

Acting sustainably, investing in *tomorrow*

Full Report
2022/23



Dear Ladies and Gentlemen, dear Shareholders,

“Acting sustainably, investing in tomorrow.” The title we selected for our Full Report 2022/23 reflects our three most important focus issues: sustainability, the energy future and investments. They run like a green thread through our daily work routine and concern all of us – in management just the same as in the technical and commercial areas, in our offices and in the field, in all countries where we are active.

This commitment to sustainability has always been deeply anchored in our corporate culture – because providing the necessary infrastructure for reliable public services represents the core of our business. The milestone set by our EVN Climate Initiative and the formulation of science-based reduction goals for our greenhouse gas emissions have firmly placed climate protection at the heart of all our activities as part of our Strategy 2030. Through the resulting goals and related concrete measures, we will make a measurable contribution to containing climate change.

Our Strategy 2030 spins the – green – thread further to the energy future and our investments. We see ourselves as an enabler for an emission-free energy future, on the one hand with our corporate strategy and the massive expansion of our own renewable generation capacity. In 2022/23, we made significant progress and are therefore very optimistic that we will meet our expansion goals for over 770 MW in wind power and 300 MWp for photovoltaics by 2030. On the other hand, we have been campaigning for many years to explain that the conversion of the energy system can only be successful if the network infrastructure also grows correspondingly. The necessary integration of volatile renewable generation from many decentralised sources, above all photovoltaics, in combination with completely new consumption patterns through heat pumps and e-mobility, make network expansion a technical

and economic project for generations. This is also confirmed by our new investment plan, which raised our total investments to nearly EUR 700m during the 2022/23 financial year. Behind all this is a further increase in network investments as well as investments in wind parks and photovoltaic plants. Our investments over the coming years will also remain within a very high range of EUR 700m to EUR 900m.

The associated organic growth is also reflected in our earnings expectations. Based on a Group net result of EUR 529.7m in the 2022/23 financial year, we will propose the payment of a dividend of EUR 0.52 per share plus a special dividend of EUR 0.62 Euro per share to the 95th Annual General Meeting. For the current 2023/24 financial year – assuming a stable regulatory and energy policy environment – we expect Group net result of EUR 420m to EUR 460m. Against this backdrop, we are also redefining our dividend policy for the near term: Plans call for the dividend to equal at least EUR 0.82 per share in the future. We also want our shareholders to participate appropriately in future earnings growth. Our target calls for a payout ratio equal to 40% of Group net result, adjusted for extraordinary effects, over the medium-term.

Our activities continue to focus on the design of the energy future, and we are aware of our great responsibility for sustainability, availability and affordability. We see this responsibility as a challenge to develop concrete solutions that are viable over the long-term. And it is our colleagues who manage these varied assignments and their wide-ranging challenges every day with spirit, passion and professionalism. They deserve our special thanks because they create the foundation for EVN’s successful positioning. EVN stands for responsibility in many areas and delivers its customers answers for the future.



Stefan Szyszkowitz
Spokesman of the Executive Board



Franz Mittermayer
Member of the Executive Board

Key figures

		2022/23	2021/22	+/- %	2020/21
Sales volumes					
Electricity generation volumes	GWh	2,981	3,365	-11.4	3,997
thereof from renewable energy	GWh	2,295	2,248	2.1	2,283
Electricity sales volumes to end customers	GWh	18,153	20,853	-12.9	20,207
Natural gas sales volumes to end customers	GWh	4,291	4,987	-14.0	5,412
Heat sales volumes to end customers	GWh	2,272	2,545	-10.7	2,545
Consolidated statement of operations					
Revenue	EURm	3,768.7	4,062.2	-7.2	2,394.9
EBITDA	EURm	869.0	754.8	15.1	836.5
EBITDA margin ¹⁾	%	23.1	18.6	4.5	34.9
Results from operating activities (EBIT)	EURm	528.5	331.6	59.4	386.4
EBIT margin ¹⁾	%	14.0	8.2	5.9	16.1
Result before income tax	EURm	656.2	301.2	-	366.4
Group net result	EURm	529.7	209.6	-	325.3
Consolidated statement of financial position					
Balance sheet total	EURm	10,996.0	12,430.5	-11.5	11,139.8
Equity	EURm	6,464.3	7,321.1	-11.7	6,544.3
Equity ratio ¹⁾	%	58.8	58.9	-0.1	58.7
Net debt	EURm	1,364.3	1,245.1	9.6	813.8
Gearing ¹⁾	%	21.1	17.0	4.1	12.4
Return on equity (ROE) ¹⁾	%	8.4	3.4	5.0	6.3
Consolidated cash flow and investments					
Net cash flow from operating activities	EURm	942.4	151.0	-	789.6
Investments ²⁾	EURm	694.1	564.0	23.1	415.0
Net debt coverage (FFO) ¹⁾	%	79.4	55.8	23.6	92.9
Interest cover (FFO)	x	23.4	20.7	12.8	13.1
Value added					
Net operating profit after tax (NOPAT)	EURm	459.4	313.4	46.6	312.8
Capital employed ³⁾	EURm	5,998.9	5,683.2	5.6	4,842.5
Operating return on capital employed (OpROCE) ¹⁾	%	7.7	5.5	2.1	6.5
Weighted average cost of capital (WACC) ¹⁾	%	5.0	5.0	0.0	5.5
Economic value added (EVA) ⁴⁾	EURm	159.4	29.3	-	46.4
Share					
Earnings	EUR	2.97	1.18	-	1.83
Dividend	EUR	0.52 + 0.62 ^{5) 6)}	0.52	-	0.52
Dividend yield ¹⁾	%	4.5	3.1	1.4	2.3
Share performance					
Share price at 30 September	EUR	25.30	17.04	48.5	22.95
Highest price	EUR	25.30	27.70	-8.7	24.75
Lowest price	EUR	15.56	16.92	-8.0	13.38
Market capitalisation at 30 September	EURm	4,551	3,065	48.5	4,128
Credit rating					
Moody's		A1, stable	A1, stable		A1, stable
Scope Ratings ⁷⁾		A+, stable	A+, stable		A+, stable

1) Changes reported in percentage points

2) In intangible assets and property, plant and equipment

3) Average adjusted capital employed

4) As defined by Stern Stewart & Co.

5) Proposal to the Annual General Meeting

6) Special dividend of EUR 0.62 per share

7) The initial rating of EVN was published by Scope Ratings on 2 November 2021.

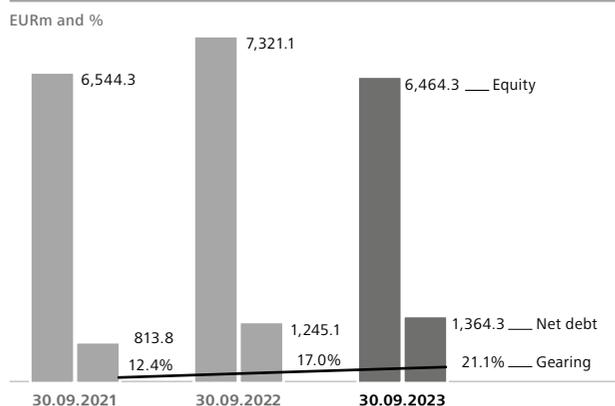
	2022/23	2021/22	2020/21
Employees			
Number of employees on a full-time equivalent basis (FTE)	ø 7,255	7,135	7,126
Number of employees as of 30 September (headcount)	number 7,722	7,453	7,453
thereof women	number 1,825	1,744	1,711
thereof men	number 5,897	5,709	5,742
Proportion of women	% 23.6	23.4	23.0
Employee fluctuation	% 4.1	3.5	4.0
Training hours per employee	hrs. 29.6	26.9	28.8
Number of occupational accidents ¹⁾	number 64	78	78
Environment			
Direct greenhouse gas emissions (Scope 1) ²⁾	t CO ₂ e 920,797	1,123,508	–
Specific greenhouse gas emissions (Scope 1) ²⁾	t CO ₂ e/GWh 190.41	211.09	–
NO _x emissions	t 756	832	1,360
Hazardous waste and residual materials ³⁾	t 15,918	14,608	17,489

1) Excluding commuting accidents

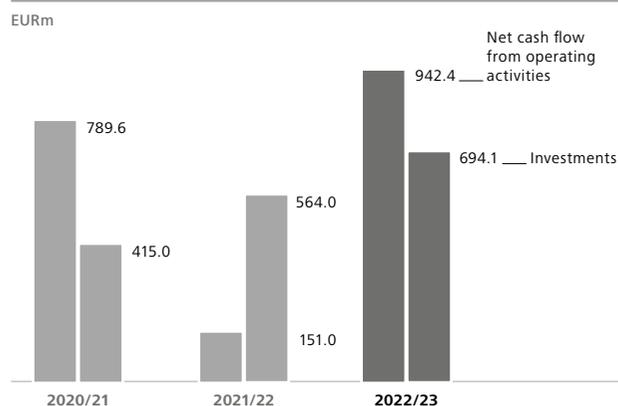
2) No data available for 2020/21 due to change in calculation method

3) Without construction residue

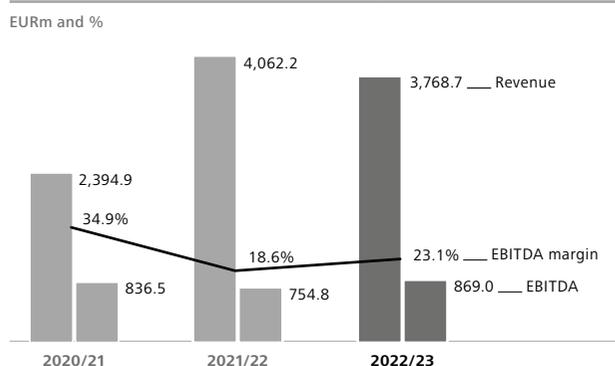
Equity, net debt and gearing



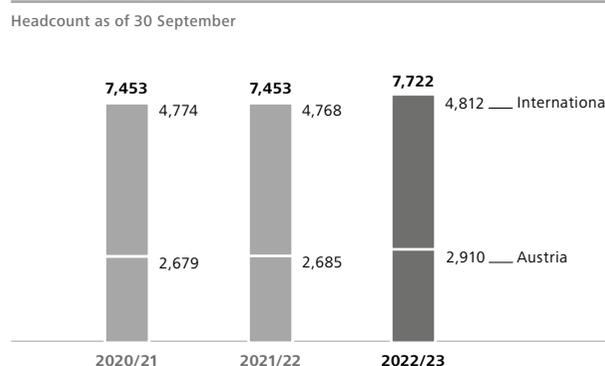
Cash flow and investments



Revenue, EBITDA and EBITDA margin



Employees by region



Highlights 2022/23

Revenue
EUR 3.8bn

Group net result
EUR 529.7m

EBIT
EUR 528.5m

Dividend proposal
EUR 0.52 + EUR 0.62
special dividend per share



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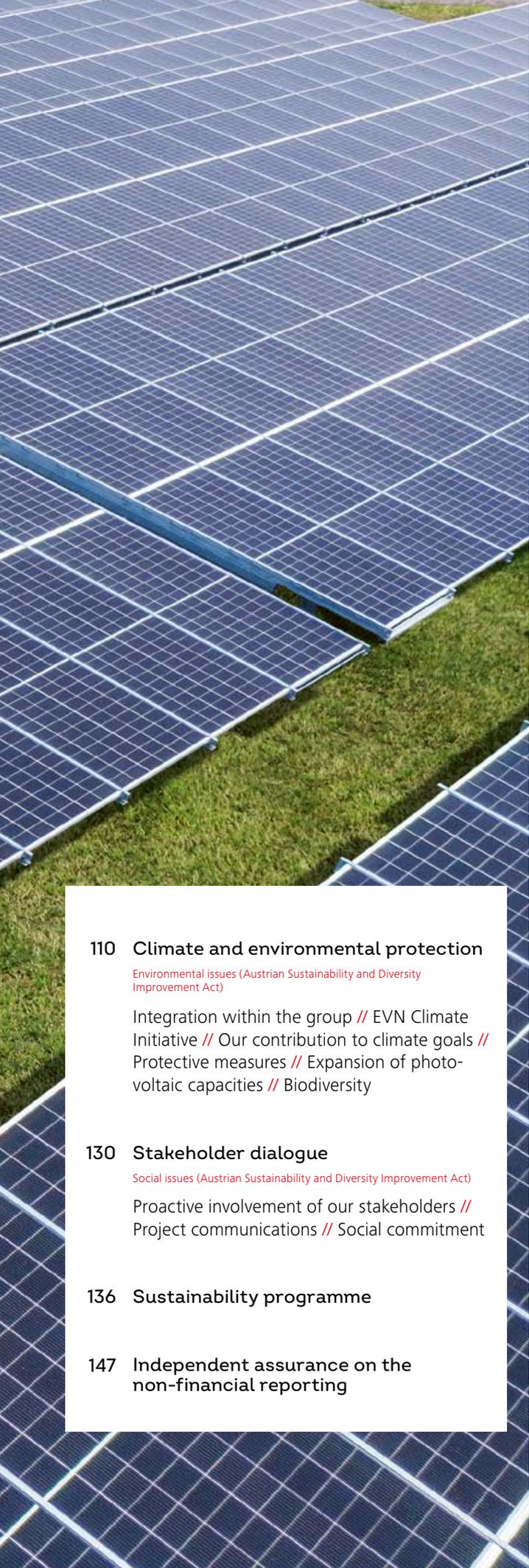
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About this report

Under the title “EVN Full Report”, we publish an integrated annual and sustainability report for the previous financial year which covers the period from 1 October to 30 September. Our goal for this publication is to provide equal treatment for financial and non-financial information, including the corporate governance report.

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 2022/23 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 the fight against corruption are therefore presented under the section “Non-financial report” and listed separately in the table of contents for easier orientation.

EU Taxonomy Regulation

To fulfil the requirements of Article 8 of the EU Taxonomy Regulation (2020/852), the “Non-financial report” also includes our reporting on the EU Taxonomy Regulation.

□ For information on the reporting according to the EU Taxonomy Regulation, see page 41ff

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 IFRS 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 for the 2022/23 financial year is based on the applicable standards of the Global Reporting Initiative (GRI) “in accordance with the GRI standards 2021”. The reported GRI indicators are summarised in the GRI content index to provide an overview of the subject matter.

□ For information on the GRI content index, see page 298ff

Reporting principles and structure

At EVN, we attach great importance to giving equal treatment to the interests and concerns of our various stakeholders. The selection of the non-financial reporting content is based on its relevance for sustainability and our goal to achieve a balanced and complete presentation of the most important current issues in line with the following principles:

→ Involvement of stakeholders:

The reporting content is based on legal requirements and the information needs of our stakeholders, which were last identified through a stake-

holder 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:** This reporting meets applicable legal requirements as well as the applied GRI standards.

- For information on EVN's materiality matrix, see page 17

External verification

BDO Assurance GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft was responsible for an audit with limited assurance of the consolidated non-financial report for the 2022/23 financial year in agreement with the

requirements of the Austrian Sustainability and Diversity Improvement Act and § 267a of the Austrian Commercial Code, the GRI standards 2021 and Article 8 and 9 letters a and b of the EU Taxonomy Directive (2020/852) in connection with Article 10 para. 4 of the Delegated Act of the European Commission (2021/2178) in connection with Article 1 of the Delegated Act of the European Commission (2023/2486).

- The auditors' report can be found on page 292ff
- For the independent assurance report on the consolidated non-financial report, see page 147ff

Additional information

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 forward-looking 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.

We use the following signs in this report:

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

EVN is committed to equal treatment in references to all genders in its internal and external publications, i. e. also in this full report.

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 21 November 2023.

- For information on the Global Reporting Initiative, see www.globalreporting.org
- For information on the UN Global Compact, see www.unglobalcompact.org
- △ GRI indicators: GRI 1, GRI 3-1

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

EVN's headquarters are located in Lower Austria,
further core markets are Bulgaria and North Macedonia.
In total, EVN is currently active in 14 countries.

Business areas



Energy business

Our integrated business model covers the entire value chain:

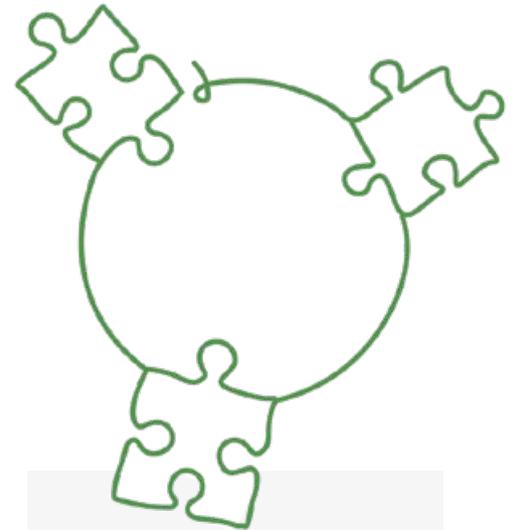
- Energy generation
- Operation of distribution networks
- Supply of electricity, natural gas and heat to end customers (with different focal points in our individual markets)



Environmental services business

The environmental services business covers the following activities:

- Drinking water supplies in Lower Austria
- In September 2023, a structured bidder process was initiated for the international project business which comprises the planning, construction, financing and operation of plants for drinking water supplies, wastewater disposal as well as thermal waste and sludge utilisation



Investments

Investments in areas related to the core business supplement and hedge our value chain:

- Verbund AG (12.63%)
- Burgenland Holding (73.63%), which, in turn, holds 49.0% of Burgenland Energie
- RAG (50.03%)

Markets¹⁾ and business areas



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

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

Bulgaria
 → **Generation:** electricity, heat
 → **Network operations:** electricity, heat
 → **Energy supplies:** electricity, heat

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

North Macedonia
 → **Generation:** electricity
 → **Network operations:** electricity
 → **Energy supplies:** electricity

Albania
 → **Generation:** electricity

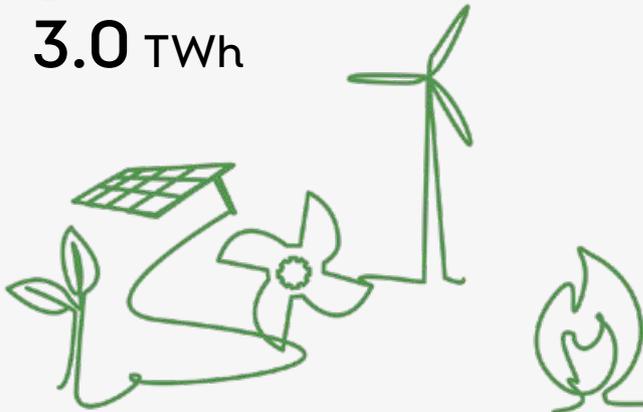
Other countries
 → **International project business:** WTE is responsible for the construction and operation of plants for drinking water supplies, wastewater treatment and thermal waste and sludge utilisation in Germany, Poland, Romania, Slovenia, Croatia, North Macedonia, Cyprus, Bahrain and Kuwait

1) Map outlines markets in the energy business

Value chain and key data

Electricity generation

3.0 TWh



77.0%
Renewable

23.0%
Thermal



Trade and supply

Energy sales
volumes
24.8 TWh



164,215 km
Networks

 **149,271 km**
Electricity

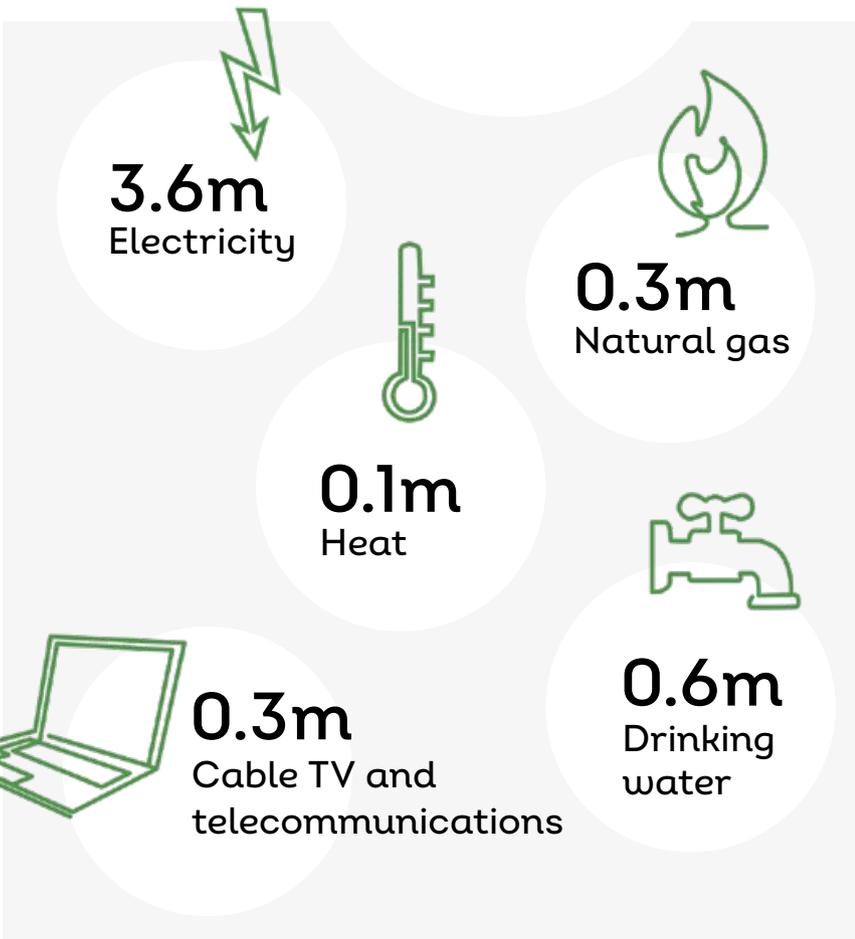
 **13,983 km**
Natural gas

 **961 km**
Heat



Storage

6.3 bn m³
Natural gas storage
capacity of RAG



Environmental services business

Drinking water supply in Lower Austria and 12 international projects in realisation

Assuming responsibility



***and acting with
a vision.***



EVN's activities are always focused on ESG – and that also makes the share attractive for sustainability-oriented investors.

The conversion of the energy system is a project for generations

Interview with the members of EVN's Executive Board, Stefan Szyszkowitz and Franz Mittermayer.

The development of renewable energies – meaning wind and photovoltaics as well as hydropower – has been extremely dynamic. Can we already depend entirely on green electricity?

Stefan Szyszkowitz: Sometimes yes, sometimes no. I particularly remember the 2 July 2023. There was so much renewably generated electricity in the European electricity system on that Sunday that it was momentarily traded at a negative spot price of EUR 500 per MWh – in other words: you were required to pay for feeding-in produced energy. The result was that renewable capacity was taken off the grid across Europe and wind parks were temporarily shut down. And at the Danube River power plants, water was diverted past the turbines.

This example leads us to a series of conclusions: First of all, the focus of society and politics on climate protection and the expansion of renewables is making great progress. We also see this in our Lower Austrian network area, above all due to the rapid growth in decentralised photovoltaic facilities. But secondly, as impressive as the expansion of wind and solar electricity is, we urgently need economically and technically mature solutions to use and – even more important – to make the seasonal storage of surplus production possible. The greatest challenge for an emission-free European energy system is the management of energy requirements during the winter – and here, I mean times when we normally don't have enough wind, solar and hydropower to cover demand.

What approaches do you see here, and what directions is EVN following?

Franz Mittermayer: One obvious approach involves sector integration, for example the use of renewable energy for room heating or as hybrid storage for district heat supplies. Another possibility is the operation of electrolysis plants for the conversion of solar energy into green hydrogen which can be changed back

into electricity as needed. Our subsidiary RAG is currently working on a pilot project under the title "Underground Sun Storage", and we are involved as a cooperation partner. The idea behind this innovation – which is unique in Europe – is to store green hydrogen in RAG's abandoned geological natural gas reservoirs and to use it for electricity and heat generation at a later date. We are convinced that green molecules will be an important building block for the energy transformation because they help to protect supply security – and that is the most important requirement for an energy provider like EVN.

We are also seeing new ideas for networks that could ease the stress on the system by using special IT solutions that make consumption more flexible and, in so doing, prevent demand peaks. With the acquisition of CyberGrid, which has specialised since its founding in the development of software exactly for this application, we have secured expertise in this area for the EVN Group.

Let's turn to the numbers. You increased the level of investments again, this time to a range of EUR 700m to EUR 900m per year. What are the reasons behind these plans?

