the transformation of the energy system, we plan to further expand our investment programme for the coming years: We are now expecting annual investments of roughly EUR 500m, with roughly three-fourths directed to Lower Austria. Renewable generation, the network infrastructure and drinking water supplies will remain the focal points. Last, but not least, this will underscore the focus on our regulated and stable business areas. They form the basis for plannable cash flows and, accordingly, for continuity in our dividend policy – two factors that are also essential for EVN's ratings.

Reliability will remain a central premise for all our capital market activities. That applies, on the one hand, to the debt market – here, the objective of our financing policy is to retain a rating in



» Our exit from the Walsum 10 power plant marked the end of coal-fired electricity generation for EVN. «

Franz Mittermayer,Member of the Executive Board

the solid A range. We therefore pay particular attention to maintaining a relation between earnings and net debt in a magnitude that is viewed by the rating agencies as a requirement for our targeted credit assessment.

On the other hand, we see ourselves as a stable partner for our shareholders. Our recommendation to the Annual General Meeting will call for the distribution of a EUR 0.52 dividend per share for the 2020/21 financial year. In the future, our dividend policy is designed to hold the annual dividend at least constant. We are also committed to appropriate participation for our shareholders in future earnings growth.

EVN's return to the ATX, the benchmark index of the Vienna Stock Exchange, in March 2021 is, in this

context, naturally very positive. It reflects the visible increase in interest in the EVN share and the corresponding higher trading volume. I see our extensive climate measures as another positive factor which obviously makes the EVN share more attractive for ESG and sustainability-oriented investors.

EVN is celebrating its 100th anniversary in 2022. What perspectives for the future can you gain from your history?

Franz Mittermayer: I find it very revealing that the values and principles which are part of EVN's DNA today and influence our entire business activities run like a unifying thread throughout our 100-year history. A look into our company archive also gives you a lesson in technological and economic

history and shows that EVN and its predecessor companies were always in line with the times and frequently served as a driver for new developments. Another key insight is the importance of always looking forward. That leads us to the title for this full report which will accompany our centennial: "Shaping the future". This motto has always signalled the direction for our dedicated colleagues and is the reason for EVN's success! And that's just how we want to stay: Always searching for future-oriented solutions!



Clear values, focused strategy

A clear set of values and a focus on areas of activity that we regularly review and prioritise together with our stakeholders form the basis for all our activities as an energy company and environmental services provider. This structure determines the principles and rules for our interaction with our employees, suppliers and business partners – as well as our corporate strategy.

mental statements on our vision, mission and corporate values as well as binding Group-wide standards for behaviour and actions. As a member of the UN Global Compact, we are expressly committed to compliance with the global principles of ethical business activities.

EVN's value structure includes funda-

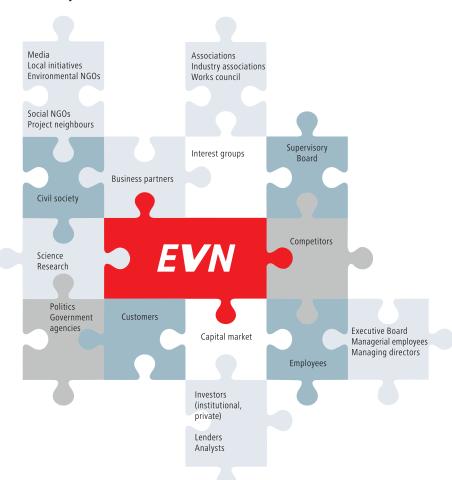
Our strong sense of responsibility for our daily supply and disposal activities is reflected in strict standards for our business and the management of our Group. Compliance with ethical values and all applicable legal requirements is a matter of course.

We are committed to the concept of sustainable management and, in this sense, work to create a balance between economic, ecological and social factors. Our guiding principle is to achieve a fair balance between the concerns of everyone interested in our company – our stakeholders.

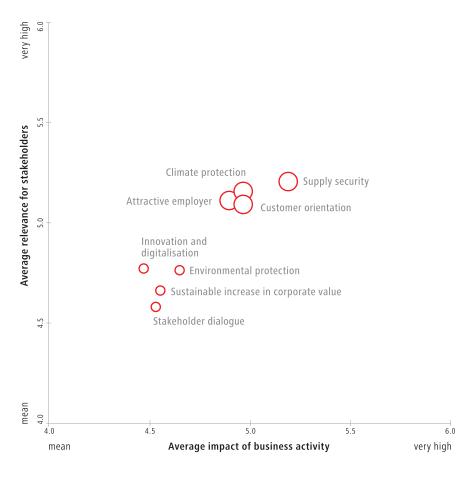
Economic responsibility for the continued existence of our Group requires our top performance. Maximum expertise and reliability create satisfaction for our customers and partners and, in turn, safeguard our long-term success.

We meet our responsibility for the climate and the environment, in particular, by minimising emissions, conserving resources and increasing the use of renewable energy carriers. A decisive role in this process is played by continuous innovation and efficiency improvements.

EVN's major stakeholders



EVN materiality matrix 2020/21



Our value system is rounded off by a clear commitment to social responsibility.

- ☐ The EVN Code of Conduct: see pages 30ff
- O Also see www.evn.at/corporatepolicy-statement
- O Also see www.evn.at/environmentalpolicy-statement
- O Also see www.evn.at/integrity-clause
- △ GRI indicators: GRI 102-16, GRI 102-21, GRI 102-40, GRI 102-42, GRI 102-43

High priority for ESG and stakeholder interests

At EVN, we use the terms "sustainability" and "ESG" – the internationally recognised abbreviation for the subject areas Environment, Social and Governance - for all ethical, social and environment-related aspects related to our economic activities. Sustainability and ESG therefore represent one of the central principles for our actions and, consequently, are the responsibility of the Executive Board.

In combination with our value system, this concept creates a clear framework for our entrepreneurial activities and, in turn, is the foundation of our core strategies. The concerns and priorities of our internal and external stakeholders provide us with valuable input and guidance. Apart from the event-driven contacts which regularly take place at different levels in connection with our business activities, we place great importance on an institutionalised dialogue with our various stakeholder groups on

strategic issues. The updating of our materiality matrix represents the core of our stakeholder management in the area of sustainability.

☐ For information on the project-based stakeholder dialogue, see pages 108ff

EVN materiality matrix

The EVN materiality matrix is updated as part of a three-year cycle. The last stakeholder survey was held in spring 2020, i.e. during the first lockdown in connection with the Covid-19 pandemic, and we therefore carried out a new survey during the past financial year to validate the previous results.

A representative selection of our internal and external stakeholders was asked to complete an online questionnaire and evaluate the relevance of the areas of activity and their impact on business activities. This time, the external stakeholders were also asked to evaluate the impact on EVN's business activities.

The goal of this structured survey process was to focus on the issues which have the highest priority for our stakeholders and, at the same time, represent the greatest economic, ecological or social impacts of our business activities. Our reporting is also directed to the major issues and areas of activity which have a mean to very high relevance for EVN in the materiality matrix.

- ☐ For information on the areas of activity, see pages 25ff
- △ GRI indicators: GRI 102-44, GRI 102-47

Efficient sustainability organisation

The responsibility for Environment, Social, Governance (ESG) - in other words, for all aspects and issues involving environmental protection, social and sustainable management - lies with the Executive Board. All these issues flow into our sustainability strategy which, in turn, is derived from the corporate strategy (which is also the responsibility of the Executive Board). ESG agendas and their further development are, therefore, anchored at the highest corporate level. Moreover, the Executive Board exchanges information on the sustainability strategy with the Supervisory Board on a regular basis and reports quarterly on key developments and measures involving ESG.

The sustainability steering committee, which also meets four times each year, includes the members of the Executive

Board, key managers from various areas of the company, the managing directors of the most important international subsidiaries and the members of the intradepartmental sustainability team. This committee deals with current ESG issues at the management level, approves major ESG activities and, based on its broad composition, ensures that the strategies, measures and goals defined in these meetings are rolled out and implemented in operating activities throughout the EVN Group.

The staff department for innovation, sustainability and environmental protection, which reports directly to the Executive Board, is responsible for the coordination of sustainability activities and environment- and climate-related issues. Management conferences, in particular the biannual all-day innovation conferences, provide a platform for this staff department to report on the innovation and research projects

under its direction. The primary objective of these projects is to make a positive contribution to environmental and climate protection and to customer benefits.

The staff department for innovation, sustainability and environmental protection also coordinates an intradepartmental sustainability team which ensures compliance with our Group's high sustainability standards. Its members are trained to stress the importance of sustainability and the ethical and social aspects of business operations, to communicate their know-how to the sustainability experts in the individual areas of our company and to support these men and women in implementing sustainability-related activities. The aspects of climate change that are relevant for our business activities also have high priority for this team.

EVN sustainability organisation

Advisory boards → Executive Board and managerial employees → Close coordination with Steering committee for sustainability the Supervisory Board → Target-oriented coordination of CSR activities → Coordination by staff department for innovation, sustainability and Sustainability team environmental protection → Ensuring compliance of CSR standards within the Group → Implementation of sustainability Sustainability experts activities in the individual areas of the individual areas of of the company the company

Valuable external inputs

In addition to the regular exchange of information with internal experts, our Executive Board and Supervisory Board are supported by various advisory boards. These panels include external experts from different disciplines who contribute their expertise and outside perspectives on the ESG aspects of our activities.

- ☐ For the reorganisation of the EVN Customer Advisory Board, see page 59
- ☐ For the Sustainability Advisory Board, see page 89
- ☐ For the EVN Social Fund, see page 111
- O For the Sustainability Advisory Board, see www.evn.at/sustainability-advisory-board
- For the EVN Social Fund, see www.evn.at/social-fund
- O For the EVN Art Advisory Board, see www.evn-sammlung.at
- △ GRI indicators: GRI 102-18, GRI 102-19, GRI 102-20, GRI 102-21, GRI 102-44



Our core strategies 2030

Integrated business model as a solid basis

Investment focus on network infrastructure

EVN Climate Initiative Strengthening of end customer business through steady digitalisation

Climate and energy policies are driving the rapid transformation towards a CO₂-neutral energy system

Initiatives to combat climate change lead to massive changes in the international energy markets

Sector environment and trends

Our strategy

Strain on networks due to the transport of rising, volatile feed-in from renewable generation Global targets for the reduction of greenhouse gas emissions

European and Austrian climate policy with a clear commitment to system conversion towards renewable generation Increasing competition in the end customer market

Rising demand for digitalisation and smart technologies

Diversification with a clear focus on climate neutrality, circular economy, digitalisation and drinking water supplies

Efficiency improvements in all business areas

Stable and regulated activities form a solid backbone



Continuous and future-oriented expansion of facilities in the regulated network segment

Focus on supply security and quality

2456

Active contribution to climate protection (e.g. through agreeing a decarbonisation path with the Science Based Targets initiative as well as climate neutrality in selected subsidiaries)

Focus on wind power and photovoltaic

24

Digitalisation of sales processes

Further development of business models and energy services through digitalisation



Areas of activity

- Innovation and digitalisation
- 2 Climate protection
- Customer orientation
- 4 Sustainable increase in corporate value
- **5** Environmental protection
- 6 Supply security

Growth and efficiency improvement in **South East Europe**

Increased focus on drinking water supplies in **Lower Austria**

Focus on concepts to support a circular economy

Diversification through selected projects in the international environmental services business

High growth potential for renewable generation (very good wind and solar conditions)

Continued high demand for efficiency improvements in network operations

Progressive liberalisation as challenge for energy distribution

Increase in water consumption due to demographic changes (urbanisation) and growing number of weather-related peak periods

Rising quality demands on water supplies (e.g. hardness of the water)

Ban on spreading of sewage sludge and stricter EU requirements for the separation and recycling of household waste (e.g. plastic)

Specific regional characteristics and general conditions require individual solutions for municipal water supplies and wastewater disposal

Growth through realisation of new wind power and photovoltaic projects

Commitment to supply security and quality

Focus on measures to reduce network losses and improve the collection rate

Efficiency improvements in the operating business



Increase in pumping station capacity to improve performance and expansion of cross-regional pipeline networks

Construction of natural filter plants to reduce the hardness of the water by natural means

Development of new drinking water sources



Concepts and projects for the thermal utilisation of sewage sludge and waste (focus on Austria and Germany)



Concentration of our solution expertise on selected projects in municipalities and countries with strong credit standings

Creation of added value for our customers as the basis for our economic success



activities and, in turn, influence relevant macroeconomic and energy sector factors. Included here, in particular, are the development of CO₂ emission certificate prices, energy prices and the parameters for the expansion of generation from renewable sources.

The determining factor changing our industry – and a central factor for our strategy – is the European and Austrian climate and energy policy. This policy is directed to achieving the fastest possible transition to a functioning $\rm CO_2$ -free energy system. The changeover is driven by social and political efforts to minimise sector specific climate effects faster and even more clearly.

The development of many key market and environmental factors is connected with uncertainty. Our strategy process therefore includes sensitivity and scenario analyses to support reliable conclusions for the identification of concrete measures. We also continuously monitor energy sector conditions and regularly discuss developments, including deviations from plan assumptions and their effects, at the management level – for example, at the quarterly segment steering committee meetings where the members of the Executive Board and managers exchange information with internal experts. The Executive Board regularly discusses

the aggregated findings with the Supervisory Board, whereby high priority is given to the energy- and climate-related effects on energy sector framework conditions.

The analysis of the market environment also includes inputs from our stakeholders as well as their concerns. The basis is formed by the materiality matrix, which maps and prioritises our most important areas of activity and sustainability issues based on an institutionalised comparison with the interests and assessments of our stakeholders. That helps us to update our strategy based on the issues which have the highest priority for stakeholders and, at the same time, the greatest economic, ecological or social impact.

Cornerstones of the Strategy 2030

The knowledge gained from the strategy process, which was discussed in detail during management and Supervisory Board conferences, was condensed into two cornerstones: sustainable growth and performance improvement. Our Strategy 2030 is summarised by the motto: "More sustainable. More digital. More efficient."

☐ For the core strategies, see pages 20f

EVN Climate Initiative

In line with the Strategy 2030, we developed the EVN Climate Initiative in 2020/21 which is based on three cornerstones:

- → Development of science-based targets
- → Climate neutrality in selected subsidiaries
- → Contribution of research and development at EVN to climate protection
- ☐ For the EVN Climate Initiative, see pages 92f
- For information on the energy policy environment, see page 136f
- △ GRI indicators: GRI 102-21, GRI 102-29, GRI 102-43, GRI 102-44, GRI 102-47, GRI 413-1

Impact of our business activities

In agreement with the Sustainability and Diversity Improvement Act, our annual risk inventory covers potential risks and the related effects of EVN's business activities and business relations on environmental, social and employee-related issues, the observance of human rights and the fight against corruption. The financial impact on the EVN Group is then assessed.

This gives us a clearly structured and defined process to identify and analyse risks and their effects on various organisational and hierarchical levels and, in turn, develop suitable countermeasures. We ensure the inclusion of the management and Executive Board levels by presenting and discussing the results and findings of the risk inventory in the risk working group and the Group Risk Committee. In 2020/21, we also used the online questionnaire created for the update of the EVN materiality matrix to ask internal and external stakeholders about the effects of our business activities on society, the environment and the economy.

The following table summarises the most important potential effects. It also includes examples of the instruments and measures used or taken – in agreement with the EVN Code of Conduct and our overriding behavioural standards for compliance – to minimise any negative effects.

Focus on sustainability and, above all, climate risks

The high priority we give to climate protection is reflected in the emphasis placed by our risk inventory on potential climate risks and their impact on

our business activities in connection with climate change. Climate risk is, however, consciously not defined as a separate risk category but – where appropriate – assigned to the individual risk categories as an interdisciplinary issue. We differentiate between transition risks and physical risks. Transition risks represent the uncertainties resulting from the transformation towards a renewable energy system. Physical risks involve events and changes that are triggered directly by the climate.

We identify climate-related fluctuations in our earnings through our risk management and evaluate the potential quantitative effects with sensitivity and scenario analyses as part of our planning process. Comparable issues also influence the selection of the scenarios for the future development of energy and primary energy prices. This information forms the basis for discussions on climate change and its impact on



our business activities at the management, Executive Board and Supervisory Board levels.

Damages caused by extreme weather events represent a threat to supply security. In a broader sustainability context, the risks in this area also include supply interruptions or physical dangers caused by explosions or accidents. In order to guarantee trouble-free operations and the technical security of our power plants – both of which are essential to protect reliable supplies – we carry out regular inspections and maintenance work that is connected with scheduled downtime. We measure and monitor actual interruptions in network electricity supplies with the System Average Interruption Frequency Index (SAIFI) – which shows the mean supply interruption – and the System Average Interruption Duration Index (SAIDI) – which shows the average annualised duration of unplanned power interruptions.

Occupational safety and accident prevention are also important issues in all our business units. We guarantee the required high level of safety, above all, through training and by raising employees' awareness. In addition to legal requirements, we have developed an extensive set of internal rules, directives and guidelines. All work accidents in the EVN Group are recorded and analysed centrally by the occupational safety department. As shown in the following table under the area of activity "sustainable increase in corporate value", employee-related risks also cover the loss of highly qualified staff or the intended or unintended misrepresentation of transactions or positions in the annual financial statements. These risks are addressed, among others, with the creation of an attractive work environment and flexible working time models as well as our internal control system (ICS).

The staff department for innovation, sustainability and environmental protection is responsible for the identification and analysis of the ecological impact of our business activities with regard to the use of resources, energy and water consumption, emissions, biodiversity and transport as well as wastewater and waste disposal (environmental risks). Based on its analyses, this department also supports the operating units in preventing or minimising their effects on the environment.

- ☐ For information on the Group-wide risk management process, which includes the identification of sustainability risks, see page 150ff
- For information on SAIFI and SAIDI, see page 52
- ☐ For information on occupational safety, accident prevention and compliance, see pages 78ff and pages 30ff
- For information on the ecological impact of EVN's activities, see pages 88ff
- △ GRI indicator: GRI 102-15

Overview of the major potential effects of our business activities (selected items)

EVN area of activity and definition

Sustainable increase in corporate value

... stands for entrepreneurial actions which, in connection with strategic decisions, are intended to maintain a balance between value-oriented investments and an attractive return for our shareholders. Ethical and legally compliant behaviour by our employees is a matter of course. The anchoring of social and ecological aspects in procurement as well as in the awarding of contracts and compliance with human rights by our suppliers and business partners represent further focal points in this area.

Impact assessment (excerpt)
"-" = negative; "+" = positive

- Risk of a loss in value for equity and debt investors
- Compliance violations
- + Stable development of dividends
- + Improvement of the infrastructure in countries/regions where projects are in progress or were carried out
- + Job security
- + Regional added value through cooperation
- Solid capital base eases effects of economic crises
- + Fair and transparent tenders

Management instruments and measures (excerpt)

- → Goal: balance between investment projects and an attractive return for shareholders
- → Protection of projects through quarantees and insurances
- → Integrated business model with focus on regulated and stable activities
- → Goal: ratings in solid A-range
- ⇒ EVN Code of Conduct
- → EVN values
- → Corporate compliance management
- → Compliance training
- → EVN integrity clause as an integral part of every supplier relationship
- → Sustainable focus of all EVN procurement procedures
- → Self-reporting form for all bidders in tenders
- → Anonymous whistle-blowing procedure
- → Regular control of compliance with human rights and workers' rights in the supply chain

Sustainable Development Goals

- → SDG 7 Affordable and clean energy
- ⇒ SDG 8 Decent work and economic growth
- → SDG 9 Industry, innovation and infrastructure

Supply security

... stands for reliable supplies, also in crisis situations. Uninterrupted supplies of the required energy and the technical quality of the networks are the key factors in the energy area. We focus on the sustainable expansion of our networks and technical infrastructure and on the reliable supply of and increase in the quality of drinking water.

- Influence on habitats (people, animals and nature)/negative impact on biodiversity through network expansion, hydropower plants and the construction of wind power plants
- Consumption of natural resources
- Emissions
- Impact of network breakdowns on society and the economy
- + Increase in the share of renewable energy
- + Reliable energy supplies for society and the economy
- + Provision of infrastructure
- Provision of high-quality drinking water

- → Certified environmental management systems
- → Goal until 2030: expand wind power from currently 394 MW to 750 MW and photovoltaics by 300 MW
- → Top priority for supply security and quality
- ⇒ EVN-internal crisis and emergency plans (e.g. flooding, hydropower plants, pandemics)
- → Extensive monitoring activities (e. g. water quality)
- → Low network losses and electricity supply interruptions
- → Ongoing investments to improve network infrastructure and drinking water supplies
- → Cybersecurity and insurance

- → SDG 6 Clean water and sanitation
- → SDG 7 Affordable and clean energy
- → SDG 9 Industry, innovation and infrastructure
- → SDG 12 Responsible consumption and production

Customer orientation

- ... stands for products and services that are transparent and meet individual needs, for high service quality, for target group-oriented communications and for support for our customers in the efficient and safe use of energy. The protection of personal data also has high priority.
- Data protection incidents
- + Improved, more efficient use of energy
- + Cooperation projects protect jobs in the region
- + High standards for supply security
- + High availability of EVN power plants
- → Top priority for supply security and quality
- → Top priority for data protection
- ⇒ Extensive monitoring activities (e. g. water quality)
- → Monitoring of mean electricity supply interruption
- → Support for customers in improving consumption efficiency
- \Rightarrow Various communication channels
- → SDG 7 Affordable and clean energy
- → SDG 10 Reduced inequalities
- → SDG 12 Responsible consumption and production
- ⇒ SDG 13 Climate action

Overview of the major potential effects of our business activities (selected items)

EVN area of activity and definition

Attractive employer

... stands for our claim to be a responsible, fair and crisis-resistant employer. We support diversity and equal opportunity, are committed to employee training and to offering a wide range of responsibilities in a modern working environment. That allows us to pursue targeted and efficient human resources development in a continuously changing working world – and all this within the context of comprehensive occupational safety and health protection.

Impact assessment (excerpt)
"-" = negative; "+" = positive

- Work accidents
- Effect of stress on employees' health
- Compliance violations
- + Job creation
- + Job security
- + Attractive working environment
- + Flexible working conditions
- + Macroeconomic contribution through training and continuing education

Management instruments and measures (excerpt)

- → EVN values
- → Corporate social partnership
- → Sustainable human resources development
- → Principles and guidelines of the International Labour Organisation (ILO) and UN Global Compact
- → High standards for health protection and occupational safety
- → Flexible working time models
- → Internal control system (ICS)
- → Re-entry of employees on parental leave; retention periods that exceed legal requirements
- ⇒ Group health insurance
- → Compliance training

Sustainable Development Goals

- → SDG 1 No poverty
- → SDG 3 Good health and well-being
- → SDG 4 Quality education
- → SDG 5 Gender equality
- → SDG 8 Decent work and economic growth
- → SDG 10 Reduced inequalities

Climate protection

... stands for the step-by-step system conversion towards climate-neutral generation while, at the same time, protecting supply security. Efficiency improvements and innovation initiatives – also to reduce greenhouse gas emissions – make an important contribution in all areas.

- Greenhouse gas emissions
- + High standards for supply quality
- + Efficient and environmentally friendly energy supplies for society and the economy
- + Contribution to meeting international and national climate targets
- + Reduction of greenhouse gas-relevant emissions
- → Goal until 2030 (on Group level): expand wind power from currently 394 MW to 750 MW and photovoltaics by 300 MW
- → Definitive exit from coal with the sale of the 49% investment in the Walsum 10 power plant on 30 September 2021
- → Decarbonisation targets according to SBTi (until 2034)
- → Network investments fo integrate electricity from renewable generation
- → Focus on efficiency improvements, above all through minimisation of GHG emissions

- → SDG 7 Affordable and clean energy
- → SDG 11 Sustainable cities and communities
- → SDG 13 Climate action
- → SDG 15 Life on land

Environmental protection

... stands for minimising the environmental impact of our activities, for the responsible use of resources, e.g. materials and water, for the protection of flora and fauna and for conservation of the natural habitats of the animals and plants in the areas surrounding our plants and projects. Environmentally compatible waste management represents another focal point. Full compliance with environmental regulations and requirements in all our activities is a matter of course.

- Influence on habitats (people, animals and nature)/negative impact on biodiversity through network expansion, hydropower plants and the construction of wind power plants
- Consumption of natural resources
- Emissions
- + High environmental standards for supply quality
- + Efficient and environmentally friendly energy supplies for society and the economy
- → Certified environmental management systems
- → EVN-internal crisis and emergency plans (e. g. flooding, hydropower plants)
- → Wide-ranging measures for species conservation, protection of biodiversity and the protection and restoration of natural habitats
- → Use of state-of-the-art environmental technology
- → Ongoing modernisation of natural gas pipeline network
- ⇒ Focus on efficiency improvements
- → Efficient and effective waste management

- → SDG 12 Responsible consumption and production
- ⇒ SDG 15 Life on land

Overview of the major potential effects of our business activities (selected items)

EVN area of activity and definition

Innovation and digitalisation

... stand for the future-oriented development of our business model, among others with a focus on continuing adjustments to keep pace with our constantly changing environment through targeted innovations and digitalisation.

Impact assessment (excerpt) "-" = negative; "+" = positive

- Lack of customer acceptance for innovative products
- Growing risk of cybercrime
- + Protection of competitive ability
- + More flexible working conditions for employees
- Macroeconomic contribution through innovation initiatives, infrastructure projects and investments

Management instruments and measures (excerpt)

- → Continuous monitoring of innovation processes
- → Extensive IT security measures
- → Innovation, research and development activities
- → Goal: balance between investment projects and attractive return for shareholders

Sustainable Development Goals (SDGs)

- → SDG 7 Affordable and clean energy
- → SDG 8 Decent work and economic growth
- → SDG 9 Industry, innovation and infrastructure
- ⇒ SDG 13 Climate action

Stakeholder dialogue

... stands for the acceptance of responsibility towards EVN's various interest groups through wideranging social and cultural initiatives, also outside our core operating business. The key element is a proactive dialogue with our stakeholder groups and the responsible handling of their concerns, e.g. through the involvement of neighbouring residents in the expansion and operation of our plants. Our social commitment is also reflected in the transfer of knowledge to children and young people and in the improvement of the quality of life for people in challenging situations, e.g. through measures to combat energy poverty.