Szyszkowitz: The conversion of the energy system is a project for generations, also from an economic standpoint. Our plans for the further development of the network infrastructure speak a clear language. It's important to know that we will be making massive investments in additional transformer stations, substations and power lines at all network levels, including the related software. From 2019 to 2023, we doubled our network capacity in Lower Austria from 1,500 MW to 3,000 MW. And we now need to increase this capacity up to 6,000 MW by 2030. That's the only way we can guarantee the integration of the rapidly growing renewable generation from wind and solar power in the energy system and its transport into consumption-intensive regions. At the same time, the networks must be strengthened to better accommodate the demands of e-mobility and the increasing use of heat pumps. When you take all these issues together, we will need to invest up to EUR 450m per year

in the Lower Austrian electricity network alone. In addition, we must address the expansion of renewable generation, the expansion of drinking water supplies in Lower Austria and investments in South East Europe.

Mittermayer: An additional investment focal point in the IT and software area can also be expected in the coming years – because the energy future can only function with the support of state-of-the-art, high-performance IT solutions. Highly efficient data management that meets strict security standards is a basic requirement for a new energy market design.

Continuing with renewables. What is happening here?

Mittermayer: At no point in our company's history was the increase in renewables as strong as it is now. As of 30 September 2023, we had an installed wind power capacity of 447 MW and, by year-end 2023, we

will commission two further projects and add a total output of 30 MW to the grid. At the same time, we started construction on another wind park and a repowering project. We are committed to our expansion goal of over 750 MW for wind power by 2030, which is backed by a pipeline with a large number of different projects in different stages of development.

Photovoltaic expansion is also proceeding rapidly. Here, we had roughly 42 MWp at the end of this past September – and this volume will double by the end of the year with the commissioning of large-scale plants in Dürnröhr and North Macedonia. Our plans for photovoltaics are consciously focused on regional diversification because we have significantly more sun hours on average in our South East European markets in North Macedonia and Bulgaria than in Lower Austria. Similar to wind power, we can also confirm our photovoltaic expansion goal of 300 MWp by 2030.



» Working on the
energy future,
supply security and
customer satisfaction is a
meaningful occupation. «

Stefan Szyszkowitz,
Spokesman of the Executive Board

What do all these upheavals and changes mean for your employees?

Szyszkowitz: In any event, a wide range of exciting issues. As the members of the Executive Board, we are impressed by and thankful for the enthusiasm, passion and professionalism with which our colleagues manage their different, important responsibilities every day. The challenges we are facing are wide-ranging and demanding, and mastering them will require, in part, new qualifications. For being well equipped at the personnel level, we are presenting EVN on the labour market as an innovative, future-oriented and responsible employer. We believe we can indeed make a very attractive offer here: Working on the energy future, supply security and customer satisfaction is a meaningful occupation. And in the end, it's always the people who have the answers to the major questions and challenges in our industry!

At the beginning of October 2023, EVN held its first capital markets day in several years. What topics formed the focal points?

Szyszkowitz: We took advantage of the opportunity to inform the capital market of our expanded investment programme as part of our strategy update. Renewables, possibilities to store surplus energy and network expansion also formed the central content at this event. In addition, we explained the medium-term prospects for our business based on our planning assumptions. We were able to demonstrate that EVN is gradually moving towards an all-electricity future and can cover the increasing demand for electricity.

A further point was the ESG positioning of the EVN share. We are working intensively on the target path agreed with the Science Based Targets initiative to gradually reduce greenhouse gas emissions in all our activities.

In this connection, we also announced that we want to strengthen our ambitions in support of climate protection. The science-based reduction goals agreed two years ago are based on the well-below 2°C target, and we are now evaluating an adjustment to the more ambitious goal of 1.5°C.

The energy supply business to end customers was under massive earnings pressure in 2022/23. What are your expectations for this business in the future?

Szyszkowitz: The historical distortions on wholesale markets had a massive negative influence on the energy supply business during the past two years. However, we have recently seen a gradual decline in spot and futures prices. And we therefore expect a return to a positive earnings contribution from EVN KG in the 2023/24 financial year.

You announced fundamental strategic changes for the international project business in September?

Mittermayer: EVN acquired WTE 20 years ago. Since that time, a variety of projects were successfully completed in East and South East Europe. WTE is currently realising the largest project in its history in Kuwait. This project is a great success for WTE. After corona-related obstacles, unluckily right at the project's start, everything is now on schedule. The wastewater treatment plant is, de facto, finished, and the pipeline infrastructure is two-thirds complete. With this project – and naturally all the other 120 contracts which were also completed, WTE has references that create opportunities for international growth. The company has also successfully established a position in thermal sewage sludge utilisation with interesting contracts in recent years. We, in EVN's management, concluded that we want to identify new investors who can better accompany WTE during its next growth phase. EVN will be faced with many challenges and growth

» The issues **sustainability, the energy future and investments** run like a **green thread** through our daily work routine. «

Stefan Szyszkowitz,
Spokesman of the Executive Board



» I am **convinced** that we will **successfully master the energy future** at all levels.«

Franz Mittermayer,
Member of the Executive Board

opportunities in the energy business over the coming years, and that will require our full attention.

What does all this mean for the performance of your share and your positioning on the capital market?

Szyszkowitz: As announced in May 2023, we plan to propose a dividend of EUR 0.52 per share plus a special dividend of EUR 0.62 per share for the 2022/23 financial year.

We are also redefining our dividend policy for the future. Our goal is to pay a minimum dividend of at least EUR 0.82 per share each year, and we are committed to appropriate participation for our shareholders in future earnings growth. Over the medium term, we are targeting a payout ratio equal to 40% of Group net result, adjusted for extraordinary effects. But, at the same time, we want to maintain our ratings in the solid A range.

Mr. Mittermayer, one personal question in conclusion: In view of your upcoming retirement, how would you summarise your professional life and your time with EVN?

Mittermayer: During the last 30 years of my professional life when I worked for EVN, I always had very interesting and responsible assignments. The company – and all my colleagues – were always very flexible in every situation. Challenges were seen as an opportunity for change and progress. I believe this spirit is deeply anchored in our DNA, and the younger employees see this as a positive aspect of our corporate culture that can be further developed from their generation's viewpoint. I am therefore convinced that we will successfully master the energy future at all levels – and I wish all my colleagues and the new Executive Board team the best of luck.

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 corporate actions. This structure determines the principles and rules for our interaction with our employees, suppliers and business partners – as well as our corporate strategy.

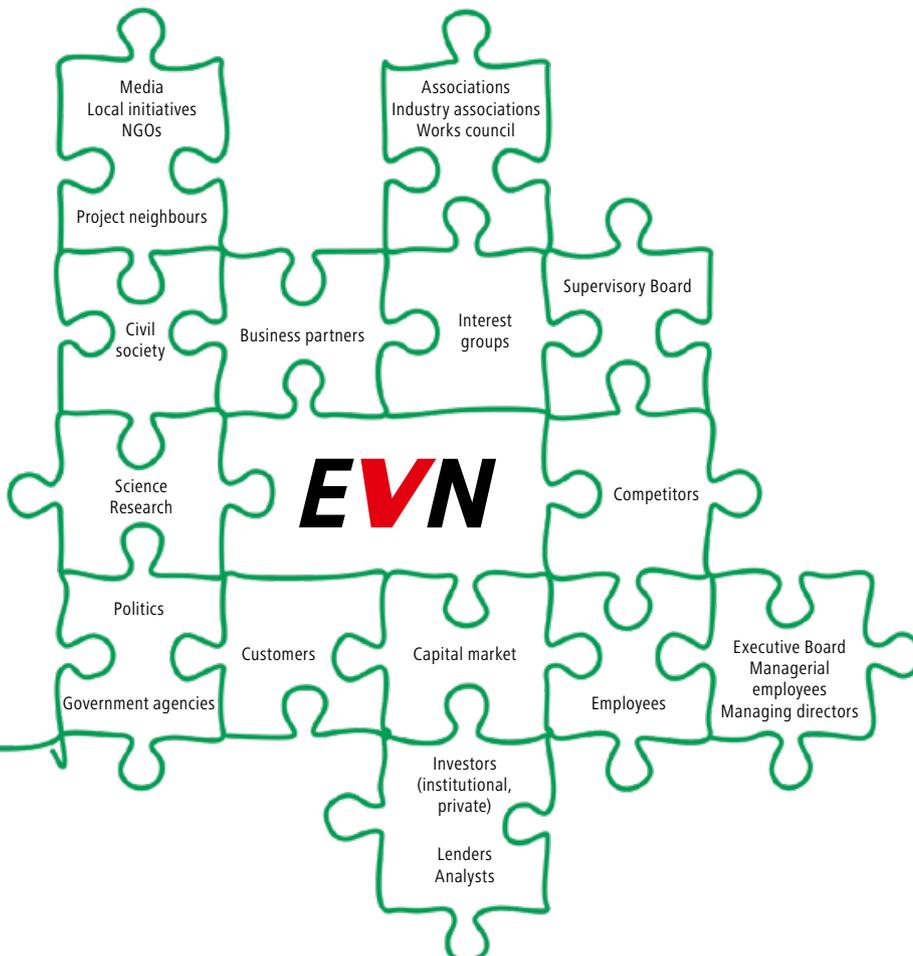
EVN’s value structure includes fundamental statements on our vision, mission and corporate values as well as binding Group-wide standards for behaviour and actions. As a member of the UN Global Compact, we are expressly committed to compliance with the global principles of ethical

business activities. 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. This covers the ethical, social and environmental aspects – meaning the subject areas summarised under Environment, Social and Governance (ESG) – which we combine

under the term “sustainability”. Our guiding principle is to achieve a fair balance between the concerns of everyone interested in our company – our stakeholders. The satisfaction of our customers is a crucial factor because it safeguards 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. Continuous innovation and efficiency improvements play a decisive role in this process. Our value system is strengthened by a clear commitment to social responsibility.

EVN’s major stakeholders



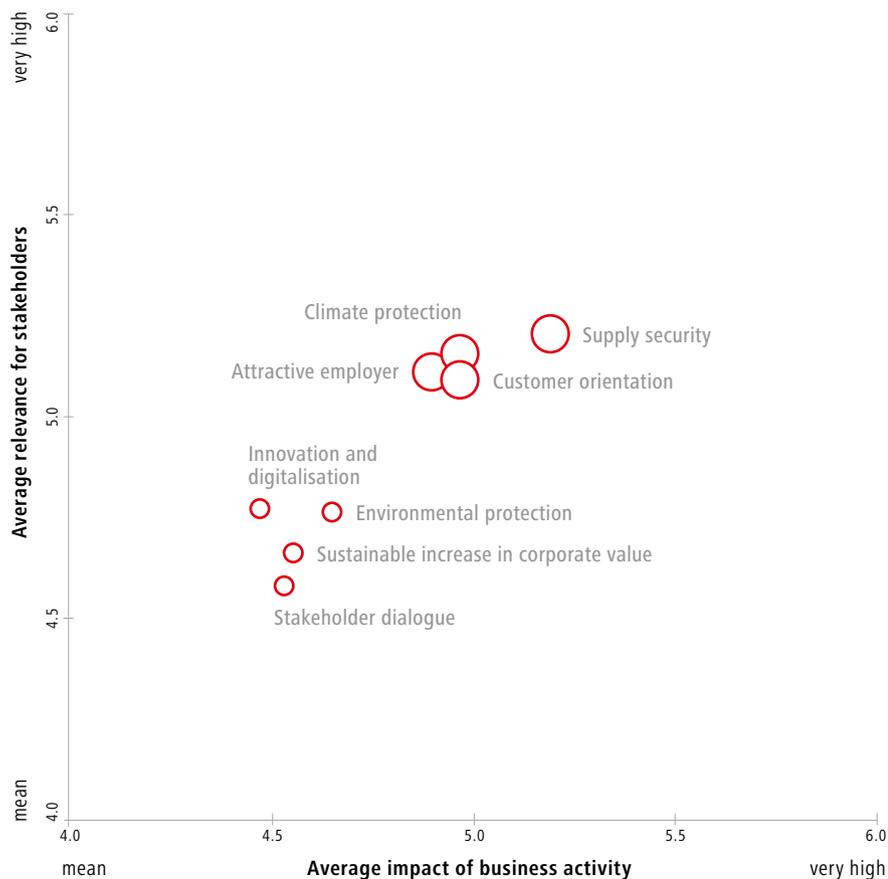
- The EVN Code of Conduct: see page 28ff
- Also see www.evn.at/Vision-Mission
- Also see www.evn.at/sustainability-statement
- Also see www.evn.at/integrity-clause
- △ GRI indicators: GRI 2-12, GRI 2-23, GRI 2-24, GRI 2-29

Strategy 2030: More sustainable. More digital. More efficient.

The 2019/20 financial year set the stage for the future-oriented development of our corporate strategy in a Group-wide process by EVN’s management in close coordination with the Supervisory Board. Following the start of a structured sale process for the international project business in September 2023, the corporate strategy now covers seven core strategies which are presented on the following double page.

Our strategy process is significantly influenced by the international frameworks applicable to the energy sector. Included here are the Sustainable Development Goals of the United Nations (SDGs) and the goals of energy and climate policy (e. g. the Paris Climate Agreement and European Green Deal). These goals and policies

EVN materiality matrix



Stakeholder interests and the EVN materiality matrix

We attach high importance to maintaining an institutionalised dialogue on strategic issues with our various stakeholder groups. Apart from the event-driven contacts at different levels that are related to our normal business activities, the regular updating of our materiality matrix – generally in a three-year cycle – forms the core of our stakeholder management in the area of sustainability. The last stakeholder survey was conducted in spring 2021.

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 structured survey process was designed 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 on our business activities. Our reporting is also directed to the key issues and areas of activity which have a mean to very high relevance for EVN in the materiality matrix. The sustainability steering committee validated and confirmed that the key issues and areas of activity remained valid for EVN during the reporting period.

- For information on the areas of activity, see page 23ff
- For information on the project-related stakeholder dialogue, see page 133f
- △ GRI indicators: GRI 2-16, GRI 3-2

Efficient sustainability organisation

The responsibility for ESG and its further development lies with the Executive Board, i. e. at the highest corporate level. All these issues flow into our sustainability strategy which, in turn, is derived from the corporate

Continued on page 20 →

are leading, in part, to massive changes in the environment and in the legal and regulatory requirements on energy providers. The determining change for our industry – and a central factor for our strategy – is the result of social and political efforts to achieve the fastest possible transition to a functioning CO₂-free energy system in order to minimise sector-specific climate effects faster and even more clearly. Our answer to these developments is the EVN Climate Initiative, which is based on the Strategy 2030. It links relevant objectives, which include the decarbonisation goals coordinated with the Science Based Targets initiative and the climate neutrality of selected group companies, with EVN's overall strategy.

The development of many basic 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 then regularly discusses the aggregated findings with the Supervisory Board.

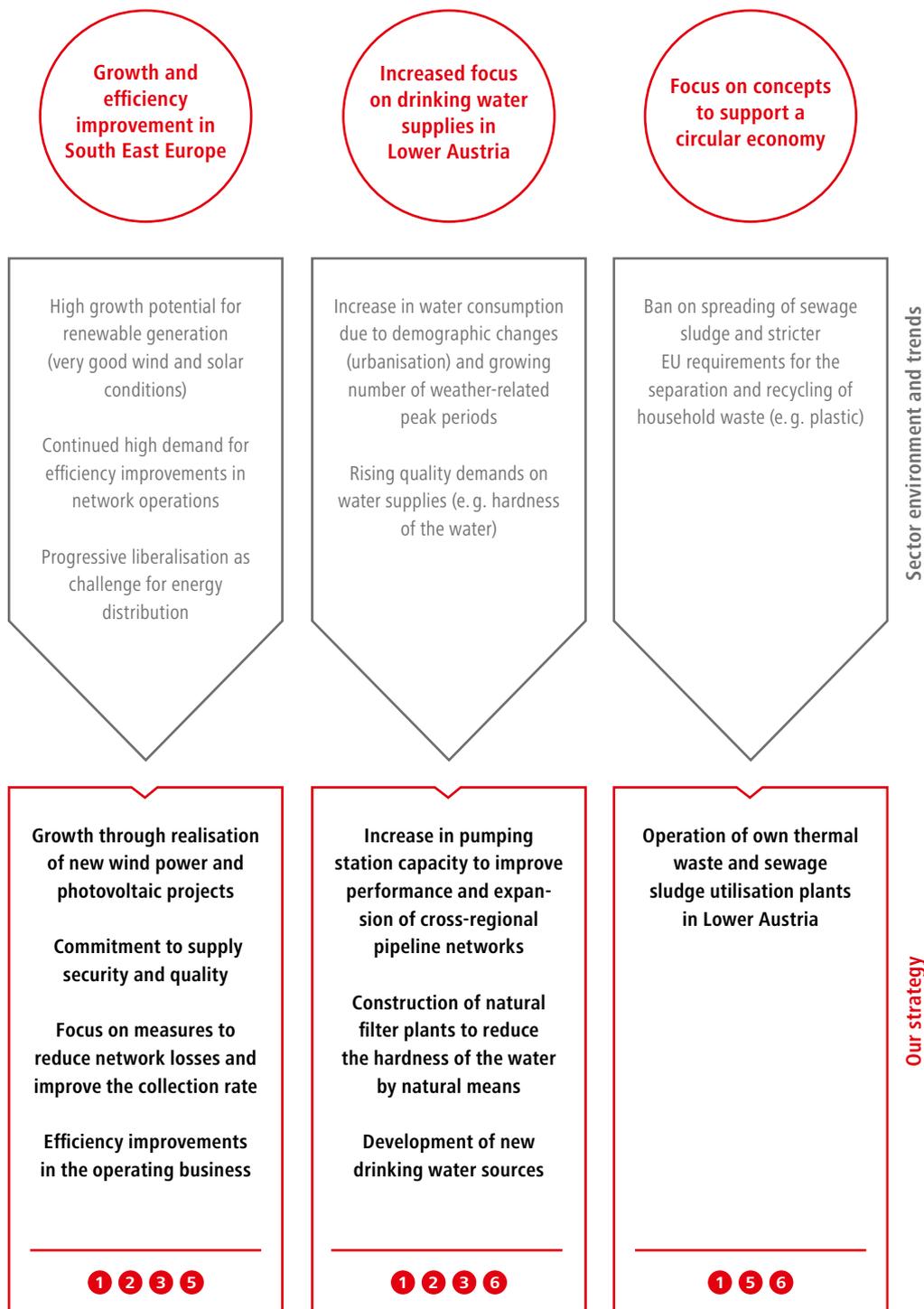
- For the EVN Climate Initiative, see page 114f
- △ GRI indicators: GRI 2-12, GRI 2-16, GRI 2-29, GRI 3-2, GRI 413-1

Our core strategies 2030



Areas of activity

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



→ Continued from page 17

strategy (which is also the responsibility of the Executive Board). Moreover, the Executive Board exchanges information on the sustainability strategy with the Supervisory Board on a regular basis and reports quarterly on the principal developments and measures involving ESG.

The staff department for innovation, sustainability and environmental protection, which reports directly to the Executive Board, is responsible for coordinating sustainability activities and for environmental and climate protection. Management conferences, in particular the biannual all-day innovation conferences, provide a platform for the 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 innovation, sustainability and environmental protection department also coordinates an intradepartmental sustainability team which ensures compliance with our high sustainability standards and the operational development and implementation of new ESG aspects in our Group. The aspects of climate change that are relevant for our business activities also have high priority for this team.

In view of the high relevance of ESG issues and to further strengthen sustainability expertise, a sustainability expert was appointed to the Supervisory Board's Audit Committee in 2022/23.

Our 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 Austrian and international subsidiaries and the members of the intradepartmental sustain-

ability team. This committee deals with current ESG issues, 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.

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 Sustainability Advisory Board, see page 115f
- For the EVN Social Fund, see page 135
- For the Sustainability Advisory Board, see www.evn.at/sustainability-advisory-board
- For the EVN Social Fund, see www.evn.at/social-fund
- For the EVN Art Advisory Board, see www.evn-sammlung.at (German only)
- △ GRI indicators: GRI 2-9, GRI 2-12, GRI 2-13, GRI 2-16, GRI 2-17, GRI 2-24

EVN sustainability organisation



Impact of our business activities

In accordance with the requirements of the Sustainability and Diversity Improvement Act and the EU Taxonomy Directive, 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. It also includes an assessment of the resulting financial impact on the EVN Group.

This gives us a clearly structured and defined process to identify and analyse potential risks and their effects on various organisational and hierarchical levels and, in turn, develop suitable countermeasures. We ensure the involvement 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.

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, on climate risks

We analyse climate risks based on climate scenarios in accordance with the EU Taxonomy Directive. As part of our risk inventory, we identify potential climate risks and the impact of our business activities on climate change. Climate risk is, however, intentionally 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 conduct regular inspections and maintenance work that also involves 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 prominent 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. We address this risk, among others, through the creation of an attractive work environment and flexible working time models. The risk analysis also includes the intended or unintended misrepresentation of transactions or positions in the annual financial state-

ments, which we work to prevent with 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 supports the operating units in preventing or minimising their impact on the environment.

- For information on the Group-wide risk management process, which includes the identification of sustainability risks, see page 177ff
- For information on SAIFI and SAIDI, see page 72
- For information on occupational safety, accident prevention and compliance, see pages 103ff and 28ff
- For information on the ecological impact of EVN's activities, see page 112ff
- △ GRI indicators: GRI 2-22, GRI 2-23, GRI 2-24

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

EVN area of activity and definition	Impact assessment (excerpt) “-” = negative; “+” = positive	Management instruments and measures (excerpt)	Sustainable Development Goals
<p>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.</p>	<ul style="list-style-type: none"> - 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 	<ul style="list-style-type: none"> → Goal: balance between investment projects and an attractive return for shareholders → Protection of projects through guarantees and insurance → 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 	  
<p>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.</p>	<ul style="list-style-type: none"> - 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 	<ul style="list-style-type: none"> → Certified environmental management systems → Goal until 2030: expand wind power from currently 447 MW to 770 MW and photovoltaics from currently 42 MWp to 300 MWp → Top priority for supply security and quality → EVN-internal crisis and emergency plans (e.g. flooding, 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 	   
<p>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.</p>	<ul style="list-style-type: none"> - Rising exchange prices endanger the affordability of energy - 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 	<ul style="list-style-type: none"> → 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 → Various communication channels for customers → Combatting energy poverty 	   

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

EVN area of activity and definition	Impact assessment (excerpt) “-” = negative; “+” = positive	Management instruments and measures (excerpt)	Sustainable Development Goals
<p>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.</p>	<ul style="list-style-type: none"> - 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 	<ul style="list-style-type: none"> → EVN values → Corporate social partnership → Sustainable human resources development → Principles and guidelines of the International Labour Organization (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 	     
<p>Climate protection ... stands for the step-by-step system conversion towards climate-neutral energy 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.</p>	<ul style="list-style-type: none"> - 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 + Necessary adjustments to business model to reflect climate change 	<ul style="list-style-type: none"> → Goal up to 2030 (at the Group level): expand wind power from the current level of 447 MW to 770 MW and photovoltaics from currently 42 MWp to 300 MWp → Decarbonisation targets according to SBTi (by 2034) → Climate neutrality for selected Group companies → Network investments to integrate electricity from volatile renewable generation → Focus on efficiency improvements, above all through minimisation of GHG emissions → Heat generation from biomass and heat pumps → Suitability of natural gas network for renewable and CO₂-free gas 	   
<p>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.</p>	<ul style="list-style-type: none"> - 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 	<ul style="list-style-type: none"> → Certified environmental management systems → EVN-internal crisis and emergency plans (e.g. flooding) → 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 → Restoration of contaminated sites and locations 	 

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

EVN area of activity and definition	Impact assessment (excerpt) “-” = negative; “+” = positive	Management instruments and measures (excerpt)	Sustainable Development Goals
<p>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.</p>	<ul style="list-style-type: none"> - 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 	<ul style="list-style-type: none"> → Continuous monitoring of innovation processes → Extensive IT security measures → Innovation, research and development activities → Goal: balance between investment projects and attractive return for shareholders 	   
<p>Stakeholder dialogue ... stands for the acceptance of responsibility towards EVN's various interest groups through wide-ranging 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.</p>	<ul style="list-style-type: none"> - Asymmetric involvement of various stakeholder groups - Lack of identification with 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 the 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 school children on the scientific and practical basics of electricity 	<ul style="list-style-type: none"> → Easily accessible digital feedback tools 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 → Initiatives to strengthen digital competence 	    

△ GRI indicator: GRI 2-23



Growth, a focus on the

EVN is making massive investments in the future, and doing so sustainably: 88% of its investments are officially classified as “green” under the EU Taxonomy.



but with

environment



Act effectively, and design a sustainable future

Honest, ethical, goal-oriented – this is the way we must and want to act. We always want to be a fair contract partner, also for our many suppliers and business partners.

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. To guarantee full support for this commitment, we have implemented a series of compliance guidelines and measures that apply throughout the EVN Group. The starting point is the EVN Code of Conduct with its ten subject areas. It is based on the EVN values and regulates, among others, the aspects of our business activities in the areas of human rights, governance, corporate ethics, the prevention of corruption, data protection, confidentiality and competitive behaviour, occupational safety and accident prevention as well as climate and environmental protection. Full compliance and strict observance of the EVN Code of Conduct represent Group-wide binding guidelines for our behaviour. The Code of Conduct is supplemented by additional guidelines for specific target groups such as employees or suppliers and for specific issues such as the prevention of corruption or competition regulations.

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) as well as internal organisational directives and corporate principles that go beyond legal requirements. Reliability, transparency, trust and quality in our interaction with internal and external partners are the central guidelines. The EVN Code of Conduct was issued in German, English and the languages of our foreign subsidiaries. It is also available to the general public on our website together with our human rights policy. Interested business partners can obtain detailed information on our compliance management at any time.

□ For EVN's integrity clause for suppliers, see page 36

○ Also see www.evn.at/code-of-conduct and www.evn.at/human-rights-policy

△ GRI indicator: GRI 2-24

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 supports 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 compliance risk areas and violations of the Code of Conduct
- Reaction through information and improvement as well as the introduction of any necessary measures



Corporate compliance management (CCM), a staff department that reports directly to the Executive Board, is charged with the operation and continuous improvement of the CMS. In addition to the chief compliance officer and CCM staff, national compliance officers were installed in Bulgaria, North Macedonia and at WTE. Eight staff members in total are responsible for implementing compliance measures throughout the EVN Group in line with regional requirements.

In the more than ten years since its formation, EVN's CMS has been continuously improved and expanded to integrate new aspects. The improvements to the compliance-related structures, processes and organisational rules that were implemented with the responsible managers ensure that our CMS meets all international requirements. In conjunction with extensive training and communication measures, a high level has now been reached and the role of the decentralised compliance officers in the Austrian Group companies was therefore restructured in 2022/23. Their responsibilities have been transferred to the CCM staff, who will continue to receive support from the heads of the respective

organisational units, for example with training, responses to inquiries or the clarification of compliance reports.

The chief compliance officer reports to the full Executive Board and the Supervisory Board's Audit Committee several times each year.

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, bene-



fits not reflecting arm's length, immaterial advantages like awards and patronage). Our employees and their close family members are prohibited from accepting or granting any form of such advantages – with the exception, for example, of small mementoes that reflect local or national practices and which they receive in the course of dutifully settled transaction.

Apart from our restrictive internal catalogue of rules and values, all EVN employees and corporate bodies must comply with the strict Austrian laws for public officials. Corruption law is intended, among others, to prevent public officials from misusing their position to create an advantage for themselves or for third parties.

A comprehensive set of preventive measures – including internal behavioural guidelines and specific training programmes – has 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 our regular compliance risk surveys.

The following measures and control mechanisms – in addition to EVN's values, behavioural rules and extensive training programme – are designed to prevent the violation of legal requirements and our company-specific compliance guidelines:

- Anchoring of the principles for dual control and the separation of functions to ensure agreement with all compliance rules in our business activities (especially activities involving frequent contacts with suppliers, customers and public officials in connection with procurement, tenders, approvals, expert opinions, research and subsidy issues, real estate matters, recruiting and management skills)

- Strict automated, system-supported procedures for the approval, invoicing and documentation of expenses incurred in connection with business trips, invitations etc.
- Provisions in employment contracts to prevent conflicts of interest under labour law (e.g. requirement to report and obtain approval for secondary employment activities from the human resources department)
- Integrity review of business partners
- Strict criteria, rules and procedures in connection with the commissioning, execution and invoicing of consulting, brokerage and lobbying services
- Group guidelines on sponsoring and donations (requirements, rules, procedures)

△ GRI indicators: GRI 2-23, GRI 205-1, GRI 205-2

Compliance risk analysis

Within the framework of the CMS, a compliance risk analysis was carried out in agreement with the subject areas in the EVN Code of Conduct. It will be repeated at regular intervals. The comprehensive steps in this analysis, which are described below, – in addition to the further development of preventive measures and controls to prevent compliance violations – have improved awareness and strengthened compliance knowledge at all hierarchy levels.

We identified the business areas and processes which have a high or very high risk potential in a two-stage analysis and assessment process together with managers and representatives of the corporate units.

Both external and internal criteria were used (e.g. precedence cases of compliance violations in specific branches or countries, respectively the design of business processes and control measures at EVN). The next step involved ranking the results of this specific risk assessment on a four-point scale. We then entered the business transactions with a high or very high probability of

risk occurrence in a risk-control matrix and implemented specific process controls that are also reviewed by internal auditors.

Data on compliance risks, which also include the protection of human rights and the prevention of corruption, are systematically collected each year from different viewpoints for the entire corporation. An important occasion is the annual risk inventory because compliance violations represent a risk factor from the perspective of EVN's risk management. Our internal audit department also reviews compliance with all rules and regulations during its audit work. The results of these reviews are communicated to management, the Executive Board and the Audit Committee of the Supervisory Board.

△ GRI indicators: GRI 2-25, GRI 2-26, GRI 205-1

Whistle-blowing procedure

Internal and external persons have access to a confidential and anonymous whistle-blowing procedure, which permits the reporting of (presumed) compliance violations. Concerns over unethical or illegal conduct can be reported easily in person, by telephone, over specific compliance e-mail addresses or over a whistle-blower system hosted by an external service provider. These options are available throughout the Group and in the main languages of the EVN Group. The whistle-blowing procedure was designed to ensure the complete, objective and efficient clarification of reported violations of the EVN Code of Conduct. Anonymous reports are always taken seriously by EVN.

In 2022/23, the whistle-blowing procedure and related organisational rules were adapted to meet the new legal requirements of the Austrian Whistle-blower Protection Act. A separate Group guideline regulates, in particular, the procedure for handling reported concerns and precautions to protect

the whistle-blower from reprisals. We place high value on ensuring confidentiality for the reporting person.

Training and communication measures provide employees with regular information on these low threshold communication channels, possible applications and the underlying principles of the whistle-blowing procedure.

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 should contact EVN's compliance officer directly and without delay.

There were no cases of alleged discrimination in 2022/23, but we did receive nine reports of suspected corruption. The internal investigations confirmed the reported violations in three cases. These cases did not result in lawsuits or the termination of employment. However, internal and external steps were taken to prevent similar cases in the future. The related investigations for two of the reported cases were still in progress at the end of the reporting year.

In the case regarding accusations made against an employee of EVN Croatia in October 2022 and already reported in the previous year, we are not aware of any new findings by the authorities. The ongoing internal investigations initiated by us have so far not resulted in any confirmation of the existence of a compliance violation by the accused employee.

No contracts with business partners were terminated in 2022/23.

○ For information on the whistle-blowing procedure, also see www.evn.at/whistle-blowing

△ 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 charged or convicted of direct or indirect involvement in offences against human rights or violations of corruption, anti-trust 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 focused on industry and country risks. 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 2-26

Compliance training

EVN's CMS is based on a carefully developed and continuously improved training and communication concept to ensure that all employees familiarise themselves regularly with compliance issues. Training on the subject areas in the EVN Code of Conduct is repeated each year and is focused, above all, on the following aspects:

- Human rights
- Corporate ethics
- Prevention of corruption
- Competitive behaviour

The multi-level compliance training programme on the EVN Code of Conduct was redesigned in agreement with management and launched in 2021/22. It sets a mandatory Group-side training standard for the EVN Code of Conduct and must be completed by all new employees (including external workers):

- Compliance basics
- Compliance e-learning
- Compliance update

- Compliance fresh up
- Refresher courses and special training

These training programmes are also mandatory for all managers, and we offer separate complementary formats as needed. The course content and methods are adapted to meet regional requirements in order to optimally reach the target groups.

The modules in this intensive learning path have a high degree of interaction and practical orientation. The in-house training, webinars and e-learning modules combine self-study units with knowledge checks and the opportunity for collaborative work on case studies. The compliance update webinar and refresher courses include case studies that are tailored to the employees' individual area of responsibility. That makes it possible to train for the specific challenges involved in the correct application of the EVN Code of Conduct, for example in connection

with the prevention of corruption. We offer special coaching for persons in areas exposed to increased risk, e.g. employees in highly competitive business fields or the international project business and employees with direct contacts to public authorities. Members of the Supervisory Board have also received additional comprehensive training from external experts.

In addition to this extensive training programme, CCM also relies on alternative communication channels (e.g. the Intranet or EVN's employee newsletter) and on know-how transfer from managers who are closely integrated in the strengthening and further development of our ethical principles as well as our compliance principles and rules. The content developed with these managers in multi-hour workshops is then regularly transferred to their staffs. In this way, the CMS is also supported by management.

Human rights and minimum social protection

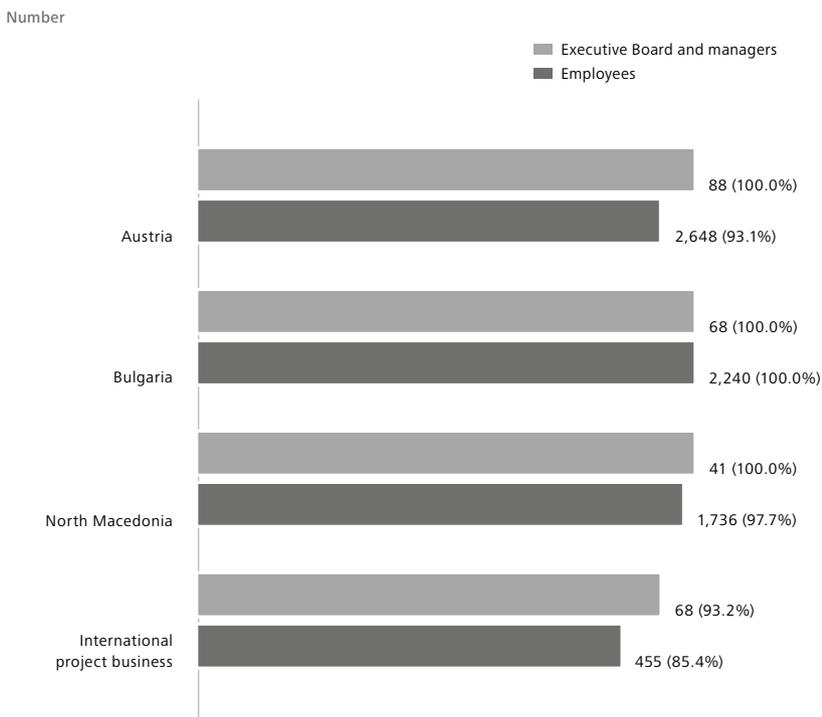
A central subject area in our Code of Conduct has always been the unlimited and unequivocal commitment to the respect, observance and protection of human rights and ethical principles in the interaction with our employees at all our locations and in all our business relations. The rejection of child labour and forced labour is an integral part of this subject area as are the prohibition of discrimination based on gender, age, ethnic origin, skin colour, sexual orientation, religion, ideology or any impairment. Other elements are the protection of co-determination rights, occupational safety measures and human rights issues along the supply chain (especially on international projects).

The framework for the observance of human rights and minimum social protection is created 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 different history and understanding of human rights issues. Although the respective governments are primarily responsible for protecting human rights, we consider it our responsibility to ensure the observance of human rights and – within our possibilities – to encourage compliance in this area outside our direct scope of operation.

Human rights and minimum social protection issues are dealt with as interdisciplinary subjects in the EVN Group and are the responsibility of different organisational units (in particular human resources, occupational safety, procurement and purchasing as well as the staff department for corporate compliance management). In 2021/22, we reviewed and improved our internal processes and guidelines

Participation in mandatory compliance training

(as of 30.09.2023; not fully consolidated companies are also included)





FAIR TAX POLICY

Based on the particularly high ethical standards defined by the EVN Code of Conduct, we have prepared a binding tax strategy for the EVN Group. We consider it an obligation towards business, the environment and society to make a fair contribution to tax revenue in all countries where we conduct business operations. This commitment – together with the observance of all relevant national and international tax laws and legal requirements – forms the basis for the following premises of the EVN Group's tax strategy:

- High compliance standards with regard to taxation, in particular the legally compliant, timely and complete fulfilment reporting, clarification, submission and payment requirements
- The exclusion of risks under financial criminal law, especially the risks arising from tax evasion or reduction
- Fair, constructive, cooperative and transparent dialogue with the fiscal authorities
- Proactive tax controls based on the evaluation of tax-relevant risks and tax risks

through the identification, analysis and assessment of these risks (documentation via risk control matrix)

- The avoidance of aggressive tax planning, in particular no use of artificial structures whose main purpose is tax reduction

△ GRI indicators: GRI 207-1, GRI 207-2, GRI 207-3

on human rights and minimum social protection – also with a view towards first-time reporting in accordance with the EU Taxonomy Regulation. In this way, we can ensure full compliance with all management approaches and organisational rules that have been developed for these subject areas. The organisational units which are particularly involved with human rights aspects were part of an intense dialogue on human rights issues during the past two financial years, which was also accompanied by external experts. The Executive Board and management were regularly informed of progress and newly implemented measures.

In addition, EVN prepared a human rights policy in 2022, which was approved by the Executive Board. A human rights officer was also appointed and installed in the corporate compliance management department. Further development measures are scheduled to start in 2023/24, which will begin with awareness measures and mandatory training. They are intended to create a deeper Group-wide understanding for the various aspects of human rights.

An impact assessment on human rights will also be carried out to identify potential risks and their effects, to assess these risks and to develop further measures where necessary.

Risks related to non-compliance with human rights are identified and assessed throughout the Group as part of the annual risk inventory.

- Additional principles to protect the human rights of our employees (especially non-discrimination, co-determination rights and occupational safety) are described on page 93ff
- For information on EVN's human rights policy, see www.evn.at/human-rights-policy



Secure and sustainable supplies

Our entire procurement process is directed to maintaining high standards for economy, quality, sustainability and supply security.

Energy procurement

We cover the electricity supplies for our Austrian customers – via EnergieAllianz – through medium-term supply contracts and 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 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 electricity sales in the respective control 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 84

Our electricity supply 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 ESM respectively. The remainder of the electricity required for customers in previously liberalised segments is purchased over wholesale markets.

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). Natural gas imports follow the international flows of pipeline and liquid gas volumes.

Procurement of products and services

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. WTE serves as a general contractor and commissions subcontractors, in particular construction firms and suppliers of machinery, electro-technical equipment and components, to perform additional services.

The procurement volume at our main locations in Austria, Bulgaria and North Macedonia totalled EUR 1,337.6m in 2022/23 (previous year: EUR 762.4m). In Austria, EVN maintained direct supplier relationships with 841 suppliers and contractors during this financial year.

△ GRI indicator: GRI 2-6

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 are handled over a web-based procurement portal. The entire procurement process – from EU-wide announcement to the tender, submission of offers and contract award – is processed online. The broad-based roll-out of e-procurement over this new platform has not only increased transparency but also paved the way for the introduction of strategic procurement.

△ GRI indicator: GRI 204-1

Strategic supplier management at EVN

"We are creating a systematic, standardised and sustainable procedure for the analysis and evaluation of current and potential suppliers. Its objective is to improve our performance with regard to economy, quality, sustainability and supply security along the entire procurement chain." This statement marked the beginning of an extensive project on strategic supplier management that was successfully concluded in March 2023. Strategic supplier management was rolled out across the Group in May 2023.

Supply security and sustainability

The primary objective of this new procurement strategy is to ensure the exact analysis and management of all procurement flows to improve performance – from an economic as well as a sustainability viewpoint. EVN wants to meet the high demands placed by ESG not only on its own business activities but also on its suppliers in their role as partners. At the same time, supplies of goods and services must always be available in sufficient quality and volumes. They represent the requirements for EVN's operations and the continuous expansion of its equipment and networks as well as key factors for meeting the Group's service mission. Supply security and sustainability are among the most important motives behind the new strategic supplier management.

The need to fundamentally analyse – and where necessary, refocus – procurement management was reinforced by the economic distortions and international supply chain interruptions caused by the Covid-19 pandemic, which were intensified by the war in Ukraine. Added factors were the increasingly new and further expected regulations from supranational and

national lawmakers, additional reporting requirements like the EU Taxonomy Regulation and the CSRD, and the growing demands of sustainability-oriented investors.

Ongoing development

This strategy represents the continuation of a development that began a long time ago. In addition to conventional purchasing criteria – price, quality, volume, market environment and legal requirements – sustainability aspects have always been part of the Group’s procurement processes. These involved the assessment of the ordered products as well as the selection of suppliers who were explicitly required to comply with environmentally compatible, ethical and social standards. The specific requirements are stated in the EVN Integrity Clause, which represents a fixed part of every procurement contract.

These two focal points – the analysis and evaluation of products, on the one hand, and of suppliers, on the other hand – as well as the connection of the resulting information are now available in an even more structured and detailed form following the conclusion of the strategic supplier management (SLM) project.

Analysis and impact assessment for all products and services

All products and services were aggregated into merchandise groups based on the standard European classification system for public procurement (Common Procurement Vocabulary structure) and, among others, evaluated for their sustainability impact and/or potential sustainability risks. This process was followed by the definition of the most important purchasing and decision criteria in close coordination with the involved departments. The same applies to the demands placed on the individual supplier. Each merchandise group was linked to a certificate

which is required for consideration as a potential suppliers. As a result, every procurement procedure can be easily refined.

Detailed supplier audits based on ESG criteria

All suppliers – existing as well as potential – are evaluated in advance and, after that, regularly with a tool created by a well-known international rating provider based on defined ESG criteria. The criteria include greenhouse gas emissions, energy management, land use, biodiversity and waste management as well as community commitment, data protection, employee rights, ethical business practices, shareholders’ rights and transparency. Any negative media reports also flow into the evaluation. Compensatory measures are implemented to deal with any identified risks.

This procedure is supplemented by the extensive self-declarations required from every EVN supplier as part of their on-boarding in the procurement portal, and as part of the ongoing contractual relationship. A special focus on ESG criteria and sustainability measures are an integral part of these self-evaluations.

Definition of a precise procurement strategy

The result of the detailed assessment of products and suppliers is a matrix that can be used to derive optimal procurement procedures for each merchandise group. A separate tool set gives employees all necessary instruments and templates – from the calculation of lifecycle costs to the definition of technical specifications, contract award criteria and the optimal processes for procurement and due diligence. Detailed training for the procurement staff is currently in progress as part of the transfer of the SLM projects to line responsibility, and follow-up courses are planned.

In addition to conventional procurement procedures, EVN also draws on innovative models and actively supports suppliers, e. g. in obtaining the necessary certification. “Green” tenders, which require compliance with specific sustainability criteria are also becoming more frequent.

Full compliance

It is an obvious fact that the standards and criteria defined by a tender are explicitly included in all awarded contracts and any violations will be sanctioned. A clear procedure was also defined to deal with any contract violations – from the requirement to remedy defects up to cancellation of the contract if necessary. EVN wants to ensure the fulfilment of all contracts in the mutual interest of the involved parties and develop long-standing cooperative business relationships. In its relations with suppliers, EVN relies on sustainable, responsible partnerships.



Sustainably attractive for our investors

EVN's business activities always reflect the economic interests of our investors. Not least for this reason, we concentrate on regulated and stable business areas. They form the basis not only for plannable cash flows, but also for continuity in our dividend policy. This clear strategic orientation is also crucial for the ratings which establish the conditions for our positioning on the debt market.

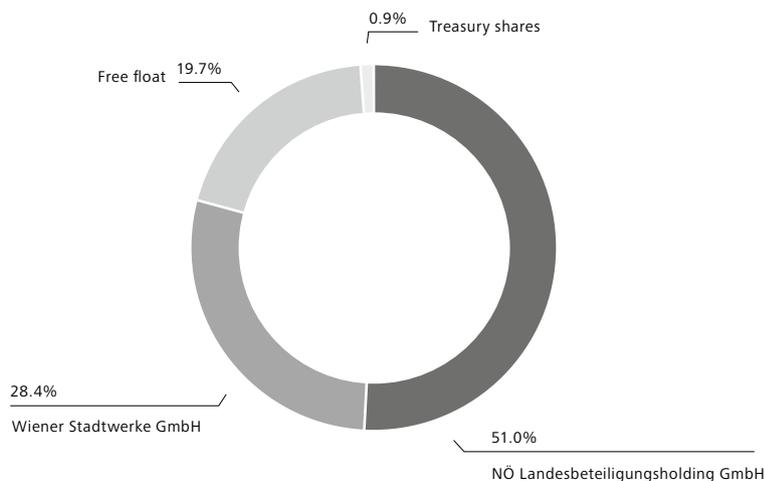
Our strategic decisions are intended to balance value-oriented investments and an attractive return for our shareholders. In addition to economic aspects, ecological and social issues are firmly anchored in our core strategies. We are therefore increasingly positioning the EVN share as an alternative for sustainability-oriented investors. This orientation is underscored by our efforts to achieve good evaluations from sustainability rating agencies, with whom we also maintain a proactive dialogue. Our website includes content on environmental, social and governance issues which is edited for specific target groups to provide transparent information for sustainability analysts and investors.

Information for ESG investors and on ESG ratings can be found under www.evn.at/sustainability and www.evn.at/ESG-ratings

Our focus on a sustainable increase in EVN's value is also communicated by the core points of our investment story:

- Integrated business model
- High share of regulated and stable activities

Shareholder structure¹⁾



1) As at 30 September 2023

- Active role in the transformation of the energy system
- A clear sustainability and climate strategy
- Stable home market in Lower Austria
- Solid capital structure
- Attractive and reliable dividends

We attach immense 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. Our capital market operations are based on a commitment to providing timely, transparent, understandable and substantial information. We work to strengthen the confidence of the capital market in EVN through active, regular and target-group oriented communications with all capital market participants.

○ Also see www.investor.evn.at

Dividend policy

The Executive Board will make a recommendation to the 95th Annual

General Meeting which calls for the distribution of an ordinary dividend of EUR 0.52 plus a special dividend of EUR 0.62 per share, in total EUR 1.14 per share, for the 2022/23 financial year.

Our future dividend policy is directed to paying an annual dividend of at least EUR 0.82 per share. We are also committed to appropriate participation for our shareholders in future earnings growth. In the medium term, we aim for a payout-ratio of 40% of Group net result, adjusted for extraordinary effects.

External ratings

Independent evaluations by the Moody's and Scope rating agencies represent an important part of EVN's financing strategy. Our goal is to maintain ratings in the solid A range. Both agencies confirmed the following ratings in April 2023 and May 2023:

- Moody's: A1, outlook stable
- Scope Ratings: A+, outlook stable

Market environment and performance

Despite numerous global challenges and the sharp increase in interest rates triggered by central banks' restrictive monetary policies across the world, the performance of the international stock markets – without exception – was positive during the 2022/23 financial year. The German benchmark index DAX rose by 27% from October 2022 to September 2023, and Vienna's benchmark index ATX gained 18%. The US benchmark index Dow Jones increased by 17% during this same period.

The DJ Euro Stoxx Utilities, the relevant industry index for EVN, recorded an increase of 13% during the past financial year. The EVN share topped this performance with an increase of 49%.

A steady trading volume of roughly 100,000 shares per day in the last months provides a comfortable margin for the continued inclusion of the EVN share in Vienna's ATX benchmark index.