- Asymmetric inclusion of various stakeholder groups
- Lack of identification of the expectations and requirements of the various stakeholder groups
- Adverse effects of air pollution from power plants
- Adverse effects of noise from plant construction and operations
- + Protection of interests of major stakeholder groups
- Protection and improvement of the quality of life through reliable energy supplies
- + Protection of the quality of life through supplies of high-quality drinking water
- + Support for children and young people in challenging life situations
- + Improvement in customers' consumption behaviour
- + Instruction for elementary schoolchildren on the scientific and practical basics of electricity

- → EVN Customer Advisory Board to protect the interests of the different stakeholder groups in a balanced way
- → Advisory Committee for Environmental and Social Responsibility
- → Regular stakeholder survey
- ⇒ Proactive stakeholder involvement
- → Project-related stakeholder communications
- ⇒ EVN materiality matrix as an instrument to reconcile corporate and stakeholder interests
- → Combatting energy poverty
- → Support for customers in improving consumption efficiency
- → Responsibility for art and culture through the evn art collection
- → EVN Social Fund
- → EVN School Service
- → Free school workshops by kabelplus to strengthen young people's digital competence

- ⇒ SDG 1 No poverty
- → SDG 4 Quality education
- → SDG 10 Reduced inequalities
- ⇒ SDG 12 Responsible consumption and production
- → SDG 17 Partnerships for the goals

We are actively shaping the future

The interests of our owners and all other EVN stakeholders are the guiding principle for our corporate strategy. In order to protect these interests and our company's success over the long term, we are exploring innovative approaches today – with sights that are always set on sustainable solutions. This mindset has been firmly anchored in our corporate culture since the very beginnings of EVN and its predecessor companies. There is no need to say that we set the highest standards for compliance, human rights, ethics and integrity.





Human rights, ethics and integrity

At EVN, we place particular importance on ethical and legally compliant behaviour by all our employees, business partners and suppliers. This commitment to full compliance has been effectively transformed into reality through the implementation of a series of guidelines and measures that apply throughout the EVN Group. The starting point is formed by the EVN Code of Conduct with its ten subject areas. It regulates, among others, the aspects of our business activities in the areas of human rights, governance, compliance, corporate ethics, the prevention of corruption, public appearance and competitive behaviour as well as occupational safety and accident prevention. We have also issued additional detailed guidelines for specific target groups such as employees or suppliers and for specific issues such as the prevention of corruption.

The rules in our Code of Conduct are based on a diverse group of principles and policies that were adapted to meet our company's characteristics and requirements. They range from national laws and international regulations, such as the OECD and UN Global Compact guidelines and agreements, to the policy statements and principles issued by the International Labour Organisation (ILO) and internal organisational directives and corporate principles that go beyond legal requirements. Reliability, transparency, trust and quality in our interaction with internal and external partners represent the central guidelines. The EVN Code of Conduct

BEHAVIOURAL NORM FOR SUPPLIERS

Full compliance and the strict observance of the EVN Code of Conduct represent binding guidelines for our behaviour in the areas of human rights, the prevention of corruption, ethics and integrity. Our suppliers are also required to follow these same principles and values. Consequently, we expect them to comply with the EVN integrity clause, which also covers the issue of human rights.



HUMAN RIGHTS AND MINIMUM SOCIAL PROTECTION

A central subject area in our Code of Conduct is the unlimited and unequivocal commitment to the respect, observance and protection of human rights and ethical principles in the interaction with our employees at all our locations and in all our business relations. In order to guarantee the uncompromising fulfilment of our high standards – and given the diversity of the material – the responsible organisational units (in particular human resources, occupational safety, procurement and purchasing, information and communications as well as the staff departments for corporate compliance management as well as innovation, sustainability and environmental protection) deal with human rights issues as interdisciplinary subjects.

The rejection of child labour and forced labour is an integral part of this subject area as are the prohibition of discrimination based on nationality or ethnic background, gender, sexual orientation, culture, religion, age or health, the protection of co-determination rights, occupational safety measures and human rights issues along the supply chain (especially with international projects).

The framework for the observance of human rights and minimum social protection is formed by internal policies which, in turn, are based on the relevant laws and international directives – above all on the ten principles of the UN Global Compact and the guidelines issued by the OECD, the United Nations and the International Labour Organisation.

As an international corporation, we are also active in countries with a less developed understanding for human rights issues. Although the respective governments are primarily responsible for protecting human rights, we consider it our responsibility – within our possibilities – to also

encourage compliance in this area outside our direct scope of operation.

Our internal policies on human rights and minimum social protection were reviewed and further developed in autumn 2021 to reflect the growing importance of this issue and in preparation for future reporting requirements, above all in accordance with the EU Taxonomy Regulation and the EU Corporate Sustainability Reporting Directive that will apply to EVN beginning with the 2021/22, respectively 2023/24 financial year.

☐ Additional information on the principles for the protection of human rights relating to our employees (above all, non-discrimination and co-determination rights) can be found on page 73ff

was issued in German, English and the languages of our foreign subsidiaries. It is also available to the general public on our website. Interested business partners can obtain detailed information on our compliance management at any time.

- ☐ For EVN's integrity clause for suppliers, see page 39
- O Also see www.evn.at/Code-of-conduct

Prevention of corruption

We are decisively opposed to all types of corruption and define this term very broadly. For EVN, it covers illegal payments (e.g. bribes, kickback payments, fictitious services, false classification/ account assignment) as well as all forms of gratuities (e.g. gifts, invitations, subjective benefits, immaterial advantages like awards and patronage). Our employees and their close family members are prohibited from accepting any form

of these payments or gratuities – with the exception, for example, of small mementoes that reflect local or national practices.

A comprehensive set of preventive measures – including internal behavioural guidelines and specific training programmes - have been implemented to create a greater awareness for the prevention of corruption among our employees. Accordingly, the issue of corruption represents a special focal point of the regular compliance risk surveys conducted by the staff department corporate compliance management. These analyses are based on a catalogue of criteria whose key elements include the operating environment, the country, industry and scope of business activities as well as the initiation and processing of business transactions.

△ GRI indicators: GRI 102-16, GRI 205-1, GRI 205-2

Organisation of compliance management

EVN has had a separate compliance management system (CMS) since 2012. It defines a standardised framework for the entire Group, which is designed to support the honest and legally compliant behaviour of our employees in their everyday business activities. The CMS is built on three main elements:

- → Prevention through the creation of awareness and training
- Identification of violations of the Code of Conduct
- → Reaction through information and improvement

The staff department corporate compliance management (CCM) is responsible for the operation and continuous improvement of the CMS and, in this function, reports directly to the Executive Board. In addition to the chief compliance officer and CCM staff, decentralised compliance officers were assigned to EVN's individual operating areas and national compliance officers were installed for Bulgaria, North Macedonia and the WTE Wassertechnik international project business. Consequently, a total of nine employees in the EVN Group have specific responsibilities for the implementation of compliance measures. This structure ensures that the centrally managed CMS is optimally geared to meet the requirements of the various specialist areas and regions.

EVN's CMS has attained a certain degree of maturity following the initial implementation phase, the integration of new subjects and repeated improvements in recent years. The existing compliance-related structures, processes and organisational rules were reviewed, evaluated and coordinated with the responsible managers from Austria and the EVN Group countries during the past financial year. This aggregation supports internal and external documentation requirements and provides the CMS staff with a comprehensive and standardised overview.

Group-wide identification of compliance risks

Compliance risks which, in line with EVN's interpretation, also include human rights and the prevention of corruption, are identified annually for the entire Group on a systematic basis and from different viewpoints. These risks are surveyed as part of the annual risk inventory since any violations represent an important issue for EVN's risk management. The reviews carried out by our internal audit department also cover the observance of all compliance-relevant directives and rules.

△ GRI indicators: GRI 102-17, GRI 205-1

Whistle-blowing procedure

Our employees have access to a confidential and anonymous whistle-blowing procedure, which permits the reporting of (presumed) compliance violations via the EVN Intranet or designated compliance e-mail addresses. It provides a platform for the communication of concerns over unethical or illegal actions.

Special compliance e-mail addresses also allow business partners to use the whistle-blowing procedure. A Group directive defines the process for dealing with the reported concerns and protecting the whistle-blower.

Compliance violations represent a breach of employees' responsibilities and may lead to consequences under criminal law, whereby decisions are the responsibility of the designated institutions. Confirmed suspicions result in prosecution under labour and/or civil law, depending on the severity of the case and the scope of the damage. Therefore, employees who unintentionally come into conflicts of interest or loyalty during their work are advised to contact EVN's compliance officer directly and without delay.

We aligned the previously implemented procedures and system with the EU Whistle-blower Directive during the past financial year to ensure the earliest possible identification of any need for adaptation. As soon as this directive is implemented in national law, EVN's whistle-blowing procedure will be modified accordingly in the upcoming financial year.

We received no reports of discrimination based on ethnic, national or social origin, skin colour, gender, sexual orientation, religion or political orientation during 2020/21. However, we did

receive two reports of possible violations of the integrity principle and prevention of corruption which are anchored in our Code of Conduct. The allegations against the employees were confirmed after an internal investigation but did not result in lawsuits. One of the cases led to termination of the employment, the other to a reprimand; appropriate steps were then taken to prevent these types of cases in the future. No contracts with business partners were terminated.

△ GRI indicators: GRI 205-3, GRI 406-1

Review of business partners

Our business partners are also required to comply with strict ethical standards. We give high priority to the issues of human rights, working conditions and labour laws, environmental and climate protection and business ethics. Throughout the entire EVN Group, we attempt to avoid business relations with companies that have been proven to be directly or indirectly involved in or accused of offences against human rights or violations of corruption, antitrust or commercial law. The review process for potential business partners, which also includes the screening of sanction lists, follows a risk-based approach that is specifically focused on industry and country risks. For Austria and the WTE Wassertechnik international project business, we also use the compliance database and software of a specialised external service provider. Risk-minimising measures are implemented if the screening reveals any sensitive issues.

△ GRI indicator: GRI 102-17

Compliance training

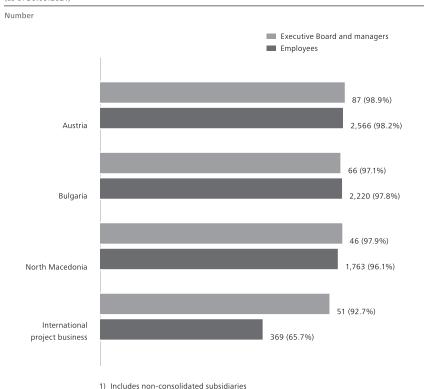
In order to firmly anchor the issue of compliance throughout the EVN Group, we regularly emphasise the importance of correct, ethical behaviour to all managers, employees and the members of the Supervisory Board. This information is generally presented in training courses and workshops which concentrate on human rights, corporate ethics, the prevention of corruption, public appearances and competitive behaviour. The programmes range from mandatory standardised training courses for new employees in the Group, above all on the ten subject areas of the EVN Code of Conduct, to supplementary e-learning programmes and special courses for areas exposed to increased risk. The special courses are directed, for example, to employees in highly competitive business sectors and the international project business as well as employees with contacts to public authorities. The members of the Supervisory Board have also received additional comprehensive training from external experts in the past.

CCM cooperates with managers from various departments to strengthen and improve our compliance principles and rules and our ethical values. Multi-hour workshops equip managers with the tools to transfer the defined content to their staffs.

One special project in 2020/21 involved the redesign of our compliance training programme. It started with an evaluation of the previous offering by the members of the compliance committee, management and employees. The elements with a particularly high rating (e.g. trainer expertise and case studies) were retained in the new training programme. At the same time, we optimised various functions to bring the training even more closely into line with

Participation in mandatory compliance training¹⁾

(as of 30.09.2021)



participants' needs. A first step involved the development of a virtual format for the basic compliance training, which now includes numerous interactive elements, self-study units and the possibility of joint working on case studies.

The next step involves the development of a modified compliance learning path which is directed to the various internal target groups and specific compliance risks in EVN's different business areas.

Its modules include a high degree of interaction and practical relevance. All employees will use this newly designed learning path starting in 2021/22.

Sustainably attractive for investors

The importance we place on the economic interests of our stakeholders is most evident in our efforts to balance value-oriented investments and an attractive return for our shareholders in all our strategic decisions. Our investment decisions are based on strict profitability criteria and, especially, in keeping with the energy sector, legal and regulatory framework conditions which are relevant for our activities.

We also attach great importance to achieving and maintaining a position as a reliable partner on the capital market and meeting the expectations of our equity and debt investors. Not least for this reason, our business activities are concentrated in regulated and stable business areas. This forms the basis not only for plannable cash flows, but also

for continuity in our dividend policy. A clear strategic orientation is also crucial for the ratings which establish the conditions for our positioning on the debt market.

Our focus on the sustainable increase in corporate value is also reflected in the core points of our equity story:

- → High share of regulated and stable activities
- → Stable home market in Lower Austria
- → Integrated business model
- → Solid capital structure
- → Attractive dividends

Investor relations

We work to strengthen the long-term confidence of the capital market in EVN with active, regular and target grouporiented communications with all market participants. Our capital market operations are based on a commitment to providing timely, transparent, understandable and substantial information. We hold quarterly telephone conferences in connection with the publication of results as well as regular meetings with analysts and investors at international road shows and investor conferences. In this way, the Executive Board and the investor relations team work to continuously improve the awareness of and understanding for EVN and strengthen the long-term confidence in our share.

EVN share		2020/21	2019/20	2018/19
Share price at 30 September	EUR	22.95	14.28	16.14
Highest price	EUR	24.75	18.36	17.28
Lowest price	EUR	13.38	11.22	12.16
Price performance		60.7	-11.5	-4.4
Total shareholder return		64.2	-8.4	-1.6
Performance ATX		73.5	-30.0	-10.0
Performance Dow Jones Euro Stoxx Utilities		1.4	-0.8	26.2
Value of shares traded ¹⁾	EURm	350.6	190.1	190.1
Average daily turnover ¹⁾	Shares	72,753	50,045	53,555
Market capitalisation at 30 September	EURm	4,128	2,569	2,903
Weighting ATX prime		1.96	2.06	1.13
Earnings per share ²⁾		1.83	1.12	1.70
Dividend per share		0.523)	0.49	0.47 + 0.034
Price/earnings per share		12.6	12.8	9.5
Dividend yield		2.3	3.4	3.1

- 1) Vienna Stock Exchange, single counting
- 2) Shares outstanding at 30 September
- 3) Proposal to the Annual General Meeting
- 4) Bonus dividend of EUR 0.03 per share

THE EVN SHARE - A SUSTAINABLE INVESTMENT

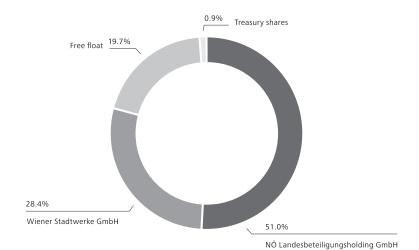
Ecological and social issues and goals are anchored in our core strategies just as strongly as economic targets. Consequently, we are increasingly positioning the EVN share as an alternative for sustainability-oriented investors and are working to meet their information needs as best as possible. The following aspects illustrate this orientation:

- → A commitment by the Executive Board and Supervisory Board to manage and further develop the EVN Group to achieve a sustainable increase in the corporate value
 - Close integration of values, behavioural standards, stakeholder dialogue, sustainability issues and core strategies
 - High compliance and governance standards
- → Investment strategy and innovation activities that support environmental and climate protection:

- Focus on investments in CO₃-free generation capacity
- Future-oriented expansion of the network infrastructure to integrate the growing volumes of decentralised renewable generation and strengthen supply security
- Research projects on supply security, electricity storage, environmental protection and resource conservation
- → Innovative products and solutions for climate-conscious customers:
 - Broad range of products from 100% renewable Austrian energy sources
 - Continuous reduction of CO, component of total supply mix
 - Product innovation "joulie": optimal utilisation of electricity generated by customers' own photovoltaic equipment for future-oriented prosumers
- → Contribution to reducing CO₂ emissions:
 - Complete exit from coal-based electricity generation as of 30 September 2021

- Decarbonisation path until 2034 as agreed with the Science Based Targets initiative
- Climate neutrality in selected subsidiaries
- → Future topic: drinking water:
 - Extensive investments in supply security for Lower Austria despite rising water consumption as a result of population growth, consumer behaviour and climatic changes
- → Sustainable sewage sludge management as a new business field in the international project business:
 - Know-how in the planning, construction and operation of plants and equipment as a contribution to resource conservation and health protection

Shareholder structure¹⁾



1) As at 30 September 2021

Dividend policy

The Executive Board will make a recommendation to the 93rd Annual General Meeting which calls for the distribution of an ordinary dividend of EUR 0.52 per share for the 2020/21 financial year. EVN's future dividend policy is directed to holding the annual dividend at least constant. We are also committed to appropriate participation for our shareholders in future earnings growth.

Market environment and performance

The performance of the international stock markets was remarkably positive given the crisis surrounding the

Covid-19 pandemic during the reporting period from October 2020 to September 2021. The German benchmark index DAX rose by 19.6% but was outpaced by Vienna's benchmark index ATX with an increase of 73.5%. The US benchmark index Dow Jones paralleled the DAX and remained on a record course with a plus of 21.8%. This momentum drove both the DAX and the Dow Jones to historical highs.

The DJ Euro Stoxx Utilities, the relevant industry index for EVN was noticeably weaker with an increase of only 1.4%. However, it was clearly outperformed by the EVN share which rose by 60.7%.

The average daily turnover in EVN shares equalled 72,753 in 2020/21 (single counting), which represents an annual trading volume of EUR 350.6m on the Vienna Stock Exchange (single counting) and 1.05% of the total trading volume in Vienna's Prime Market.

Based on the high market capitalisation that resulted from the increase in the share price and the rise in turnover, the EVN share was readmitted to Vienna's ATX in March 2021.

Green financing

In raising debt capital, we also follow our strategic approach to increase our investments in energy generation from renewable sources and support the transformation of the energy system through network investments. We addressed the growing interest in "green" financing instruments by issuing a green bond through a private placement in October 2021 (nominal value: EUR 101.0m; term: 15 years).

External ratings

Independent evaluations by the rating agencies represent an important part of EVN's financing strategy. Our goal is to maintain ratings in the solid A range.

We decided to terminate the rating by Standard & Poor's in autumn 2021 and, in its place, commissioned Scope Ratings with the preparation of a rating. Scope's initial rating of EVN is A+ and stable outlook; it was published at the beginning of November 2021. Already in May 2021, Moody's confirmed its rating for EVN at A1 and stable outlook.

Sustainability ratings and indexes

In addition to traditional financial criteria, sustainable investments also take environmental, social and ethical factors into account. Independent sustainability rating agencies evaluate the performance of companies with regard to sustainability. Sustainability indexes also help interested investors to identify companies that meet international standards for responsibility towards the environment and stakeholders.

EVN is regularly evaluated by the following independent sustainability rating agencies:

- → Carbon Disclosure Project (CDP)
- → MSCI ESG Research
- → ISS ESG
- → Vigeo Ratings
- → Gaïa Research
- → Sustainalytics

The EVN share has been included in the VÖNIX sustainability index of the Vienna Stock Exchange since 2005. This index consists of listed companies in Austria which are considered leaders for their social and ecological performance. The continued inclusion in this index for 2021/22 has already been confirmed.

△ GRI indicator: GRI 102-12

Value creation for our stakeholders

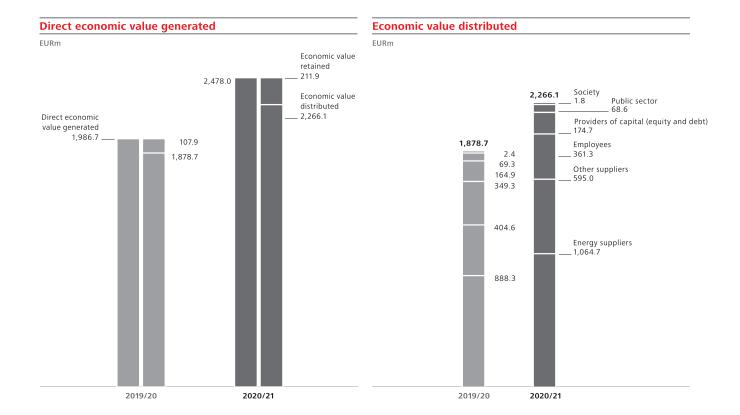
EVN's economic success is significantly influenced by our stakeholders who, at the same time, share in our financial results. Our most important stakeholder groups – shareholders, society as a whole, the public sector, employees, suppliers and debt investors – also receive a direct financial benefit from our activities.

On the revenue side, in particular the income generated by our business

operations and investments contributes to the creation of value. This value is distributed primarily to our investors and lenders (dividends, interest), to the public sector (taxes, duties) and to society as a whole (donations, sponsoring, social programmes) as well as to our employees (wages, salaries, social security contributions) and suppliers (primary energy carriers, materials and purchased services). The graph below shows the economic value generated

by EVN as a total over each bar. The difference between revenues and the amounts distributed represents economic value retained which is available, among others, for the further development of our company through important future-oriented investments.

△ GRI indicator: GRI 201-1



Suppliers

EVN's business activities as a whole and, above all, the investment focal points on network infrastructure, renewable generation and drinking water supplies require intensive cooperation with construction firms, plant, pipeline and cable line construction companies as well as suppliers of electrotechnical equipment and components, pipes, transmission and cable lines, meters, hardware, software and work clothing.

Our German subsidiary WTE Wassertechnik serves as a general contractor and commissions subcontractors, in particular construction firms and suppliers of machinery, electrotechnical equipment and components, to perform additional services.

Energy procurement

Electricity

We cover the electricity supplies for our Austrian customers through medium-term supply contracts and – via EnergieAllianz Austria – through purchases over the wholesale market. These supplies are purchased directly over the electricity exchange, through bilateral transactions with various trading partners or over-the-counter (OTC) platforms – and also include the production from our own power plants. We also purchase green energy, which is allocated in accordance with the Green Electricity Act based on our share of the electricity sales volume

in the respective regulatory area. In addition, we take over the surplus electricity produced by our customers' own generation equipment (especially photovoltaic equipment).

For information on electricity labelling, see page 64f

Our electricity subsidiaries in Bulgaria and North Macedonia are required by law to purchase the electricity for sale to customers in the regulated market segments from the state-owned producers, i. e. NEK and ELEM respectively. The remainder of the electricity required for customers in the already liberalised segments is purchased over wholesale markets.

Primary energy carriers

Long-term supply contracts cover a large part of our natural gas purchases. The remaining volumes are purchased on wholesale markets over national and international OTC trading centres and exchanges, for example in Austria (CEGH) or Germany (NCG). The majority of imports – from the European point of view – come from Russia and Norway.

We terminated coal-based electricity generation in our Dürnrohr plant during 2019 and, consequently, no longer purchase or store hard coal. The transfer of our 49% investment in the Walsum 10 power plant on 30 September 2021 marked our complete exit from coal-based electricity generation.

Up to that date, the operation of the Walsum 10 power plant, including coal procurement, was managed by the joint venture partner STEAG and therefore outside EVN's direct sphere of influence.

△ GRI indicator: GRI 102-9

Organisation of procurement activities

Responsibilities for the procurement of products and services in the EVN Group are based on the relevant activity.

All EVN purchase orders with a volume of EUR 10,000 or more have been handled over a web-based procurement portal since the beginning of June 2019. The entire procurement process – from EU-wide announcement to the tender, submission of offers and contract award – can now be processed online. This broad-based rollout of e-procurement over our new platform has not only increased transparency but also paved the way for the introduction of strategic procurement.

We handled a total procurement volume of approximately EUR 925.4m in 2020/21 (previous year: EUR 623.9m) at our main locations in Austria, Bulgaria and North Macedonia. In Austria, EVN maintained direct supplier relationships with 3,023 suppliers and contractors during this financial year.

△ GRI indicator: GRI 204-1

Procurement activity

Products and services

Primary energy and primary energy carriers

International project business (environmental services business)

Responsible organisational unit
Procurement and purchasing

Energy procurement and supply

Environment

Countries of origin of suppliers at main operating locations





High sustainability demands

EVN is committed to fair, partnership-based and transparent business relations with its suppliers and business partners. We place strict demands on social and ecological aspects as well as the respect for human rights in our procurement activities and the awarding of contracts, but always in keeping with economic efficiency. The underlying principles are reflected in the area of activity "sustainable increase in corporate value" and anchored in our materiality matrix. Our high demands are reflected in EVN's integrity clause, which requires suppliers to meet strict standards in areas that include human rights, labour practices, protection of the environment, resource conservation and business ethics. The integrity clause represents a central component of each order – it applies Group-wide to all suppliers of products and services and to all sub-suppliers without exception. There were no complaints over compliance with the integrity clause by suppliers during the 2020/21 financial year.

O Also see www.evn.at/integrity-clause

EVN is classified as a sector contractor under EU public procurement law in many areas and is therefore subject to the applicable provisions of the Austrian Federal Procurement Act. We comply in full not only with these regulations, but also with the principles governing competition in the EU and the individual member states. New bidders are regularly invited to participate in tenders. All tenders with a contract value over EUR 100,000 that involve sector activities have been announced nationwide since March 2019. As a sector contractor, we are also legally required to include a reference to the complaint office in Lower Austria with every tender offer. This office can be used by all participating bidders to file complaints and request explanations, free of charge and without mandatory legal counsel.

Sustainable supply chain

The past financial year presented our procurement staff with numerous challenges. Supply chain interruptions due to the Covid-19 pandemic, a resulting above-average increase in raw material

prices, the need to protect supply security despite these difficult times, and compliance with various ESG requirements are only a few examples. EVN meets these challenges by continuously developing its circle of potential suppliers to achieve the broadest possible market access, through continuous market monitoring and analysis, and by the flexible adjustment of cooperation with its suppliers.

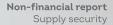
Our e-procurement portal provides support for the standardisation and improvement of compliance with our high sustainability demands on suppliers. Every interested bidder in Austria must complete a self-reporting form on all aspects of the integrity clause at the time of registration. All potential suppliers therefore complete standardised, systemised questions at an early point in time on sustainability, risk assessment and behavioural rules in the areas of environment, health and safety, human and labour rights, business ethics, supply chain, and occupational safety and accidents.