EVN share		2022/23	2021/22	2020/21
Share price at 30 September	EUR	25.30	17.04	22.95
Highest price	EUR	25.30	27.70	24.75
Lowest price	EUR	15.56	16.92	13.38
Price performance	%	48.47	-25.8	60.7
Total shareholder return	%	51.53	-23.5	64.2
Performance ATX	%	17.69	-26.4	73.5
Performance Dow Jones Euro Stoxx Utilities	%	12.48	-10.9	1.4
Value of shares traded ¹⁾	EURm	507.8	490.0	350.6
Average daily turnover ¹⁾	Shares	99,237	84,288	72,753
Market capitalisation at 30 September	EURm	4,551	3,065	4,128
Weighting ATX prime	%	2.50	1.93	1.96
Earnings per share ²⁾	EUR	2.97	1.18	1.83
Dividend per share	EUR	0.52 + 0.62 ³⁾⁴⁾	0.52	0.52
Price/earnings per share		8.5	14.5	12.6
Dividend yield	%	4.5	3.1	2.3

1) Vienna Stock Exchange, single counting

2) Shares outstanding at 30 September

3) Proposal to the Annual General Meeting

4) Special dividend of EUR 0.62 per share



CAPITAL MARKETS DAY 2023

On 5 October 2023, we invited analysts and institutional investors to a Capital Markets Day, which was also transmitted via live webcast. The presentations by Stefan Szyszkowitz, Spokesman of the EVN Executive Board, and five members of senior management from the energy business and supply, renewable generation, networks, innovation and sustainability as well as controlling provided an update on the Strategy 2030. The most important topics were:

- The focal points and growth drivers for EVN's Strategy 2030
 - Energy sector developments and market trends in EVN's core markets
 - Future developments in the energy supply business
 - E-mobility as a new business field
 - Expansion goals for renewable generation capacity (wind power and photovoltaics)
 - The expansion, modernisation and digitalisation of network infrastructure against the backdrop of current European climate policy and the regulatory framework in EVN's core markets
- Pillars of the EVN Climate Initiative and CO₂ reduction targets
 - Planned transition to a 1.5°C goal based on the Paris Climate Agreement
 - Innovative approaches and solutions for the development of new business fields
 - Investment programme and financial ambitions at the segment and Group level up to 2030
- A video recording and the presentation documents are available under www.evn.at/cmd.



Andrea Edelmann,
head of innovation, sustainability
and environmental protection

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 table below shows the economic value generated by EVN as well as the composition of the distributed economic value. 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

Direct economic value generated	2022/23	2021/22	2020/21
EURm			
Direct economic value generated	3,563.8	3,904.3	2,478.0
thereof economic value distributed	3,206.6	3,686.8	2,252.0
thereof economic value retained	357.2	217.4	226.0
Economic value distributed	3,206.6	3,686.8	2,252.0
thereof energy suppliers	1,632.1	2,278.2	1,064.7
thereof other suppliers	777.6	806.9	595.0
thereof employees	409.9	372.2	361.3
thereof providers of capital (equity and debt)	313.0	158.1	173.0
thereof public sector	70.1	69.3	56.2
thereof society	3.9	2.0	1.8

EU Taxonomy Regulation

To implement the requirements of Regulation (EU) 2020/852 of the European Parliament and the Council as of 18 June 2020 on the establishment of a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (“EU Taxonomy Regulation”) on non-financial reporting, the EVN Group already launched a Group-wide project before the 2021/22 financial year which included legal, business and technical experts from the relevant Group companies as well as the responsible corporate functions and staff departments. This also applied analogously to the development of measures to meet the criteria for (social) minimum safeguards in accordance with Art. 18 of the EU Taxonomy Regulation. The project was divided into a number of working packages and steps in order to develop a uniform system for the collection and (technical) screening of EVN’s economic activities. The Executive Board, management and the managing directors of the relevant Group companies were regularly informed of progress on the project and involved in the process.

Identification and evaluation of economic activities

The first step involved the identification of the economic activities carried out by the EVN Group. The basis for this identification was formed by the economic activities listed in Delegated Regulation (EU) 2021/2139 of the Commission as of 4 June 2021 concerning the environmental objectives “climate change mitigation” and “climate change adaptation” and on Regulation (EC) No 1893/2006 of the European Parliament and the Council as of 20 December 2006 on the installation of the statistical system for economic sectors

defined by NACE Revision 2 and the amendment of Regulation (EEC) No 3037/90 of the Council as well as certain other regulations of the EC for specific areas of the economic activities listed in the statistics. For this purpose, technical experts in the subsidiaries carried out screenings based on the above regulations together with the managing directors.

This process was repeated in 2022/23 – again involving technical experts in the subsidiaries and managing directors – for the environmental objectives “climate change mitigation” and “climate change adaptation” and, for the first time – based on the Delegated Regulation (EU) 2023/2486 on the other four environmental objectives and on Annex 5 – also on the four environmental objectives “sustainable use and protection of water and marine resources”, “transition to a circular economy”, “pollution prevention and control” and “protection and restoration of biodiversity and ecosystems”. Reporting on the four additional environmental objectives is not yet mandatory for EVN’s 2022/23 financial year. However, we decided to voluntarily report EVN’s taxonomy-eligible and – subsequently taxonomy-aligned – economic activities for these four objectives as well as the key performance indicators (KPIs) for turnover, capital expenditure (CapEx) and operating expenditure (OpEx) in order to provide our stakeholders – in particular investors, analysts and lenders – with comprehensive information.

For the first time, an initial assessment for the reporting period was also made on the basis of the Delegated Regulation (EU) 2022/1214 of the Commission as of 9 March 2022 amending the Delegated Regulation (EU) 2021/2139

on economic activities in certain energy sectors (nuclear energy and fossil gas) and amending the Delegated Regulation (EU) 2021/2178.

☐ See page 52ff for the templates on activities involving nuclear energy and fossil gas

The focal points of EVN’s business activities are the generation of electricity and heat from renewable sources and the operation of distribution networks. Consequently, the economic activities in the EU Taxonomy related to these activities are of paramount importance for EVN with a view towards taxonomy reporting.

The table on page 42 lists all economic activities to which KPIs were allocated in the 2022/23 financial year. This table also shows the changes versus the previous financial year and the changes resulting from the scope of consolidation (see note **4. Scope of consolidation** in the notes to the consolidated financial statements for 2022/23) as well as the changes resulting from the initial application of the Delegated Regulation (EU) 2022/1214 (nuclear energy and fossil gas) and Delegated Regulation (EU) 2023/2486 on the additional four environmental objectives.

Assignment of EVN’s economic activities to the segments

The following section describes the economic activities by segment which were identified for the 2022/23 financial year together with the material aspects of KPI data collection in accordance with the EU Taxonomy Regulation. To facilitate reading, references to the economic activities only include the number of the respective activity. The

full designation of the economic activity can be found in the table on “Taxonomy-eligible economic activities”.

Based on our evaluation, the Energy Segment carries out taxonomy-eligible economic activities in the areas of heat generation and distribution which can be assigned to the economic activities 4.15., 4.16., 4.20., 4.24., 4.30. and 4.31. according to the different fuels and technologies. The since 2022/23 fully consolidated energy services have also been included here; they cover the taxonomy-eligible economic activities 6.15., 6.16., 7.3., 7.4., 7.5., 7.6., 9.1. and 9.3. The turnover from trading included in this segment – which covers, above all, the marketing of EVN’s own electricity generation and natural gas trading – is not included in the economic activities defined by the EU Taxonomy Regulation.

The Generation Segment includes electricity production from the renewable energy sources water, wind and solar, which are assigned to the economic activities 4.1., 4.3. and 4.5. This segment also includes heat generation from natural gas at the energy hub in Dürnrrohr, which represents economic activity 4.31. Other identified economic activities in connection with heat generation are included in the Energy Segment to prevent double counting.

The Networks Segment covers the network infrastructure for electricity and for renewable and low-carbon gases in Lower Austria, which represent the economic activities 4.9. and 4.14. Shared equipment that is necessary for the infrastructure operated by Netz Niederösterreich is allocated 75% to the electricity network and 25% to the

natural gas network. The EU Taxonomy Regulation currently provides no criteria for the economic activities carried out by the Group companies kabelplus (telecommunications) and EVN Geoinfo (geographic information systems).

The South East Europe Segment covers the network infrastructure for electricity in Bulgaria and North Macedonia and for renewable and low-carbon gases in Croatia. This represents the economic activities 4.9. and 4.14. In contrast to the electricity meters installed in Austria, the meters in Bulgaria and North Macedonia do not meet the technical criteria of the EU Taxonomy Regulation at the present time. This segment also includes electricity and heat generation from natural gas (economic activities 4.30. and 4.31.) as well as heat supplies (economic

Taxonomy-eligible economic activities	2022/23	2021/22
2.1. Water supply	Yes ¹⁾	No
4.1. Electricity generation using solar photovoltaic technology	Yes	Yes
4.3. Electricity generation from wind power	Yes	Yes
4.5. Electricity generation from hydropower	Yes	Yes
4.9. Transmission and distribution of electricity	Yes	Yes
4.14. Transmission and distribution networks for renewable and low-carbon gases	Yes	Yes
4.15. District heating/cooling distribution	Yes	Yes
4.16. Installation and operation of electric heat pumps	Yes	Yes
4.20. Cogeneration of heat/cool and power from bioenergy	Yes	Yes
4.24. Production of heat/cool from bioenergy	Yes	Yes
4.30. High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	Yes ²⁾	No
4.31. Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	Yes ²⁾	No
5.1. Construction, extension and operation of water collection, treatment and supply systems	Yes	Yes
5.3. Construction, extension and operation of waste water collection and treatment	Yes	Yes
6.15. Infrastructure enabling low-carbon road transport and public transport	Yes ³⁾	No
6.16. Infrastructure enabling low carbon water transport	Yes ³⁾	No
7.3. Installation, maintenance and repair of energy efficiency equipment	Yes ³⁾	No
7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	Yes ³⁾	No
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings	Yes ³⁾	No
7.6. Installation, maintenance and repair of renewable energy technologies	Yes	Yes
9.1. Close to market research, development and innovation	Yes ³⁾	No
9.3. Professional services related to energy performance of buildings	Yes ³⁾	No

1) Voluntary initial application of Delegated Regulation (EU) 2023/2486 on the four additional environmental objectives

2) Initial application of Delegated Regulation (EU) 2022/1214 (nuclear energy and fossil gas)

3) Changes in the scope of consolidation

activity 4.15.) in Bulgaria. Electricity generation from renewable energy sources (solar power and hydropower) in North Macedonia represents economic activities 4.1. and 4.5. The energy trading which is also included in the South East Europe Segment does not represent an economic activity listed in the EU Taxonomy Regulation.

The Environment Segment includes drinking water supplies and wastewater disposal in Lower Austria, which are allocated to the economic activities 5.1. and 5.3. The international project business, which is managed by WTE, is also part of this segment and includes the construction and operation of plants for drinking water supplies and wastewater disposal (economic activities 2.1. and 5.3.) as well as the – non-taxonomy-eligible – thermal sewage sludge utilisation. Apart from drinking water supplies in the international project business, which are allocated to the economic activity 2.1. and as such to the environmental objective “sustainable use and protection of water and marine resources”, all of EVN’s economic activities fall under the environmental objective “climate change mitigation”.

Mandatory reporting of taxonomy alignment

The EVN Group was required to report for the first time in accordance with Art. 8 of the EU Taxonomy Regulation for 2021/22. Since EVN elected to voluntarily report on taxonomy alignment for the 2021/22 financial year, the prior year data on taxonomy alignment for the first two environmental objectives “climate change mitigation” and “climate change adaptation” are presented voluntarily as comparative values in the tables.

A second step involved the technical screening of the identified taxonomy-eligible economic activities – separated by environmental objectives – to determine whether taxonomy-aligned economic activities were involved. This applied to all economic activities that meet the requirements of Art. 3 of the EU Taxonomy Regulation.

With the exception of the economic activity water supply (WTR 2.1), which is classified by Delegated Regulation (EU) 2023/2486 under the environmental objective “sustainable use and protection of water and marine resources”

as one of the four other environmental objectives, the economic activities classified as taxonomy-aligned were all allocated to the environmental objective “climate change mitigation” based on the technical screening. This prevents double counting in the assignment of the key performance indicators.

For this purpose, technical and business experts in the respective Group companies reviewed the previously identified taxonomy-eligible economic activities based on the applicable technical screening criteria and documented the findings in a transparent and comprehensible manner.

Minimum safeguards as defined by Art. 18 EU Taxonomy Regulation

Compliance with the minimum (social) safeguards required by Art. 18 of the EU Taxonomy Regulation was classified according to the set of rules defined by Art. 18 as well as the Final Report on Minimum Safeguards by the Platform on Sustainable Finance (October 2022) for the subject areas of human rights,

		2022/23
Turnover		
Turnover (= denominator of KPI)	EURm	3,768.6
thereof taxonomy-aligned (= numerator of KPI)	EURm	1,403.8
Turnover KPI	%	37.2

		2022/23
CapEx		
Additions to intangible assets, fixed assets and rights of use (= denominator of KPI)	EURm	722.6
thereof taxonomy-aligned (= numerator of KPI)	EURm	634.3
CapEx KPI	%	87.8

		2022/23
OpEx		
OpEx (= denominator of KPI)	EURm	70.5
thereof taxonomy-aligned (= numerator of KPI)	EURm	53.1
OpEx KPI	%	75.3

workers' rights and occupational safety, the prevention of corruption and fair competition, and tax policy. Compliance is ensured by the application of Group-wide established and relevant management approaches as well as organisational rules (e. g. guidelines, instructions). Moreover, processes and measures have been implemented in procurement to ensure that the principles and rules which apply to these areas in the EVN Group also apply to business partners and suppliers.

For management approaches and rules for

- human rights, see page 28f
- employee rights, see page 93
- occupational safety, see page 103ff
- corruption prevention and fair competition, see page 29f
- tax policy, see page 33
- procurement, see page 34f

Analysis of climate risks

Against the backdrop of progressive global warming, EVN is working intensively to analyse possible new climate risks and their effects on its business model. We use the findings to meet expanded reporting requirements, for example by the EU Taxonomy Regulation or, in the future, also the European Union's Corporate Sustainability Reporting Directive. The results of these analyses also form the basis to prepare EVN's plants and infrastructure for future climatic developments and to protect performance capability.

EVN carried out a standardised evaluation process on this subject for the first time in 2021/22. It was based on a methodology developed by a specially created EVN team and has since been successively refined. The process is based on the requirements of the EU Taxonomy Regulation and is embedded in EVN's risk management. Potential climate risks for the years up to 2100 were identified and assessed.

A differentiation was made between chronic and acute risks: An example of

a chronic climate risk is the expected long-term global warming. Higher temperatures can have a negative effect on EVN's plants and equipment – for example, when a wind turbine automatically shuts down at a specific operating temperature or the capacity of an electric power line declines under extreme heat. In contrast, acute risks include storms, heavy rains and flooding. All these factors must be considered in the design of plants and infrastructure.

The basis for the analysis of climate risks is formed by scenarios that were developed by Austrian and European authorities together with meteorological institutes. In interviews with technicians from the entire Group, the effects of these scenarios on EVN's plants were evaluated. New and adapted meteorological data are regularly included in the risk analyses. The data situation for the evaluation of chronic climate risks, in particular, is already very good, and increasingly better estimates for the development of extreme weather events are also possible.

The analyses to date showed that EVN's plants and infrastructure are well prepared for potential climate risks. The ongoing refinement of the analysis process based on an increasingly better data situation will also make it possible for EVN to securely fulfil its important supply mandate in the coming decades.

Key performance indicators for taxonomy-aligned economic activities

EVN defines the reportable performance indicators listed in Annex I of Delegated Regulation(EU) 2021/2178 as of 6 July 2021 as follows:

Key performance indicator related to turnover (turnover KPI)

This indicator shows the share of turnover generated by taxonomy-eligible and – subsequently – taxonomy-aligned economic activities.

The denominator represents the total net revenue generated by the EVN Group during the reporting period, which was calculated in accordance with the definition provided by IFRS 15 (see note **25. Revenue** in the consolidated financial statements for 2022/23).

The numerator represents the part of total net revenue generated by the EVN Group from taxonomy-eligible and – subsequently – from taxonomy-aligned economic activities in the reporting year.

As in the previous year, a large part of non-taxonomy-eligible net revenue (EUR 1,828.0m; previous year: EUR 2,309.7m) as defined by the EU Taxonomy Regulation was attributable to electricity trading.

The share of taxonomy-aligned net revenue generated by EVN equalled 37.2% in 2022/23 (previous year: 27.2%).

A major driver for the improvement of this indicator is the downward trend in electricity prices and the resulting decline in trading revenue, which is classified as non-taxonomy-eligible and is only included in the denominator. Another positive factor was the increase in network revenue and revenue from the marketing of electricity production based on electricity procurement rights from the Danube River power plants following first-time confirmation by Verbund AG that the Danube River power plants, which are owned by them, are taxonomy-aligned (economic activity 4.5.). The share of non-taxonomy-aligned revenue was also reduced by the decline in revenue from the international project business due to the largely completed wastewater treatment plant in Kuwait.

Key performance indicator related to capital expenditure (CapEx KPI)

This indicator shows the share of capital expenditure in taxonomy-eligible and – subsequently – taxonomy-aligned economic activities.

The denominator represents the additions to intangible assets and property, plant and equipment recorded by the EVN Group during the reporting period in accordance with IAS 38 (additions to intangible assets), IAS 16 (additions to property, plant and equipment) and IFRS 16 (additions to rights of use) (see the line item “additions” in the tables to notes **35. Intangible assets** and **36. Property, plant and equipment** in the notes to the consolidated financial statements for 2022/23). The EVN Group recorded no additions to investment property (IAS 40) during the reporting period.

The numerator equals the part of capital expenditure included in the denominator, which was spent by the EVN Group during the reporting period on taxonomy-eligible and – subsequently – taxonomy-aligned economic activities.

The share of EVN’s taxonomy-aligned capital expenditure (CapEx) equalled 87.8% in 2022/23 (previous year: 84.7%). The increase resulted from a higher volume of taxonomy-aligned investments in the network infrastructure and the expansion of renewables.

A CapEx plan as defined in Annex I of Delegated Regulation(EU) 2021/2178 was not prepared during the reporting period.

Key performance indicator related to operating expenditure (OpEx KPI)

This indicator shows the share of operating expenditure for taxonomy-eligible and – subsequently – taxonomy-aligned economic activities.

In contrast to revenue and capital expenditure (CapEx), the denominator for operating expenditure cannot be allocated to specific positions in the IFRS consolidated financial statements. Annex I of the Delegated Regulation (EU) 2021/2178 as of 6 July 2021 only permits the inclusion of certain



expenses for reporting in accordance with the EU Taxonomy Regulation.

The denominator includes direct, non-capitalised costs related to research and development, building refurbishment measures, short-term leasing, maintenance and repairs as well as all other direct expenditures connected with the daily maintenance of property, plant and equipment by the company or by third parties.

The numerator equals the part of operating expenditure included in the denominator, which was spent by the EVN Group during the reporting period on taxonomy-eligible and – subsequently – taxonomy-aligned economic activities

The share of EVN’s taxonomy-aligned operating expenditure (OpEx) equalled 75.3% in 2022/23 (previous year: 75.2%).

**Reporting on EU Taxonomy Regulation as of 30 September 2023 –
Detail turnover¹⁾²⁾**

Economic activities	Code(s)	Absolute turnover EURm	Proportion of turnover %
A. TAXONOMY-ELIGIBLE ACTIVITIES			
A.1. Environmentally sustainable activities (taxonomy-aligned)			
2.1. Water supply	WTR 2.1	37.7	1.0
4.1. Electricity generation using solar photovoltaic technology	CCM 4.1	5.5	0.1
4.3. Electricity generation from wind power	CCM 4.3	162.8	4.3
4.5. Electricity generation from hydropower	CCM 4.5	122.9	3.3
4.9. Transmission and distribution of electricity	CCM 4.9	679.2	18.0
4.14. Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14	103.3	2.7
4.15. District heating/cooling distribution	CCM 4.15	186.9	5.0
4.20. Cogeneration of heat/cool and power from bioenergy	CCM 4.20	15.5	0.4
4.24. Production of heat/cool from bioenergy	CCM 4.24	4.6	0.1
5.1. Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	43.9	1.2
5.3. Construction, extension and operation of waste water collection and treatment	CCM 5.3	21.9	0.6
6.15. Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	3.8	0.1
6.16. Infrastructure enabling low carbon water transport	CCM 6.16	0.0	0.0
7.3. Installation, maintenance and repair of energy efficiency equipment	CCM 7.3	9.7	0.3
7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0.5	0.0
7.5. Installation, maintenance and repair of instruments and devices for measuring, regulating and controlling energy performance of buildings	CCM 7.5	0.0	0.0
7.6. Installation, maintenance and repair of renewable energy technologies	CCM 7.6	5.2	0.1
9.3. Professional services related to energy performance of buildings	CCM 9.3	0.2	0.0
Turnover of environmentally sustainable activities (taxonomy-aligned) (A.1)		1,403.8	37.2
of which enabling		698.7	49.8
of which transitional		–	–
A.2. Taxonomy-eligible but not environmentally sustainable activities (not Taxonomy-aligned activities)			
2.1. Water supply	WTR 2.1	2.6	0.1
4.3. Electricity generation from wind power	CCM 4.3	6.0	0.2
4.5. Electricity generation from hydropower	CCM 4.5	25.3	0.7
4.9. Transmission and distribution of electricity	CCM 4.9	28.6	0.8
4.14. Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14	3.4	0.1
4.15. District heating/cooling distribution	CCM 4.15	11.6	0.3
4.16. Installation and operation of electric heat pumps	CCM 4.16	0.6	0.0
4.24. Production of heat/cool from bioenergy	CCM 4.24	0.8	0.0
4.30. High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	71.5	1.9
4.31. Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	CCM 4.31	28.3	0.8
5.1. Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	0.0	0.0
5.3. Construction, extension and operation of waste water collection and treatment	CCM 5.3	358.1	9.5
Turnover of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		536.8	14.2
TOTAL (A.1 + A.2)		1,940.6	51.5
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES			
Turnover of taxonomy-non-eligible activities (B)		1,828.0	48.5
Total (A + B)		3,768.6	100.0

1) "0.0" means: small amount.

2) "–" means: no value.

**Reporting on EU Taxonomy Regulation as of 30 September 2023 –
Detail CapEx¹⁾²⁾**

Economic activities	Code(s)	Absolute CapEx EURm	Proportion of CapEx %
A. TAXONOMY-ELIGIBLE ACTIVITIES			
A.1. Environmentally sustainable activities (taxonomy-aligned)			
4.1. Electricity generation using solar photovoltaic technology	CCM 4.1	16.7	2.3
4.3. Electricity generation from wind power	CCM 4.3	96.0	13.3
4.5. Electricity generation from hydropower	CCM 4.5	0.7	0.1
4.9. Transmission and distribution of electricity	CCM 4.9	394.5	54.6
4.14. Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14	48.5	6.7
4.15. District heating/cooling distribution	CCM 4.15	25.8	3.6
4.20. Cogeneration of heat/cool and power from bioenergy	CCM 4.20	17.9	2.5
4.24. Production of heat/cool from bioenergy	CCM 4.24	12.7	1.8
5.1. Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	20.4	2.8
6.15. Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	0.6	0.1
7.4. Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings)	CCM 7.4	0.4	0.1
9.1. Close to market research, development and innovation	CCM 9.1	0.2	0.0
CapEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		634.3	87.8
of which enabling		395.7	62.4
of which transitional		–	–
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)			
4.1. Electricity generation using solar photovoltaic technology	CCM 4.1	0.0	0.0
4.3. Electricity generation from wind power	CCM 4.3	0.8	0.1
4.5. Electricity generation from hydropower	CCM 4.5	2.1	0.3
4.9. Transmission and distribution of electricity	CCM 4.9	10.0	1.4
4.14. Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14	1.8	0.2
4.15. District heating/cooling distribution	CCM 4.15	0.9	0.1
4.20. Cogeneration of heat/cool and power from bioenergy	CCM 4.20	0.3	0.0
4.24. Production of heat/cool from bioenergy	CCM 4.24	1.0	0.1
4.30. High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	0.1	0.0
4.31. Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	CCM 4.31	12.8	1.8
5.3. Construction, extension and operation of waste water collection and treatment	CCM 5.3	0.2	0.0
CapEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		29.9	4.1
TOTAL (A.1 + A.2)		664.3	91.9
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES			
CapEx of taxonomy-non-eligible activities (B)		58.3	8.1
Total (A + B)		722.6	100.0

1) "0.0" means: small amount.

2) "–" means: no value.

Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")							Proportion of taxonomy-aligned (A.1.) or non-taxonomy-eligible (A.2.) CapEx, FY 2021/222	Category (enabling activity)	Category (transitional activity)
Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution prevention	Biodiversity and ecosystems	Minimum safeguards			
%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	1.1		
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	6.4		
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	0.3		
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	60.4	E	
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	5.6		
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	3.8		
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	3.6		
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	0.3		
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	3.3		
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	-	E	
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	-	E	
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	-	E	
													84.7		
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y		E	
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													-		
													6.4		
													91.1		

**Reporting on EU Taxonomy Regulation as of 30 September 2023 –
Detail OpEx¹⁾²⁾**

Economic activities	Code(s)	Absolute OpEx EURm	Proportion of OpEx %
A. TAXONOMY-ELIGIBLE ACTIVITIES			
A.1. Environmentally sustainable activities (taxonomy-aligned)			
4.3. Electricity generation from wind power	CCM 4.3	7.4	10.5
4.5. Electricity generation from hydropower	CCM 4.5	3.6	5.1
4.9. Transmission and distribution of electricity	CCM 4.9	22.7	32.2
4.14. Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14	5.7	8.1
4.15. District heating/cooling distribution	CCM 4.15	1.9	2.6
4.20. Cogeneration of heat/cool and power from bioenergy	CCM 4.20	0.9	1.3
4.24. Production of heat/cool from bioenergy	CCM 4.24	1.6	2.3
5.1. Construction, extension and operation of water collection, treatment and supply systems	CCM 5.1	9.0	12.8
6.15. Infrastructure enabling low-carbon road transport and public transport	CCM 6.15	0.1	0.2
7.6. Installation, maintenance and repair of renewable energy technologies	CCM 7.6	0.0	0.0
9.1. Close to market research, development and innovation	CCM 9.1	0.1	0.1
OpEx of environmentally sustainable activities (taxonomy-aligned) (A.1)		53.1	75.3
of which enabling		22.9	43.1
of which transitional		–	–
A.2. Taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities)			
4.5. Electricity generation from hydropower	CCM 4.5	1.0	1.4
4.14. Transmission and distribution networks for renewable and low-carbon gases	CCM 4.14	0.0	0.0
4.15. District heating/cooling distribution	CCM 4.15	0.2	0.3
4.16. Installation and operation of electric heat pumps	CCM 4.16	0.0	0.0
4.20. Cogeneration of heat/cool and power from bioenergy	CCM 4.20	0.2	0.3
4.24. Production of heat/cool from bioenergy	CCM 4.24	0.3	0.4
4.30. High-efficiency co-generation of heat/cool and power from fossil gaseous fuels	CCM 4.30	0.2	0.2
4.31. Production of heat/cool from fossil gaseous fuels in an efficient district heating and cooling system	CCM 4.31	5.3	7.5
5.3. Construction, extension and operation of waste water collection and treatment	CCM 5.3	0.0	0.0
CapEx of taxonomy-eligible but not environmentally sustainable activities (not taxonomy-aligned activities) (A.2)		7.2	10.1
TOTAL (A.1 + A.2)		60.3	85.5
B. TAXONOMY-NON-ELIGIBLE ACTIVITIES			
CapEx of taxonomy-non-eligible activities (B)		10.2	14.5
Total (A + B)		70.5	100.0

1) "0.0" means: small amount.

2) "–" means: no value.

Substantial contribution criteria						DNSH criteria ("Does Not Significantly Harm")							Proportion of taxonomy-aligned (A.1.) or non-taxonomy-eligible (A.2.) OpEx, FY 2021/22	Category (enabling activity)	Category (transitional activity)
Climate change mitigation	Climate change adaption	Water and marine resources	Circular economy	Pollution	Bio-diversity and eco-systems	Climate change mitigation	Climate change adaption	Water and marine resources	Circular economy	Pollution prevention	Bio-diversity and eco-systems	Minimum safeguards			
%	%	%	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	E	T
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	12.7		
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	1.0		
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	24.1	E	
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	16.3		
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	3.0		
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	0.8		
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	1.2		
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	16.1		
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	-	E	
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	-	E	
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y	-	E	
													75.2		
100.0	-	-	-	-	-	Y	Y	Y	Y	Y	Y	Y		E	
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Templates 1 to 5 for turnover (with respect to nuclear and fossil gas related activities)

Template 1 – Nuclear and fossil gas related activities

Nuclear energy related activities

1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No

Fossil gas related activities

4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

Template 2 – Taxonomy-aligned economic activities (denominator)

Amount and share (information in EURm and %)

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		EURm	%	EURm	%	EURm	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI	–	–	–	–	–	–
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI	–	–	–	–	–	–
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI	–	–	–	–	–	–
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI	–	–	–	–	–	–
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI	71.5	3.7	71.5	3.7	–	–
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI	28.3	1.5	28.3	1.5	–	–
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the turnover KPI	1,940.6	51.5	1,940.6	51.5	–	–
8.	Total turnover KPI	3,768.6	100.0	3,786.6	100.0	–	–

Template 3 – Taxonomy-aligned economic activities (numerator)

Amount and share (information in EURm and %)

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		EURm	%	EURm	%	EURm	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the turnover KPI	–	–	–	–	–	–
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the turnover KPI	–	–	–	–	–	–
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the turnover KPI	–	–	–	–	–	–
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the turnover KPI	–	–	–	–	–	–
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the turnover KPI	–	–	–	–	–	–
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the turnover KPI	–	–	–	–	–	–
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the turnover KPI	1,403.8	100.0	1,403.8	100.0	–	–
8.	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the turnover KPI	1,403.8	100.0	1,403.8	100.0	–	–

Template 4 – Taxonomy-eligible but not taxonomy-aligned economic activities

Amount and share (information in EURm and %)

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		EURm	%	EURm	%	EURm	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI	–	–	–	–	–	–
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI	–	–	–	–	–	–
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI	–	–	–	–	–	–
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI	0	0	0	0	–	–
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI	71.5	13.3	71.5	13.3	–	–
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI	28.3	5.3	28.3	5.3	–	–
7.	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the turnover KPI	437.0	81.4	437.0	81.4	–	–
8.	Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the turnover KPI	536.8	100.0	536.8	100.0	–	–

Template 5 – Taxonomy-non-eligible economic activities

Row	Economic activities	EURm	%
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI	–	–
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI	–	–
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI	–	–
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI	–	–
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI	–	–
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the turnover KPI	–	–
7.	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the turnover KPI	1,828.0	100.0
8.	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the turnover KPI	1,828.0	100.0

Templates 1 to 5 for CapEx (with respect to nuclear and fossil gas related activities)

Template 1 – Nuclear and fossil gas related activities

Nuclear energy related activities

1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No

Fossil gas related activities

4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

Template 2 – Taxonomy-aligned economic activities (denominator)

Amount and share (information in EURm and %)

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		EURm	%	EURm	%	EURm	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEx KPI	–	–	–	–	–	–
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEx KPI	–	–	–	–	–	–
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEx KPI	–	–	–	–	–	–
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEx KPI	–	–	–	–	–	–
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEx KPI	0.1	1.4	0.1	1.4	–	–
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEx KPI	12.8	1.8	12.8	1.8	–	–
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the CapEx KPI	709.7	98.2	709.7	98.2	–	–
8.	Total CapEx KPI	722.6	100.0	722.6	100.0	–	–

Template 3 – Taxonomy-aligned economic activities (numerator)

Amount and share (information in EURm and %)

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		EURm	%	EURm	%	EURm	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the CapEx KPI	–	–	–	–	–	–
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the CapEx KPI	–	–	–	–	–	–
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the CapEx KPI	–	–	–	–	–	–
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the CapEx KPI	–	–	–	–	–	–
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the CapEx KPI	–	–	–	–	–	–
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the CapEx KPI	–	–	–	–	–	–
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the CapEx KPI	634.3	100.0	634.3	100.0	–	–
8.	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the CapEx KPI	634.3	100.0	634.3	100.0	–	–

Template 4 – Taxonomy-eligible but not taxonomy-aligned economic activities

Amount and share (information in EURm and %)

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		EURm	%	EURm	%	EURm	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEx KPI	–	–	–	–	–	–
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEx KPI	–	–	–	–	–	–
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEx KPI	–	–	–	–	–	–
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEx KPI	–	–	–	–	–	–
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEx KPI	0.1	1.4	0.1	1.4	–	–
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEx KPI	12.8	1.8	12.8	1.8	–	–
7.	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the CapEx KPI	17.0	56.8	17.0	56.8	–	–
8.	Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the CapEx KPI	29.9	100.0	29.9	100.0	–	–

Template 5 – Taxonomy-non-eligible economic activities

Row	Economic activities	EURm	%
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEX KPI	–	–
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEX KPI	–	–
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEX KPI	–	–
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEX KPI	–	–
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEX KPI	–	–
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the CapEX KPI	–	–
7.	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the CapEX KPI	54.1	100.0
8.	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the CapEX KPI	54.1	100.0

Templates 1 to 5 for OpEx (with respect to nuclear and fossil gas related activities)

Template 1 – Nuclear and fossil gas related activities

Nuclear energy related activities

1.	The undertaking carries out, funds or has exposures to research, development, demonstration and deployment of innovative electricity generation facilities that produce energy from nuclear processes with minimal waste from the fuel cycle.	No
2.	The undertaking carries out, funds or has exposures to construction and safe operation of new nuclear installations to produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production, as well as their safety upgrades, using best available technologies.	No
3.	The undertaking carries out, funds or has exposures to safe operation of existing nuclear installations that produce electricity or process heat, including for the purposes of district heating or industrial processes such as hydrogen production from nuclear energy, as well as their safety upgrades.	No

Fossil gas related activities

4.	The undertaking carries out, funds or has exposures to construction or operation of electricity generation facilities that produce electricity using fossil gaseous fuels.	No
5.	The undertaking carries out, funds or has exposures to construction, refurbishment, and operation of combined heat/cool and power generation facilities using fossil gaseous fuels.	Yes
6.	The undertaking carries out, funds or has exposures to construction, refurbishment and operation of heat generation facilities that produce heat/cool using fossil gaseous fuels.	Yes

Template 2 – Taxonomy-aligned economic activities (denominator)

Amount and share (information in EURm and %)

Zeile	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		EURm	%	EURm	%	EURm	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEx KPI	–	–	–	–	–	–
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEx KPI	–	–	–	–	–	–
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEx KPI	–	–	–	–	–	–
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEx KPI	–	–	–	–	–	–
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEx KPI	0.2	0.2	0.2	0.2	–	–
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEx KPI	5.3	7.5	5.3	7.5	–	–
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the OpEx KPI	65.1	92.3	65.1	92.3	–	–
8.	Total OpEx KPI	70.5	100.0	70.5	100.0	–	–

Template 3 – Taxonomy-aligned economic activities (numerator)

Amount and share (information in EURm and %)

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		EURm	%	EURm	%	EURm	%
1.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the OpEx KPI	–	–	–	–	–	–
2.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the OpEx KPI	–	–	–	–	–	–
3.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the OpEx KPI	–	–	–	–	–	–
4.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the OpEx KPI	–	–	–	–	–	–
5.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the OpEx KPI	–	–	–	–	–	–
6.	Amount and proportion of taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the numerator of the OpEx KPI	–	–	–	–	–	–
7.	Amount and proportion of other taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the numerator of the OpEx KPI	53.1	100.0	53.1	100.0	–	–
8.	Total amount and proportion of taxonomy-aligned economic activities in the numerator of the OpEx KPI	53.1	100.0	53.1	100.0	–	–

Template 4 – Taxonomy-eligible but not taxonomy-aligned economic activities

Amount and share (information in EURm and %)

Row	Economic activities	CCM + CCA		Climate change mitigation (CCM)		Climate change adaptation (CCA)	
		EURm	%	EURm	%	EURm	%
1.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEx KPI	–	–	–	–	–	–
2.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEx KPI	–	–	–	–	–	–
3.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEx KPI	–	–	–	–	–	–
4.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEx KPI	–	–	–	–	–	–
5.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEx KPI	0.2	2.3	0.2	2.3	–	–
6.	Amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activity referred to in Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEx KPI	5.3	73.9	5.3	73.9	–	–
7.	Amount and proportion of other taxonomy-eligible but not taxonomy-aligned economic activities not referred to in rows 1 to 6 above in the denominator of the OpEx KPI	1.7	23.8	1.7	23.8	–	–
8.	Total amount and proportion of taxonomy-eligible but not taxonomy-aligned economic activities in the denominator of the OpEx KPI	7.2	100.0	7.2	100.0	–	–

Template 5 – Taxonomy-non-eligible economic activities

Row	Economic activities	EURm	%
1.	Amount and proportion of economic activity referred to in row 1 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.26 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEX KPI	–	–
2.	Amount and proportion of economic activity referred to in row 2 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.27 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEX KPI	–	–
3.	Amount and proportion of economic activity referred to in row 3 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.28 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEX KPI	–	–
4.	Amount and proportion of economic activity referred to in row 4 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.29 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEX KPI	–	–
5.	Amount and proportion of economic activity referred to in row 5 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.30 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEX KPI	–	–
6.	Amount and proportion of economic activity referred to in row 6 of Template 1 that is taxonomy-non-eligible in accordance with Section 4.31 of Annexes I and II to Delegated Regulation 2021/2139 in the denominator of the OpEX KPI	–	–
7.	Amount and proportion of other taxonomy-non-eligible economic activities not referred to in rows 1 to 6 above in the denominator of the OpEX KPI	10.2	100.0
8.	Total amount and proportion of taxonomy-non-eligible economic activities in the denominator of the OpEX KPI	10.2	100.0



Building
tomorrow's

networks
today.

The transformation to renewable generation requires the expansion of transport and distribution networks. At EVN, this is reflected in massive investments in the network infrastructure.



Challenging times for supply security

Achieving climate neutrality among the 27 EU member states by 2050 is the overriding goal of the European Green Deal, which was passed by the European Parliament in 2019. This goal can only be met when business and society are refocused in many branches. For the energy sector, that means a rapid transformation of the European energy system towards full CO₂-neutral generation.

The unceasing progression of global climate change and the energy crisis triggered by the start of the Ukraine war in 2022 underscore the necessity of a rapid system transformation. However, an independent and sustainable energy future requires not only a reduction in the dependence on fossil energy carriers through the development of renewable sources, but also the construction of a high-performance, modern network infrastructure that

makes the use of these renewable energy sources possible.

For energy companies, these developments create new opportunities as well as major challenges. The necessary fundamental and large-scale conversion involves not only generation, but also, above all, the transport and distribution of energy, ways to provide the necessary reserve capacity, and the management and optimisation of the entire system.



Supply security is our most important goal

Our central promise to customers is, and will always remain, to provide reliable supplies around the clock. Modern life and work are no longer conceivable without a secure supply infrastructure, and our customers must be able to rely on having sufficient energy – whether it be electricity, natural gas and heat or high-quality drinking water – in the required quantities and top quality at their disposal whenever it is needed. Especially in challenging times like the past two years, we want to remain a reliable partner for our customers because energy and water are among the most important drivers for our economy and society.

These basic supplies are available without limitation in every area where our energy and environmental services are offered. We are continuously implementing measures in all our businesses to meet our promise to protect supply security, now and in the future. For years we have been investing heavily in the expansion and modernisation of our network infrastructure and the increase of our renewable generation capacity. The annual investments by our Group will rise significantly to EUR 700m to EUR 900m by 2030. In cooperation with other companies, universities and research institutes, we are also working on the development of innovative concepts and technological approaches to realise the energy future.

Electricity

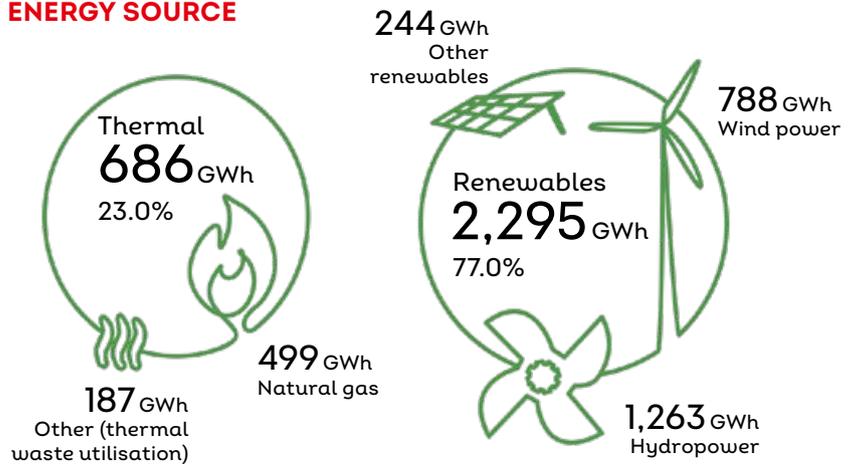
The passage of the Austrian Renewable Energy Expansion Act in July 2021 formalised the country’s intention to convert to 100% renewable energy sources by 2030. For an energy provider, this system change will bring

many new technical requirements. Electricity generation will become much more decentralised and involve a larger number of independent plants managed by different operators. In addition, electricity from renewable sources is, by nature, volatile. At the same time, customers’ behaviour is changing: On the one hand, the use of e-mobility, smart home technologies and heat pumps is increasing the demand for electricity. On the other

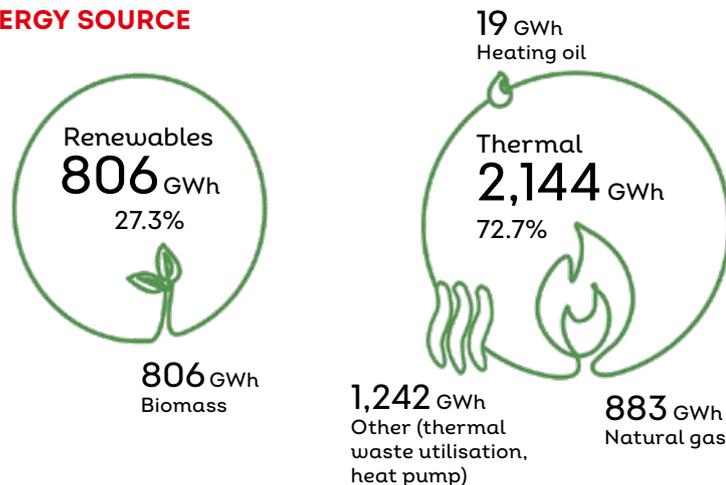
hand, a growing number of customers with photovoltaic equipment are generating their own electricity or forming energy communities, and these trends require innovative solutions for complex issues like pricing, network access and supply security.

Bringing all these factors together and, at the same time, ensuring reliable supplies of electricity without substantial interruptions is one of our major

ELECTRICITY GENERATION BY ENERGY SOURCE



HEAT GENERATION BY ENERGY SOURCE



Energy generation

		2022/23	2021/22	2020/21
Coverage ratio	%	16.4	16.1	19.8
Share of renewable energy in the total energy generation mix	%	77.0	66.8	57.1

CO₂-neutral district heat for Krems: a milestone for the energy future

The use of biomass to generate electricity and heat will play a decisive role in the energy future because the use of this renewable energy carrier is CO₂-neutral.

Many of the communities supplied by EVN also receive heat and electricity from biomass. In other words, district heat in most of the Lower Austrian provincial capitals and several regions is almost completely decarbonised today – and other areas will follow. EVN set an important milestone on this path in summer 2023 with the commissioning of the latest biomass heating plant in Krems. It supplies roughly 30,000 households and numerous industrial and commercial businesses with natural heat from regional biomass as well as nearly half these customers with green electricity. All in all, the Krems biomass heating plant saves approximately 25,000 t of CO₂ each year.

This high-tech plant on the outskirts of Krems operates with a efficiency of over 90% during the winter and delivers electrical and heating energy with a total output of up to 20 MWp. These services were previously provided by the gas-fired plant in Theiss, nearly 4 km to the southeast. The new biomass plant was built directly along the existing, roughly 50 km district heating network that previously supplied the city of Krems with heat. Three high-performance pumps feed the water heated by the plant into the network.

The construction project was headed by Andreas Oberhammer. He believes in the potential of biomass as an energy carrier for the generation of green heat: "In Austria, sufficient forests, meaning timber, are available for energy generation and the further expansion of supplies



with CO₂-neutral heat. Lower Austria has taken on a pioneering role here thanks to EVN."

The biomass used for energy generation comes from roughly 100 suppliers and is delivered from an average radius of 40 km. "All our raw material supplies are sourced in the region, which is reasonable not only from an ecological but also from an economic standpoint. In the end, the plant management also needs to keep an eye on transport costs," explains Andreas Oberhammer. The biomass consists solely of residual materials from forestry operations. The wood chip depot in Krems has a capacity of nearly 6,000 m³ which can support operations for two weeks. Supply security can be further strengthened by a 50,000 m³ distance heating storage facility at the Theiss power plant. The stored and 100 °C hot water is sufficient to supply Krems with district heat for roughly one week if needed.

Operations in the combined heat and power plant – which generates electricity and heat at the same time – are fully automatic and require only three employees on-site. The biomass is delivered as wood shavings and transported via conveyor belt from the storage area

to the nearly 30 meter-high powerhouse where it is incinerated at a temperature of approximately 1,000 °C. The steam generated by a heat exchanger drives a turbine that produces up to 6,000 kW of electricity, and the waste heat warms the water that is delivered to customers over the district heat network.

"Just like any other combustion process, this plant also produces exhaust gas. To minimise the pollution load on the environment, we use highly efficient cleaning technologies," explains Andreas Oberhammer. In addition, a so-called electrostatic precipitator eliminates any particulate matter.

Photovoltaic equipment with an output of 200 kWp was installed on the roof areas of the biomass heating plant in Krems to utilise the full potential of the location. By the way, the plant was built by EVN itself on a 15,000 m² site. For Andreas Oberhammer, this brings one big advantage: "We know exactly how our plant is built. And in the event of a malfunction, we can react quickly and independently."

challenges. Flexible backup services for power plants, electricity storage and reserve capacity are other key issues that influence 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 supplies to our customers. The smooth functioning of this extensive, but sensitive infrastructure requires a wide range of measures which generally remain unnoticed by consumers. In particular, the integration of electricity from renewable sources, which is delivered from a growing number of decentralised plants, and the related changing and volatile energy flows place additional high demands on our networks.

The complexity of the energy system will further increase in the coming years. Steadily rising electricity consumption driven primarily by heat pumps and e-mobility as well as more intensive interaction with customers who generate electricity or are part of an energy community are creating new demands on network operators and making network planning, management and operations more complicated. In the end, our networks must also be able to meet these users' needs when there is no local energy generation.

The energy transformation has thus turned the network infrastructure into a data hub and made intelligent networks the backbone of our future electricity system. Innovative solutions and continuous investments are required to maintain the same high-quality performance. The massive expansion, ongoing modernisation and digitalisation of this infrastructure

is a necessity – including high-voltage power lines, transformer stations and medium-voltage capacity as well as substations, local networks and smart meters. At the low- and medium-voltage levels, we are focusing on digitalisation and sensor technology. More than 98% of all equipment in the Netz Niederösterreich supply area was equipped with smart meters as of 30 September 2023. To support the energy transformation, we plan to invest roughly EUR 3bn alone in our network infrastructure in Lower Austria by 2030.

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). This strategy



has proven to be very successful, especially in the challenging environment that has characterised the energy market during the past two years, and helps us to remain a reliable partner for our customers.

Our investment in RAG – with its 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 for the branch due to successful pilot projects that make an important contribution to a future, environmentally friendly energy system.

□ Also see “Smart solutions for a CO₂-free energy future” on page 85ff

District heating

According to the Renewable Energy Expansion Act, district heating will make a significant contribution to meeting climate goals in Austria through expansion and decarbonisation. The use of renewable energy in the heating business has played an important role at EVN for many years. As the largest natural heat supplier in Austria, we currently operate more than 60 biomass district heating plants and biomass-based combined heat and power plants in Lower Austria. Three large cross-regional district heating transport pipelines – including the longest such line in Austria from the energy hub in Dürnrohr to St. Pölten (32 km) – as well as four natural cooling plants complete our extensive natural heating infrastructure. Our biomass combined heat and power plant in Krems was commissioned during the 2022/23 financial year.

In the municipal district heating business, nearly 80% of the heat delivered comes from 100% CO₂-neutral renewable energy sources. The wood chips

used in our plants are sourced from areas within a maximum of 70 km from the respective heating plant. In this way, we support the regional agriculture and forestry sector and contribute to local added value.