In order to create a greater awareness among our suppliers for sustainability along the supply chain and, at the same time, collect additional information on our own supply chain, we conducted a survey of nearly 100 of our most important suppliers (based on the volume and number of tenders) during the past financial year. This survey focused on sustainability, with special attention given to minimum social standards. The results will flow into a strategic supplier management project which will start in 2021/22. Its goal is to analyse and direct our valuation creation network and to form a basis for developing future procurement strategies to improve the performance of the EVN Group.

We also include explicit sustainability criteria in the evaluation of selected tenders.

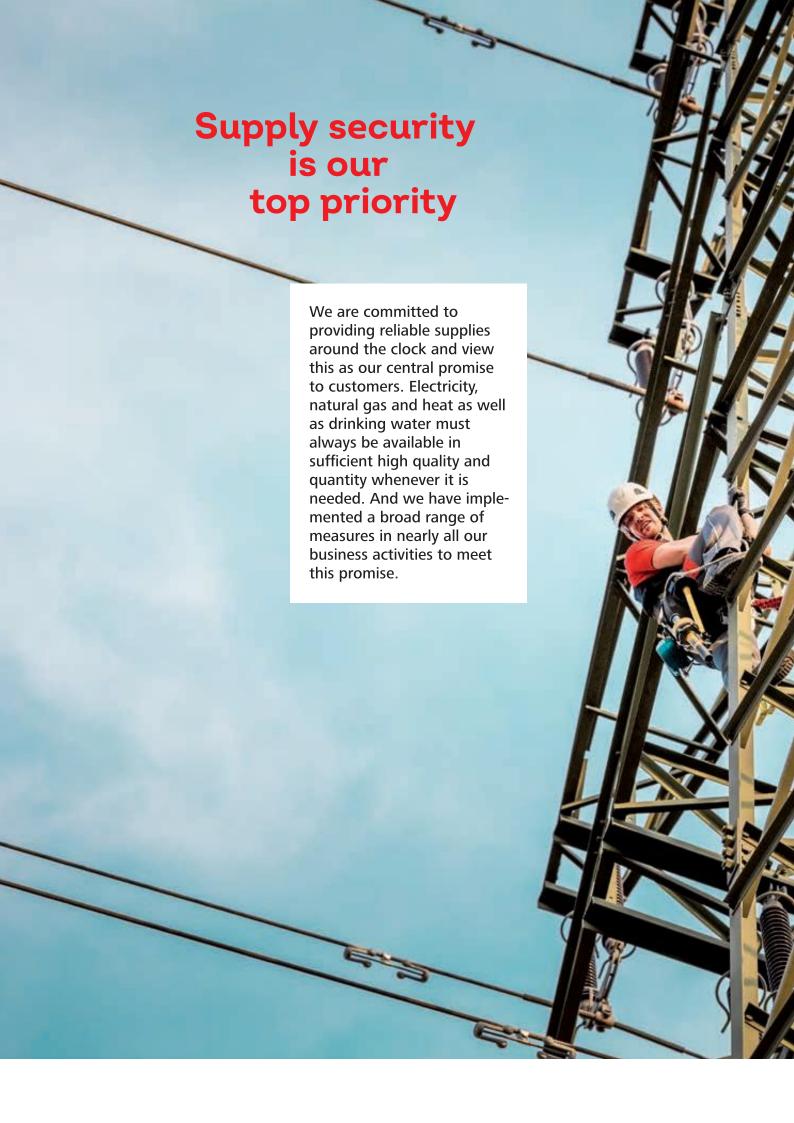
Electricity, natural gas,
heat and water are among the
most important driving forces for our
economy and our society. At EVN, we therefore continuously make large-scale investments
in our infrastructure to provide people with
secure supplies of these elementary goods – in
sufficient quantities and in highest quality. Especially
in these times of climatic change and increasing
decentralised electricity production from renewable
sources, that represents a great challenge.
We accept this challenge and, with our
trendsetting concepts, are already at
work to create room for future
growth and prosperity.





We create the basis for growth and prosperity





Electricity

The passage of the Austrian Renewable Energy Expansion Act in July 2021 marked a milestone on the path towards a renewable energy future. For an energy provider, this system change is accompanied by numerous technical requirements which, in turn, call for far-reaching expansion measures. We therefore plan to make massive investments in the expansion of our Group's wind power and photovoltaic capacity over the coming years.

Electricity from renewable sources is, by nature, volatile. It comes from a wide range of operators who rely on decentralised, independent plants. At the same time, our customers' consumption patterns are changing constantly. On the one hand, some customers consume substantially more electricity because they use e-mobility, smart home technologies and/or heat pumps. On the other hand, an increasing number of customers are generating their own electricity with photovoltaic equipment and, in some cases, joining together into energy communities. Complex solutions are required to deal with the pricing, network access and supply security for these energy communities. Bringing all these factors together and, at the same time, ensuring reliable supplies of electricity without major interruptions is one of our major challenges. Flexible backup services for power plants, electricity storage and reserve capacity are therefore key issues for our daily activities and areas in which we invest to make an active contribution to the energy transformation without compromising supply security or quality.

Networks and network infrastructure

Our networks create the basis for delivering supplies to our customers. The smooth functioning of this extensive, but sensitive infrastructure requires a wide range of measures which generally remain unnoticed by our customers – while the integration of electricity from renewable sources, which is delivered from a wide variety of generation plants, places additional high demands on our networks. Protecting the performance of these networks requires the timely construction of the supporting infrastructure, e.g. transformer stations and substations, as well as their adjustment to reflect the changing energy flows. An important role is also played by customers who generate their own electricity or are part of an energy community because our networks must also be able to meet these users' requirements even when no energy is produced locally. We are therefore strengthening our networks, above all at the low- and medium-voltage levels, and relying on digitalisation and sensor technology. The energy system transformation and the continuous changes in consumer behaviour are also leading to a significant increase in the complexity of network planning, management and operations – and ongoing high investments are needed to maintain these high quality levels.

A major project currently in planning is the "Weinviertel renewable network" with an investment volume of EUR 360m. A 50 km² area in the eastern Weinviertel region will become the location by 2030 for photovoltaic and wind power plants with a total installed capacity of 2,700 MW. In order to collect the energy generated by the individual installations and feed this energy into the cross-regional

network, we will construct two new power lines with a total length of 36 km and expand 14 transformer stations in several phases starting in 2025 as part of this project.

Natural gas

Our long-term contracts for natural gas storage facilities ensure uninterrupted supplies, especially during periods with temperature-related higher consumption or possible shortages at the European level (e.g. due to political crises in transit or origin countries). Our investment in RAG Austria AG – with its strategic focus, above all, on the natural gas storage business – has high strategic importance in this context. In the development of hydrogen technologies and green natural gas, RAG is also seen as a pioneer in the branch due to its successful pilot projects which make an important contribution to a future, environmentally friendly energy system.

District heating

The Renewable Energy Expansion Act requires district heating in Austria to make a significant contribution to meeting climate goals. As the largest natural heat supplier in Austria, we currently operate more than 80 district heating plants, 60 natural heating networks and 1,100 local heating plants in Lower Austria which supply roughly 65,000 customers. Three large cross-regional district heating transport pipelines – including the longest such line in Austria from the energy utilisation centre in Dürnrohr to St. Pölten (32 km) - as well as three natural cooling plants complete our extensive natural heating infrastructure. This allows us to provide our customers with reliable and comfortable supplies of renewable energy from locally

Energy generation		2020/21	2019/20	2018/19
Coverage ratio	%	19.8	19.1	28.1
Share of renewable energy in the total energy generation mix	%	57.1	59.5	41.4

WATER QUALITY AS THE ORIGIN

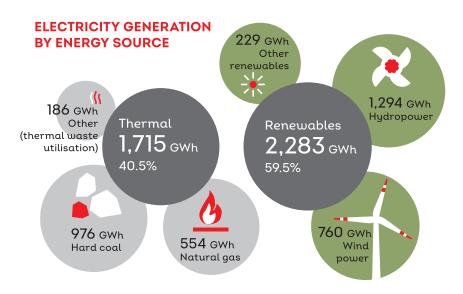
NÖSIWAG, the predecessor company of EVN Wasser, was founded in 1962 based on a resolution of the former provincial government. Its original responsibility was to provide clean water supplies for the area surrounding the community of Mistelbach in the Weinviertel region. This region had been declared a "drinking water emergency area" due to the rapid spread of diseases like typhus and cyanosis — which primarily affected children. Contaminated private wells were the source of these infections. The first water supply facilities operated by NÖSIWAG were commissioned in the late 1960s.

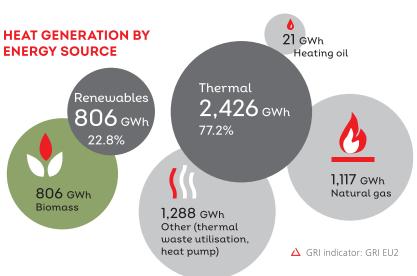


Provincial governor Leopold Figl at the cornerstone ceremony for the drinking water storage facility in Friebritz in 1963

available, CO_2 -neutral biomass. In the municipal district heating business, 80% of our customers receive 100% CO_2 -neutral natural heat. The Austrian average here is a substantially lower 49%.

We are investing continuously in the maintenance, modernisation and new construction of our biomass heating plants and the expansion of our district heating networks. Our plans call for investments of up to EUR 200m in the expansion of infrastructure in this area alone over the coming four years. One of our largest current projects is the biomass combined heat and power plant in Krems with an investment volume of more than EUR 40m, which is scheduled for commissioning by the end of 2022.





Drinking water

Demographic trends in our supply area as well as the changing climatic conditions are responsible for a continuous increase in the demand for drinking water. In addition to the ongoing operation of 50 local networks that are supplied by EVN with drinking water, connecting water-rich and water-poor areas via cross-regional transport pipelines represents a particular challenge. Our wide-ranging drinking water pipeline network covers nearly 3,000 km and is fed by well fields and high-level tanks throughout Lower Austria. In order to offset the climate-related decline in precipitation, we must construct new pipelines, increase the performance of our current network and develop new well fields. We are currently constructing a 60 km crossregional supply pipeline between Krems and Zwettl in the Waldviertel region which is scheduled for commissioning by 2025.

The construction of natural filter plants to improve quality through the physical softening of water is another method we rely on to maintain our high supply and quality standards. The fifth plant of this type is now under construction in Petronell-Carnuntum, in the Industrie-

"WITH THE GENERATION OF ENERGY FROM BIOMASS, WE TOOK THE RIGHT ROAD A LONG TIME AGO."

EVN is Austria's largest producer of heat from biomass, an energy carrier that will play a central role in the CO₂-neutral energy mix of the future. That applies to the generation of heat as well as the generation of electricity from biomass. So-called combined heat and power plants can produce heat as well as electricity – reliably, around the clock and on 365 days per year. EVN plans to make massive investments in the expansion of its capacity in this area during the coming years. The responsibility here lies with EVN Wärme GmbH. Its managing director Alfred Freunschlag is certain that EVN is on the right road with its strategy to generate energy from renewable regional resources.

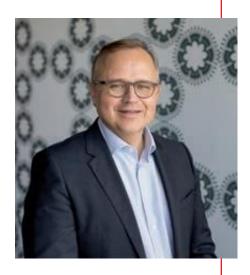
EVN Wärme GmbH delivers approximately 2.3 TWh of heat and 140 GWh of electricity to its municipal, commercial and industrial customers each year, whereby a large part of these volumes comes from renewable sources. The utilisation of roughly two million cubic metres of wood chips in municipal district heating plants make EVN the largest producer of energy from biomass in Austria.

This leading position will be expanded over the coming years, supported by the steady rise in biomass supplies. The raw material used by EVN Wärme consists primarily of chipped wood, in other words a by-product of forestry management. Austria's forests are growing by roughly 3,400 ha per year – which also means an increase in the available volumes of the energy carrier that EVN's plants convert into "natural heat" and "green electricity". "With our energy from biomass, we not only make an important contribution to climate-friendly energy supplies. We also support the regional agriculture and forestry sectors. The chipped wood we burn in our plants comes exclusively from the region", explains Alfred Freunschlag. In fact, the company only uses biomass within a maximum radius of 70 km from the respective heating plant. The plants are supplied by large forestry operations as well as smaller farmers and municipalities. EVN arranges for external audits and certification of all its heating

plants in accordance with EMAS regulations to demonstrate compliance with the highest environmental and sustainability standards. Natural gas is only used in deep winter as a stand-by reserve to ensure uninterrupted supplies of district heating for its customers during peak periods. In Austria, renewable energy sources are currently responsible for roughly 49% of district heating supplies. With a share of over 80% in municipal district heating, EVN Wärme clearly exceeds the branch average. That is, not least, due to a high degree of flexibility. Alfred Freunschlag: "We regularly adjust our raw material purchases to reflect the existing energy potential and use chopped wood as well as other agricultural products as energy carriers. For example, our district heating plant in Lassee converts straw from the region into clean energy. And that steadily increases the share of CO₂-neutral energy carriers in our plants."

EVN is making massive investments in the expansion of its biomass capacity to provide sufficient CO₂-neutral heat and electricity for the energy transformation: "Over the next four years alone, we intend to invest approximately EUR 200m in the expansion and upgrading of our networks and plants", indicates Alfred Freunschlag. One of these projects is the new combined heat and power plant in Krems, which will supply around 14,000 households with "green heat" and clean electricity starting at the beginning of 2023. Alfred Freunschlag: "This new plant demonstrates the application of ecological principles to an existing, fossilenergy based district heating network." Additional plants of a similar size are planned for the coming years. However, the expansion of capacity alone is not enough. In order to increase the share of climate-neutral energy in Lower Austria and to protect supply security, additional opportunities must be identified for example, through intelligent buffer management, the integration of supply networks and the increased use of waste heat from commercial and industrial plants. Incidentally, the latter is already making an important contribution to district heating supplies in Lower Austria.

EVN's position as the largest biomass heat producer in Austria is also based on the fact that



the company was one of the early birds in this business. Its first biomass plant was commissioned in Krumbach during 1993. "In comparison with other energy companies, that was very early – and it gives us an advantage today because the demand for clean energy is increasing rapidly", adds Alfred Freunschlag. This is a result of recent legal regulations which make renewable energy carriers attractive. However, EVN's customer service also plays an important role. EVN Wärme employs a staff of roughly 140 throughout Lower Austria and guarantees its customers reliable 24/7 service and support. Which means its customers can relax and enjoy cosy — and, above all, green — natural heat with a good conscience.

"FRESH WATER SUPPLIES FOR OUR CUSTOMERS - ONE OF OUR TOP PRIORITIES"

Only about 3% of the water resources in Austria are used directly by people. Nevertheless, the widespread provision of high-quality drinking water supplies represents a challenge. Water supplies are distributed unevenly throughout the region and must often be transported over great distances — and that requires an efficient infrastructure. In large parts of Lower Austria, this infrastructure is provided by EVN Wasser. Managing director Franz Dinhobl talks about current and future challenges for water supplies in Lower Austria.

Roughly 30 million cubic metres of water flow through the waterworks, storage facilities, filter plants and pipelines operated by EVN Wasser each year. That represents an average daily volume of approximately 82,000 cubic metres. "The distribution of these enormous volumes from the headwaters in the Danube lowlands throughout Lower Austria – up to the low precipitation regions in the Weinviertel and Waldviertel – is one of our main responsibilities", explains Franz Dinhobl. The company's high-performance pumps must bridge up to 500 vertical metres for this transport. "When people fill their pools on hot summer days and water their gardens and lawns, consumption can rise up to 170,000 cubic metres per day. And our infrastructure must also be equipped to deal with these types of peak periods."

Precisely for this purpose, EVN Wasser operates high-performance pumping plants and water pipelines as well as a dense network of water storage facilities. Water is pumped from the large wells in Krems, Tulln, Petronell-Carnuntum and Ebergassing into so-called elevated tanks. These underground concrete containers have a capacity of 1,000 to 10,000 cubic metres each and are located in the form of cascades throughout the entire province. The water is transferred by its inherent pressure from these reservoirs to the households. And that is exactly where consumption is rising, above all in the rapidly growing population centres around Vienna. Franz Dinhobl: "Not only the population but also prosperity has grown over the past decades. An increasing number of people now have their own gardens and private swimming pools. And that has been accompanied by a significant increase in water consumption, especially with higher consumption

peaks." The effects of global warming are an added factor: Longer dry periods and extreme weather events will also become more frequent in Lower Austria. EVN Wasser is reacting to this development with investments of roughly EUR 215m in the expansion and improvement of its infrastructure over the next 30 years: through the construction of circular pipelines, cross-regional transport pipelines, the enlargement of pipeline cross-sections, an increase in pump capacity and the construction of natural filter plants to improve the water quality.

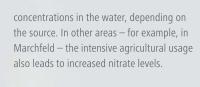
An example of one project currently in progress is the construction of a new connecting pipeline from Krems to Zwettl, which will provide long-term protection for water supplies to the Waldviertel and Weinviertel regions. The project has a total investment volume of approximately EUR 35m and includes elevated tanks, pumping plants and a 60 km main water pipeline with a cross-section of 400 to 500 mm. The ground-breaking ceremony took place in summer 2020, the first of three sections was completed by autumn 2021, and the commissioning of the entire project is planned for 2025. It will provide nearly 120,000 residents in the Waldviertel and Weinviertel with fresh water from the region surrounding Krems.

In addition to new pipeline construction, the improvement of the existing infrastructure is also high on the agenda for EVN Wasser — for example, through the location of leaks. "A separate team deals with the highly complex and technically demanding identification of leaky sections in pipelines based on a rolling control process and takes care of the necessary repairs", explains Franz Dinhobl. "The responsible use of the valuable resource drinking water is extremely important for us."

Another area that receives extensive attention from EVN Wasser is the water quality — which, in fact, varies widely by region.
According to the geological conditions underground, water dissolves elements like iron, manganese, calcium and magnesium.
These materials are found in different







EVN Wasser has been constructing so-called natural filter plants since 2014 to guarantee that the water quality will remain at the highest level in all regions of Lower Austria and to minimise the influence on the environment. These plants use modern technologies like reverse osmosis, ultrafiltration and active carbon filtering to remove magnesium and calcium as well as other trace substances from the water. That brings

advantages in a number of ways: EVN Wasser can supply water in top quality and generally ensure a reduction from 10 to 12° in the hardness. Chemical water treatment is, consequently, uncalled-for in households. EVN Wasser is currently operating four natural filter plants, and a fifth will be commissioned in Petronell-Carnuntum during January 2022.

In addition to the officially prescribed microbiological and chemical testing of drinking water, EVN Wasser carries out regular screenings based on up to 700 different parameters. Included here are tests for pesticides, pharmaceuticals and many other trace substances. "Our drinking water controls go much farther than legal regulations require", indicates Franz Dinhobl. "But at EVN Wasser, that's only natural. As a drinking water supplier, we are committed to taking every conceivable step to supply the population with healthy water."

Great demands are also placed on EVN Wasser in terms of security. Franz Dinhobl: "When we talk about supplying hundreds of thousands of people with drinking water, we are naturally speaking about a highly critical infrastructure." On call 24/7, complex anti-intrusion alarms, remote monitoring, automatic pump controls and cybersecurity are accompanied by regular water analyses to ensure completely safe water supplies.

The team at EVN Wasser consists, by the way, largely of certified water engineers. Continuing education and special training at the international level make certain that the company's know-how is always at the latest scientific and technological level. "With roughly 50 men and women, we have a very lean team. But we also benefit, of course, from synergies with the EVN Group."

Franz Dinhobl's comments make one thing clear: The widespread availability of clean and apparently unlimited water is not a matter of course. What is, however, a matter of course is EVN's commitment to sustainable and safe supplies of this most important good on earth for the population in Lower Austria.



viertel region. It is scheduled for commissioning in spring 2022 and will supply roughly 50,000 customers with drinking water in spring water quality and with an ideal hardness grade.

Cable TV and telecommunication services

Sufficiently dimensioned, high-quality networks and technical infrastructure also form the basis for the reliable flow of data. The high-performance network operated by kabelplus GmbH offers digital cable television in HD, and partially also in UHD, quality. The use of modern glass fibre technology also supports Internet usage with upload and download speeds in the Gigabit range.

Basic supplies for e-mobility

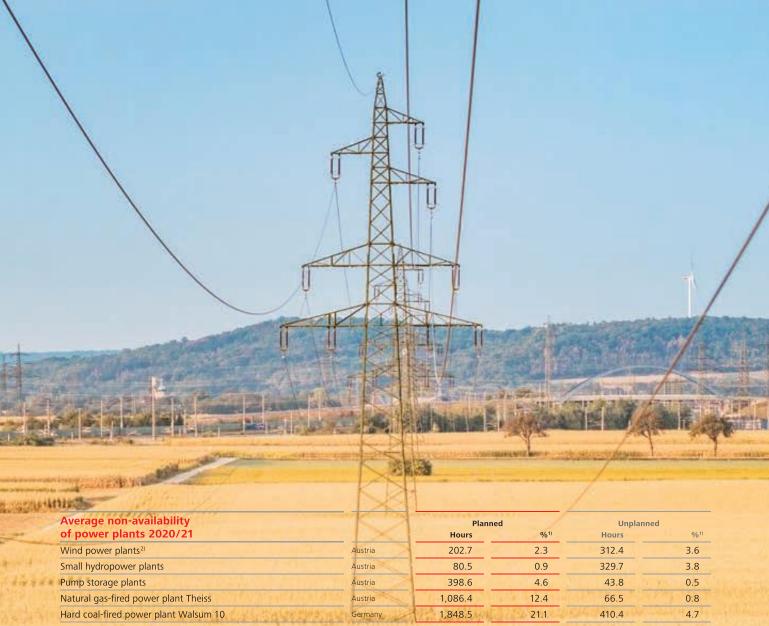
Electromobility is also expanding rapidly throughout Austria. We made an early and decisive contribution to the spread of this new mobility solution in our home market with the installation of an area-wide basic supply network of e-charging stations. We construct and operate charging stations and market electricity fuel cards that allow our customers to choose from over 7,000 loading stations throughout Austria based on joint roaming projects. Our "Autoladen 2.0" app also makes it easier for our customers to locate public charging stations. EVN's charging stations are included in the most frequently used registers of charging stations. In 2020/21, EVN was commissioned by the

eastern region transport federation with the construction and operation of high-performance bus charging stations in the Weinviertel during 2022.

Selected measures to support supply security

Highly efficient electricity networks

As a result of our ongoing investments to improve the network infrastructure, network losses in Lower Austria remain stable at roughly 4% – which is a very low level in international comparison. A direct comparison with our supply areas in Bulgaria and North Macedonia is hardly possible due to the different customer and network structures. The



- 1) Reference value: 8,760 operating hours per year (standard operational capacity)
- 2) Average value per wind turbine

EVN power generation capacities 30.09.2021		30.09.2020		30.09.2019		
	MW	%	MW	%	MW	%
Renewable energy	752	54.4	720	42.3	719	42.2
thereof hydropower ¹⁾	307	22.2	307	18.0	307	18.0
thereof wind power	394	28.5	367	21.5	367	21.5
thereof photovoltaics	12	0.9	7	0.4	6	0.3
thereof biomass	13	0.9	13	0.7	13	0.7
thereof other renewables ²⁾	26	1.9	26	1.5	26	1.5
Thermal energy	630	45.6	985	57.8	985	57.8
thereof natural gas ³⁾	583	42.2	583	34.2	583	34.2
thereof hard coal ⁴⁾	0	0.0	355	20.8	355	20.8
thereof energy hub Dürnrohr ⁵⁾	47	3.4	47	2.7	46	2.7
Total	1,382	100.0	1,706	100.0	1,704	100.0

- 1) Includes purchasing rights from the Danube hydropower plants in Melk, Greifenstein and Freudenau and from investments in the hydropower plants Nussdorf in Vienna and Ashta in Albania as well as in Verbund Innkraftwerke
- 2) Includes two sludge-fired combined heat and power plants in Moscow
- 3) Incl. the Theiss power plant (net output of 485 MW, 430 MW of which are held under contract as reserve capacity) as well as co-generation and combined heat and power plants in Austria and Bulgaria
- 4) The Walsum 10 hard coal-fired power plant is no longer included because the 49% investment was sold as of 30 September 2021
 5) Includes the steam co-generation from thermal waste utilisation in Zwentendorf/Durnrohr.



Political pressure and support for the transformation of the energy system

With the European Green Deal, the European Commission introduced a precise schedule at the end of December 2019 for the attainment of EU-wide climate neutrality by 2050. The measures to be implemented as part of this programme range from climate, environmental and biodiversity protection to mobility and industrial policy as well as requirements for agricultural, consumer protection and energy policies.

The central element of the Green Deal is the rapid transformation of the European energy system to a system with fully CO₂-neutral generation. That will require the massive expansion, above all, of wind power and photovoltaic capacity in the near term — not only in Austria. The large-scale use of these technologies, which has been further accelerated by the Renewable Energy Expansion Act that was passed in July 2021, will make the generation of the future significantly more decentralised than before — with far-reaching consequences for the transport and distribution of the generated energy, for the provision of the necessary reserve capacity and the overall optimisation of the system.

Energy companies protect supplies and drive change

Large energy suppliers and network operators like EVN naturally play an important role in this transformation but, at the same time, are faced with enormous challenges. The high volatility of renewable energies represents a burden for network stability, and electricity must be transported from countless smaller, decentralised generation plants and then distributed. Moreover, the trend towards e-mobility and smart homes as well as the increasing use of heat pumps for heating and hot water preparation have led to a noticeable change in consumption behaviour. Substantially higher peak loads at the "typical" charging times for electric vehicles and in colder periods create completely new demands on the management of generation and distribution. Quite apart from the fact that supplies must always be fully protected despite the fluctuating volumes from wind and solar power.

Massive investments in infrastructure ...

All this would not be possible without extensive investments. EVN invests more than EUR 100m year for year in the expansion and adaptation of the Lower Austrian electricity network alone to ensure that the increasing volumes of green electricity reliably find their way to consumers and to make electricity available in sufficient volumes and quality whenever it is needed. Nearly one-third of these investments are directed to the local networks, where not only stronger power lines but twice as many substations are needed to handle the changes in consumption behaviour. The high-voltage network must also be expanded — including the power lines as well as peripheral equipment, e.g. transformer stations, substations, IT etc.