□ Also see “CO₂-neutral district heating for Krems” on page 65

Drinking water

Demographic trends in our supply area as well as changing climatic conditions are responsible for a continuous increase in the demand for drinking water. In addition to the ongoing operation of numerous local networks that are supplied by EVN Wasser with drinking water, connecting water-rich and water-poor areas via cross-regional transport pipelines represents a particular challenge. This pipeline network is fed by well fields and high-level tanks throughout Lower Austria. In order to offset a climate-related decline in precipitation or regional breakdowns, we must construct new pipelines, improve the performance of our current network and develop new well fields.

The responsible use of drinking water involves new pipeline construction as well as the upgrading of the existing infrastructure – primarily through the identification and repair of leaks and the protection or improvement of the water quality while minimising the negative impact on the environment. One good example is the construction of natural filter plants to improve quality through the physical softening of water. Magnesium, calcium and other trace substances are dissolved and removed from the water with the help of modern technologies and without the use of chemicals.

□ Also see “EVN Wasser: Investments in sustainably secure drinking water supplies for Lower Austria” on page 68f

Cable TV and telecommunication services

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

E-mobility

The unstoppable progress of electromobility has become an integral part of today's world. We made an early and decisive contribution to support this new mobility solution in Lower Austria with the development of an area-wide basic supply network of e-charging stations. We have been constructing and operating charging stations for many years and, as of 30 September 2023, our network had a total of 2,465 charging points. In cooperation with the Hofer and Spar supermarket chains, we launched one of the largest campaigns currently to expand the charging infrastructure in Austria during the reporting year.

□ Also see “Making e-mobility work in everyday use” on page 70f

The EVN fuel card was introduced in 2014 and, at the end of September 2023, was in use by more than 14,600 customers. Joint roaming agreements allow customers with the EVN electricity fuel card to choose from more than 13,500 loading stations throughout Austria – the largest charging network in the country – without additional costs. Our “Autoladen 2.0” app helps our customers to locate the next free charging

Continued on page 70 →



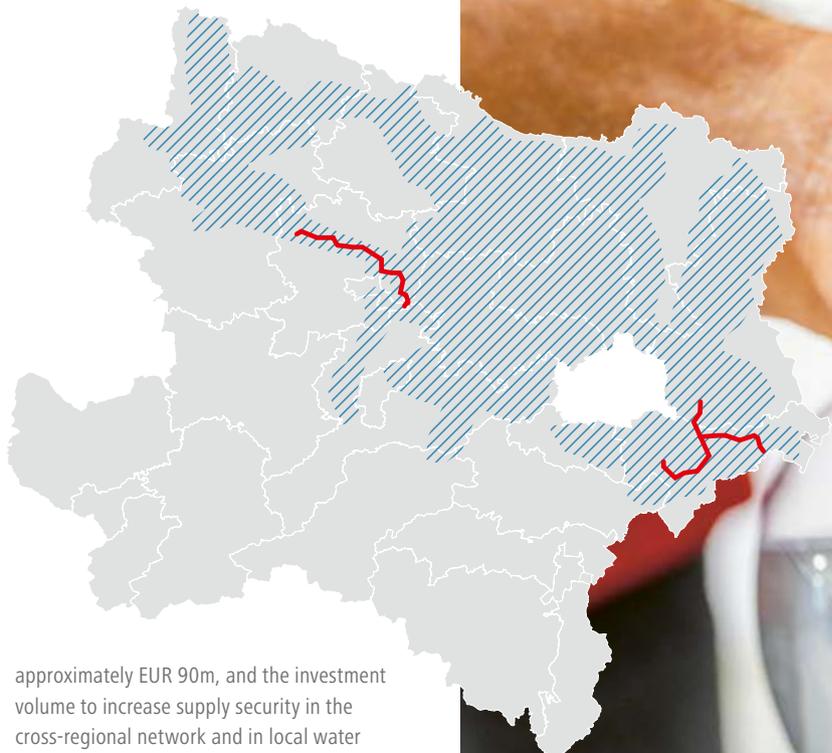
EVN Wasser: Investments in sustainably secure drinking water supplies for Lower Austria

Periods with drought, above all in the eastern regions of the country, are also becoming increasingly visible in Austria as a result of climate change. In the supply areas serviced by EVN Wasser, longer dry periods have so far had no impact on drinking water supplies for the population. The reason is, not least, a dense pipeline network. An ambitious investment programme is designed to also protect this high supply security in the future.

Over 635,000 customers in more than 200 Lower Austrian communities make our Group company EVN Wasser the second largest water supplier in Austria. Deliveries directly from EVN Wasser cover 75% of its customers, and the remaining 25% are supplied through added water quantities provided by EVN Wasser to the communities. In 2022/23, the company delivered nearly 30.5m³ of drinking water via its supply system. EVN Wasser operates 35 well fields with 100 wells in Lower Austria to provide these volumes in optimal quality. The continuous expansion of the pipeline system has created a wide-ranging network with a total length of more than 2,800 km. A cross-regional pipeline network transports and distributes the drinking water wherever it is needed – while supply security is further increased by storage facilities that can hold roughly 2.5-times the average daily drinking water requirements.

Massive investments in the infrastructure

To also protect supplies of high-quality water in Lower Austria over the long term, EVN Wasser is investing, above all, in the expansion of the cross-regional pipeline networks and in new local pipelines, well fields and storage reservoirs. The currently ongoing fifty individual projects alone represent an investment volume of



approximately EUR 90m, and the investment volume to increase supply security in the cross-regional network and in local water supplies is scheduled to total approximately EUR 170m by 2030.

Further expansion in the Waldviertel region

A flagship project by EVN Wasser is the 60 km cross-regional supply pipeline between Krems and Zwettl, which is under construction at a cost of EUR 50m. It will provide secure long-term supplies for the Waldviertel, which is generally considered a low-groundwater region. The first

- Supply area of EVN Wasser
- Expansion of cross-regional pipelines





section of the pipeline was commissioned in 2022, and the groundbreaking for the second section was held in March 2023. Completion of the entire project is scheduled for the 2025/26 financial year and will provide drinking water for up to 120,000 of the region's residents.

Closing the gap between Austria's Industrieviertel and Weinviertel regions

Another major project involves the connection of two EVN Wasser supply areas, the Industrieviertel and Weinviertel. The Wienerherberg and Petronell wellfields south of the Danube River will be hydraulically connected with the Weinviertel wellfields via transport pipelines and a new Danube crossing east of Vienna. Closing this final gap in the supply system will further improve supply security. At the same time, the operational performance of the Weinviertel networks will be increased to permit transfers from the water-rich ground water areas near the Danube to the northern Weinviertel region.

Preparations for future developments

Plans call for the development of new wellfields and the expansion of existing wellfields to be optimally equipped to meet the forecasted population growth and the future effects of climate change. Together with viadonau and the Donau-Auen National Park, EVN Wasser is working to revitalise a Danube riverbed in Petronell. These measures will support ecological and water-related improvements in the national park and increase the productivity of the Petronell wellfield.

○ For additional information on the Petronell Au revitalisation project, also see www.evn.at/Wasser

△ GRI indicator: GRI 304-3

Increase in water quality and ongoing revitalisation

EVN Wasser has also been investing in the construction of natural filter plants for roughly ten years. These facilities meet the demands of many consumers for softer water. Through the use of fine membranes, the plants can reduce

the hardness of the water physically or mechanically. Households can then avoid the use of expensive ion exchangers, which can change the taste of the water and also lead to microbiological problems. The sixth natural filter plant was commissioned in Bisamberg during spring 2023, and plans call for three further plants by 2030. The groundbreaking for the natural filter plant in Obersulz was held in June 2023 with completion scheduled for spring 2024.

In addition to the expansion of our plants, EVN Wasser is investing EUR 10m to EUR 15m each year to revitalise existing pipelines. Pipeline repairs can save up to 1.5m litres of valuable drinking water each day.

Reduction of CO₂ emissions

EVN's Climate Initiative includes the continuous introduction of measures and activities to sustainably reduce the Group's carbon footprint. EVN Wasser has taken on a pioneering role here: In November 2021, it was the first EVN subsidiary to become completely carbon-neutral, and this certification was confirmed by TÜV SÜD in 2022. Certification under PAS 2060:2014 covers, among others, the ongoing implementation of further energy efficiency measures that will also include internal electricity generation by 2030. Specifically, the construction of photovoltaic equipment will increase the coverage ratio to 30%. Equipment with a total output of 15 MWp is currently planned for the EVN Wasser locations.

→ Continued from page 67

station and can also be used to start the charging process quickly and easily. EVN's charging stations are, of course, included in the most frequently used charging station registers.

Selected measures to support supply security

Expansion of our renewable generation capacity

We intend to make massive investments in the Group-wide expansion of our generation capacity, above all for wind power and photovoltaics, over the coming years. Projects in the wind power area during 2022/23 involved the repowering of the wind park in Japons (12.6 MW) and the commissioning of the new wind park in Palterndorf-Dobermannsdorf (42 MW). Thanks to the dynamic development of turbine capacity, repowering – i. e. the replacement of existing wind power equipment with new, higher performance models – results in a significant increase in the generated electricity in relation to the number of plants, respectively the installed capacity.

In the photovoltaic area, three large-scale plants in Grafenwörth, Trumau and Theiss with a combined output of 25 MWp (EVN share) were commissioned during the reporting year. As of 30 September 2023, our installed capacity totalled 447 MW for wind power and 42 MWp for photovoltaics.

Many other projects are also developing: Three new wind parks and the repowering of an existing wind park are currently in the planning or construction stage. They will create an additional 50 MW of wind power capacity during 2023/24. Based on the current project pipeline, we want to raise our wind power generation capacity to over 770 MW by 2030 and, in that way, nearly double the annually generated electricity from roughly 1.1 TWh to approximately 2 TWh.

Two photovoltaic projects were nearing the commissioning point as of 30 September 2023: one plant in Dürnröhr with an installed capacity of 23.4 MWp and a project in North Macedonia with 14.5 MWp. Assuming the framework conditions are right, further projects will follow in Lower Austria, Bulgaria and North Macedonia up to 2030 and increase the generation capacity to 300 MWp. The annual volume of electricity generated will then rise from the current level of roughly 50 GWh to approximately 400 GWh.

Highly efficient electricity networks

Our ongoing investments to improve the network infrastructure have held network losses in Lower Austria stable for many years 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 not possible due to the different customer and network structures. As the indicators in these two South Eastern European markets are higher, our investment programmes there concentrate 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 6.3% and from approximately 25% in 2005/06 to 14.3% in North Macedonia.

Electricity disruptions far below the sector average

The reliability of our electricity supplies is also confirmed by externally calculated indicators like SAIFI (System Average Interruption Frequency Index) and SAIDI (System Average Interruption Duration Index). They have confirmed our company's constant supply performance in Lower Austria for many years. Information is currently not provided on the SAIDI and SAIFI at EVN's locations in Bulgaria

»Making e-mobility work in practice«



The changeover to e-mobility is one of the most important steps into the energy future. However, the success of this conversion will depend on the massive expansion of network and charging infrastructure. EVN is currently working on projects together with the Hofer and Spar supermarket chains to significantly increase the number of its charging points.

This represents one of the largest initiatives currently in progress to expand the charging structure in Austria: By the end of 2026, EVN plans to construct roughly 2,500 charging points, each with up to 150 kW of loading capacity, at more than 350 Hofer and Spar locations. "Starting in 2024, that will translate into a charging station at every third Hofer or Spar location," explains



Roman Nowatschek,
team leader e-mobility

Roman Nowatschek, team leader for e-mobility at EVN, on the significance of the programme. This is not only the largest single project for the charging infrastructure ever carried out by EVN, it will also play an important role in consolidating the network of electric filling stations in Austria and make e-mobility work in practice. Here, public charging stations are a key factor because they represent an essential addition to private charging points at home or at work. Supermarket parking areas are ideal for this purpose – e-car owners can easily charge their vehicles while shopping without any unnecessary loss of time.

The projects with Hofer and Spar, which have been in progress since summer 2023, were preceded by detailed contract negotiations. The cooperation model requires the supermarkets to provide the necessary space, while EVN will build and operate the charging stations. Roman

Nowatschek's team is not only responsible for project management and the installation of the equipment: "Even when we use state-of-the-art technology, we will need to regularly service all charging points over the long term to make sure they maintain their performance capability." Not only extensive monitoring and control technology is necessary behind the scenes, but additional personnel must be hired to operate the charging stations.

The cooperation with Hofer and Spar is, however, still financially interesting for EVN because the operation of the new charging stations with 100% green electricity also includes the supply of the necessary electricity volumes. At the same time, the supermarket chains can expand the range of services offered to their customers. And that means attractive benefits for all contract partners.



EVN is currently pursuing a further initiative to expand the public charging infrastructure in Mödling, a community in Lower Austria. Roughly eight new charging stations, each with two charging points, will be installed here annually over the coming years. That will bring the total to 24 new locations by 2025 and raise the number of public charging points in Mödling to almost 100.

"With the massive expansion of our charging network, we are making an important contribution to integrating e-mobility in people's everyday lives and significantly advancing the energy future," emphasises Roman Nowatschek. His team was recently recognised with awards from the "firmenwagen" and "Traktuell" trade magazines for its professional and customer-friendly charging station management. Roaming contracts between the various electricity providers are also required to integrate e-mobility in people's daily activities. EVN's electricity fuelling card can already be used at roughly 70% of all public charging stations in Austria, and EVN plans to increase this rate over the coming years.

For Roman Nowatschek, further challenges on the way to clean mobility lie in the provision of the necessary electricity network infrastructure and sufficient volumes of electricity. A key term in this connection is load management: How can sufficient electricity be available for charging when a large number of e-cars are all charging at the same time? With its car2flex research project, EVN has been working for several years on possible solutions for bi-directional charging.

Heavy traffic will also become increasingly electrified over the medium term, and the necessary infrastructure is particularly complex. In other words, Roman Nowatschek and his team will have a lot to do in the coming years.

For further information on the car2flex project, see pages 86 and 144

and North Macedonia because a clear database is not available for the necessary calculations.

SAIFI

The mean supply interruption¹⁾ – calculated according to the System Average Interruption Frequency Index (SAIFI) equalled 0.86 in 2022 (previous year: 0.91). This SAIFI value means an EVN customer experienced one unplanned power interruption on average during 2022.

SAIDI

The average annualised duration of unplanned power interruptions¹⁾, calculated according to the System

Average Interruption Duration Index (SAIDI), equalled 17.19 minutes in 2022 (previous year: 19.81 minutes) and was again clearly below the Austrian average²⁾ of 39.36 minutes (previous year: 24.01 minutes).

1) Source: Netz Niederösterreich, breakdown and disruption statistics for 2021 and 2022

2) Source: Energie-Control Austria, breakdown and disruption statistics for 2021 and 2022

High availability of our power plants

The following table shows the scheduled and unscheduled periods in 2022/23 when our operational thermal power plants and wind parks were not available. For the Theiss thermal power plant, the data only includes the capacity under contract as reserve capacity for the Austrian transmission network

operator (APG). This reserve capacity totalled 470 MW in 2022/23, and we are providing the same volume of reserve capacity for APG in the coming financial year.

Cybersecurity

Digitalisation has also led to wide-ranging changes in 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 greater comfort and increased efficiency, but the growing interconnect-

Average non-availability of power plants 2022/23

		Planned		Unplanned	
		Hours	% ¹⁾	Hours	% ¹⁾
Wind power plants ²⁾	Austria	266.7	3.0	18.1	0.2
Small hydropower plants	Austria	131.4	1.5	201.5	2.3
Pump storage plants	Austria	89.9	1.0	77.6	0.9
Natural gas-fired power plant Theiss ³⁾	Austria	856.3	9.8	27.3	0.3

1) Reference value: 8,760 operating hours per year (standard operational capacity)

2) Average value per wind turbine

3) The values only refer to the 470 MW which are held under contract as reserve capacity at the Theiss power plant

EVN power generation capacities

	30.09.2023		30.09.2022		30.09.2021	
	MW	%	MW	%	MW	%
Renewable energy	844	57.5	771	55.0	752	54.4
thereof hydropower ¹⁾	311	21.2	312	22.2	307	22.2
thereof wind power	447	30.5	407	29.0	394	28.5
thereof photovoltaics	42	2.8	14	1.0	12	0.9
thereof biomass	18	1.2	13	0.9	13	0.9
thereof other renewables ²⁾	26	1.8	26	1.9	26	1.9
Thermal energy	623	42.5	630	45.0	630	45.6
thereof natural gas ³⁾	576	39.3	583	41.6	583	42.2
thereof energy hub Dürnröhr ⁴⁾	47	3.2	47	3.3	47	3.4
Total	1,467	100.0	1,401	100.0	1,382	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) Includes the Theiss power plant (net output of 485 MW, 470 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) Includes the steam co-generation from thermal waste utilisation in Zwentendorf/Dürnröhr



edness also increases the risk of disruptions and cyberattacks. Information security and cybersecurity therefore represent a central part of every project at EVN, and we are working hard to steadily improve our cyber-resilience.

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 the entire infrastructure. A protection requirement analysis forms the basis for the identification of technical and organisational safety measures. We view the strict separation of IT systems in commercial and technical areas as essential. In addition to the isolation of critical infrastructure, the data networks represent another focal point of our activities. Their security is becoming more and more important due to the progressive digitalisation of the electricity and natural gas networks.

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.

As operators of essential services, several EVN Group companies are directly affected by the scope of application of the NIS Directive, the first EU-wide legal regulations on cybersecurity which took effect in 2016. This directive requires high security standards for critical network and information systems as well as the review of compliance through regular audits. The established protection and identification measures are regularly audited and continuously improved based on the latest technological standards.

The involved companies decided to implement an information security management system (ISMS) according to ISO 27001 at a very early stage. Two of these companies (Netz Niederösterreich and EVN Wärmekraftwerke) arranged for certification of their ISMS by an accredited institution, and other areas are currently preparing for the certification process.

□ Also see "Safety first" on page 82f

Securing a for

Customers' electricity requirements are growing rapidly, e. g. as support for heat pumps and e-mobility, while many of them are also generating energy with photovoltaics. Using innovative solutions, EVN creates the basis for this increasingly complex system and supports local energy communities.



liveable **future**
generations
to come.





Maximum customer orientation

Reliable supplies of elementary services for our customers are our top priority. We also want to stay as close as possible to our customers, whom we work to assist as quickly, easily and individually as possible.



Extensive know-how is required for our services and advising because our product and service portfolio is just as diverse as our customers' concerns. These concerns range from basic issues – like the registration and cancellation of services, assistance with tariffs or questions on invoices – to special requests for energy advising or in connection with energy efficiency services and products.

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.

□ For information on energy efficiency services and products, also see page 119f

Increase in efficiency and resilience

We are aware that our customers are facing exceptional problems in these times of major upheavals on the energy markets and, consequently, have an increased need for advising. Our customer service was, therefore, confronted with enormous challenges also in 2022/23. Questions on invoices, tariff options, rebate offers, public sector assistance and contract conversion possibilities led to a massive increase in inquiries across all communication channels that pushed our capacity to the limits. In total, our customer service had more than 4.3m customer contacts in the reporting period in Austria, Bulgaria and North Macedonia (previous year: approximately 3.4m customer contacts). The number in Austria alone has almost doubled to 2.4m compared to the previous year. Despite these vast challenges, we remained committed to providing our customers with the best possible service.

As part of our efforts to continuously improve our service quality, we launched a project in 2022/23 to strengthen resilience and stability and to create a strong, efficient organisational structure for customer relations. This process was accompanied by external consultants. The measures to provide relief for the customer relations teams included, among others, an increase in capacity both internally and through an external call centre partner. Team coaching sessions were also held with external counsellors to increase mental strength and help the staff to better master the rising workload. Another focal point of the project was the faster processing of the work backlog.

EVN info bus strengthens customer ties

A new information campaign with the EVN info bus started in spring 2023 to personally inform as many customers as possible of the replacement of the previous Klassik tariff and the options for changing to a new tariff. Our staff visited a total of 469 communities in Lower Austria as part of this campaign to provide our customers with detailed information on the tariff change. The EVN info bus previously served as part of our information campaign in autumn 2022 to explain relief measures and opportunities for energy savings and was again well received this time.



Response to the initiative was very positive, and many customers opted for a new tariff offer from EVN.

Measures to improve service quality

Active complaint management is also one of our top priorities. We document and evaluate all reports from dissatisfied customers and analyse them regularly to develop specific measures for improvement. This structured quality assurance cycle makes an important contribution to improving the quality of our services and our complaint management.

To continuously improve our performance at our customer interfaces, our annual customer service week gives our staffs from Austria, Bulgaria, North Macedonia and Croatia an opportunity to share their experiences. The last event of this type was held in autumn 2023 under the motto "We are here for our customers". Specific content and the challenges faced in daily activities were discussed and formed the basis for the development of Group-wide measures to increase customer satisfaction.

These quality assurance measures are reinforced by our high priority on training for our customer relations team – increasingly also through digital e-learning formats. An intensive, two-week training cycle for new employees makes these men and women fit for customer contacts as quickly as possible and is followed by further in-depth training modules. To increase psychological resilience, the above-mentioned measures to improve the efficiency and strength of our employees were implemented.

Diversity in customer service

Diversity is an important issue for EVN, both in relation to its own employees and in contacts with customers. For customers whose first language is not German, we offer advising services in



DIGITAL TRANSFORMATION

In order to meet the steadily growing demands of our customers, we are also increasing the focus on digitalisation in our customer relations. Artificial intelligence (AI) plays a decisive role in this context. For example: We use so-called Robotic Process Automation (RPA) to efficiently handle frequently recurring tasks. We have also gained initial experience with automated, voice-guided replies to standard inquiries and AI-supported answers to e-mail content.

We are increasing the digitalisation of our "Meine EVN" service portal to improve the customer experience and plan further expansion in the future. Digital-savvy customers can already benefit from increased transparency and the depth of information. They can query their invoiced consumption, tariff details and information on bonus points or the status of energy subsidies. Various activities can also be managed in self-service around the clock, ranging from a simple tariff change to the adjustment of payment settings and digital requests for contract forms to handle the feed-in of electricity from photovoltaic equipment. These digital offers have been very well received, and over 260,000 customers already registered on our service portal in the first year.

Netz Niederösterreich has also introduced various services online for its customers. Digital options on the website (www.netz-noe.at) now make standard processes like the application for a network connection much easier. Customers can then follow the progress of their inquiries online, record the meter readings and much more.

their native language. That allows us to address the individual needs of our customers when our assistance is needed. The great diversity of our team – which includes numerous colleagues with different native languages – makes this possible.

Digital customer feedback

After extensive preparations, the former EVN Customer Advisory Board was relaunched in a new digital format in 2022/23. The existing advisory body, where elected customer representatives had discussed their needs and concerns with management and experts since 2011, was placed on a more modern and significantly broader basis. Customers interested in providing feedback can register voluntarily online under <https://mein-feedback.at/>. This process is intended to create a large pool of test customers who will be asked online and onsite – quickly, flexibly and easily – to express their opinions on current and future products and services.

We also plan to introduce real-time feedback in a digital format in 2023/24. Customers will be contacted via SMS or e-mail and asked to answer three short questions on their personal customer experience with EVN. We hope this feedback will help us to quickly evaluate and analyse the quality of our customer contacts.

Bulgaria has two separate customer advisory boards for heat and electricity, which consist of fixed members. They meet twice each year with representatives of EVN to discuss customer issues.

Evaluation of customer satisfaction

We regularly commission independent, external surveys to proactively analyse and evaluate the quality of our customer service and customer satisfaction in our three core markets. The monthly survey data and analyses combined with long-term trends show the devel-

opment 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 flows into the definition of 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 are used for the monthly monitoring and measurement of customer loyalty, while the index allows us to swiftly identify and react to changes in customer behaviour. The decline in customer satisfaction and loyalty indicators during the past financial year led us to implement a series of measures. Examples are the changes in reception management to prevent longer waiting times in the EVN service centres, the expansion of our online services, and various automation steps to facilitate the efficient processing of customer inquiries.

External certification

Our customer service successfully completed recertification under ISO 18295-1 in spring 2023. The necessary review covered procedures and processes in customer service as well as the training concept for the customer relations team. The ISO requirements were met in all areas, and the new certificate is valid up to December 2028. This external certification underscores the high quality of our customer service and compliance with all applicable legal regulations.

Support for vulnerable customers

EVN's values also include a commitment to social responsibility, an obligation that has become increasingly important in today's environment. Energy supplies must not only be reliable, above all

they must remain affordable. We are well aware that the increase in energy prices has created an enormous burden, especially for financially weak households. As a result, we have intensified our efforts and initiatives to support vulnerable customer groups. Our staffs in customer relations and the service centres are specially trained and informed to deal with these concerns. Over various channels, (personal contacts, telephone and online), they offer individual assistance on issues ranging from energy saving tips to the management of payment difficulties and maintain active contact with our customers. We also provide energy saving tips on our website, through personal contacts in our service centres and as part of our info bus campaigns. Since the assistance for vulnerable customers is dependent on their specific needs, the current market situation and social programmes in the specific markets, responsibility for the implementation of concrete initiatives lies with the individual Group companies.

In Austria, measures like our cooperation with the Caritas and Diakonie social service organisations, the debt counselling service in Lower Austria and the Lower Austrian poverty network have proven successful for many years and we recently intensified this cooperation. Projects concentrate, among others, on measures to improve

energy efficiency and on 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.

Our regular contacts with the above organisations make it easier to coordinate individually targeted measures for socially disadvantaged customers. The related measures involve individual agreements for payment deferrals or instalment payments as well as solutions developed together with aid organisations and social service providers. In justified individual cases, we are particularly accommodating to our customers’ problems and work with them early on to find solutions. The termination of contracts, for example, is something we see as an absolute last resort and we do everything to avoid such steps wherever possible. We waived the suspension of electricity services for our household customers from 1 December 2022 to 30 April 2023 and will not terminate any electricity, natural gas or heat services for household customers during the period from 1 December 2023 to 31 March 2024.

To provide help in particular hardship cases, we established an energy help fund in autumn 2022 with an endowment of EUR 3m. It is intended to provide affected households with professional energy advising, equipment replacement or bridge financing for energy invoices. The distributions from this fund are handled by social institutions.

Monetary assistance

Households in Lower Austria have been able to benefit from various relief measures approved at the federal and provincial level in 2023. The entitlement for these measures is, in part, linked to social needs and, in part, not tied to special requirements. In this context, we offer our customers specific tariff changeover options that reflect the lower market prices. We also developed options for direct handling through our company – including a simple application over our website – to make sure these services quickly reach the customers.

In addition to these relief measures, the Austrian Federal Ministry of Social Affairs, Health, Care and Consumer Protection offers a so-called “housing umbrella”. We cooperate with social service organisations for the administration and guarantee interruption-free energy supplies for our customers.



Responsibility beyond the core business

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. These include, above all, product labelling, safety, and health and data protection.

Continued on page 84 →



Safety first

When EVN speaks of supply security – the foremost goal in its materiality matrix – it not only means the visible generation and distribution infrastructure, e. g. power plants, wind parks, networks or transformer stations. No less important are the underlying processes and measures that allow EVN to reliably deliver electricity, natural gas, heat, water and telecommunication services around the clock. Information security, cybersecurity and data protection play a central role in this regard.

Not only the failure of hardware, i. e. all types of operating equipment, can have wide-ranging consequences for supplies. The software – e. g. the controls for all systems and processes – must run smoothly if EVN wants to fulfil its supply mission without interruption. For this to be the case, all systems as well as the processed – and often highly sensitive – information and data must

be strictly protected. EVN has implemented a bundle of measures to meet these goals. The status of system and data security is also monitored continuously to quickly identify and realise opportunities for improvement.

This monitoring is required by legal regulations, on the one hand through the Network and Information Security Act with its extensive requirements for the protection of critical infrastructure – i. e. for electricity generation and for the transport of electricity, natural gas and water. On the other hand, the Data Protection Act defines strict rules for the processing of personal data – at EVN, this consists primarily of customer and employee data. The background in both cases is formed by legal requirements set by the European Union. Both areas are subject to strict requirements on technical access barriers for the equipment and IT systems and also on organisations and processes to ensure that the information

and data can only be seen by persons with a justified need for their work.

Information security, ...

Especially in times when companies in the critical infrastructure are the focus of cyber criminals, a high security level for all critical IT and OT systems (OT: Operational Technology) becomes even more

important. Wolfgang Löw, CISO (Chief Information Security Officer) at EVN, is responsible for information and cyber security: “Two important objectives are to proactively protect the critical infrastructure and to minimise the vulnerable areas as far as possible. At EVN, we use a multi-step protection concept for this purpose: The overall system security is thereby not dependent on the effectiveness of a single factor, we use several measures in combination. It is, however, just as important to only allow access to necessary information and to limit authorisations for critical systems to the absolute necessary minimum, in other words, based on the need-to-know and least privilege principles. The construction of the new Tec Centre at EVN headquarters also increased the level of building security and access protection for these critical areas.”

... cybersecurity ...

Cyberattacks can, however, never be completely prevented and, consequently, reactive precautions are required, explains Wolfgang Löw. “We have installed a cyber defence centre to detect anomalies and identify a potential attack as early as possible – because time, as we all know, is a decisive factor in limiting damages. For the worst case scenario, we have prepared reaction plans that describe all necessary steps to resist an attack. We also simulate and train these types of situations on a regular basis since the involved persons and their expert reactions – in addition to technology and processes – are critical. In Austria, we work closely with the Austrian Energy CERT (Computer Emergency Response Team) and internationally with EE-ISAC (European Energy – Information Sharing & Analysis Centre) and ENCS (European Network for Cybersecurity) and are also in frequent contact with authorities like the Federal Ministry of Internal Affairs.”

The protective and detection measures identified by detailed protection requirements analyses are reviewed on an ongoing basis and improved whenever necessary. In this way, EVN ensures that its Information Security Management Systems (ISMS) are always state-of-the-art. Wolfgang Löw: “The ISMS at Netz NÖ and EVN Wärmekraftwerke is also certified under



Wolfgang Löw is chief information security officer at EVN

EVN'S CONTROL HUB: THE TEC CENTRE

To provide particularly good protection for especially sensitive areas – for example, the system operator responsible for managing EVN's entire energy supplies, the cyberdefence centre or the EVN computing centre – a new building was constructed at corporate headquarters: the Tec Centre. It is separated from the other company areas, shielded by structural measures and equipped with special access protection. The Tec Centre provides safe space for the activities required to ensure the smooth functioning of energy and drinking water supplies. Test operations from January to March 2023 were followed by relocation in April 2023. The Tec Centre – with its uninterruptible power supply and state-of-the-art extinguishing systems – has been in full operation since July 2023.

ISO 27001, and preparations are currently in progress to certify commercial IT and other areas – and we will then be well prepared for the routine NIS audits. The revision of the European NIS Directive (NIS2) expands the regulation's scope of application, which means additional areas of the EVN Group will be affected by NIS2. In view of these upcoming requirements, we are working to bundle and even better coordinate security issues in the EVN Group."

... and data protection

EVN also sets the highest standards for the protection of personal data and business information. This has always represented a central behavioural norm for our company and, consequently, is given a separate section in the EVN Code of Conduct. Information security generally focuses on the smooth functioning of daily supply activities, while data protection is specifically directed to protecting the very personal rights of customers, employees and suppliers. Legal regulations set high standards for this area, for example the EU General Data Protection Regulation (GDPR) and the Austrian Data Protection

Act. Martin Haas, EVN's data protection officer: "Lawmakers are very strict, and that is good. Today, smart meters, for example, give us access to substantially differentiated consumption data for many of our customers. And it is obvious that we do everything possible to protect this data and ensure the required security. In addition to the many technical protection measures and access restrictions discussed by Wolfgang Löw, we rely on a comprehensive data protection management system that precisely defines responsibilities, roles and processes in the company."

The data protection management system is broadly anchored in the organisation, and therefore also in all EVN markets, through data protection officers. They are responsible for strict compliance with all data protection requirements and for creating an awareness for the importance of this subject among employees in their respective areas. A data protection manual provides detailed instructions for specific applications, for example the processing of data privacy

requests and/or the deletion of information. The procedures for dealing with data protection incidents are also described. Similar to the Group's ISMS, the data protection management system is regularly evaluated and updated. The issue of data protection is also examined annually as part of EVN's risk inventory.

Martin Haas: "The careful handling of all personal data is one of our major concerns. That our system works is, last but not least, demonstrated by the fact that we have almost no incidents in connection with customer data."

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

▲ GRI indicator: GRI 418-1



Martin Haas is data protection officer at EVN

→ Continued from page 81

Transparent product labelling

In accordance with legal electricity labelling requirements, we disclose all information on the electricity delivered to our customers in Austria: the geographical origin of the energy, composition by primary energy carriers and the environmental impact of its generation. We have made a voluntary, long-standing commitment to use no nuclear-generated electricity in our Austrian electricity products. The electricity we deliver originates entirely from certified Austrian sources.

An offering of tariffs based on these principles is available for every customer segment (household, commercial, industrial and municipalities) as electricity from 100% renewable sources and as a hybrid alternative. The hybrid alternative also has a very low volume of thermally generated electricity: In the 2022 calendar year, 6.1% of the total volume was generated by natural gas and 2.5% by thermal waste utilisation; the remaining 91.4% came from renewable sources. Our electricity products from hybrid carriers therefore included no electricity generated from hard coal. The CO₂ emissions in the supply mix were, consequently, low at 37.3 g/kWh.

Compliance with electricity labelling requirements is verified each year by an independent auditor. Our "Natur" product offering is also certified by TÜV Austria. This certification confirms completely CO₂-free generation for all our electricity deliveries from 100% renewable sources in Austria.

In Bulgaria, electricity in the regulated market segments must be purchased from the state-owned energy supplier NEK. This company does not label its generation or offer any product options, and our Bulgarian sales company therefore has no influence over the composition of the delivered electricity.

The situation in North Macedonia is similar: Our sales subsidiary in this country is also required to purchase electricity for its customers in regulated markets from the state-owned electricity company ESM and, therefore, cannot influence the composition of the delivered electricity. The sales companies in these two countries are not required to label their electricity.

□ For information on energy procurement, also see page 35

○ Also see www.evn.at/herkunft (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 the public, in general, and our customers, in particular, through careful, responsible actions along our entire value chain. The protection of our customers has top priority, above all with regard to energy supplies and network operations. Examples of the numerous measures and concepts in this area, among others, are:

- Information (e. g. website) on the early identification of damages to power lines and equipment as well as safety rules if there is a smell of gas
- Synergies through extensive occupational safety measures
- Replacement and/or maintenance investments to prevent technical defects and potential hazards
- Protection and prevention concepts (especially for equipment in the electrical voltage range)
- Continuous inspection of natural gas networks and location of any leaky spots
- Regular inspection of all natural gas equipment (based on the Natural Gas Safety Act)
- Ongoing control of equipment and safety measures

Emergency services 24/7

An emergency call centre is on duty around the clock, seven days a week, to handle disruptions and breakdowns. In addition to the fastest possible damage repair and restoration of supplies with our products, our employees take the necessary steps immediately on their arrival at the damage location to protect any involved persons. The emergency staff receive regular training, while duty personnel take part in annual training courses and all employees attend annual security training.

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 vulnerable areas that also affect the population and the environment. Crisis situations are simulated regularly at all EVN locations. In addition, internal and external exercises and training sessions on crisis management are regularly held in Lower Austria. Crisis management systems have also been installed at our operations in Bulgaria and North Macedonia.

□ For information on occupational protection and safety, see page 103ff

○ Also see www.evn.at/customer-safety and www.evn.at/crisis-management

△ GRI indicator: GRI 416-1

An aerial photograph of a large solar farm. The solar panels are arranged in long, parallel rows that recede into the distance. The sun is low on the horizon, creating a warm, golden glow across the sky and reflecting off the surfaces of the panels. The background shows a flat landscape with some distant hills under a clear sky.

Smart solutions for a CO₂-free energy future

The central themes in the EVN materiality matrix – supply security, customer orientation and climate protection – also define our widespread innovation activities. Our innovation projects are always based on the future business potential and a sustainable increase in corporate value and, in that way, cover a further area of activity.



WIDE-RANGING INNOVATION INITIATIVES

Our projects in 2022/23 (selection)

- Green the Flex: bundling and marketing of flexibilities from private households, commercial and industrial companies
- Hybrid storage in Theiss: multi-sector hybrid storage system, consisting of a thermal and an electrical battery storage system in combination with a photovoltaic plant
- Industry4Redispatch: regulation and/or deactivation of industrial equipment to prevent peak loads and/or bottlenecks
- car2flex: decentralised electricity storage through bi-directional charging of e-vehicles
- MEGAWATT-LOGISTICS: conversion of heavy-duty utility vehicles from diesel to electricity and charging and scheduling management for logistics fleets
- NETSE: user-oriented (further) development of platforms for the easy and efficient operation of energy communities
- Hybrid LSC: pilot projects for local sustainable communities with different focal points (multi-family houses and developments)
- Underground Sun Storage 2030: investigation of large-volume seasonal storage of renewable energy in underground natural gas storage facilities with a hydrogen component of up to 100% in real-world scale



EVN traditionally concentrates on the latest technical trends in the broadest sense of the term and works to test and integrate new solutions in its own operations as early as possible. We are currently concentrating, above all, on innovation projects and initiatives that advance the transformation to a CO₂-free energy system. In combination with our efforts to maximise practical relevance and concrete benefits and added value for our customers, this closes the circle to customer orientation.

On the way to a year-round, functioning CO₂-free energy system, we see one important subject area with promising and basically functioning technologies that is, however, still

without economically and technologically mature, marketable solutions: the storage of surplus renewable production for periods with insufficient energy generation from renewable sources. The cross-sector use and/or substitution of energy is also a key factor here. We are therefore working on several projects with concepts to integrate electricity and heat generation, e. g. through warm water storage or heat pumps.

Two research projects in the area of electricity storage have been in progress for several years to test the use of large battery storage facilities in combination with wind parks, and this long-term experience is a source of significant added value. Battery



Another possible solution to this problem is the increased use of flexibilities from various consumers and smaller producers. The objective is to change the demand for energy over time in a manner that prevents demand peaks and makes it possible to cover demand with the energy directly available from renewable production. We have been working to make consumption more flexible together with CyberGrid, a subsidiary acquired in 2022 and specialised in the development of corresponding IT solutions, and with the Green Energy Lab, Austria's largest innovation laboratory to date for green energy. It links over 200 partners from research, business and the public sector who are developing customer- and demand-oriented scalable solutions for a sustainable energy future.

Energie Zukunft Niederösterreich GmbH, a 50:50 joint venture between EVN and the Energy and Environmental Agency of Lower Austria, supports the founding of renewable energy communities in Lower Austria with advising and other services. This joint venture is currently assisting 90 projects in Lower Austria, and many more have already registered for 2024. The most important benefits of renewable energy communities are the regional consumption and storage of the energy produced locally from renewable sources. That reduces cross-regional electricity transport as well as the network fees paid by the community members. Taxes and duties are also eliminated. All in all, this creates regional added value for energy.

storage has proven to be surprisingly low maintenance, but large batteries can currently guarantee supply security for only a few hours. Consequently, they are not suitable for long-term storage – and in particular, not for the storage of the surplus renewable energy generated during the summer for use in the winter months when sun, wind and water levels are low.

RAG is also pursuing future-oriented approaches for energy transformation and storage through the construction of a cross-sector pilot plant in one of its porous reservoirs – a depleted geological natural gas storage facility. During the summer, solar energy is converted via electrolysis into green hydrogen, which is then stored in the

underground reservoir. This green hydrogen can then be extracted and used to generate energy and heat during the winter.

In September 2023, RAG started operations with another innovative pilot project – a new methane electrolysis plant. It uses solar electricity to split methane (natural gas) into hydrogen and high-quality, solid carbon without CO₂ emissions. The hydrogen can be stored as described above, while the solid carbon is a valuable raw material for many different applications: improving the soil quality for agriculture or for the production of batteries, computer chips, carbon fibres or carbon-based materials.



Win-win x2

Virtual power plants are increasingly serving as a substitute for conventional generation plants to cover demand peaks or to offset fluctuations in generation – and bring a variety of benefits for customers, energy providers, network operators and the environment. The basis: highly complex software solutions that coordinate the flexibilities of many different customers and smaller producers and can be used for specially targeted purposes. With the takeover of CyberGrid, EVN acquired a pioneer in this area.

Extra capacity for the electricity network, but without additional power plants? What sounds like a paradox has long since become reality. The efficiently coordinated use of so-called flexibilities can make substantial volumes of electricity available for the entire system on a short-term basis. In view of the rapid advance of – naturally volatile – renewable energies, this can make a significant contribution to network stability and supply security. And move us closer to the energy transformation.

Additional capacity is a growing short-term requirement to cover the residual load – meaning the difference between actual electricity demand and the available wind and solar energy – and maintain network stability, meaning voltage and frequency. These tasks were previously met by quick-firing conventional power plants, e.g. gas turbines, but today's solution to provide or release the necessary output relies on smaller decentralised generation equipment

that is flexible and can be easily started or shut down, as well as on, with electricity consumers or electricity storage facilities.

Virtual power plants as important reserve capacity

Industrial and commercial equipment as well as local energy communities and household aggregates can become virtual power plants. The most important examples of the latter are the charging stations for e-vehicles or heat pumps where their use – of course, with the customer's consent – is temporarily influenced without creating any loss of comfort. The buffer storage facilities of photo-

voltaic equipment can also increase or reduce the volume of electricity in the network. The industrial and commercial sectors have a wide range of equipment that does not always operate around the clock and could be temporarily switched off to support network stability without impairing business processes. Conversely, companies can feed electricity from their own generation equipment into the network. Together, all this equipment forms a so-called virtual power plant.

The result: a wide variety of benefits for customers, energy providers, network operators and the environment. Household customers and businesses benefit from price advantages for their readiness to postpone the use of certain





Alexander Kofink,
managing director CyberGrid

equipment to a limited extent and receive an annual credit for their flexibility. Energy providers increase their supply security and network operators improve network stability. And the environment benefits because conventional power plants are used less often to cover demand peaks and the energy transformation moves forward. In other words, a win-win situation.

CyberGrid: a high performance digital platform for flexibility management

Developing and coordinating these flexibilities for the market is, naturally, a complex task. One of the pioneers in this field is CyberGrid, an

Austrian software company that was founded in 2010 and is specialised in the development of a platform for the digital handling of this flexibility management. It bundles flexibilities into marketable product volumes for placement on the short-term electricity market. Alexander Kofink, CEO of the company which has been wholly owned by the EVN Group since March 2022 and currently employs roughly 30 persons: "If you consider the fact that a virtual power plant consists of numerous, perhaps even hundreds of thousands of individual aggregates, you can imagine the challenges created by the integration and management of all these components. Our cloud-based software CyberNoc handles all this and is updated regularly to meet the latest requirements. We recently released Version 6 with new features such as continuous micro-service architecture and a customer portal that further improves the customer's interaction with the market and also supports European market platforms."

The potential of virtual power plants cannot be underestimated. "If, for example, 10,000 e-autos docked at 11 kW charging stations operating at full power were taken offline and charged later in the day," explains Alexander Kofink, "that would release roughly 110 MW over the short term, which corresponds to 22 wind turbines each with an output of 5 MW. Valuable services for frequency maintenance, i.e. network stabilisation, could then be offered and the consumption and usage limits for renewable plants could be avoided. And all that without investments in an additional "real" power plant."

A study by smartEN, a European branch association that includes CyberGrid as a founding member, on the establishment of consumer-oriented energy systems indicates that the intelligent market integration of consumers in the EU could make an impressive 300 GW flexible – and that would save 40m tonnes of CO₂ emissions each year.

Dynamic developments in the EVN Group

CyberGrid technology is already in use on commercial projects in Austria and Slovenia as well as in several EU-subsidised research projects.

One joint research project also served as the initial impulse for the cooperation between CyberGrid and EVN. Alexander Kofink: "With 'Green the Flex' – this project involved the bundling and marketing of flexibilities from various customer groups – we became the first company in Austria to receive a subsidy from the EU's Innovation Fund Small Scale." The EVN Group subsequently acquired CyberGrid in March 2022 and is now driving its development throughout Europe. This represents an important strategic investment for EVN, which plans to play an active role on the flexibilities market and offer flexibility management as a service in the future.

Alexander Kofink: "We are very happy to be part of the EVN family. This will speed up our further development and create an ideal basis for national and international growth. In addition to services for the Group companies in all core markets, we are able to embed our research and development activities directly in commercial operations. That increases our market opportunities as a software and service provider in Austria and other countries. In view of the many company motor vehicle fleets supplied by EVN, we can also support new business models involving batteries and electromobility."

And the benefits for EVN? Apart from an increase in supply security and network stability in its core business, the Group will benefit from additional revenue from flexibility management and the related services.

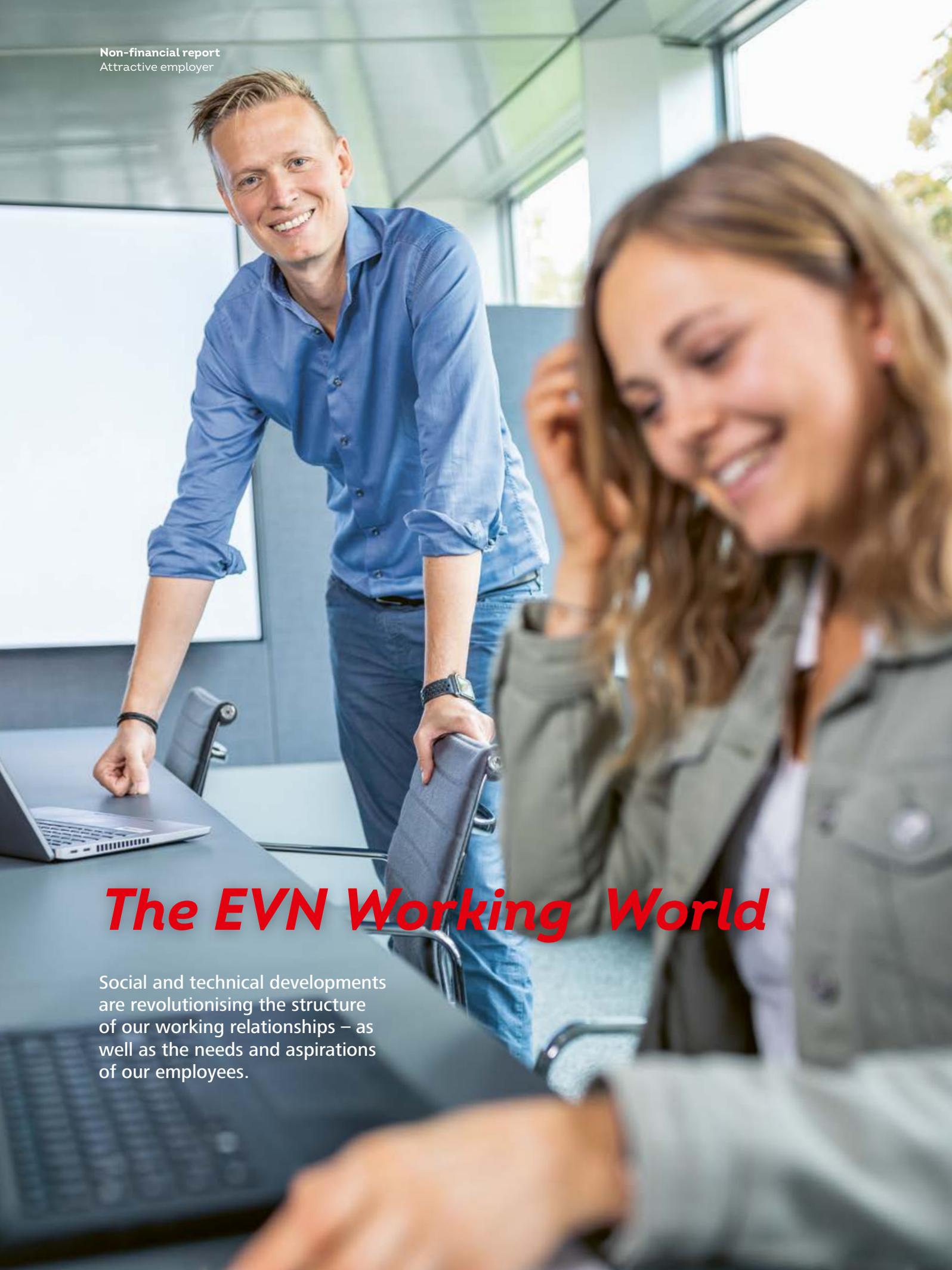
Creating optimal for

As an attractive employer EVN offers modern working worlds and a wide variety of career and training opportunities. And helps to make its employees fit for the future.



perspectives
every employee.