... and the expansion of EVN's renewable generation capacity

EVN's investments also cover its own electricity generation from wind and solar energy as well as heat generation from renewable biomass. Our wind parks currently have a generation capacity of almost 400 MW, most of which is located in Lower Austria, and the trend is increasing. Plans call for the expansion of capacity to a total of 750 MW by 2030 through projects in Lower Austria and Bulgaria. Expansion plans have also been prepared for the photovoltaic business, whereby projects in Lower Austria, North Macedonia and Bulgaria are expected to add 300 MW to our photovoltaic capacity by 2030. Our flagship project is a large-scale photovoltaic plant with a capacity of 20 MW on the grounds of the former coal storage area at the decommissioned Dürnrohr power plant.

For information on biomass, also see page 45

Innovation and new solutions

The fundamental transformation of the energy system requires completely new concepts and technical approaches in many areas. EVN is also working intensively on their development and making an important contribution to the energy

transformation — in part independently, and in part in cooperation with other companies, universities and/or research institutions.

An essential issue here, for example, is the storage of electricity. This is becoming increasingly critical due to the volatility of wind and solar electricity because supply and demand frequently differ. What is needed, however, is not only short-term day-night balancing, but also long-term seasonal balancing between summer and winter. EVN is involved in major research and pilot projects on this subject – for example, the underground storage of green electricity in the form of so-called "green" hydrogen, which is generated with the help of surplus wind or solar electricity through the electrolysis of water and can be reused for electricity production as needed.

Another focal point involves the development of innovative decentralised generation and usage concepts together with corresponding services. EVN develops these types of solutions for so-called energy communities, which are created for the efficient regional use of decentrally generated electricity and provide relief for the cross-regional networks. A further example is joulie, a completely new package which was introduced to the market during the 2017/18 financial year: As the core of EVN's intelligent, digitally supported individual energy solutions, joulie makes it very easy for private households to construct and operate photovoltaic equipment, heat pumps and e-charging stations – because the equipment can be configured and ordered online with a simple mouse click.

All these concepts and initiatives support a single goal: to make energy supplies sustainable and to leave behind a planet that coming generations will also find liveable in the distant future. Because this future has already begun.



EVN 100 60 YEARS OF DISTRICT HEATING

Long before district heating was a viable option, EVN's predecessor company NIOGAS commissioned a district heating plant (at that time, fired by oil and gas) in Mödling during 1961. In the newly built Südstadt with its nearly 2,000 apartments and roughly 5,000 residents, there was not a single chimney – and that at a time when most households were still heating with solid fuels. The Mödling district heating plant initially serviced the Südstadt, EVN headquarters and the Mödling hospital, but the network was gradually expanded to reach Baden several years ago. Today, it is the largest biomass district heating network in Austria. In addition to the original district heating plant, the network is now fed by seven plants, three of which operate with biomass. A total of 30.000 households benefits from this network — as does the environment in the region south of Vienna.

indicators in these two Southeastern European markets are higher, and our investment programmes there are focused on the further reduction of network losses and the continuous improvement of efficiency. We have successfully reduced our network losses in Bulgaria from approximately 20% at the time of our market entry in 2004/05 to a recent level of 6.7% and from approximately 25% in 2005/06 to 13.9% in North Macedonia.

△ GRI indicator: GRI EU12

Electricity disruptions far below the sector average

The reliability of our electricity supplies is also confirmed by externally calculated indicators. The mean supply interruption¹⁾ – calculated according

to the System Average Interruption Frequency Index (SAIFI) – equalled 1.16 in the 2020 calendar year (previous year: 0.90). This SAIFI value means an EVN customer experienced on average one unplanned power interruption during 2020. The average annualised duration of unplanned power interruptions¹⁾, as calculated according to the System Average Interruption Duration Index (SAIDI), equalled 25.14 minutes in 2020 (previous year: 20.10 minutes) and was again clearly below the Austrian average²⁾ of 38.07 minutes (previous year: 36.79 minutes). Information is not provided on the SAIDI and SAIFI at EVN's locations in Bulgaria and North Macedonia because a clear database is not available for the necessary calculations.

- 1) Source: Netz Niederösterreich GmbH, breakdown and disruption statistics for 2019 and 2020
- Source: Energie-Control Austria, breakdown and disruption statistics for 2019 and 2020

△ GRI indicators: GRI EU28, GRI EU29

High availability of our power plants

The table on page 49 shows the scheduled and unscheduled periods in 2020/21 when our operational thermal power plants and wind parks were not available. The Theiss gas-fired power plant, which has a net capacity of 485 MW, held 430 MW under contract as reserve capacity for the Austrian transmission network operator to support network stability. For the 2021/22 financial year, reserve capacity was contracted at a level of 470 MW.

△ GRI indicator: GRI EU30



Cybersecurity

Digitalisation has also led to wide-ranging changes for energy supplies. The trend is currently shifting from pure energy delivery to complex energy management with intelligent networks and meters as well as the individual optimisation of consumption and individual tariff models. The professional management of these significantly more complex energy systems with their many smaller components brings many new

possibilities and advantages but the growing interconnectedness also increases the risk of disruptions and cyberattacks. Information and cybersecurity therefore represent a central part of every project at EVN.

We give top priority, in particular, to the security of our networks and information systems in order to meet our commitment to supply security through the uninterrupted availability of all systems. A protection requirements analysis forms the basis for the

identification of technical and organisational safety measures. EVN's chief information security officer is responsible for the operation and ongoing improvement of our Group-wide information security management system and is supported by local security officers in the individual companies. Our employees also receive regular information and training on current issues via internal communication channels.

We create space for customer dialogue and innovation



Our customers' concerns are our top priority. EVN's commitment begins with the claim to always have an efficiently functioning and optimally dimensioned infrastructure. It represents the basic requirement for realising our overriding goal - to always provide our customers with reliable supplies of energy products and services, high-quality drinking water and cable TV and telecommunication services. Our work in this area is also accompanied by wide-ranging and very popular service, advising and dialogue offers. EVN's goal for all these activities: maximum customer closeness. And when we look to the future. customer benefits will remain a focal point of our work. That explains the close links and particularly close interaction of the two areas of activity "customer orientation" and "innovation and digitalisation" at EVN.



Focus on customer satisfaction

Top professionalism and maximum customer closeness define our services and advising. Extensive know-how is required here because the range of our products and services is just as varied as our customers' concerns. These communications involve basic issues such as the registration and cancellation of services, assistance with tariffs or questions on invoices – as well as special requests for energy advising or in connection with energy efficient products and energy services.

☐ For information on energy efficiency services and products, also see page 91

Our foremost goal is to provide all our customers with the best possible, individual support. Intensive personal contact plays an important role in steadily increasing the satisfaction with our products and services. For our customers in Austria, Bulgaria, North Macedonia and Croatia, we have created 24/7 analogue and digital communication channels for all types of questions and concerns:

- → Personal customer advising (e.g. 19 EVN Service Centres in Lower Austria, trade fairs with direct customer contact)
- → A service telephone with individual numbers for specific topics and concerns
- → Digital communications options (e.g. e-mail, chat, online functions, video advising)

Starting in spring 2022, EVN's customer portal will be upgraded to include new functions that allow customers to deal with their concerns intuitively, quickly and easily directly online. New connections to the electricity network can already be ordered over this platform, which means no more paperwork.

Emergency services 24/7

Particularly high commitment is expected from our emergency service employees. Immediate action is required to quickly restore supplies of essential goods and services to the involved households, also when a disruption or technical breakdown occurs outside normal business hours. Our emergency call centre is, therefore, on duty 24/7.

Continuous improvement in service quality

We define customer satisfaction, on the one hand, through products and services that meet individual needs and are transparently invoiced. On the other hand, customer satisfaction is also a result of high service quality, target group-oriented communications and assistance for our customers on issues involving the efficient use of energy. In these key areas, our goal is to create and maintain a fair and highly professional partnership with our customers in all our markets. Service is an area where we want to distinguish ourselves from the competition through stronger commitment and, in this way, better meet our customers' needs and become even more successful.

Customer Relations Strategy 2025

The staff in the customer relations department, which is responsible for our customer service, developed a new mission statement in March 2021 which is entitled "CR Strategy 2025". It defines the central goals for our customer service activities, which include a focus

on the sustainable optimisation of our end customer processes. The mission statement also clearly explains that fast, competent and friendly customer contacts play a decisive role in improving customer satisfaction and loyalty. Customer loyalty, in turn, is the bridge to EVN's corporate success and is supported by our customer service with its economic, innovative and future-oriented approach.

Wide-ranging optimisation measures

Examples of our efforts in this area include the prompt processing of inquiries and the regular analysis through sampling of e-mail responses to optimise the quality of our advising. As a source of inspiration, we also draw on best practice examples and innovative approaches from other economic sectors – such as telecommunication and banking – and adapt them to optimally meet our objectives.

Active complaint management is also one of our top priorities. We document and evaluate all reports from unsatisfied customers and analyse them monthly to develop specific measures for improvement. This structured quality assurance cycle makes an important contribution to improving the quality of our services. In Bulgaria and North Macedonia, for example, we substantially accelerated the processing of complaints during 2020/21 through specially designed measures.

ñ

MAKING A VIRTUE OUT OF NECESSITY: CUSTOMER ADVISING VIA THE INTERNET

The measures implemented to combat the corona pandemic made personal customer contacts extremely difficult. We turned this problem into an advantage and have developed a completely new concept for digital and, at the same time, very personal customer advising.

A small TV studio with state-of-the-art equipment forms the setting for digital advising sessions which, since sum-

mer 2021, can be easily booked over the EVN and kabelplus websites. Customers can contact our service staff in the studio via PC, tablet or smartphone — either spontaneously or at an agreed appointment date. Specific questions can be answered in detail, for example on our innovative photovoltaic package joulie or the Magic TV product offered by kabelplus, which allows customers to view programmes on demand within

seven days. The dialogue can be supported by multi-medial content which is overlayed as needed.

Our virtual advising is currently operated as a pilot project, and additional subjects for video consulting are currently in preparation. This concept creates clear added value for our customers, and we are convinced that the demand for this type of offer will increase in the future.







To further improve our performance at the interfaces with our customers, we organise events every two years to give our customer service staffs from Austria, Bulgaria and North Macedonia an opportunity to share their experiences. These events create a platform for the discussion of specific content and requirements, which then form the basis for the development of Groupwide measures.

These quality assurance measures are reinforced by our high priority on focused modules and training programmes for the customer relations team. Similar to our training programmes in other areas, we are increasingly relying on digital e-learning formats in this area. Our customer service employees test their knowledge monthly via e-learning. A concentrated, three-month training cycle for new

customer relations employees combines intensive training with practical experience.

Sustained high customer satisfaction

We commission regular independent, external surveys to proactively analyse and evaluate the quality of our cus-



CUSTOMER ADVISORY BOARD 4.0 - CUSTOMER CLOSENESS IS AND REMAINS OUR TOP PRIORITY

One of the most important factors for our company's success is the exact knowledge of our customers' needs and concerns. In order to strengthen our awareness and ensure timely reaction to market requirements and trends, we established the EVN Customer Advisory Board in 2011. EVN plans to move this system of regular customer inclusion in strategic decisions forward to a completely new level in 2021/22 with the support of digital possibilities. The EVN Customer Advisory Board has been responsible for numerous suggestions and impulses over the past decade, including recommendations to improve our services and communication measures for the introduction of new products. The board consists of 24 members from different customer groups who are elected every two years. In regular workshops, they discuss changes in customer expectations, market trends, new products and other strategic issues with internal experts.

In order to increase the efficiency of this essential interaction with our customers, we are currently developing a customer advisory board with a digital platform that will replace the proven, successful concept

beginning in 2021/22. This new digital platform will rely on the possibilities created by the digital world, not only for products and services but also in contacts with the various customer groups and targeted queries to identify their specific needs and concerns. In contrast to the EVN Customer Advisory Board, the composition of the dialogue groups will be completely flexible in the future. Our customer database will select persons from exactly those customer segments applicable to the use case, meaning the concrete project at hand. These persons will be asked for their input and feedback to ensure the maximum usability and efficiency of our new offers. The customer pool for the new digital platform is expected to include several hundred persons on final completion.

This type of extensive database of interested customers will naturally represent an enormous expansion for our feedback opportunities. On the one hand, the digital platform will allow us to hold in-depth personal discussions – similar to the meetings of the EVN Customer Advisory Board. On the other hand, we will be flexible in terms of the time required to collect

evaluations of our products and services, e.g. via e-mail or SMS, from a large group of test customers. We will then be able, above all, to efficiently test our offers in the development phase and optimise them before market launch.

Another focal point of the digital platform is the use of digital tools to optimise products and services. For example, EVN used so-called eye tracking in programming the new joulie smartphone app. This technology measures the areas of the screen which receive the most user attention. It helps to improve the positioning and design of buttons, text and other objects. In order to ensure optimal results in the development of new digital services like smartphone or web apps, EVN tests the functions, design and user-friendliness of every new application with selected customers based on mock-ups. We are also increasingly relying on digital solutions, such as customer feedback management tools, for our market and motive research.

EVN expects the activities of the new customer advisory board will result in significantly more precise conclusions concerning the quality of its products and the needs of its customers because customer closeness has top priority also in the digital world.

tomer service and the satisfaction of customers in our three core markets. The survey data and analyses combined with long-term trends show the development of customer satisfaction and help us to analyse relevant business transactions. The results provide valuable information on opportunities for improvement and, in a next step, are

evaluated by the involved departments. This information is used to define concrete approaches for improvement measures.

In Austria, we also evaluate our customers' satisfaction with various aspects of their business relations with EVN based on a customer loyalty index which was specially designed to meet our requirements. The underlying indicators support the monthly monitoring and measurement of customer loyalty, while the index allows us to swiftly identify and react to changes in customer behaviour. On a very positive note, the index value has remained stable at a high level in recent years.



of our business model is always based on an integrated approach to the following areas of activity: innovation and digitalisation, supply security, customer orientation and climate and environmental protection. To be more specific, innovation and digitalisation projects must always meet the following criteria: They must create something new that brings benefits for our customers and contributes to sustainability.

In line with this integrated approach and to give our claim the necessary weight, the staff department responsible for the content and coordination of innovation and digitalisation projects reports directly to the Executive Board. The Executive Board and management meet several times each year at all-day innovation conferences to develop concrete measures and to assign and monitor the progress on specific task packages. The environment and climate

as well as their implications for strategic measures are also a regular part of the agenda for these management conferences. The involvement of EVN's top management levels helps to ensure the successful implementation of these diverse innovation plans within the framework of flexible, cross-functional project structures. In addition to the interdepartmental teamwork between experts from various specialist areas and disciplines, cooperation with exter-



communities), on e-mobility including the necessary charging systems, and on supply security (for example, battery storage or the conversion of wind and solar energy into hydrogen). RAG Austria AG is currently working on a project for the storage of hydrogen: "Underground Sun Storage 2030". The two preceding projects "Underground Sun Storage" and "Underground Sun Conversion" successfully demonstrated that gas with a hydrogen component of up to 20% could be deposited in former natural gas storage facilities. Laboratory trials even indicated a possible increase in the hydrogen component to 100%. "Underground Sun Storage 2030" now plans to test this theory in real volumes. A successful outcome could make hydrogen a storage medium for electricity from wind and solar energy in the future.

We also place high priority on digital applications that bring greater comfort for customers and greater efficiency for our customer service. Examples include the options for placing digital orders or ordering network connections or inspection reports for natural gas equipment online.

Green Energy Lab

Our participation in the Green Energy Lab, Austria's largest innovation project for green energy to date, is particularly important for us, not only from a strategic standpoint. It has resulted in numerous highly interesting crosssector projects for a green energy future. More than 200 participating partners from research, science and the public sector – together with four energy supply companies, including EVN – are developing customer- and demand-oriented scalable solutions from the prototype up to market maturity in the Green Energy Lab. These solutions can then be tested by the energy companies' five million customers. The Green Energy Lab has a budget of EUR 150m until 2025. The following double page shows examples of three Green Energy Lab projects that were implemented by EVN.

CAR2FLEX: ENERGY STORAGE IN THE GARAGE

Electrical autos can make a greater contribution to the energy transformation than the prevention of CO₂ emissions alone. The requirements are intelligent technologies and new mobility concepts that will help to integrate the rising number of electric vehicles in our energy system. Together with the Vienna University of Technology and other partners, EVN is working on these concepts as part of the "car2flex" project.

car2flex develops solutions that enable electric car batteries to be used as (intermediate) storage for electricity produced by photovoltaic equipment. These solutions use so-called bidirectional direct current charging points. The advantage: Electricity from the photovoltaic equipment on the rooftop of a house can be used as charging current for an electric car without conversion into alternating current. The charging point can, in reverse, also draw electricity from the car's storage battery and feed it into the electricity network. The system is optimally managed by specifically developed logarithms which can help to reduce network peaks. car2flex is part of the Green Energy Lab and directs its solutions to private photovoltaic equipment operators as well as fleet operators and car-sharing providers.

nal research and scientific partners, e.g. from the academic sector, has proven to be a success factor for many projects.

The focal points of EVN's innovation work include projects to increase customer benefits (one important result here was the development of joulie, the digital photovoltaic package) as well as projects on the energy system of the future (for example, local energy

Expenditures for innovation, research and development projects

In 2020/21, EVN spent a total of EUR 1.4 m (of which 17.7% was financed through public subsidies) on innovation, research and development projects.

☐ Also see page 149

Green Energy Lab This is a selection of research and development projects that are implemented to SUN which are decigned to support the

by EVN which are designed to support the transition to a secure, emission-free energy future.

NETSE

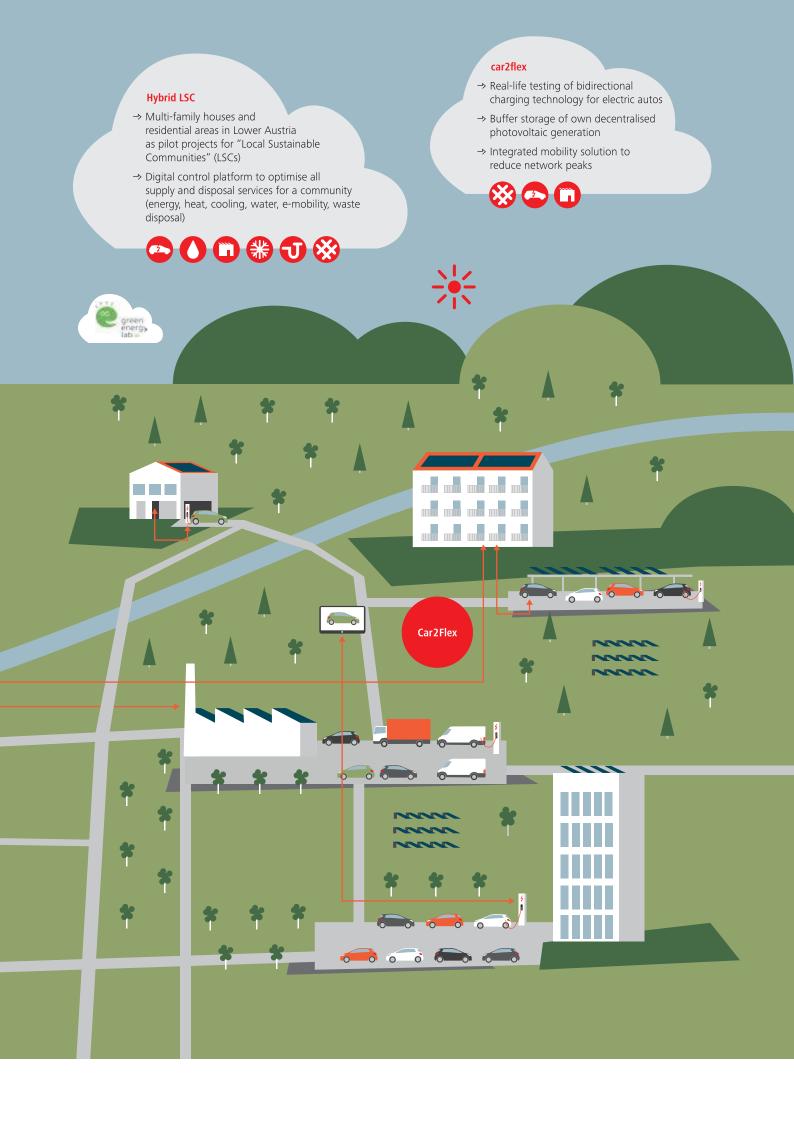
- → (Further) development of platforms for the easy and efficient operation of energy communities
- → Regional electricity supplies from energy communities require hardware and software interfaces between the decentral producers, consumers, network operator and energy market (for the management of peak periods)













In addition to meeting our customers' requirements for energy, water and cable TV and telecommunication services, our activities also give high priority to other legitimate interests. Included here, above all, are product labelling, safety and health and data protection – and we have implemented various measures to meet these concerns.

Transparent product labelling

In accordance with legal electricity labelling requirements, we disclose all information on the electricity delivered to our customers in Austria. This information includes the geographical origin, composition by primary energy carriers and the environmental impact of its generation. Our product portfolio is based on the following principles within this legal framework:

- → A long-standing commitment to 0% nuclear-generated electricity
- → Proof that 100% of the electricity originates entirely from Austrian sources
- → An offering of tariffs for every customer segment (household, commercial, industrial and municipalities) in two forms: electricity from 100% renewable sources and a hybrid alternative that includes a maximum component of electricity

- from renewable sources as well as electricity from conventional generation
- → Options to select fixed or variable energy prices as the basis for the tariff

Compliance with these principles is verified each year by an independent auditor. In addition to this review of electricity labelling, our product offering is also evaluated and certified by $T\ddot{U}V$ Austria. This certification confirms completely CO_2 -free generation for all our electricity deliveries from 100% renewable sources in Austria; 36% of the electricity delivered by EVN KG to its end customers is completely CO_2 -free.

Electricity from renewable sources has also become the larger component of hybrid alternatives. The renewable share of electricity labelling by EVN KG equalled 95.3% in the 2020 calendar



state-owned electricity company ELEM and, consequently, also has no influence over the composition of the delivered electricity. Neither Bulgaria nor North Macedonia requires electricity labelling.

- ☐ For information on energy procurement, also see page 38
- O Also see www.evn.at/Herkunft (available in German only)
- △ GRI indicator: GRI 417-1

Customer health and safety

We minimise the potential negative effects from our products on the health and safety of our customers through careful, responsible actions along our entire value chain. The protection of our customers has top priority, above all in energy supplies and network operations. Ongoing controls are designed to avoid interruptions and, moreover, prevent any danger to our customers.

The prerequisite for safe supplies of electricity lies in compliance with high safety standards for customers' network connections, including the careful installation of the prescribed safety equipment. In our daily operations, measures to prevent defects protect the availability of energy supplies and prevent potential hazards in the event of technical malfunctions. Potential dangers are always increased when customers or external persons work near our power lines and equipment. We have therefore implemented special protection concepts and safety standards to deal with these situations.

The inspections of gas pipelines are an important focal point of our activities and are carried out by our specialists in accordance with legal requirements and at pre-defined intervals. In addition to the inspection of the pipelines with highly sensitive equipment, the pressure in the natural gas network is monitored constantly. At the same time, the pipeline routes are screened for possible changes, e.g. from tree roots. We

also regularly have natural gas tracking teams in the field which control the local pipelines with special measurement equipment and probes for the early localisation of any leaky spots. In addition to all these measures for the regular inspection of the pipelines, the Natural Gas Safety Act requires the examination of all natural gas equipment (natural gas safety check) at least every twelve years.

In addition to these specific protective measures for electricity and natural gas network operations, EVN's quality management plays a central role by defining the highest standards for all relevant product-related activities and processes. Ongoing quality assurance as part of our overall responsibility ensures that our products and services meet all applicable requirements for the health, satisfaction and safety of our customers. These requirements are deeply anchored in EVN's value hierarchy. Examples of our quality management initiatives include the (further) development of the product portfolio, innovation, research and development activities as well as all processes for the certification, manufacture, production, distribution, marketing, sales promotion, use, maintenance, disposal and recycling of our products.

△ GRI indicators: GRI 102-11, GRI 416-1

year. The very low thermal component consists of electricity generation from natural gas (2.3%) and from thermal waste utilisation (2.4%). For the first time. EVN KG customers who decided in favour of an electricity product from hybrid energy carriers received no electricity generated from hard coal in the 2020 calendar year. CO₂ emissions from the supply mix therefore fell to 23.34 g/kWh (previous year: 39.01 g/kWh).

In Bulgaria, electricity for the regulated market segments must be purchased from the state-owned energy supplier NEK. This company does not label its products, and no other options are available. Our Bulgarian sales company therefore has no influence over the electricity mix. A similar rule applies in North Macedonia: Our distribution company is legally required to purchase the electricity for customers in the regulated market segments from the

Strategies to combat energy poverty

EVN's values also include a commitment to social responsibility. This is reflected, among others, in our work to combat energy poverty. In this area we cooperate primarily with social aid organisations on projects that provide targeted support for low-income households. These projects concentrate on measures to reduce energy consumption and the realisation of cost-cutting opportunities that often lead to significant savings. We have had very good experience with programmes based on the "train the trainer" principle, which prepare social counsellors to conduct advising discussions (e.g. on subjects such as energy savings, potential subsidies for heating costs etc.), and we also accompany the counsellors in their work with people threatened by poverty.

We are in regular contact with the Lower Austrian debt counselling service and the Caritas social service organisation. These communication channels facilitate the coordination of individual measures for socially disadvantaged customers. The measures include, for example, individual agreements for payment deferrals or instalment payments. In exceptional cases, we are particularly accomodating to our customers' problems. Our help during the 2020/21 financial year was directed primarily to persons who had lost their income due to the Covid-19 pandemic.

△ GRI indicator: GRI 203-2

Data protection

The professional protection and non-disclosure of personal data and business information have always represented central behavioural norms for our company and, consequently are included as a separate section in

the EVN Code of Conduct. The high importance of this subject is also reflected in our corporate organisation: Data protection is anchored in the corporate compliance management staff department, which reports directly to the Executive Board. In addition, we have installed a local data protection officer in each of our markets.

Our data protection management system ensures that the EVN Group has implemented and met all requirements of the EU General Data Protection Regulation (GDPR) which took effect in May 2018 as well as the requirements of the Austrian Data Protection Act which was enacted in 2018.

Standardised data protection processes have been implemented to allow for the timely and efficient evaluation and handling of data privacy requests and/ or the deletion of information. All complaints involving the failure to protect personal data – whether they come from the Data Protection Authority or an involved person – are recorded and processed quickly to allow for the fast implementation of any necessary corrective measures.

In 2020/21, we received a request from the Data Protection Authority to comment on a complaint. We, of course, met this request within the specified period. The Data Protection Authority followed our argumentation and rejected the complaint as unjustified. Seven other cases from the previous financial year were also terminated by the authority during the reporting period. No incidents involving the possible loss of customer data were identified in 2020/21.

A separate e-mail address is available for direct contact with EVN's data protection officer: datenschutz@evn.at

△ GRI indicator: GRI 418-1



CORONA PROTECTIVE MEASURES FOR CUSTOMERS

The Covid-19 pandemic created a range of new challenges for our customer service which were optimally mastered due to the strong commitment of our employees. Our customer service and emergency service staff were available at all times, even during the most critical phases of the pandemic. A central concern, naturally, was protecting the health of our customers and employees. We therefore extended the protective measures for EVN's employees with customer contacts (e.g. plexiglass panels in our Service Centres, use of FFP2 masks, regular testing) with stricter implementation and for a longer period than legally required.

☐ For information on corona-related measures to protect employees, see page 70f



We stand together for clear values

We are closely bonded with the people who work with us every day to make EVN successful. This mindset is expressed in attractive working conditions, high respect, full equal opportunity and a wide range of possibilities and offerings for the development of our employees. At EVN, we see ourselves not only as a responsible and fair employer – we also want to create room for personal growth.



Katrin Schretzmayer, team head decentralised energy solutions Anna Schrammel, apprentice Wolfgang Maier, head of HR



The EVN working world

Influence of the Covid-19 pandemic

Our daily work routine during the 2020/21 financial year was again influenced by the Covid-19 pandemic, which also had a lasting influence on our collaborative work. Previously prepared emergency plans, in particular the "Pandemic Prevention", allowed EVN to quickly develop an extensive package of corona measures with two primary goals: the protection of vital – also classified as "critical" by the authorities –

infrastructure and supplies for the population and economy, and maximum protection for our employees. An unlimited home office option was quickly and unbureaucratically implemented for all employees whose work is not necessarily connected with their usual workplace. Nearly 1,500 men and women, representing more than 60% of all employees in Austria, took advantage of this opportunity. Strict safety instructions were issued for the men and women whose jobs required actual

presence in the workplace, including the minimisation of social contacts, location changes, personal protective equipment and preparations for quarantine measures. The Covid-19 crisis staff met twice weekly to discuss additional measures, which were accompanied by ongoing information and instructions on behavioural and hygiene rules via the Intranet and e-mail. Our employees were therefore able to continue regular operations without interruption and carry on with their work for important construction projects like transformer stations and natural gas supplies.



Increasing digitalisation

Last but not least, the Covid-19 pandemic has also permanently influenced and accelerated the transformation of our working culture towards digitalisation. The use of digital tools is changing our daily life and the design of our workplaces, our understanding of work and, above all, our cooperation with each other. The EVN Working World, a project started before the pandemic, is designed to create an optimal and highly flexible working environment for our employees. The opening of additional office areas, numerous technical improvements and the introduction of new technologies and digital equipment have notably improved internal information and communication flows. Follow-up work on this project has already started. It should make cooperation even more active and expand our digital expertise in the future in line with the motto for our Strategy 2030 "More sustainable. More digital. More efficient." Concepts for flexible working time models, mobile work and space usage as well as their influence on existing management models are in preparation; they will be tested jointly and adjusted, where necessary, based on feedback loops.



VACCINATION CAMPAIGN AT EVN

When the first reliable information appeared at the end of 2020 that vaccines against the Covid-19 virus would be approved at the beginning of 2021, our goal was clear: EVN would do everything in its power to make these vaccines available to the largest number of employees as quickly and safely as possible. The registration of a separate company vaccination centre formed the basis for ordering the medication from Austria's government procurement agency. We carried out an internal survey in January 2021 to evaluate the interest of our employees in this campaign, and over 75% of the responses were positive. The first vaccinations took place in mid-May, and motivation remained high up through the second dose. The campaign was accompanied by strict safety measures as well as detailed information from our company physicians. Support was provided by nearly 50 employees - including colleagues from the company fire brigade and power plants as well as volunteers who managed access controls, registration and other tasks. A total of 3,300 vaccinations were made possible through the EVN vaccination campaign. The shared commitment of everybody involved made EVN's vaccination campaign a full success.

The pandemic was also responsible for the postponement of many training and continuing education programmes or their conversion on short notice to virtual formats. With the implementation of an IT-based learning and seminar coordination platform (ELI – EVN Learning Interface) by the end of 2021, we are also increasing the focus on virtual presence in this area. It will enable, among others, more transparent and

consistent information and data collection – e.g. with visualised training plans and a training history – as well as simplified administration processes for external and internal seminars. The combination of digital and presencebased learning formats will set the stage for so-called blended learning. ELI will replace and standardise the analogue documentation of events in the form of participant lists, confirmations and evidence.



NEW HEADQUARTERS IN SKOPJE



The new corporate headquarters in North Macedonia opened for business operations during the past financial year, and the roughly 500 men and women who work for EVN Macedonia in the headquarters in Skopje are now connected in a single building. Their offices were previously situated throughout the city, a situation that led to high

maintenance and refurbishing costs. This convenient location — on the shores of the Vardar River and only a short walk from the city centre — can be easily and quickly reached by all employees. A total of 6,000 sqm on five floors with modern equipped offices in an open space-concept significantly reduces communication paths and creates greater transparency between employees and managers. Different sized rooms with state-of-the-art telecommunications equipment are available for meetings and teamwork, and employees can also take advantage of a cafeteria, underground garage and electro-scooters for short business errands.





Principles and models for our cooperation

National laws and international guidelines such as the Universal Declaration of Human Rights well as the basic values described in the Code of Conduct form the fundamental principles for EVN's corporate culture in dealing with our employees. A set of binding documents defines and substantiates the principles and mission statements that govern our daily interaction. These same high standards apply in all countries where we are active. Our activities in this area led to the definition of three key values – ensure, encourage and enable – for the EVN Group several years ago.

We have also integrated these values in key documents that describe our corporate and management culture, e. g. the managerial mission statement and the feedback and orientation sessions which are held regularly with more than 90% of our employees in Austria. These discussions provide an evaluation by the employee's supervisor and also allow for structured reciprocal feedback on work performance and quality plus the definition of goals for the employee as part of individual career planning.

We motivate our employees not only by meeting our legal obligations as an employer, but also by providing numerous additional voluntary benefits. The following fundamental principles define our corporate culture:

- → Equal treatment and equal opportunity
- → Work-life balance
- → Human resources development and advancement
- → Occupational safety and accident prevention
- → Corporate health care
- → Corporate social partnership and internal communication
- → Additional company benefits

△ GRI indicators: GRI 102-16, GRI 404-3



Equal treatment and equal opportunity

The EVN Group had an average of 7,126 employees (FTE, full time equivalent) in 2020/21. The workforce totalled 7,453 as of 30 September 2021 (headcount).

As of 30 September 2021, our workforce consisted of 23.0% women and 77.0% men. In order to increase the percentage of women in the EVN Group and to facilitate career planning – above all for highly qualified women various programmes and initiatives have been in operation in Austria, Bulgaria and North Macedonia for many years. Their objective is to increase the percentage of women over the medium term to a level that mirrors the current educational levels in the applicable professional groups. The Women@EVN programme includes, among others, the opportunity to attend requirements-oriented seminars and develop internal networks. A mentoring programme is designed to support women in their management positions and thereby create the basis for increasing the number of female managers. The annual "Girls Day" in Bulgaria and North Macedonia provides a platform for raising the awareness among girls by presenting technical job profiles.

Our company's international market presence is also reflected in our workforce: It includes people from different nations, cultures and generations who come from more than 25 countries, above all from Austria, Bulgaria and North Macedonia. We are firmly committed to the hiring and advancement of regional employees because this improves our understanding of the special characteristics of the local culture and increases the economic benefits of our business activities. We therefore make sure that in all our markets most employees and managers come from the respective countries (approximately 90%). In particular, the strengthening of local management capacity represents an important aspect of our corporate strategy.

Our workforce includes 180 wage employees (45 in Austria and 135 in other countries) and 7,273 salaried employees (2,679 in Austria and 561 in other countries). No differentiation is made between wage and salaried employees in Bulgaria (2,332 salaried employees) or North Macedonia (1,881 salaried employees).

In addition to our own staff, 127 leased employees, representing 1.7% of our total workforce, also worked for the EVN Group as of 30 September 2021. We use personnel leasing for several

reasons: first, as a preliminary step to a conventional employment relationship (integration leasing); second, for tasks and projects covering a limited time period; and third, to handle peak work.

In keeping with our commitment to equal treatment and opportunity, we also support the integration of people with special needs. We employed 118 persons with special needs in 2020/21, representing 1.6% of the total workforce.

In agreement with the Universal Declaration of Human Rights, the principles of the UN Global Compact and the guidelines of the International Labour Organisation, all EVN employees are treated equally regardless of their nationality or ethnic background, gender, sexual orientation, culture and religion, age or state of health. We also expressly reject any form of discrimination in hiring, training, career development, working conditions and compensation for employees with the same professional and personal qualifications. Our employees' compensation is based solely on the applicable collective bargaining agreement or the specific responsibilities and qualifications. At EVN, there is no difference in the compensation paid to women and men who have the same education and perform the same activities. The remuneration of leased employees is based on the salary or wage defined by collective bargaining agreements or legal regulations for our employees in comparable positions. In 2020/21, the ratio of the highest salary and average salary¹⁾ at EVN in Austria equalled approximately 7.9:1.



- ☐ For information on diversity and the diversity concept for the Supervisory Board and Executive Board, see the corporate governance report on page 134
- △ GRI indicators: GRI 102-8, GRI-102-38, GRI 202-1, GRI 202-2, GRI 401-1, GRI 405-1, GRI 412-1





ensure We ensure quality and corporate success.

We are committed to continuity and safety. Our employees are hardworking, competent, reliable and quality conscious.

Through their individual contributions, each of our employees ensures that we can implement our strategy and provide energy and environmental services to our customers in the best possible way.

This position ensures the healthy growth of the EVN Group.



encourage We encourage people.

The way we think and act encourages people.

A good atmosphere and a positive working climate are just as important for our corporate success as for our employees' development.

We are the right company for people who love to learn and who – where necessary – also offer constructive criticism.



enable We enable the future.

We not only talk, we also enable.

We always choose the correct and solution-oriented way.

Whatever we do, our focus is always on the environment, as it is the source of the energy we generate.

We are committed to sustainability in all areas.







APPRENTICES @ EVN

EVN has trained apprentices since 1949. Apprenticeship therefore has a long tradition and enjoys high priority in our company. The three and a half year training programme includes theoretical as well as practical content. An apprenticeship representative and a coach serve as contact partners and are always available to provide advice and assistance. The apprenticeship at EVN is supplemented by internal courses and seminars, which include a basic course in metals, pole climbing instructions and working with chainsaws. In this way, our technical

trainees receive the best possible preparation for their future careers.

Apprenticeship training is continually confronted with new challenges and responsibilities, not least due to the rapid spread of digitalisation. The use of digital technologies can make work, production and business processes more flexible and efficient. New technical solutions also drive the modernisation of existing and the development of new products, services and business models. EVN is reacting to these trends and integrating new content into its

apprenticeship training programmes to optimally prepare these young men and women for changing and new aspects in their professional life. An e-learning module for mathematics and a seminar on network engineering and telecommunications for apprentices in their final year were introduced in 2019. This latter seminar focuses on network technology and components as well as the structure and function of PC networks. The Computer Driving Licence and — as part of personal development seminars — dealing with social media have been fixed parts of the training plan since 2020.



Work-life balance

A further central concern is to help our employees achieve a balance between their working and family life. In May 2011, EVN became one of the first companies to sign the "charter on the new compatibility between parents and business" – an initiative of the province and economic chamber of Lower Austria – which underscores our commitment to a parent-oriented human resources policy.

Our employees in many areas have the freedom to define their working hours. This independence is based on a flexitime model without core times, which allows for the free organisation of working hours unless otherwise required for operational reasons (e.g. shift work). We also offer various parttime working models which play an important role, above all, in connection with childcare. Options for mobile working were implemented in September 2021 and give employees the possibility to work up to 1,100 hours each year at a location of their choice. That makes it possible, for example, to combine field and mobile work on the same day. In addition, we support employees with family responsibilities through facilities that include a parent-and-child office and our supervised summer holiday programme for children.

Our salaried employees in Austria, Bulgaria and North Macedonia are legally entitled to parental leave after the birth of a child. In Austria, the possible leave of absence extends up to the 36th month after the child's birth and exceeds current legal regulations. This option is, however, used less frequently in Southeast Europe. We maintain direct contact with our employees during the entire leave period and, in doing so, facilitate their return to work. Employees on parental leave are invited to special information events and can take advantage of our extensive training programme. A growing number of our male employees are also deciding in favour of parental leave for childcare. In 2020/21, 44 women and 15 men were on parental leave in Austria.

Nearly all mothers and fathers return to EVN after that time (return rate: 95.5% for women and 100.0% for men). There were two resignations at the end of parental leave in 2020/21 and one resignation after the return to work in the year before. All other employees who returned from parental leave were still employed by EVN after twelve months.

EVN is committed to training and continuing education and, therefore, also to educational leave and part-time work during this time. Appropriate requests are generally approved following a review of the operational possibilities and interests by the employer, subject to certain framework conditions.

△ GRI indicators: GRI 401-3, GRI 404-2, GRI 412-1

Human resources development and advancement

Our employees' high qualifications represent a strategic asset and an important element for protecting the sustainable success of our company. Consequently, preserving and increasing our employees' high level of expertise are a central element of our human resources management. This helps us to protect our targeted and efficient human resources development in a continuously changing working world. The related training and professional development programmes in Austria, Bulgaria and North Macedonia are carried out by the local EVN Academies. In Austria, the academy coordinates more than 70 different educational plans in the areas of electricity, natural gas, heat and water for apprentices and young technicians as well as recertification for experienced technicians. The training plans cover various technical and personality development subjects and content.

Standardised processes and quality management accompany the design

of every new course, whereby the content is also coordinated with the involved specialist department. A qualitative evaluation by participants is ensured by a feedback survey at the end of every course, and opportunities for improvement are reflected in the adjustment of the training design.

We invested EUR 217.6 per employee in continuous training and education during 2020/21 (previous year: EUR 299.1), which represents a total of EUR 1.6m (previous year: EUR 2.1m). Each employee spent an average of

"The steady increase in digitalisation has also led to fundamental changes in our working world."

Wolfgang Maier, head of HR

28.77 hours (previous year: 27.45 hours) on these programmes. The year-on-year decline in expenses resulted from the cancellation of most on-site training programmes since the outbreak of the Covid-19 pandemic. Alternative e-learning modules and webinars were used where necessary and feasible. This offering has been substantially expanded since April 2020 and covers various topics for different target groups.

Our human resource activities also reflect our high priority on the development of future specialists and managers, not least due to the steady increase in the average age of our workforce (44.4 years). The need for qualified employees is rising as many of our



EVN MACEDONIA: LEADER OF THE SUSTAINABLE DEVELOPMENT GOALS

For two years, the Global Compact
Network in North Macedonia in
cooperation with Konekt — one of the
most important national organisations
in the CSR sector — has been honouring
companies and projects which make a
valuable contribution to the United
Nation's 17 Sustainable Development
Goals. The implementation by EVN
Macedonia of a dual training structure
in technical schools in North Macedonia
was rated as very valuable for meeting
the goal of "quality education" and
recognised with an award in June 2021.

current employees retire, and we are working to address the situation with specifically designed training programmes and measures to support the transfer of know-how between older and younger employees. Apprentice training has also always had high priority for EVN. As of 30 September 2021, 91 apprentices were employed at EVN. In Austria, we offer a dual programme of theoretical vocational school education and practical on-the-job experience together with supplementary courses and seminars as well as support for double and multiple qualifications. Most of our apprentices remain as employees after completing their programmes. We also offer specially designed programmes for the development of future managers, e.g. the summer university "EVN SUN" which is held each year in cooperation with the Danube University Krems.

There are no legal regulations in South East Europe for this type of dual training, but we are working to establish a similar EVN-internal structure in these countries. We have already established cooperation programmes with various schools and training institutions in Bulgaria and North Macedonia. In Bulgaria, we are currently cooperating with ten partner schools where we equip one classroom in each facility and are regu-

larly involved in the school routine. Plans call for the expansion of this type of cooperation during the coming year. In North Macedonia, our dual training concept has started its fifth cycle. It is accompanied by a 12-month programme for training as a special engineer that combines practical on-the-job experience with theoretical content and assistance for the participants through mentoring. These EVN initiatives are not only very popular locally but have also received international recognition.

△ GRI indicator: GRI 404-2

Occupational safety and accident prevention

Accidents not only endanger our employees' well-being, but can also lead to material damage, supply interruptions and long downtime. Protecting the safety and health of the many men and women who work for EVN is therefore a central element of our corporate culture. An important subject area in our Code of Conduct involves our efforts on behalf of occupational safety and the prevention of accidents in all our business areas. In addition to the many European and national requirements, we have defined our own principles for occupational safety and health protection. These principles are anchored in EVN's safety mission statement and safety strategy. They are supplemented by an extensive set of internal directives and guidelines which describe the safety risks associated with our activities and define the necessary countermeasures.

A separate central occupational safety department records and analyses work accidents involving our own employees and leased personnel and introduces any necessary countermeasures. The recording of identified risks and incidents as well as the monitoring of implemented measures are based on the requirements of ISO 45001. Close contacts between the safety officers in the individual business units and safety experts ensure that these risks and preventive measures are integrated in

all safety and health protection documents. The first contact for safety-related concerns is the responsible safety officer who has the necessary technical expertise for the specific work process as well as occupational safety knowhow. Moreover, all EVN employees and leased personnel are represented by safety officers in working committees that monitor and discuss the workplace safety programmes. This exchange takes place annually in accordance with legal regulations. Representatives of our works council are also involved in all workplace, health and safety issues.

We are one of the safest employers in our industry in Austria, and virtually no accidents with our electricity, natural gas, heat or drinking water have occurred in recent years. Our accident analysis is based on specific events and was expanded to include the routine investigation of "near-miss" incidents and accidents by contract firms. Most of the accidents occur in connection with secondary activities like excavation and material transport or on the





way to work. The most frequent work accidents involve tripping, stumbling and twisted ankles, followed by falls, cuts and stab wounds. A series of preventive measures and initiatives for example, monthly safety talks with supervisors – will set the priorities for these areas in the future. We are also working on e-learning modules, videoclips, articles in the employee magazine and the EVN Intranet, specialist seminars and regular information on accident-free days to create a greater awareness among employees for this issue. The EVN occupational safety team also presents an annual "Oscar

for Occupational Safety" to the departments and organisational units with an accident-free year. Major potential hazards for serious accidents with long work absences are, for example, traffic accidents, falls from power poles and torn ligaments or broken bones during power line inspections.

Our efforts in support of accident prevention include information and instructions for our employees on all issues related to health and safety. We use a safety manual that addresses the special working conditions in the energy sector and have also issued manuals for specific areas such as hydropower plants or wind power equipment. Each of these documents is updated on a regular basis and is a required part of the initial instructions for new employees (on initial hiring or transfer to another work area).

Detailed instructions are also given to third parties working within our operational areas, which include detailed information on the specific dangers connected with EVN's equipment. The instructions on worker protection include general information and, above all, behaviour- and action-related directions for the employee's individual workplace or area of responsibility. The following points are also covered:

- → Names and functions of the responsible safety expert, safety officer, fire safety officer and fire protection officer
- → Safety symbols used on-site, colour coding, auxiliary equipment as well as its meaning and use
- → Fire safety regulations and fire alarm plan
- → Safety, rescue and fire protection equipment (e.g. fire extinguishers or first aid kits)
- → Any special dangers connected with the workplace and their prevention or avoidance (e.g. handling of machinery or behaviour near electrical equipment)

Accident and lost days statistics	2020/21	2019/20	2018/19
Deaths after work-related injuries	-	-	2
Ratio of deaths (%)		-	0.2
Occupational accidents ¹⁾	78	64	85
thereof severe accidents with lost days > 6 months		-	_
Ratio of severe accidents with lost days > 6 months (%)		-	_
Staff sick days ²⁾	1,966	1,477	2,376
LTIF ³⁾	3.3	2.8	4.3
Number of LTIF-relevant occupational accidents ⁴⁾	41	35	53
Lost days/employees ⁵⁾		10	10

- 1) Excluding commuting accidents
- 2) Lost days (including weekends and public holidays) resulting from occupational accidents (excluding commuting accidents)
- 3) Lost Time Injury Frequency Index frequency of occupational accidents per one million working hours
- 4) Number of work-related accidents (excluding commuting accidents) resulting in lost days, the causes of which are connected to the occupation
- 5) In Austria, segregations or illnesses due to Covid-19 are not included in the number of sick days.



EVN MACEDONIA RECOGNISED AS A RESPONSIBLE EMPLOYER

EVN Macedonia and local subsidiaries were recognised several times in 2020 for their efforts in support of occupational safety. In addition to practical training — e. g. for working at great heights and under voltage — the quality of our workplaces was commended for its attention to the highest safety and health standards. We were also the national leader in adjusting our work processes during the pandemic and creating new opportunities for health checks on our company premises.

Occupational safety training

Examples of the regular training and targeted awareness-raising measures in the area of occupational safety include the seminars on "Work safety – electricity", "Working with voltage" and "Construction of high- and low-voltage overhead lines: the safety-related aspects of power line construction" as well as specific instructions on the transfer of keys and access authorisations. These courses provide the involved employees with a mix of theoretical and practical training on the safety aspects of their day-to-day work.

Managers are integrated in this issue through training courses and safety meetings. The routine purchase of state-of-the-art protective clothing and equipment as well as modern tools, multimeters to measure gas concentration and training for the involved employees supplement the preventive measures in the specific working environments.

Occupational safety in the project business

Health and occupational safety also have high priority for our German subsidiary WTE Wassertechnik, especially in the international project business.

The underlying principle is the clear commitment of the EVN Group to preserve and protect human rights. WTE Wassertechnik carries special responsibility in this respect and, in its role as a general contractor for plant construction, is required to comply with the applicable standards for the protection of the health and safety of the persons involved in its projects (including subcontractors' employees). A health and safety manager is designated for each project to monitor compliance with these standards and to provide regular reports to the respective customer.

Our wastewater treatment plant project in Kuwait is required to comply with extremely strict requirements for the protection of all involved employees – not least due to the prevailing climatic conditions as well as for cultural reasons. WTE Wassertechnik is therefore required to guarantee and monitor compliance with these standards – also at the subcontractor level – through the implementation of appropriate measures and rules. The health and safety manager is also responsible for regular reporting on this project. Compliance with the applicable standards is also monitored by the financing banks and their consultants, and frequent unannounced controls by the responsible ministries and authorities are common practice in Kuwait.

△ GRI indicators: GRI 403-1, GRI 403-2, GRI 403-4, GRI 403-5, GRI 403-6, GRI 403-9

Corporate healthcare

We also live up to our responsibility for our employees' health by offering extensive occupational medical care that exceeds legal requirements. In Austria, two occupational health physicians are available to answer questions on maintaining and improving workplace health and attend to employees within the framework of labour protection laws. The many related measures include medical check-ups, vaccinations, eye and hearing tests and preventive medicine

as well as psychological counselling, coaching, tips on healthy nutrition and special offerings for groups of employees who are exposed to particular risks. Our subsidiaries in Bulgaria and North Macedonia have also implemented healthcare programmes to increase awareness and improve the health of our employees.

EVN is not active in countries which have an increased risk of contagious diseases or working conditions that could permanently endanger employees' health. However, Group guidelines are in force at all subsidiaries to deal with emergencies – for example, the "EVN Pandemic Prevention".

In addition to company-sponsored measures, the EVN culture and sports club offers employees a wide range of activities that have a special focus on health protection.

△ GRI indicators: GRI 403-2, GRI 403-3, GRI 403-6

Corporate social partnership and internal communication

Over 90% of all employees in our Group (especially in Austria, Bulgaria and North Macedonia) are represented by works councils or unions, and their remuneration is protected by collective bargaining agreements, tariffs or legal minimum wage regulations. The employee representatives in Austria, Bulgaria and North Macedonia are regularly involved in collective negotiations. The remuneration scheme for over 90% of EVN's employees is based on the collective bargaining agreements that apply to the main business locations, i.e. Austria, Bulgaria, North Macedonia and Germany. Most of our employees in Austria, for example, are covered by the collective agreement for salaried employees in electricity companies, which was revised by the participating social partners in 2019/20 and adapted for the future.

Transparency is an integral part of our major business decisions, in line

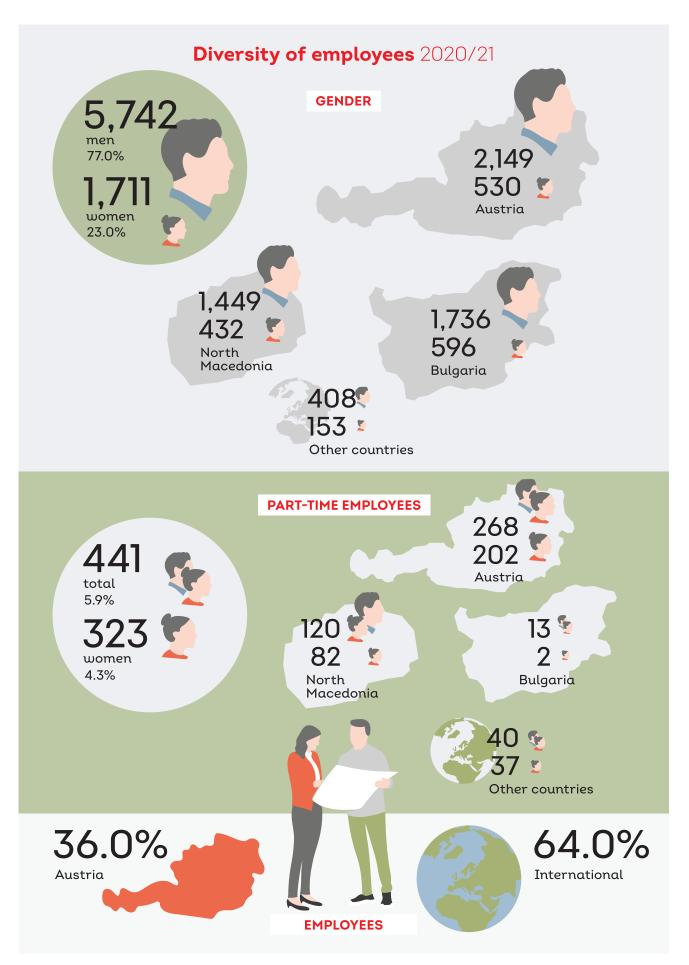


with our managerial mission statement, applicable legal regulations and the Universal Declaration of Human Rights. The employee representatives – in addition to EVN AG, other companies in our Group also have these types of designated representatives - are informed of important business decisions on a regular and timely basis or are involved in the decision processes. This approach applies to strategic decisions as well as changes and adjustments involving employees. We provide our employees and employee representatives with information at regularly scheduled meetings and, in the event

of operational changes, always comply with the legally required notification periods. One of our central concerns in the past, when confronted with social or economic challenges, was to develop and carry out necessary restructuring measures in a socially acceptable manner and in agreement with the trade unions and/or works council – and we intend to follow this procedure with similar cases in the future. This productive cooperation forms the basis for socially acceptable solutions for the involved employees through their internal reassignment or additional training and transfer to other EVN units as far as possible.

training, Pilates, yoga and the like.

Employee-related issues are also handled in workplace, health and safety committees that include, among others, representatives of the works councils or unions. In addition, members of the works council serve on the Supervisory Board and the Advisory Committee for Environmental and Social Responsibility. Apprentices have a voice in the works council through elected youth representatives. The South East European subsidiaries are members of a European works council, which holds regular meetings and serves as a platform for communication and exchange for EVN employees in Austria, Bulgaria and North Macedonia.



Newly hired employees						Tot	al
2020/21		Austria	Bulgaria	North Macedonia	Other countries	Nominal	% ¹⁾
<30 years		73	78	25	26	202	2.7
thereof women	Number	20	14	7	9	50	0.7
thereof men	Number	53	64	18	17	152	2.0
30-50 years		82	74	15	61	232	3.1
thereof women	Number	16	24	5	13	58	0.8
thereof men	Number	66	50	10	48	174	2.3
>50 years		10	3	3	17	33	0.4
thereof women	Number	2	2	0	3	7	0.1
thereof men	Number	8	1	3	14	26	0.4
Total		165	155	43	104	467	6.3
thereof women	Number	38	40	12	25	115	1.5
thereof men	Number	127	115	31	79	352	4.7

¹⁾ In relation to total workforce as of 30 September 2021

△ GRI indicator: GRI 401-1

The issues addressed by the European works council range from occupational safety and employee benefits to transnational initiatives in culture and sport.

"Hello", our magazine for EVN employees, provides regular and extensive information on corporate developments. The EVN Intranet also contains a broad overview of current events in the company, information on energy supplies and reports by the employee representatives as well as information on seminars and other training events. In order to support the preferred internal filling of job vacancies, job advertisements are also posted first on our Intranet.

△ GRI indicators: GRI 102-41, GRI 402-1, GRI 413-1

Additional corporate benefits

Many of the EVN Group companies also offer their employees numerous voluntary benefits independent of their age, gender or the scope of employment:

Supplementary health insurance

We offer supplementary health insurance at favourable conditions as a voluntary benefit for our employees in Austria and Bulgaria. Framework agreements with selected insurance providers in the individual countries ensure optimal medical care for all participants.

△ GRI indicator: GRI 403-6

Pension benefits

Over 90% of all EVN employees are covered by statutory pension insurance. As a supplement, all our Austrian employees with permanent contracts are entitled to participate in a private, fund-based pension programme after a one-year waiting period. In this way, we help our employees to accumulate additional retirement benefits. The pension fund is not held by the EVN Group but is a defined contribution scheme, in which the amount of the future pension is derived from the employer and employee contributions up to the date of retirement. EVN's contribution in 2020/21 equalled at least 2% of each eligible employee's monthly gross remuneration. Contributions by employees are voluntary,

whereby roughly 40% of the workforce in Austria took advantage of this offer in 2020/21. Our responsibility as an employer is also illustrated by the introduction of voluntary pension insurance for all our full-time and part-time employees in Bulgaria.

△ GRI indicator: GRI 201-3

with Lower Austria's volunteer fire brigades and help was also provided to extinguish forest fires in North Macedonia. In total, 454 employees are currently active volunteers in these types of aid organisations. We support this commitment, in our function as an employer, by excusing employees from work for up to half of the invested time in case of an operation.

Support for employee commitment to social causes

Many of our employees not only work for the company, but also make valuable contributions to society through their volunteer work in organisations like the Red Cross or the local fire brigade. In summer 2021, EVN employees assisted emergency personnel in Belgium with clean-up efforts after local flooding as part of their work

Employee benefits

We spent a total of EUR 14.5m on employee benefits (pension contributions, other employee benefits) in 2020/21 (previous year: EUR 14.6m), which represents 4.0% (previous year: 4.2%) of personnel expenses.

△ GRI indicator: GRI 401-2

Employee fluctuation –						Tota	
persons leaving 2020/21 ¹⁾		Austria	Bulgaria	North Macedonia	Other countries	Nominal	% ²⁾
<30 years		33	15	22	2	72	1.0
thereof women	Number	12	7	7	1	27	0.4
thereof men	Number	21	8	15	1	45	0.6
30-50 years		39	21	33	13	106	1.4
thereof women	Number	15	3	12	5	35	0.5
thereof men	Number	24	18	21	8	71	1.0
>50 years		11	30	64	13	118	1.6
thereof women	Number	4	11	13	2	30	0.4
thereof men	Number	7	19	51	11	88	1.2
Total	Number	83	66	119	28	296	4.0
thereof women	Number	31	21	32	8	92	1.2
thereof men	Number	52	45	87	20	204	2.7

¹⁾ This table does not include transfers within the Group, retirements, trainees.

△ GRI indicator: GRI 401-1

²⁾ In relation to total workforce as of 30 September 2021





Christian Stürbl and Marlene Fischer, evn naturkraft

We understand our responsibility

We are firmly convinced that
the use of energy and the protection
of the climate and our environment are
not a contradiction. On this current journey
to a sustainable energy system, we are relying
on new ideas, innovation and state-of-the-art
technologies and expanding our own generation
portfolio with a focus on renewable energies. That
will allow us to cover the energy requirements
of a modern society and, in addition,
protect the beauty of our world for
coming generations.



Our fundamental goals and values for the protection of the environment and climate are anchored in EVN's environmental policy statement. An environmental protection guideline covers the minimisation of our environmental impact, the responsible use of resources, protection for the natural habitats of plants and animals in the areas surrounding our plants and projects and the management of waste in an environmentally friendly manner. EVN's climate policy statement directs attention to the gradual system transformation towards climate-neutral energy generation as well as the importance of protecting supply security.

EVN has operated an environmental management system on a voluntary basis since 1995. As an integrated management system, it meets the EMAS (Eco-Management and Audit Scheme) and ISO 14001 standards as well as the standards for environmental protection. The EMAS regulations require, among others, the definition of measurable environmental goals. The basic requirements for certification under EMAS include full compliance with environmental regulations and a comprehensive accompanying review. All our thermal power plants in Lower Austria as well as the 64 heat generation plants and three cooling plants are subject to these standards. Our thermal waste utilisation plant in Zwentendorf/ Dürnrohr is additionally certified under ISO 9001 and according to the specifications for the monitoring label "specialised waste management company". The environmental management systems in Bulgaria and North Macedonia also reflect international standards: For example, the certified, integrated quality and environmental management system in Bulgaria meets the requirements of ISO 9001:2008, ISO 14001: 2004 and BS OHSAS 18001:20017.

We make an important contribution to meeting Austria's climate goals through the increased use of renewable energy carriers, efficiency improvement measures and comprehensive advising for

our customers on ways to reduce their energy consumption. A balanced mix of optimal supply security and a minimal impact on the environment are the decisive factors for our actions in this area. Our activities on behalf of climate protection include various initiatives and strategic approaches:

- → Greater use of renewable energy sources: water, wind, sun, biomass and biogas
- → Increase in the energy efficiency of EVN's production facilities and networks
- → Active participation in innovation, development and research projects
- → Information and advising for our customers on the reduction of energy consumption
- → Regional added value through the use of domestic energy carriers like biomass and biogas
- → Use of motor vehicles with alternative drives, e.g. electric cars
- O Also see www.evn.at/Umweltleitbild (available in German only)

The Executive Board and Supervisory Board receive information and guidance on environmental and sustainability issues from the 28 members of EVN's Sustainability Advisory Board (formerly the Advisory Committee for Environmental and Social Responsibility). This panel met twice in 2020/21, whereby a special focus was placed on the following issues:

- → The water future in Lower Austria 2050 – strategy concept for the province of Lower Austria
- → Drinking water supplies in Lower Austria – future challenges
- → Blackouts and blackout prevention
- → Current innovation projects
- ☐ For information on the impact of business activities on society, the environment and the economy, also see pages 23ff
- O Also see www.evn.at/Nachhaltigkeitsbeirat (available in German only)
- △ GRI indicator: GRI 102-31

Climate and environmental impact of our thermal plants for energy generation

The direct and indirect environmental impact of our power plants is evaluated annually as part of an ABC analysis which covers the following aspects: air, water, wastewater, waste, soil, land usage, resource and energy consumption, noise, vibrations, radioactivity and biodiversity. The analysis examines the environmental impact of the plants under normal operations and during disruptions and assesses their environmental relevance as well as opportunities for improvement.

Direct impact

The most important direct environmental impact of our plants arises from the emission of the following air pollutants: CO₂, NO_x, SO₂, dust and CO. We use state-of-the-art burners and efficient flue gas cleaning equipment to minimise the environmental impact of our power plants through NO_x and SO₂ emissions.

In our plants, we also use water as a heat transfer medium and for cooling purposes. The cooling water drawn from the Danube River is returned to the river in accordance with all applicable environmental regulations. Other environmentally relevant processes include the treatment of raw water and boiler water. Wastewater from sanitary facilities is discharged through the public sewage network into a treatment plant, and ammonia-containing wastewater from condensate cleaning is disposed in line with the applicable requirements. The wastewater from water treatment and water that does not contain ammonia is returned to the water cycle after neutralisation. The regular measurement of pH values and annual external analyses ensure, without exception, that all required limits are met.

We have implemented effective technical measures to prevent and reduce the noise resulting from mechanical

Energy Other supplies Water Air Water Flue gas, H₂O, Electricity, useable energy, Drinking water, Cooling water, Limestone, ammonia, oils, detergents etc. cooling water, CO₂ emissions: wastewater, district heating, waste process water dust, SO₂, CO, sanitation heat etc NO_x, steam, carbon Energy loss: dioxide, sulphur waste heat, radiation dioxide, nitrogen oxide etc. electric, acoustic Energy Air Combustion air, Fuels, coal, natural gas, cooling air biomass, steam from Residual materials, thermal waste waste utilisation, auxiliary Ash, slag, gypsum, etc., steam, electricity waste oils and parts, filters, solvents and detergents

Input-output analysis of thermal power plants

processes. These measures include, for example, the use of low-noise machinery and aggregates and the insulation of machines.

The impact of our power plants on the environment is assessed through extensive monitoring of the surrounding areas. EVN operates permanent air quality measurement stations for this purpose and carries out hydrological evidence protection measures, i. e. groundwater testing, in the areas surrounding its power plants.

Indirect impact

The indirect environmental impact is related primarily to the delivery of the

primary energy carriers used by EVN. In order to avoid unnecessary waste and conserve resources, we include ecological factors in the procurement processes for the required operating products.

Land usage/soil sealing, operational disruptions, transport impacts (transport of people and goods, grid-bound transport)

 Also see www.evn.at/environmentalpolicy-statement

Responsible use of energy and resources

As an energy and environmental services company, we are well aware of our special responsibility for climate and environmental protection. We therefore use our extensive know-how to conserve resources, protect the

environment and use energy efficiently in our internal operations – and actively share this expertise with our customers. Our responsibility is also reflected in the use of materials which, in our company, consist mainly of primary energy carriers such as fossil fuels, waste and biomass. We also use various supplies as secondary components in our energy generation and wastewater treatment plants. Only a limited amount of recycling material is used with these components for technical reasons.

EVN's energy intensity¹⁾ totalled 21.09 MWh of primary energy for each gigawatt hour of electricity sold in 2020/21 (previous year: 16.96 MWh). The use of new technologies and

Material utilisation – network construction in Lower Austria ¹⁾		2020/21	2019/20	2018/19
Additional power lines	km	310	334	251
Additional/less natural gas pipelines	km	-6	-30	25
Additional heating lines	km	11	10	14

¹⁾ Includes overhead lines as well as underground cables and pipelines.

Material and other supplies – used in energy generation, wastewater treatment, thermal waste incineration		2020/21	2019/20	2018/19
Renewable energy carriers				
Biomass ¹⁾	terajoule ²⁾	4,372	4,357	5,991
Non-renewable energy carriers				
Fossil fuels ³⁾	terajoule ²⁾	17,693	15,199	30,646
Non-renewable materials				
Limestone ⁴⁾	t	12,554	14,337	26,458
Lime hydrate	t	611	419	340
Ammonia	t	337	243	897
Ammonia water	t	1,652	1,856	2,136
Demineralised water	m³	174,799	156,147	175,937
Lubricating oils	t	14	4	7
Hydrochloric acid ⁴⁾	t	364	388	219
Sodium hydroxide ⁴⁾	t	179	187	67
Dosing media	t	6	9	10
Rock salt	t	128	106	131
Precipitants ⁵⁾	t	938	1,113	1,222
Flocculating agents ⁵⁾	t	194	235	238
Urea	t	1	1	15
Other energy carriers				
Waste ⁶⁾	terajoule ²⁾	5,748	5,501	5,581

¹⁾ Adjustment of prior year information due to a re-validation of the lower caloric value and a change in the calculations relating to dry fuel for improved comparability in the 2019/20 financial year.

- 2) Information provided in terajoules because of the different fuel qualities.
- 3) Natural gas, hard coal, heating oil
- 4) Change in the previous year's figures due to the addition of amounts from the EVN thermal power plants
- 5) The prior year values were adjusted to reflect the investment in the Zagreb wastewater treatment plant project.
- 6) For incineration by the thermal waste utilisation plant in Dürnrohr/Zwentendorf

△ GRI indicator: GRI 301-1

continuous optimisation measures, also in connection with additional voluntary targets linked to our EMAS certifications, help us to realise further efficiency improvements.

1) Energy intensity indicates EVN's own consumption of electricity, natural gas, heat and heating oil as a percentage of the total energy sales volume.

△ GRI indicator: GRI 302-3

Measures to improve energy efficiency

Many different measures help us to continuously improve our own energy efficiency and, at the same time, reduce the emissions from our production and energy procurement activities and the use of energy by our customers. As an energy supplier in Austria, we have also been legally required to implement energy savings measures for end customers at an amount

equal to 0.6% of the previous year's energy sales volumes since 1 January 2015. The target for the 2020 calendar year was 44.9 GWh, which we met with a wide variety of measures such as the exchange of old heating equipment for new, more efficient heating systems and the replacement of inefficient road lighting with new, energy-saving LED products as well as energy advising.

△ GRI indicator: GRI 302-5

EVN's direct and indirect own energy consumption				
by primary energy sources		2020/21	2019/20	2018/19
Non-renewable energy carriers	MWh	5,845	5,347	5,516
thereof natural gas	MWh	5,699	4,947	5,198
thereof heating oil ¹⁾	MWh	146	400	317
Renewable energy carriers	MWh	_		_
Electricity, heating and cooling energy ²⁾	MWh	376,321	367,463	516,817
Total ²⁾	MWh	382,166	372,810	522,333

¹⁾ Heating oil is used in North Macedonia and Bulgaria only.

²⁾ The prior year values were adjusted to reflect the investment in the Zagreb wastewater treatment plant project.



EVN CLIMATE INITIATIVE

The development of our Strategy 2030 during the past year reflects the significant influence of current political and social discussions surrounding the subject of climate protection and the related goals. This strategy underscores our commitment to making an active contribution to the reduction of greenhouse gas emissions and the containment of global warming.

End of coal-based electricity generation, substantial re-dimensioning of natural gas

In addition to the continuous expansion of generation from renewable energy sources, our activities in recent years have also included the adjustment of our thermal generation portfolio — also due to the price trends for CO₂ emission certificates — with a corresponding positive effect on our CO₂ footprint:

- → In October 2018, substantial parts of the capacity in the Theiss (280 MW) and Korneuburg (150 MW) power plants were deactivated.
- → Today we use natural gas exclusively in cogeneration and combined heat and power plants in Austria (18.5 MW) and Bulgaria (80 MW). In addition, the Theiss gas-fired power plant (net output of 485 MW) is holding 470 MW as contracted capacity in reserve for the Austrian transmission network operator.
- → Following the premature termination of production at the hard coal-fired power plant in Dürnrohr during August 2019, we finalised EVN's exit from coal-based generation on 30 September 2021 with the sale of our 49% investment in the Walsum 10 coal-fired power plant and the end of electricity purchases from this source.



These measures alone reduced our CO_2 emissions from energy production by three-fourths. In line

with our Strategy 2030, we will also make

massive investments to expand our renewable

generation capacity over the current decade.

Our Strategy 2030 also created the foundation for the development of the EVN Climate Initiative in 2020/21. It consists of three cornerstones and underscores our commitment to climate protection with concrete measures, goals and projects:

Science Based Targets Initiative (SBTi)

EVN joined the Science Based Targets Initiative (SBTi) in summer 2021. This initiative was founded and is headed by four international organisations — the Carbon Disclosure Project, UN Global Compact, World Resources Institute and World Wide Fund for Nature. Its objective is to enable the participating companies to define scientifically based goals to reduce their greenhouse gas emissions based on the Greenhouse Gas Protocol and in accordance with the Paris Climate Agreement. Verification by the SBTi increases the credibility, measurability and comparability of the goals and, consequently, leads to greater international acceptance.

In light of our integrated business model and the differences between our individual business areas, we set five reduction targets. The first two goals follow the sector based approach defined by the SBTi for electricity producers:

- → Intensity 1: Reduction of specific CO₂ emissions from electricity-generating plants by 66%
- → Intensity 2: Reduction of specific CO₂ emissions from electricity-generating plants and from electricity sales to end customers by 65.1%
- → Absolute 1: Reduction of absolute CO₂ emissions from heat generation and thermal waste utilisation and from network losses and own consumption by 37.5%
- → Absolute 2: Reduction of absolute CO₂ emissions from sales of natural gas to end customers by 37.5%
- → Absolute 3: Reduction of absolute CO₂ emissions from the natural gas network sales volumes (in keeping with regulatory and legal framework conditions) by 37.5%

The reduction goals agreed with and verified by the SBTi will make an important contribution to realising the climate goal established in Paris, which calls for limiting global warming to substantially below 2°C. The basis for EVN's reduction is formed by the respective values from the 2018/19 financial year, and the defined goals must be met by the 2033/34 financial year.

Climate neutrality in selected subsidiaries

A further contribution by EVN to climate protection includes the goal to make selected subsidiaries climate-neutral in the future. This process also follows internationally recognised standards and will be certified accordingly. In this connection, EVN experts are currently participating in an external working group that will develop the new climate neutrality norm "ISO 14068". The goal is to ensure external certification under this new norm for all subsidiaries designated for climate-neutral operations in the future. Until the development of ISO 14068 is finalised, we will work to achieve certification according to the internationally recognised British certification procedure PAS 2060.

EVN Wasser started a pilot project in autumn 2021 that is expected to make it the first EVN subsidiary to receive climate-neutral certification under PAS 2060. The basis will be formed by targeted energy efficiency measures, the use of CO₂-free energy for internal consumption and the conversion of the company fleet to electric vehicles. The successful conclusion of this pilot project will be followed by similar efforts in other Group companies.

Contribution by research and development to climate protection

Research and development activities to sustainably reduce CO_2 emissions are a further building block of our efforts to play an active role in meeting the Paris climate goals. These activities also support the strategic advancement of our business model. Our overall goal is to support climate protection and the gradual system conversion towards climate-neutral energy generation while, at the same time, protecting supply security.

For information on research and development projects, see pages 60ff

Measures to reduce energy consumption

We are working constantly to reduce our own energy consumption, among others through the following steps taken in 2020/21:

- → At the energy supply centre in Ybbs, we installed a summer network pump with a lower connection value and reduced electricity consumption during the months from May to September by an average of 15%.
- → The district heating networks in Mödling and Baden were optimised through better regulation of the transformer stations and a reduction in the return flow temperature.
- → Photovoltaic equipment was installed at various district heating plants in Lower Austria, in operating facilities and at the new headquarters in North Macedonia to partially cover internal electricity requirements.

These projects helped us to realise annual savings of at least 13,000 MWh in 2020/21.

We reduce our indirect energy consumption by using electric cars wherever possible, especially for short trips. Business travel is also being reduced through the increased use of video conferences and webinars. The progressive digitalisation and the accompanying increase in mobile working by our employees have also helped to reduce our CO₂ emissions.

Energy consumption outside the organisation (Scope 3) totalled 22,569 GWh in 2020/21 (previous year: 22,343 GWh).

△ GRI indicators: GRI 302-1, GRI 302-2, GRI 302-4

E-MOBILITY: CHARGING INFRASTRUCTURE FOR BULGARIA AND NORTH MACEDONIA

In Bulgaria and North Macedonia, EVN is also involved in the expansion of the charging infrastructure for e-mobility. Charging stations are currently under construction in both countries, primarily in the major population centres.

The three charging stations operated by EVN Bulgaria in Plovdiv have been operated with certified green electricity since May 2021 and can be used free of charge up to the end of 2021. This limited offer is designed to support e-mobility in the region. In agreement with this objective, we plan to install roughly a dozen additional stations in and around Plovdiv during the coming months.





E-mobility is also becoming increasingly popular in North Macedonia. In cooperation with public agencies, we have set up over 40 charging stations in 17 cities throughout the country. They were not only installed at public areas in the capital city of Skopje, but also at heavily frequented places like hotels, restaurants and shopping centres.



Our influence on the climate and our protective measures

Emissions

As an energy company and environmental services provider, we see it as our responsibility to make a substantial contribution to the fight against climate change. This contribution involves, above all, the minimisation of emissions. The focus here is placed, not least, on the transformation of the energy system towards climate-neutral generation – and, above all, on the expansion of our wind power and photovoltaic capacity. We finalised EVN's exit from coal-based generation in 2020/21 with the sale of our investment in the Walsum 10 hard coal-fired power plant and the termination of electricity purchases from this source. Our Strategy 2030 also formed the basis for the development of the EVN Climate Initiative, which is based on three cornerstones:

- → Development of science based targets
- → Climate neutrality in selected subsidiaries
- → EVN's contribution to climate protection through research and development
- ☐ Also see our core strategies on pages 19ff☐ For the EVN Climate Initiative, see page 92

Direct and indirect greenhouse gas emissions

The calculation of our direct and indirect greenhouse gas emissions and their allocation to individual categories (scopes) follow the standards defined by the Greenhouse Gas Protocol (GHG Protocol) issued by the World Resource Institute (WRI).

Direct emissions (Scope 1) include the emissions from the following sources:

- → EVN's use of fossil primary energy carriers to generate electricity and heat
- → Use of fossil primary energy carriers to heat company buildings
- → Use of fossil primary energy carriers for transport (fuel for the EVN motor vehicle fleet)
- → Operation and maintenance of EVN's natural gas networks
- → Fossil component of energy carriers from the operation of our thermal waste utilisation plant in Zwentendorf/Dürnrohr

We calculate direct greenhouse gas emissions (Scope 1) according to the factors defined by the EU Emission Trading Guideline for the individual countries. This procedure involves the calculation of CO₂ emissions based on the standard calorific value and standard emission factors from the national greenhouse gas inventory. If standard values are not available, the calculations are based on fuel analyses. Other biogenic CO₂ emissions are calculated separately in the same way but are not included in the Scope 1 emissions in accordance with the GHG Protocol.

Indirect emissions (Scope 2) include the emissions from the following sources:

- → Use of purchased fossil secondary energy carriers (for the electricity, heat and cooling used by EVN)
- → Network losses in EVN's electricity network

In accordance with the method prescribed by the GHG Protocol, our Scope 2 emissions are reported under a location-based and a market-based approach. We calculate the emissions for the market-based approach with the CO₂ factors that reflect the respective country-specific market mix. The location-based approach relies on the country-specific CO₂ factors defined by ecoinvent.

Scope 3 emissions include further indirect emissions from the following sources:

- → Electricity sales to end customers (calculation similar to the marketbased approach under Scope 2)
- → Natural gas sales to end customers
- → Share of CO₂ emissions in the supply chain (upstream) which result from the primary energy carriers used by EVN
- → Travel by EVN employees

In order to standardise the factors and improve data quality, we introduced the use of CO₂ factors from the ecoinvent database to calculate the location-based Scope 2 emissions and upstream Scope 3 emissions beginning with the 2020/21 financial year. The calculation of the Scope 3 emissions



Scope 1 – Direct GHG emissions ¹⁾		2020/21	2019/20
Austria	t CO ₂ e	852,233	793,299
Germany	t CO ₂ e	874,125	611,621
Bulgaria	t CO ₂ e	146,945	157,900
North Macedonia	t CO₂ e	2,076	2,068
Croatia	t CO ₂ e	57	58
Russia, Slovenia	t CO ₂ e	10	626
Total	t CO ₂ e	1,875,446	1,565,571
	t CO₂e/GWh	357.22	301.87
1) Adjustment of prior year data to reflect a change in the calculation method, see the explanation on page	e 95		
Scope 2 (location-based) – Indirect GHG emissions ¹⁾		2020/21	2019/20
Austria	t CO ₂ e	176,086	159,345
Germany	t CO ₂ e	8,600	10,117
Bulgaria	t CO ₂ e	419,916	400,299
North Macedonia	t CO ₂ e	926,392	860,789
Croatia	t CO₂ e	1,069	11,713
Russia	t CO ₂ e	_	11,464
Cyprus and Slovenia	t CO ₂ e	12,323	11,213
Total	t CO₂ e	1,544,386	1,464,940
	t CO₂e/GWh	101.4	97.6
1) Adjustment of prior year data to reflect a change in the calculation method, see the explanation on page	e 95 	2020 (24	2040/20
Scope 2 (market-based) – Indirect GHG emissions ¹⁾		2020/21	2019/20
Austria	t CO ₂ e	126,094	116,608
Germany	t CO ₂ e	9,343	10,992
Bulgaria	t CO ₂ e	417,924	398,472
North Macedonia	t CO ₂ e	926,392	860,789
Croatia	t CO ₂ e	975	10,678
Russia	t CO ₂ e		11,464
Cyprus and Slovenia	t CO ₂ e	8,114	7,402
Total	t CO ₂ e	1,488,842	1,416,404
Adjustment of prior year data to reflect a change in the calculation method, see the explanation on page	t CO₂e/GWh e 95	97.8	94.4
Other indirect GHG emissions (Scope 3)1)		2020/21	2019/20
Other indirect GHG emissions (Scope 3)1)		2020/21	2019/20
Other indirect GHG emissions (Scope 3) ¹⁾ Total	t CO ₂ e	2020/21 8,557,930 379.5	2019/ 8,538,6

1) Adjustment of prior year data to reflect a change in the calculation method, see the explanation on page 95

2020/21

t CO₂e/GWh

528.7

2019/20

516.0

△ GRI indicators: GRI 305-1, GRI 305-2, GRI 305-3, GRI 305-4, GRI 305-5

Intensity of GHG emissions 1) 2)

Total CO₂ emissions

¹⁾ Adjustment of prior year data to reflect a change in the calculation method, see the explanation on page 95

²⁾ Specific CO₂ emissions based on the total of Scope 1–3 based on sales volumes of electricity and natural gas (19,813 GWh electricity and 4,957 GWh natural gas for 2020/21)

from customer flows are based on available data from the supplier mix, the European Residual Mixes of the Association of Issuing Bodies or the ecoinvent factor.

The absolute volume of direct greenhouse gas emissions (Scope 1) equalled 1,875,446 t CO₂ in 2020/21 and was 19.8% higher than the previous year (1,565,571 t).

Measures to reduce greenhouse gas-relevant emissions

With our investment and innovation activities, we want to make an important contribution to environmental and climate protection. We see considerable potential in the expansion of CO₂-free generation capacity, especially wind power and photovoltaics.

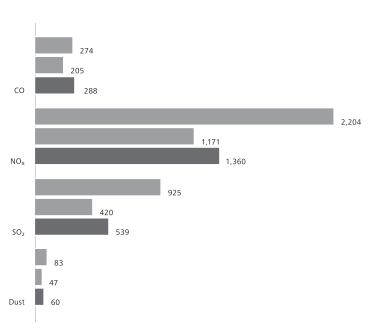
Assuming conditions are appropriate, we plan to expand our wind power capacity to 750 MW by 2030. The installed capacity in our wind parks increased to 394 MW in 2020/21 and was responsible for annual CO2e savings (Scope 1) of approximately 32,000 t. Reaching the expansion target of 750 MW will result in CO₂e savings (Scope 1) of approximately 900,000 t.1)

1) Calculation based on the 2021 emission factor from fossil energy generation in Austria

Electricity production at the hard coal-fired power plant in Dürnrohr was terminated earlier than originally planned in August 2019. This step to terminate operations before the end of the plant's technical useful life in 2025 – will prevent roughly 3.6m t of CO₂e emissions (Scope 1) and make an important contribution to climate protection. September 2021 marked the closing of the contracts for EVN's exit from the Walsum 10 coal-fired power plant and the end of our involvement in coal-fired electricity generation. This led to a sustainable reduction in the CO₂ emissions from

Further significant air emission quantities by EVN¹⁾





1) Generation and thermal waste utilisation plants (excl. local heating plants); Austria, Germany, Bulgaria and Russia (until the end of July 2020); in North Macedonia, there are no emissions from electricity production.

△ GRI indicator: GRI 305-7

our energy production in line with the consequent implementation of our Strategy 2030.

△ GRI indicator: GRI 305-5

CO₂ emission certificates

The CO₂ emissions of all EVN thermal power plants and seven of our district heating plants are recorded under the EU Emissions Trading System.

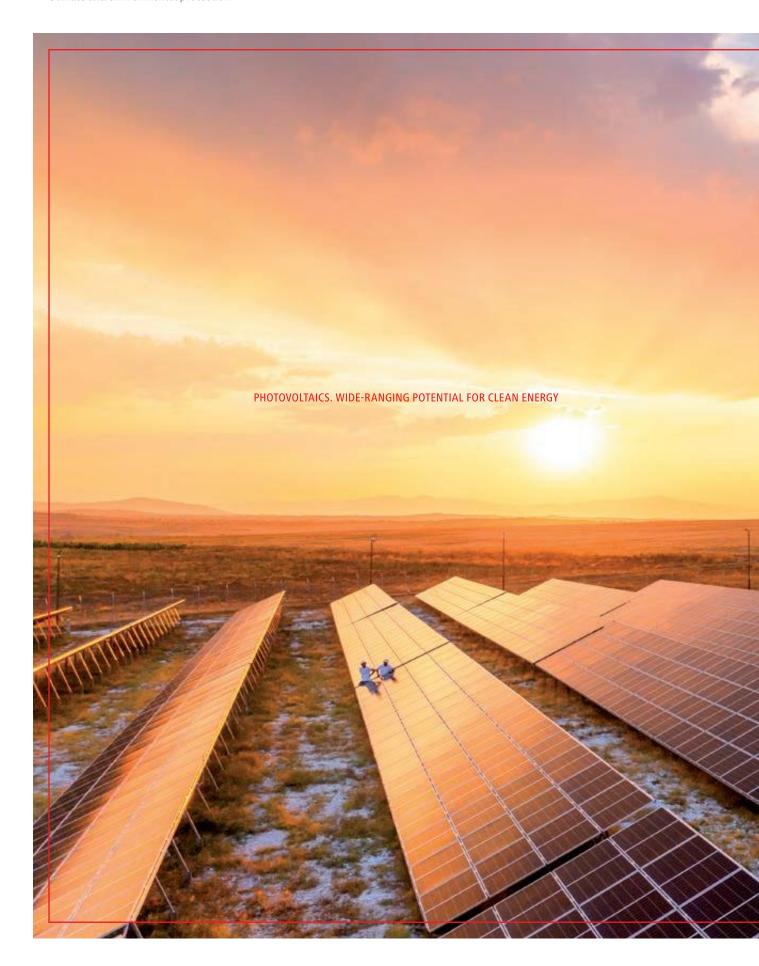
The gas-fired power plant in Theiss was under contract during the 2020/21 financial year to provide the Austrian transmission network operator with 430 MW of reserve capacity to manage shortages. CO₂ emission certificates were, therefore, only required that year for electricity production at the gas-fired plant in Theiss for the

volumes drawn by the Austrian transmission network operator to support network stability and in the Walsum 10 hard coal-fired power plant (in line with our 49.0% investment). We purchased the required emission certificates on the wholesale market in accordance with the applicable regulations. This was confirmed by external auditors.

The required remaining certificates for heat production are purchased on the wholesale market through EnergieAllianz Austria.

In line with the EU Emissions Trading System, EVN needed 1,085,990 CO₂ emission certificates in the calendar year 2020, whereby 15% were allocated free of charge.

△ GRI indicator: GRI EU5



Photovoltaics is one of the central cornerstones of a sustainable, CO₂-neutral energy future. Hardly any other renewable energy carrier offers a greater potential than the power of the sun. EVN's activities in the area of photovoltaics are, therefore, also wide-ranging, starting with the operation of several large facilities in Lower Austria, Bulgaria and North Macedonia, which currently have a combined installed capacity of 12 MW. A power plant commissioned in North Macedonia in December 2020 relies on one of the world's most advanced technologies for utilising solar energy. It produces electricity from both direct solar radiation and reflected light. The power plant's dual-sided solar panels absorb light from all directions: On the front side, they generate electricity from direct sunlight and, on the rear side, from light that is reflected by a special material below the solar cells. With 280 sun days per year, North Macedonia enjoys an excellent position to produce solar electricity.

Photovoltaics on EVN buildings

At the same time, we are outfitting our own buildings with photovoltaic modules — including, for example, locations operated by EVN Wasser and EVN Wärme. 13 operating branches, well fields and natural filter plants operated by EVN Wasser and twelve rooftops on biomass heating plants operated by EVN Wärme were equipped with solar panels during the past financial year. The installation of photovoltaic equipment on five additional biomass heating plants is scheduled for 2021/22. The consequent use of suitable roof areas for the production of electricity from solar energy provides substantial support for our climate and energy goals.

Wide-ranging solutions for our customers

For many years, we have also successfully realised individual photovoltaic projects for our customers. We provide support for the construction of this equipment on single-family houses, for community

installations and pilot projects for energy communities as well as large-scale photovoltaic equipment for industrial firms. Our larger customers are increasingly interested in covering their own electricity requirements in an ecologically sustainable way or even generating this energy internally. Many of the local hospitals in Lower Austria produce their own solar electricity today thanks to a strategic partnership with EVN. Alone over the last two years, we have realised more than 1,000 such projects, where we offer all-inclusive services that also include, among others, the entire subsidy paperwork. More than 46,000 large and small photovoltaic facilities with a total installed capacity of 480 MW feed electricity into EVN's network.



Offers for municipalities

The EVN Solar Initiative gives municipalities an attractive opportunity to utilise the expansion potential for solar equipment on public buildings. The municipality makes a suitable rooftop available, and EVN takes charge of the planning, construction, financing and operation of the photovoltaic equipment for at least 20 years. Over the past three years, we have realised more than 50 of these models with a total capacity of approximately 540 kW in cooperation with Lower Austrian municipalities. A number of citizens' participation models for photovoltaic power plants have also been realised: For example, the "Sonnenkraftwerk Zwentendorf" started in 2012 and further projects have followed in the Lower Austrian municipalities of Sonntagberg and Wiener Neustadt. Citizens can participate through the purchase of individual panels and, in this way, play an active role in the transformation to new sustainable energy supplies.

Cooperation for research and development

In order to remain on the cutting edge of technical developments, we have operated a photovoltaic research centre in Zwentendorf together with the Vienna University of Technology since 2010. The projects are carried out under real environmental conditions to evaluate the efficiency, practical suitability and investment and operating costs of photovoltaic modules, solar tracking systems, solar converters and auxiliary equipment.

Ambitious expansion goals

We have also set ambitious expansion goals for our photovoltaic activities in the coming years, consistent with our Strategy 2030. Assuming the framework conditions are appropriate, we plan to increase the installed capacity in EVN's photovoltaic power plants by up to 300 MW by 2030. Bulgaria and North Macedonia are particularly interesting for photovoltaic projects due to their geographic location and — in comparison with Austria – higher number of sun hours. The focus here is on projects at existing power plants where we can use previously installed network connections. Our activities also include the regular evaluation of opportunities to combine photovoltaic equipment with wind power projects that are currently in operation or under development to ensure the sustainable and reasonable use of land to generate clean energy from the sun.

Our influence on the environment and our protective measures

Environmentally compatible waste management

EVN works to ensure that waste is reused or recycled wherever possible. This takes place through direct orders to suitable disposal or recycling firms. In addition, our material and equipment suppliers as well as disposal partners are selected according to ecological criteria.

All regularly occurring hazardous and non-hazardous waste is transferred to licensed disposal specialists based on framework contracts. These specialists dispose of the waste in an environmentally compatible manner consistent with the legal regulations applicable in the respective countries. No hazardous or non-hazardous waste was disposed across national borders in 2020/21.

We utilise all flue ash and coarse ash, while roughly one-half of the biomass ash from district heat production is transferred to disposal firms and then utilised. The remaining amounts are deposited in a landfill in accordance with the applicable regulations. All environmentally relevant incidents are recorded in a standardised reporting system that covers the plants in Austria, Germany, Bulgaria and North Macedonia. Our company registered no environmentally relevant incidents in 2020/21.

Sustainable water management

At EVN, we use the resource water for normal household purposes (e. g. in sanitary facilities) or as process water (e. g. in heating networks or for lubrication). We draw the required quantities from municipal drinking water supplies or from our own ground wells. The cooling water used in our plant operations comes from surface water.

All ordinary household wastewater is cleaned in municipal treatment plants before it reaches any surface water. The wastewater flows from our power plants are continuously tested for quality and – after treatment to eliminate any relevant adverse factors - returned to the water cycle in accordance with the applicable environmental regulations. In 2020/21, the cooling water flow rate at our Lower Austrian plants totalled 75.7m m³ (previous year: 153.1m m³). This corresponds to 0.13% of the average annual volume of the Danube recorded at the Korneuburg gauge¹⁾ (measuring point number 207241), which amounted to 59,076m m³ and remains clearly below the allowed threshold of 5%.

1) Source: Austrian Hydrographical Annual 2018

In cases where the type or quantity of a wastewater stream at one of our locations differs from ordinary household wastewater, we conclude con-



tracts with sewage treatment plant operators (if sewage connections are available) based on the indirect discharge ordinance. These contracts contain detailed provisions for the allowable amount of wastewater, the main substances it may contain and the required wastewater inspections. Direct discharges into surface water are regulated by the wastewater emission ordinance and various water-related guidelines. Our wastewater streams are

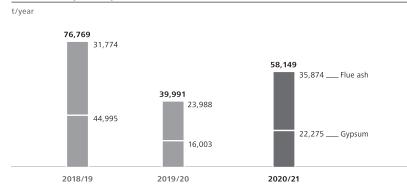
Development of waste quantities ¹⁾		2020/21	2019/20	2018/19
Hazardous waste and residual materials	t	17,489	17,107	19,600
Non-hazardous waste and residual materials ²⁾	t	157,678	225,141	236,174
Export of hazardous waste				
Hazardous waste	t	0	0	0

¹⁾ Without construction residue or power plant by-products

²⁾ The prior year values were adjusted to reflect the investment in the Zagreb wastewater treatment plant project.



Utilised quantities of power plant by-products -Walsum 10 power plant¹⁾



1) Due to the early termination of electricity generation from coal at the Dürnrohr power plant at the beginning of August 2019, there have been no more power plant by-products in Austria since 2019/20. The 49% investment in the Walsum 10 power plant was sold as of 30 September 2021 and, consequently, EVN will record no further power plant by-products beginning with the 2021/22 financial year.

△ GRI indicators: GRI 306-3, GRI 306-4

also tested regularly by accredited external institutions. We comply with all requirements defined by various public authorities for cooling water discharge temperatures.

However, water is also important for our company in another context: namely drinking water supplies. EVN Wasser provides these supplies in Lower Austria, while our German subsidiary WTE Wassertechnik is responsible for this area in the international project business. Depending on the project, the subsidiary undertakes the planning, construction, financing and operation of plants for drinking water supplies and wastewater treatment. Another new business area involves sewage sludge management.

In the area of wastewater disposal, the EVN Group treated 66.8m m³ of wastewater in its plants during 2020/21 with a mean purification performance of 78.3%¹⁾ (previous year: 76.6%; 65.4m m³). Wastewater treatment results in sewage sludge, which can be utilised. In addition to ground-based applications (agriculture, landscaping, composting and other types of recycling), large parts of the sewage sludge are utilised thermally (co-incineration, mono-incineration). Thermal utilisation in mono-incineration plants will become increasingly important in the future due to the possibility of phosphorus recovery.

- 1) Average value over the parameters for chemical oxygen requirements, biological oxygen requirements, total nitrogen and total phosphorous. The per cent value represents the quantity of pollutants removed.
- △ GRI indicators: GRI 303-1, GRI 303-2, GRI 303-3, GRI 303-4, GRI 303-5, GRI 306-5

Thermal sludge utilisation

EVN's long-standing experience in wastewater treatment and thermal waste utilisation, which ranges from planning and construction to the operation of these plants, gives us a strategic advantage in a new field of business: sewage sludge utilisation.

ĥ

EXPANSION OF THE WASTEWATER TREATMENT PLANT IN TULLN

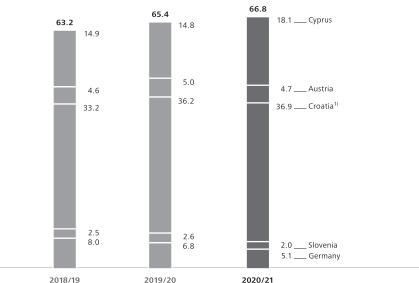
EVN completed and commissioned the expansion of the wastewater treatment plant in Tulln during 2020/21. This mechanical-biological wastewater treatment plant now cleans approximately 10,700 m³ of wastewater on average per day. Pollutants are biologically degraded and mostly removed. The sewage sludge that accumulates in the

secondary sedimentation basin is processed further and the resulting biogas is used for energy generation. The wastewater treatment plant is therefore capable of generating part of the energy required for its own operation. The remaining sewage sludge is converted into district heating at EVN's thermal waste utilisation plant in Dürnrohr.



Wastewater treated





¹⁾ The prior year values were adjusted to reflect the investment in the Zagreb wastewater treatment plant project.

Through the construction of efficient and ecologically compatible plants for the thermal utilisation of sewage sludge, we want to close the circle of our activities in wastewater management and, in the future, contribute to removing harmful substances like microplastic, hormones, antibiotics and other drug residues contained in sewage sludge and, at the same time, recover valuable phosphorous. A recent legal requirement in Germany addresses these two utilisation aspects and has created a demand for projects involving sewage sludge utilisation.

WTE Wassertechnik was working on six projects for thermal sewage sludge utilisation in Germany, Lithuania and Bahrain during 2020/21. We are also planning to construct and operate a thermal sewage sludge utilisation plant at our Lower Austrian energy location in Dürnrohr.

Following successful boiler pressure trials and the installation of all plant components, the cold start-up of the thermal sewage sludge utilisation plant in Halle-Lochau started in mid-July 2021. sludge2energy GmbH, in which WTE Wassertechnik holds a 50% investment – was responsible for the planning and assembly of the plant, and WTE Betriebsgesellschaft will be responsible for future operations. The utilisation process is based on the latest technical standards and strict municipal requirements and makes an important contribution to environmental protection.

Biodiversity

We are committed to minimising the impact of all our business activities on nature. Our top priority is the protection of flora and fauna and the preservation of the natural habitats of animals and plants in the areas surrounding our plants and projects. Not only the responsible realisation of construction projects, but also the responsible operation of our plants is a matter of course. That means:

Water ¹⁾²⁾ m m³			2020/21	2019/20	2018/19
Water withdrawn ³⁾	Total		115.4	191.0	294.4
	thereof by source	Surface water	78.8	155.1	259.7
		Groundwater	36.4	35.6	34.3
		Delivered water	0.3	0.3	0.3
Water released ³⁾	Total		80.6	157.6	262.2
	thereof by destination	Surface water	78.8	155.2	259.7
	·	Water released to third parties (municipal wastewater treatment)	1.8	2.4	2.5
	thereof by treatment	No treatment	78.8	155.2	259.7
		Treatment level – wastewater purification (municipalities)	0.2	0.2	0.2
		Treatment level – wastewater purification (EVN Group)	1.7	2.2	2.3
Water consumption ⁴⁾	Total	_	34.8	33.4	32.2

- 1) The treated water from our customers in the environmental services business is not included in the water balance.
- 2) The prior year values were adjusted to reflect the investment in the Zagreb wastewater treatment plant project.
- 3) All of the water withdrawn and released is fresh water (≤1,000 mg/l total dissolved solids).
- 4) Drinking water supplies from purified ground water by EVN Wasser

△ GRI-indicators: GRI 303-1, GRI 303-2, GRI 303-3, GRI 303-4, GRI 303-5, GRI 306-5

- → Minimisation of resource and land use
- Minimisation of negative effects on the landscape
- → Minimisation of energy losses in energy generation and transmission

Our infrastructure – which consists primarily of power plants and networks – has a potential impact, in particular, on habitats in the water and in the air. Hydropower plants can influence biodiversity, above all because of the limited passage through rivers, while the effects of thermal power plants are related to the temperature of the cooling water released into rivers. Wind power plants and overhead power lines can represent a danger for various types of birds or bats when they are located at the same height as their flight routes.

We minimise the impact of our construction projects on biodiversity with ecological planning and construction monitoring. In addition, we implement a wide variety of measures and programmes to protect the natural habitats in our area of influence. These activities often take place in close cooperation with external experts

from NGOs and local authorities. Current projects to protect biodiversity include, among others:

- → Underground cables as a substitute for overhead lines wherever technically and economically possible
- → Power poles in colour schemes and heights that fit in with the landscape
- → Cable installation through ploughing as an alternative to digging
- → Installation of fish bypasses at small-scale hydropower plants
- → Species protection measures at selected wind power projects (e.g. joint concept with BirdLife to develop compensatory measures to create alternative habitats for birds)

Concrete projects, often in cooperation with external experts and NGOs, are in progress in Austria, Bulgaria and North Macedonia and involve, among others, the following areas:

→ Cooperation with BirdLife Austria to insulate power poles as protection for the imperial eagle in the Laaer Basin

- → Participation in the LIFE EUROKITE project to protect the red kite in the northern region of Lower Austria
- → Joint project with the Association for the Protection of Great Bustards in Austria (continuation of the EU LIFE+ programme)
- → Operation of online monitoring equipment to regularly test the water quality at various levels in the Ottenstein reservoir



FELLOWSHIPS AT EVN

On the occasion of EVN's upcoming 100th anniversary, the Group has announced its plans to award three one-year scientific fellowships. Young scientists who have completed a master or PhD programme will receive a scholarship for their research in the areas of culture and society, technology and business or the environment and climate



EVN and its predecessor companies have long since recognised their responsibility for the flora and fauna in the areas surrounding their plants. All power plant and pipeline projects, past and present, regularly include accompanying measures to support biodiversity. Protection for fish waters, for example, was provided as early as the 1940s with the first fish bypasses in the rivers near EVN's hydropower plants. At our storage power plants on the Erlauf, we coordinate with experts to develop a

management concept for the river that is adapted each year to reflect current conditions. Protective measures for birds and bats in the areas near our wind power projects represent another focal point of our activities, e. g. in the form of unused land or deactivation at certain times, temperatures and wind speeds. EVN has also cooperated with NGOs like BirdLife for many years and is involved, among others, in measures to protect the great bustard, white stork and red kite.

We are also working on numerous environmental protection projects in Bulgaria and North Macedonia, for example:

- → Construction of nest platforms to protect the endangered white stork in Bulgaria and North Macedonia
- → Joint project with the Bulgarian Association for Bird Protection to protect the imperial eagle (EU LIFE+ programme)
- → Joint project with Green Balkans, a Bulgarian environmental protection association, to protect the black vulture (EU LIFE+ programme)
- → Joint project with the Bulgarian Association for Bird Protection to protect birds from overhead power lines (EU LIFE programme)
- → Project to protect snakes by using ultrasonic devices for rodent prevention in network infrastructure plants, cable shafts and transformer stations in North Macedonia

△ GRI indicator: GRI 304-4





Barbara Roller, administration and construction
Michael Kovarik, information and communication
Lina Hofer, innovation, sustainability and environmental protection
Heike Maier-Rieper, information and communication

The consequent inclusion of stakeholders' interests in our business activities allows us to not only meet the needs and concerns of our environment. It also broadens our own horizon. The findings from EVN's materiality analysis serve as an orientation line for decision-making and strategic directions. And we also use this information as a source of new ideas and possible solutions. However, we never lose sight of our social responsibility.





We view the social acceptance of our work as a basic requirement for EVN's sustainable, long-term success and positive perception by the public. The overriding principle in this context is to create and maintain an appropriate and equitable balance between the diverse concerns shared with us by our stakeholder groups. This is reflected in the importance given to regular, proactive and open dialogue with our stakeholders, which is anchored as a key management principle in the EVN Code of Conduct.

A guideline for stakeholder management ensures the regular involvement of the various interest groups at the strategic level. We realign our corporate strategy with the concerns of our stakeholders as part of the three-year cycle for updating our materiality matrix. Based on the respective areas of activity, we analyse the potential social, ecological and economic impact of our business activities.

☐ For details on stakeholders and the EVN materiality matrix, see page 16f

△ GRI indicator: GRI 102-43

Project communications

We maintain an open and intensive exchange with relevant NGOs and interest groups, also to develop trusting and sustainable long-term relations with organisations that are sometimes critical of EVN's projects and activities.

A good discussion climate supports mutual understanding and is an important factor for the joint development of alternative solutions to projects that involve conflicting interests. Apart from increased planning quality and security, the proactive inclusion of NGOs and interest groups often leads to more

EVN's stakeholders and the type of inclusion (Extract)	Survey (employee and customer surveys at regular intervals, stakeholder surveys etc.)	Ongoing and regular contact	Working group, forum, Annual General Meeting (1–2 times per year or more often)	Advisory boards, expert committees (1–2 times per year or more often)	Supervisory Board
Employees	+	+	+	+	+
Customers	+	+	+	+	+
Business partners	+	+	+	+	+
Civil society	+	+	+	+	_
Media	+	+	+	_	_
Capital marktet	+	+	+	+	+



intensive and professional communications with neighbouring residents and local initiatives. The experience with previous projects also plays an important role here.

Project communications is institutionalised at EVN. From small-scale hydropower plants, pipelines and wind parks to biomass heating plants, we plan and realise all our construction projects with the active participation of neighbouring residents, citizens' groups, NGOs, political representatives, local initiatives and associations. This extensive dialogue is intended, in particular, to support the following goals:

- → High acceptance by internal and external stakeholders
- → Support for the feasibility of projects
- → Positive perception of the company and its activities
- Reduction of risks and prevention of damage to EVN's image

Ecological and social aspects are included in the development of all our projects and the related due diligence audits from the very beginning. These audits, which are conducted before the start of every project, form the basis for the decision processes of the Executive Board and, for certain largescale projects, the approval of the Supervisory Board.

△ GRI indicator: GRI 102-29

Responsible handling of local stakeholder interests

The following principles form the basis for our dialogue with the people who are directly affected by a project planned by EVN:

- → Early identification of the expectations and requirements of the various interest groups
- → Professional, structured and proactive communications with all local stakeholders
- → Transparent and extensive presentation of all relevant project information with the use of modern communication formats

→ Coordination of communications with political decision-makers, support for municipalities in their communications and mediation in conflict situations

Our project communications take place in close coordination and cooperation with the project managers and other responsible persons, whereby the continuous improvement of these employees' communication skills is also part of our efforts. Local stakeholders can, of course, contact us at any time to discuss their concerns. In addition to direct contact with the project managers, this is also possible over the EVN service telephone or via e-mail (info@evn.at).

△ GRI indicator: GRI 413-1

Crisis management

We have prepared comprehensive plans to deal with crises, emergencies and other contingencies and developed training programmes for major segments of our business, especially for risk scenarios that also affect the population. Crisis situations are simulated regularly at all EVN locations. In addition, internal and external exercises and training sessions on crisis management are held in Lower Austria. The emergency staff receive regular training, while duty personnel take part in annual training courses and all employees attend annual security training. Crisis management systems have also been installed at our operations in Bulgaria and North Macedonia.

△ GRI indicator: GRI 404-2

Support for interest groups and initiatives

We play an important role in the functioning of public life and the economy through the operation of our infrastructure and our wide-ranging services. In order to meet these commitments as best as possible, we are a member, on a voluntary or legally required basis, of numerous national

and international organisations and interest groups. The examples include Oesterreichs Energie and Eurelectric as industry associations as well as the UN Global Compact and respACT as social and ecological initiatives. All activities involved with these memberships take place in agreement with the rules of conduct defined by our compliance management system. In accordance with legal regulations, EVN is also listed in the Austrian lobbying and interest group register and the transparency register of the European Union.

- O For information on active memberships, also see www.evn.at/memberships
- △ GRI indicators: GRI 102-12, GRI 102-13

Social commitment

We place great value on our regional roots in all countries where we are active and are aware of the resulting high responsibility to society. This principle is also anchored in our mission statement as one of our core values. We promote and support activities and initiatives – from employees as well as third parties – in the areas of art, culture, social issues and sport – on both a tangible and intangible basis. This includes high transparency and an open approach to dialogue, inside and outside our company.

Consequently, we have implemented numerous social and cultural initiatives outside the scope of our operating business to address these general issues. We place particular emphasis on customer orientation and the identification of basic social, economic and demographic trends, above all in relation to the current changes in our working world. Other aspects of our social commitment involve the education of children and young people as well as improving the quality of life for people in challenging situations. Following are several examples of our activities in a social context.

Youth and school platform: One focal point of our social responsibility

is the support of knowledge on "(the careful use of) energy, energy efficiency and energy savings". The EVN School Service was established for this purpose in Lower Austria, Bulgaria and North Macedonia to organise projects, lectures and competitions for children and young people.

In cooperation with the EVN School Service, kabelplus has been holding free-of-charge workshops for schools since March 2020. External experts use these opportunities to explain the safe use of digital media and, in this way, strengthen the students' digital competence.

O Also see www.young.evn.at and www.kabelplus.at/onlinesicher

We spent a total of TEUR 357.8 in these three countries during 2020/21 to finance activities for the EVN School Service (above all for the purchase and preparation of learning and teaching materials as well as experiment kits).

EVN Junior Ranger Programme:

After a corona-related interruption in 2020, we again organised the "EVN Junior Ranger" training programme this year. On two Saturdays, 16 young people received theoretical and practical instruction from external experts on hydrobiology, flora and fauna in water meadows, river ecology and fisheries as well as nature and river conservation. The programme was held at and around the Erlaufklause Reservoir, which is located near one of our hydropower plants in Lower Austria.

Bonus points for a good cause: In the EVN Bonus World, our customers can take advantage of various offers to use the bonus points they collect with their energy purchases or the use of other EVN services. Bonus points can be used as financial compensation through the payment of the customer's bills or as a contribution to various projects. Recent campaigns involved donations, among others, for families particularly hard hit by the corona crisis, animal protection associations and volunteer fire-fighting brigades.



EVN Social Fund: The EVN Social Fund, which has an annual endowment of roughly EUR 100,000, supports institutions in Lower Austria that work with children and adolescents. Decisions on the projects to be sponsored are taken by an expert committee that meets twice each year. The recommendations for the use of funds are made unanimously to the Executive Board based on a predefined criteria catalogue. In 2020/21, this fund supported 14 projects with a total of TEUR 120.

O Also see www.evn.at/social-fund

△ GRI indicators: GRI 203-1, GRI 203-2

evn collection: The evn collection was founded in 1995. It is a collection of international, contemporary art which is curated by well-known experts on the EVN Art Advisory Board. Our corporate collection is designed to create a platform for a critical confrontation with the visual arts and is directed not only to our employees and their families but also to art enthusiasts outside the company.

O Also see www.evn-sammlung.at

Sustainability programme

Our sustainability programme was developed in an iterative process during target discussions. Specific area focal points were identified on the basis of the EVN materiality matrix, and Group-wide sustainability targets and measures were defined in a next step. The sustainability programme is updated and expanded regularly in cooperation with all departments.

Specific targets and measures	Milestone and status as of 30 September 2021	Sustainable Development Goals (SDGs)
Goals: Supply security		
Maintain high network quality and low disruption times (despite rising volume of volatile generation)		
→ Regular monitoring of networks; future-oriented dimensioning and quality assurance for network expansion; implementation of an information security management system to protect network operations against cyberattacks	→ Ongoing measures	→ SDG 9 Industry, innovation and infrastructure
 → Continued concentration on maximum availability of supplies and services; investments in network expansion (in particular, to integrate renewable generation and focus the networks on the demands created by rising e-mobility) → Support for alternative gaseous energy carriers (green gas, hydrogen etc.) 	→ Ongoing measures; annual investments of roughly EUR 200m in network infrastructure by Netz Niederösterreich GmbH	→ SDG 9 Industry, innovation and infrastructure
☐ For information on electricity disruptions, also see page 52		
Group coverage ratio at 30% of electricity sales through increase in renewable generation (based on Strategy 2030)		
→ Increase in wind power capacity from the current level of 394 MW to 750 MW by 2030 (projects planned in Austria and Bulgaria); expansion of 300 MW in photovoltaic capacity by 2030 (projects planned in Austria, Bulgaria and North Macedonia)	→ Ongoing measures; numerous wind parks and photovoltaic plants in planning and under construction	→ SDG 7 Affordable and clean energy → SDG 9 Industry, innovation and infrastructure → SDG 13 Climate action

Milestone and status as of 30 September 2021	Sustainable Development Goals (SDGs)
→ Ongoing measures; commissioning of first section (approx. 25 km) of the transport pipeline from Krems to Zwettl in autumn 2021; completion of entire transport pipeline plus three elevated tanks and four pressure rising plants by 2025	→ SDG 6 Clean water and sanitation (6.3
→ Ongoing measures; commissioning of the fifth natural filter plant (in Petronell) in winter 2021/22; start of installation for the sixth plant (in Bisamberg) in autumn 2021 (commissioning planned for win- ter 2022/23); planning and con- struction of further natural filter	⇒ SDG 6 Clean water and sanitation (6.3)
→ Project start: summer 2020; realisation by 2023	→ SDG 12 Responsible consumption and production → SDG 15 Life on land
→ Project application filed; realisation from 2021 to 2026	 ⇒ SDG 12 Responsible consumption and production ⇒ SDG 15 Life on land
	→ Ongoing measures; commissioning of first section (approx. 25 km) of the transport pipeline from Krems to Zwettl in autumn 2021; completion of entire transport pipeline plus three elevated tanks and four pressure rising plants by 2025 → Ongoing measures; commissioning of the fifth natural filter plant (in Petronell) in winter 2021/22; start of installation for the sixth plant (in Bisamberg) in autumn 2021 (commissioning planned for winter 2022/23); planning and construction of further natural filter → Project start: summer 2020; realisation by 2023 → Project application filed;

Specific targets and measures	Milestone and status as of 30 September 2021	Sustainable Development Goals (SDGs)
Environmental protection measures at the thermal waste utilisation plant in Dürnrohr		
→ Improvement of plant efficiency through continuous process optimisation (e.g. optimisation of furnace capacity controls)	→ Ongoing measures	→ SDG 12 Responsible consumption and production → SDG 15 Life on land
→ Improvement of energy efficiency through reduction in compressed air requirements and pressure losses	→ In implementation; finalisation of measures in FY 2021/22	 ⇒ SDG 12 Responsible consumption and production ⇒ SDG 15 Life on land
Focus on environmental management systems		
→ Certified environmental management systems in all generation units; internal environmental management in other areas	→ Ongoing measures; expansion in heat business; continuation in power plants despite operational interruptions	→ SDG 12 Responsible consumption and production → SDG 15 Life on land
Reduction of emissions by the district heating plants → Installation of primary recirculation equipment in Hagenbrunn, Leopoldsdorf and Korneuburg	→ In planning	→ SDG 12 Responsible consumption and production → SDG 15 Life on land
Reduction of emissions from the household sector		
→ Construction of new biomass heating plants to support district heating supplies	→ Ongoing measures; biomass cogeneration plant in Krems under construction and bio- mass district heating plant in Langenlebarn in planning	→ SDG 12 Responsible consumption and production → SDG 15 Life on land
Goals: Climate protection		
Increase in generation capacity from the wind and sun (based on Strategy 2030)		
⇒ Increase in wind power capacity from the current level of 394 MW to 750 MW by 2030 (projects planned in Austria and Bulgaria); expansion of 300 MW in photovoltaic capacity by 2030 (projects planned in Austria, Bulgaria and North Macedonia)	→ Ongoing measures; numerous wind parks and photovoltaic plants in planning and under construction	→ SDG 7 Affordable and clean energy → SDG 9 Industry, innovation and infrastructure
		→ SDG 13 Climate action

pecific targets and measures	Milestone and status as of 30 September 2021	Sustainable Development Goals (SDGs)
Nide-ranging installation of conventional and non-conventional photovoltaic capacity		
 → Implementation of EVN Solar Initiative: introduction of a photovoltaic contracting model for municipalities; development of a photovoltaic citizens' participation model → Planned testing of floating photovoltaics as part of a joint research project by evn naturkraft and Ökowind 	 → Ongoing measures; 34 plants already constructed; citizens' participation model developed in 2020; evn naturkraft: seven contracting plants on hospitals in Lower Austria → Floating photovoltaic project Grafenwörth in implementation; 18 further plants in the planning stage 	→ SDG 7 Affordable and clean energy → SDG 9 Industry, innovation and infrastructure → SDG 11 Sustainable cities and communities → SDG 13 Climate action
Revitalisation of small hydropower plants		
⇒ Revitalisation of Brandstatt power plant; threefold increase in generation capacity of the small hydropower plant in Scheibbs	→ Start of construction in April 2020; commissioning planned for October 2021	 ⇒ SDG 7 Affordable and clean energy ⇒ SDG 9 Industry, innovation and infrastructure ⇒ SDG 11 Sustainable cities and communities ⇒ SDG 13 Climate action
Support for emission-free mobility		
→ Development of broad-based Austrian charging station system with many regional energy suppliers; increased cooperation with Austrian Federal Association for Electric Mobility	→ Ongoing measures; over 670 EVN loading stations with 1,735 online loading points; use of over 7,000 online loading points across Austria with the EVN fuel card – and the trend is increasing; EVN Charge & Pay as an easy payment method with ATM or	→ SDG 13 Climate action → SDG 17 Partnerships for the goals
	credit card at EVN loading points	

specific targets and measures	Milestone and status as of 30 September 2021	Sustainable Development Goals (SDGs)
Energy efficiency measures at EVN Wärme		
→ Coverage of own electricity requirements with photovoltaics	→ Ongoing measures; installation of photovoltaic equipment at several locations completed in FY 2020/21; additional biomass heating plants equipped with photovoltaics; further expansion in planning	→ SDG 9 Industry, innovation and infrastructure → SDG 15 Life on land
→ Improved use of heat in district heating plants	→ Ongoing measures; measures at Mödling and Baden district heating plants (e. g. network optimisation, reduction of return flow temperature etc.); measures at Baden district heating plant completed, measures in Mödling still in implementation; measures planned for further district heating plants	 ⇒ SDG 9 Industry, innovation and infrastructure ⇒ SDG 15 Life on land
→ Reduction in pump current	→ Ongoing measures; upgrading of differential pressure measurements	→ SDG 9 Industry, innovation and infrastructure → SDG 15 Life on land
→ Purchase of new lorries with more efficient emission values	→ In implementation; finalisation of measures planned for FY 2021/22	→ SDG 9 Industry, innovation and infrastructure
Goals: Sustainable increase in corporate value Create greater awareness for compliance issues throughout the EVN Group → Revision of compliance training programme; international roll-out of	→ Ongoing measures; preparations	→ SDG 16 Peace, justice and strong
compliance guideline; modification of whistle-blowing procedures	completed; ongoing implementation throughout the Group	institutions
Focus of all EVN procurement processes on sustainability		
→ Survey of sustainability among the EVN Group's top suppliers; evaluation of sustainability along the supply chain to identify any risky product groups	→ Analysis of sustainability among the EVN Group's top suppliers completed in FY 2020/21; measures in development	→ SDG 8 Decent work and economi growth
Sustainable financing of projects for the transformation of the energy system to renewable generation		
→ Issue of a 15-year, green bond with bullet repayment; financing purpose: network expansion to support integration of renewable generation	→ Completed in FY 2020/21	→ SDG 7 Affordable and clean energ

pecific targets and measures	Milestone and status as of 30 September 2021	Sustainable Development Goals (SDGs)
Goals: Innovation and digitalisation		
Focus of research and development activities on ligital innovation to support the system transformation owards renewable energies		
⇒ Further development of the Green Energy Lab; innovation laboratory in which EVN, as one of over 200 participants from research, industry and the public sector, is involved in interdisciplinary R&D projects in the test region 'Eastern Austria' which are focused on sustainable energy systems ⇒ Projects to link several thousand decentralised consumers, renewable energy producers and storage facilities as well as their integration in a virtual power plant	→ Ongoing measures; implementation as part of two Green Energy Lab projects "Open Data Platform" and "Regional Renewable Energy Cells" by October 2021 resp. May 2022	→ SDG 7 Affordable and clean energy → SDG 9 Industry, innovation and infrastructure
 Research and development project to support network stabilisation through the marketing of internal and external reserve capacity 	→ Ongoing measures; plans include start of test operations Phase 1 in February 2022 and operational start beginning in April 2022	→ SDG 7 Affordable and clean energy → SDG 9 Industry, innovation and infrastructure
For information on the Green Energy Lab, also see page 61ff		
Digitalisation of product and service offering and internal and external processes in customer contacts Establishment of an online panel (customer database for the digital, flexible and targeted collection of customer opinions on new products	→ In implementation	→ SDG 9 Industry, innovation and infrastructure
Digitalisation of product and service offering and internal and external processes in customer contacts > Establishment of an online panel (customer database for the digital,	-> In implementation	
Digitalisation of product and service offering and internal and external processes in customer contacts Establishment of an online panel (customer database for the digital, flexible and targeted collection of customer opinions on new products	→ In implementation → Ongoing measures; in implementation	
Digitalisation of product and service offering and internal and external processes in customer contacts Establishment of an online panel (customer database for the digital, flexible and targeted collection of customer opinions on new products and services prior to market introduction) Optimisation and/or redesign of key customer processes (e. g. analysis of customer-related processes with regard to possible digitalisation;	· · · · · · · · · · · · · · · · · · ·	infrastructure → SDG 9 Industry, innovation and
Digitalisation of product and service offering and internal and external processes in customer contacts Establishment of an online panel (customer database for the digital, flexible and targeted collection of customer opinions on new products and services prior to market introduction) Optimisation and/or redesign of key customer processes (e.g. analysis of customer-related processes with regard to possible digitalisation; expansion of payment options both online and in the EVN Service Centres)	· · · · · · · · · · · · · · · · · · ·	infrastructure → SDG 9 Industry, innovation and
Digitalisation of product and service offering and internal and external processes in customer contacts Establishment of an online panel (customer database for the digital, flexible and targeted collection of customer opinions on new products and services prior to market introduction) Optimisation and/or redesign of key customer processes (e. g. analysis of customer-related processes with regard to possible digitalisation; expansion of payment options both online and in the EVN Service Centres) Also see page 59	· · · · · · · · · · · · · · · · · · ·	infrastructure → SDG 9 Industry, innovation and

Milestone and status as of 30 September 2021	Sustainable Development Goals (SDGs)
→ Ongoing measures; organisation of customer service week in October 2021	→ SDG 17 Partnerships for the goals
→ Ongoing measures	→ SDG 17 Partnerships for the goals
→ Ongoing measures	→ SDG 17 Partnerships for the goals
→ EVN's materiality matrix updated (project concluded in May 2021) based on an internal and external evaluation in April 2021 to determine the importance of the areas of activity	→ SDG 17 Partnerships for the goals
→ Completed in FY 2020/21	→ SDG 8 Decent work and economic growth
→ Completed in FY 2020/21 → Ongoing measures	
	growth → SDG 8 Decent work and economic
	→ Ongoing measures; organisation of customer service week in October 2021 → Ongoing measures → Ongoing measures → EVN's materiality matrix updated (project concluded in May 2021) based on an internal and external evaluation in April 2021 to determine the importance of the areas

Specific targets and measures	Milestone and status as of 30 September 2021	Sustainable Development Goals (SDGs)
Programme "Women@EVN"		
→ Mentoring programme to prepare women for management positions	→ In implementation	→ SDG 8 Decent work
Digitalisation of training and continuing education programmes		
→ Focus on e-learning: implementation of an IT-based learning and seminar coordination platform in line with the "blended learning" approach	→ Implementation planned by end of 2021	→ SDG 8 Decent work
Prevention of work accidents and reduction of the Lost Time Injury Frequency Index		
→ Purchase of state-of-the-art protective clothing and work equipment	→ Ongoing measures ———————————————————————————————————	→ SDG 8 Decent work
→ Greater involvement of management (e. g. training, safety conferences)	→ Ongoing measures	→ SDG 8 Decent work
→ Specialist seminars	→ Ongoing measures	→ SDG 8 Decent work
→ Continuous improvement in awareness through regular internal communications (e. g. Intranet, employee newsletter)	→ Ongoing measures	→ SDG 8 Decent work
→ Accident prevention measures (e.g. protective equipment and training for involved employees)	→ Ongoing measures	→ SDG 8 Decent work
Implementation of regulation for electromagnetic fields → Measurement and preparation of a zone plan	→ Ongoing measures; start in 2019; completed at Netz Niederöster- reich GmbH, in implementation at	- → SDG 8 Decent work
Occupational safety during the Covid-19 pandemic	all other companies	-
→ Adaptation of rules and reorganisation of crisis staff	→ Completed in FY 2020/21	→ SDG 8 Decent work
→ Revision of Group directive on "Pandemic Protection" based on experience from the Covid-19 pandemic	→ Completed in FY 2020/21	→ SDG 8 Decent work
→ Creation of a central crisis storage point for protective clothing and material	→ Completed in FY 2020/21	→ SDG 8 Decent work
→ Purchase and distribution of necessary protective clothing (masks, gloves etc.)	→ Ongoing measures	→ SDG 8 Decent work

Specific targets and measures	Milestone and status as of 30 September 2021	Sustainable Development Goals (SDGs
Nomination of representatives		
Creation of a central list of representatives for every company (e. g. planning and construction site coordinators, waste coordinators, fire control officers, occupational physicians, responsible works council or security officer for occupational safety)	→ Ongoing measures	→ SDG 8 Decent work
Occupational safety and smart meter installation		
→ Extensive training programme (also for third-party firms) in connection with changeover to smart meters	→ Ongoing measures	→ SDG 8 Decent work
For information on occupational safety, also see page 70f and 78ff		

This sustainability programme is an expression of our efforts to connect the areas of activity in our materiality matrix with concrete project goals and measures. We want these areas of activity to have a significant influence on our daily activities as a company, just the same as the core strategies which place our responsible and sustainable orientation in a medium- and long-term context. The communication of our sustainability programme in concrete terms is also intended to strengthen the commitment of our employees further because we want our actions to always be in harmony with our strategy and in the best interests of our stakeholders. These goals and measures are intended to make a concrete contribution to meeting the 17 Sustainable Development Goals (SDGs) set by the United Nations.

☐ The EVN materiality matrix: see page 17

O For information on the SDGs and the individual targets, also see https://sustainabledevelopment.un.org/sdgs

Maria Enzersdorf, 24 November 2021

EVN AG

The Executive Board

Stefan Szyszkowitz, MBA Spokesman of the Executive Board **Franz Mittermayer**Member of the Executive Board

Independent assurance report on the non-financial reporting 2020/21

To the members of the Management and the Supervisory Board of EVN AG.

Maria Enzersdorf

The subsequent independent assurance report in the English language is a translation provided for informational purposes only. The German text of the signed confirmation report, which refers to the German version of the nonfinancial reporting 2020/21, is the only legally binding version. This English translation has no legal effect. More specifically, it cannot be used for interpreting the German version of the independent assurance report.

Independent Assurance Report on the Non-financial Reporting according to § 267a UGB

We have performed a limited assurance engagement on the consolidated non-financial report and sustainability performance disclosures and indicators of EVN AG (hereinafter referred to as the "Company") for the financial year 2020/21 in accordance with Section 267a UGB (Austrian Commercial Code).

Responsibility of the legal representatives

The legal representatives of the Company are responsible for the proper preparation of the consolidated nonfinancial report in accordance with the requirements pursuant to Section 267a UGB (Austrian Commercial Code) and the GRI Standards Option "Core".

The legal representative's responsibility includes the selection and application of appropriate non-financial reporting methods (in particular the selection of material topics) and the use of assumptions and estimates for individual sustainability disclosures that are reasonable in the circumstances. An auditor's responsibility includes designing, implementing and maintaining systems, processes and internal controls relevant to the preparation and fair presentation of the Sustainability Report that are free from material misstatement, whether due to fraud or error.

Responsibility of the auditor

Our responsibility is to express an opinion, based on our audit procedures and the evidence we have obtained, as to whether any matters have come to our attention that cause us to believe that the consolidated non-financial report of the Company as of 30 September 2021 is not, in all material respects, in accordance with the legal requirements of the Austrian Sustainability and Diversity Improvement Act (§ 267a UGB) and the GRI Standards (option "Core").

Clarification on the scope of the audit due to the integrated non-financial reporting in the full report. Our audit covers the following area of the full report:

→ Non-financial report in the full report 2020/21

We conducted our audit in accordance with Austrian generally accepted standards for other audits (KFS/PG 13) and the International Standard on Assurance Engagements (ISAE 3000) applicable to such engagements. These standards require that we comply with ethical requirements, including independence requirements, and plan and perform the engagement, under consideration of materiality, to express our conclusion with limited assurance.

In a limited assurance engagement, the audit procedures performed are less extensive in comparison to a reasonable assurance engagement, and consequently less assurance is obtained.

The procedures selected depend on the auditor's judgement and included in particular the following activities:

- ⇒ Interviewing employees responsible for the materiality analysis at Group level in order to gain an understanding of the procedure for identifying material sustainability issues and the corresponding reporting boundaries of the Company;
- → Risk assessment, including a media analysis, of relevant information about the Company's sustainability performance during the reporting period;
- Assessment of the design and implementation of systems and processes for the identification, processing and monitoring of environmental, social and labour data, respect for human rights and the fight against corruption and bribery, including the consolidation of data:
- → Interviews with personnel at Group level responsible for identifying, consolidating and performing internal control activities related to disclosures of concepts, risks, due diligence processes, results and performance indicators;
- → Assessment of the design and implementation of systems and processes for determining, processing and monitoring the sustainability performance data and indicators included in the scope of the audit, including the consolidation of the data;
- → Review of selected internal and external documents to determine whether qualitative and quantitative information is supported by sufficient evidence and presented accurately and fairly;
- → Assessment of local data collection, validation and reporting processes and the reliability of reported data through a process and sample survey of the North Macedonian site. All interviews were conducted virtually due to the ongoing Covid-19 pandemic and Corona protective measures.
- → Analytical assessment of the data and trends of the quantitative disclosures for the GRI Standards listed in the GRI Index, which were reported by all sites for consolidation at Group level;
- → Assessment of whether the requirements according to Section 267a UGB and GRI standards (option "Core") have been adequately addressed:
- → Critical assessment of the overall presentation of the disclosed non-financial information.

The subject matter of our engagement is neither an audit of financial statements nor a review of financial statements. Likewise, neither the detection and clarification of criminal offences, such as embezzlement or other acts of breach of trust and administrative offences, nor the assessment of the effectiveness and efficiency of the management is the object of our engagement.

Furthermore, the audit of forward-looking statements, prior-year figures, statements from external documentation sources and expert opinions as well as references to further reporting by the Company are not part of our engagement. The information audited as part of the audit of the annual financial statements was checked for correctness (no substantive audit).

Summary assessment

Based on our audit procedures and the evidence obtained, nothing has come to our attention that causes us to believe that the consolidated non-financial report for the financial year 2020/21 of the Company is not prepared, in all material respects, in accordance with the requirements of the Austrian Sustainability and Diversity Improvement Act (§ 267a UGB) and GRI Standards (option "Core").

Limitation of use

We consent to the publication of our audit certificate together with the non-financial report. The report does not form the basis for any reliance by third parties on its contents. The report is not intended to be relied upon by third parties in making (financial) decisions. Claims by third parties can therefore not be derived from it. Our responsibility is solely to the Company.

Terms of engagement

With regard to our responsibility and liability towards the company and towards third parties, point 7 of the General Conditions of Contract for the Public Accounting Professions applies.

Vienna, 24 November 2021

BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

> Gerhard Posautz Auditor

Peter Bartos Auditor