The EVN Working World

Social and technical developments are revolutionising the structure of our working relationships – as well as the needs and aspirations of our employees.

We see it as our responsibility to react promptly to current changes and to create an optimal working environment for our employees that allows them to develop and share collective success. A healthy balance between free time and work is becoming increasingly important for many people, while the lack of specialists is making it more difficult to hire and retain qualified employees.

With the EVN Working World, we are working to meet these challenges and create a highly flexible working environment for our employees. Summarised under the motto “More sustainable. More digital. More efficient.”, the introduction of innovative technologies and digital equipment, an increase in mobile work and flexible working time models as well as the design of working areas for the smarter use of space help to optimise cooperation and communication flows. New concepts are evaluated together during the development phase and regularly adjusted based on feedback loops.

○ For the EVN Working World, also see www.evn.at/wir-sind-evn (German only)

Principles and models for our cooperation

National laws and international guidelines such as the Universal Declaration of Human Rights and the basic values described in the Code of Conduct are the fundamental principles for EVN’s corporate culture in dealing with our employees. A set of binding documents on our corporate and management culture, for example our managerial mission statement and human rights policy, define and substantiate the principles and mission statements that govern our daily interaction. These same exacting standards apply in all countries where we work. Our activities in this area led to the definition of key values – ensure, encourage and enable – for the EVN Group several years ago.

- For the EVN key values, see www.evn.at/own-workforce
- For the human rights policy, see www.evn.at/human-rights-policy

We motivate our employees not only by meeting our legal obligations as an employer, but also by providing numerous additional voluntary benefits that reflect our objective to be a fair employer. 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 indicator: GRI 2-23

Equal treatment and equal opportunity

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 gender, age, ethnic origin, skin colour, sexual orientation, religion, ideology or any impairment. We 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 on the applicable collective bargaining agreement and the specific responsibilities and qualifications. At EVN, there is no difference in the compensation paid to men and women 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 Austria, companies with more than 150 employees are required to prepare and submit a remuneration report every two years on the compensation paid to men and women.

This data collection and analysis will be rolled out throughout the Group during the coming financial years. The ratio of the highest salary and average salary at EVN in Austria equalled approximately 8.0:1 in 2022/23 (previous year: 8.0:1), and a Group-wide analysis is planned for the coming financial year.

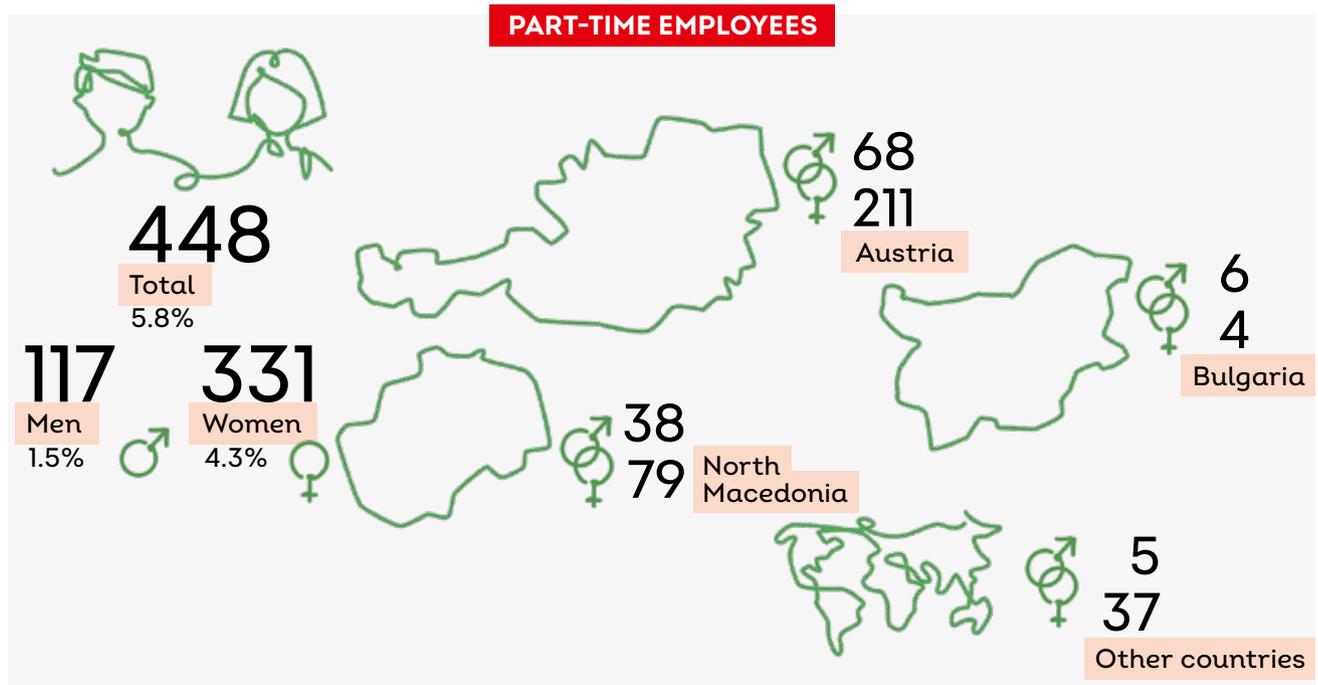
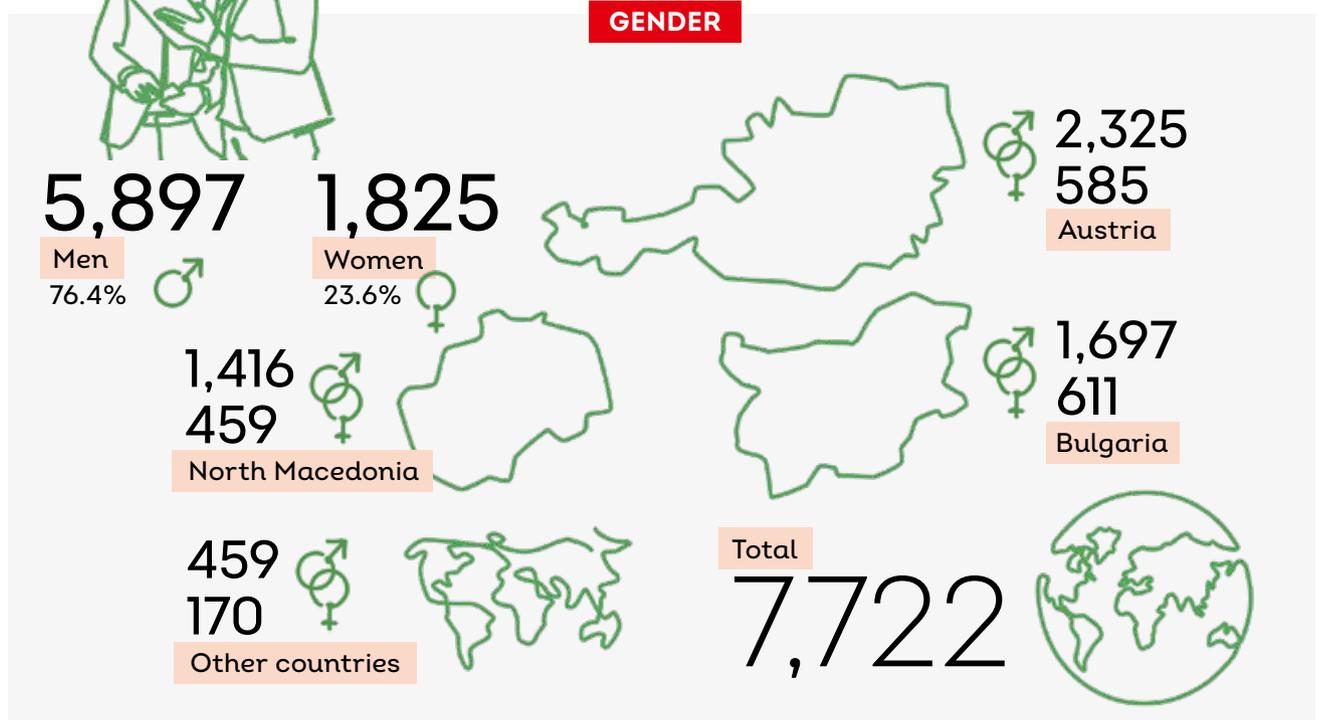
△ GRI indicator: GRI 2-21

Employees as of 30 September 2023	Salaried employees	Wage employees	Total
EVN Group	7,553	169	7,722
Austria	2,878	32	2,910
Bulgaria ¹⁾	2,308	–	2,308
North Macedonia ¹⁾	1,875	–	1,875
Other countries ²⁾	492	137	629
EVN Group (FTE) ³⁾	–	–	7,255

1) There is no differentiation between salaried and wage employees in Bulgaria and North Macedonia.
 1) Includes: Germany, Croatia, Poland, Romania, Slovenia and Kuwait
 3) Full-time equivalents (average number of employees in 2022/23 on a full-time basis)

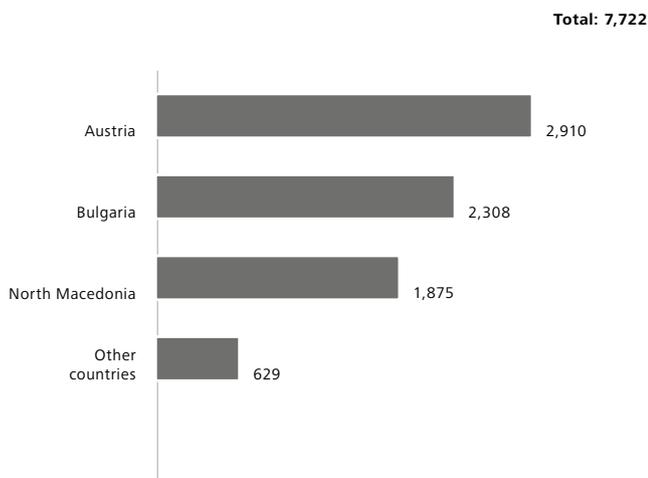
△ GRI indicator: GRI 2-7

Diversity of employees 2022/23



Employees per operating location

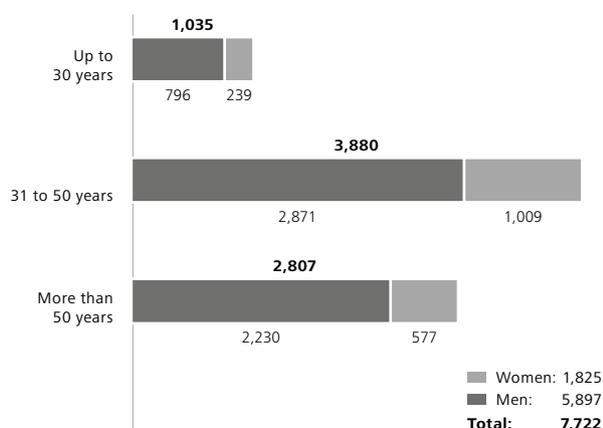
Number as of 30 September 2023



△ GRI indicator: GRI 2-7

Age structure of employees

Number as of 30 September 2023



△ GRI indicator: GRI 405-1

Diversity

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 57 countries, above all from Austria, Bulgaria and North Macedonia. We are 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 ensure that most of the employees and managers in our markets come from the respective regions (approximately 64%). In particular, the strengthening of local management capacity represents an important aspect of our corporate strategy.

In addition to our own staff, 88 leased employees, representing 1.1% of our total workforce, also worked for the EVN Group as of 30 September 2023. We use personnel leasing for the following reasons:

- As integration leasing (a preliminary step to a conventional employment relationship)
- For tasks and projects covering a limited time
- To handle peak work

The share of secondary school and university students who complete an internship with us as part of their education – generally during the summer months – represented approximately 4.3% of our workforce in 2022/23. Fixed-term employment contracts are common in Austria for new hires and generally cover a period of one year, the employment relationship then becomes permanent if the evaluation is positive. In 2022/23, 9.1% of all employment relationships in Austria were fixed term.

In keeping with our commitment to equal treatment and opportunity, we also support the integration of people with special needs. We employed 129 persons with special needs in 2022/23, representing 1.7% of the total workforce.

△ GRI indicators: GRI 2-7, GRI 2-8

Women at EVN

To increase the share of women in the EVN Group and to support career planning, above all for highly qualified women, a variety of 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 group. The Women@EVN programme includes, among others, the opportunity to attend requirements-oriented seminars and make use of internal networks. A mentoring programme was also launched several years ago. This programme supports women in their management positions and thereby creates the basis for increasing the number of female managers. EVN also consciously supports management positions on a part-time basis.

In North Macedonia, we introduced a new project for women during the past financial year to give secondary

Continued on page 98 →



» Success is not a question of gender «

Support for women in the company is a key issue for EVN. We spoke with team leaders Nicole Gugerel and Sabine Peintner-Weinrichter on development opportunities for women in EVN and about the challenges in a traditionally male-dominated branch.



Nicole Gugerel,
team leader at the smart meter
operation center Netz
Niederösterreich

Ms. Gugerel, Ms. Peintner-Weinrichter: You have very different educational backgrounds. How did you come to join EVN?

Nicole Gugerel: During my last year in polytechnic school, I spent three so-called try-out days at EVN. The environment immediately caught my interest and, in 2007, I applied for an apprenticeship in electrical installation technology. I was the only woman among 15 apprentices in my class and one of the first women to complete this programme at EVN. Today, the share of female apprentices is slightly higher but, at EVN, we are still a male-dominated branch. The fact that I was the only woman on the team had no negative influence on my training. On the contrary, I always felt optimally integrated and when I lacked the necessary muscle power, I relied on my logic, common sense and skills. At this point, I would like to thank all the colleagues who have accompanied me over these many years. My training years at EVN were a very positive experience. In October 2019 I was asked to take over the development of the then new team for the Smart Meter Operation Center, which has grown steadily since that time and now has eleven employees.

Sabine Peintner-Weinrichter: After completing my studies in international economic relations, I completed an internship at EVN in the risk controlling team. This short-term practical training became a fixed position on the risk management team, which I was appointed to head at the beginning of 2015. Since 2016, I have headed the finance team in EVN's finance department. These departments are less male dominated than many of the technical areas, but I am still the only woman in many meetings.

How did EVN promote or support your previous career path?

Sabine Peintner-Weinrichter: I went directly from my internship into professional life, but still wanted to complete my Master studies. EVN made it possible for me to work part-time at 32 hours per week. This was accompanied by a wide range of training programmes that included a workshop in London as well as various courses, workshops and seminars, for example as part of the EVN SUN – the EVN Summer University. Together with daily training on the job, I was well prepared for my current management responsibilities.

Nicole Gugerel: I followed my training as an electrical installation technician with several additional programmes – including a secondary school diploma, studies in international industrial engineering and information security management and much more. EVN, and above all my supervisors, actively supported and encouraged me during this in-service training, for example in the form of internal training opportunities. What particularly impressed me was a four-week stay at EVN in Bulgaria. I learned a great deal during this fascinating time.

You mentioned EVN SUN. Exactly what is that?

Sabine Peintner-Weinrichter: The Summer University, in short SUN, is a training programme for potential new managers which is organised by EVN together with the Danube University Krems. It includes workshops and seminars on subjects like the "New World of Work", "Agile Working", "Change & Innovation" and "Cultural Leadership".

SUN covers a week and includes roughly 15 to 20 colleagues from the countries where EVN is active. The courses cover hard and soft skills, and the supporting programmes provide numerous opportunities for

networking and the exchange of experience at an international level.

Nicole Gugerel: From my participation in SUN, one very positive memory is the “fireside chat” where the members of the Executive Board and head of HR took their time in a very relaxed atmosphere to meet with the participants and examine various issues on an equal footing. That gesture of appreciation made a lasting impression.

In other words, participation in the EVN SUN was one of your first steps towards a management position. You were both appointed team leaders after that. How were you then supported in your new positions?

Nicole Gugerel: EVN has a so-called management support programme for new managers, which is organised by the EVN Academy. It consists of various courses and coaching, including subjects on labour law and occupational safety. This programme is very important because it deals with issues that are not really relevant for someone without management respon-

sibility, but part of a manager’s daily work. Here, I had, and still have, the feeling of being fully supported, I think it is very valuable and well organised.

Ms. Peintner-Weinrichter: You have two small children. How do you combine work and family?

Sabine Peintner-Weinrichter: It is sometimes very stressful to reconcile my family’s needs with the needs of my team and my employer. EVN’s flexible working time model helps me here because it allows for flexitime without any core time and offers a wide range of possibilities for mobile, location-independent working. But, of course, this model also requires self-discipline.

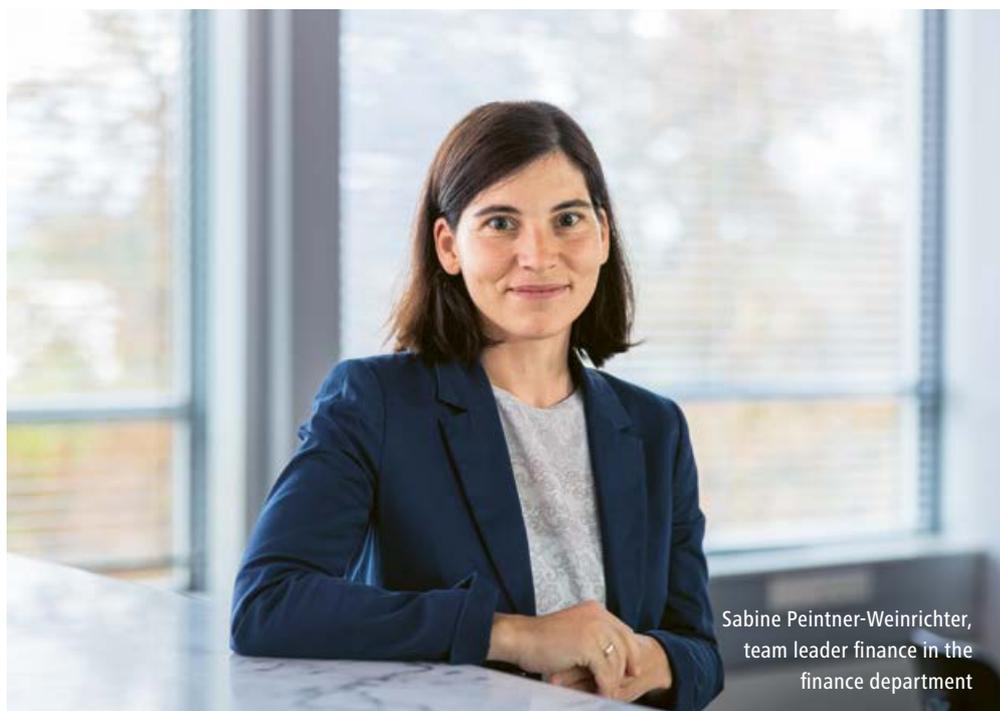
Ultimately, work and family life should be separated. However, that is not always easy – above all when the office laptop is in full view at home. On the other hand, I was able to return to work on a part-time basis soon after my children were born. I never lost contact with my team and, at the same time,

had time to care for my children. My current schedule involves working 28 hours per week.

What suggestions would you give your younger female colleagues at EVN for their future careers?

Nicole Gugerel: I can still remember the doubts I had before I accepted my first team leader position. Today, I can say that all these doubts were groundless. My overwhelmingly male staff accepted me as their team leader from the very beginning. Respectful and considerate interaction with my colleagues was always my most important objective. My advice: “The journey is the reward.”

Sabine Peintner-Weinrichter: I can only agree with Nicole’s statement. Professional success is not a question of gender. The key factors are the quality of (management) work and constant readiness to improve both professionally and personally and to accept new challenges. And that applies equally to men and women.



Sabine Peintner-Weinrichter,
team leader finance in the
finance department

→ Continued from page 95

school students experience with career opportunities in the energy branch during their last two school years and to awaken their interest in training in an energy-related field. The programme also provides an opportunity to acquire further basic skills for future professional development by attending training courses on communications, teamwork and digital skills.

We also support external networking events for women in business. During the past financial year, this included the 2023 Lower Austrian conference for businesswomen and a symposium to increase the share of women in the e-sector.

- For information on diversity and the diversity concept for the Supervisory Board and Executive Board, see the corporate governance report on page 161f
- For information on EVN's human rights policy, see www.evn.at/human-rights-policy
- △ GRI indicators: GRI 2-8, GRI 2-21, GRI 202-1, GRI 202-2, GRI 405-1, GRI 405-2



Satisfied and motivated employees – throughout their entire working life

The times are long gone when an employee joined a company directly after his or her studies – or even earlier in the case of an apprenticeship – and remained up to retirement. Lifetime employment – the previously most popular model – is now the exception rather than the rule. Employees have become more flexible over the past decades, and demographic developments, digitalisation, new methods of working (together) and changing expectations, above all among the younger generations, have fundamentally transformed the labour market. These trends were intensified by the consequences of the corona pandemic and, in combination, have led to a significant shortage of skilled workers. Companies and HR managers are faced with the challenges of recruiting and retaining a sufficient number of qualified employees. EVN is addressing this challenge with a broad bundle of concepts and measures.

Comprehensive lifecycle assessment

A decisive success factor in the competition for the best brains is to identify and, as far as possible, meet the expectations and needs of existing and potential employees. These expectations and needs naturally change during the course of a (working) life. “That explains why we take a very differentiated view of our employees over the entire employee lifecycle, from the orientation and job search phase to retirement and even the following years”, explains Harald Prokschy, head of the EVN Academy in EVN’s human resources department.

“The requirements are different depending on the stage or phase, and we need to focus our reactions with suitable activities and offers. It is important to recognise and support employees in their respective situation so they can continue to develop. In addition, the pace of change, also in the working world, is continuously increasing, and we must consciously accompany our employees in this process.



That is why regular feedback – e. g. as part of our annual appraisal sessions – and the regular survey of employee satisfaction play a very important role.”

Targeted onboarding, ...

A targeted employer branding approach over all conventional channels underscores EVN’s image as an innovative company where applicants can find a modern working environment and interesting activities as well as attractive training and career possibilities. If they decide in favour of EVN (and EVN for them) an extensive onboarding process ensures that new employees are effectively integrated in the company. Information events, introductory training courses and e-learning sessions are used for this purpose and complement a buddy system and regular feedback loops.

... followed by continuous development and improvement

The day-to-day life of EVN’s employees is characterised by professional and personal development, and work-life balance, targeted career planning and preparations for management responsibilities as well as transparent information and active communication. “It is important for our colleagues not only to remain up to date from a professional standpoint”, adds Harald Prokschy, “they must also be able to develop personally on a broad basis. This belief led to the development of a modular training programme, which has been very well received by our employees due to its variety and scope.”

This offering is managed over the digital platform of the EVN Academy and ranges from a broad portfolio of technical courses to concrete tutorials on specific everyday assignments and digital “morning coffee breaks” on current topics up to behavioural and language training and coaching. Additional training programmes are available for managers and high potentials.

Career opportunities in the EVN Group are also wide-ranging. In addition to traditional line careers, employees can select an expert or project manager career path or decide to work as a trainer. Vacant positions are also always advertised on the internal job market.

Focus issue: resilience

Hans Luef, the head of organisational development in the human resources department: “Resilience was a key focal point of training during the past year and is especially important in a world that is characterised by uncertainty and continuous change. The VUCA model describes this very clearly: It is an acronym for volatility, uncertainty, complexity and ambiguity. The rapid changes in our branch and working environments often require organisational and behavioural adjustments, and that can cause great uncertainty. Our goal here was, and still is, to equip our employees

as individuals as well as teams to effectively deal with and accept external influences and challenges, and to find the right answers. That not only works for the company but, above all, has a positive effect on the well-being and, in the end, on the health of our employees. Of course, our managers have a special responsibility here.”

Targeted generation management

EVN takes a differentiated view of the phases in the working life of its employees, but also acknowledges the needs of the company’s different age groups. Claudia TabaccoBuchta,

head of recruiting and employer branding in the human resources department: “The members of Generation Z have an entirely different approach to working and leisure time than baby boomers, whose need for a secure job was clearly more important than flexibility. The individual generations also have different values and expectations concerning their professional activities, working environment and additional benefits. And their skills and capabilities are often different. We attempt to take this into account, for example through different training formats or meetings, but also with the suitable



design of working areas and generation-specific offers in our health programme.”

All these factors are designed to serve one primary goal: to increase and maintain the satisfaction and loyalty of EVN’s employees – because only satisfied employees are motivated to actively contribute to the sustainable creation of value for the company over the long term.

△ GRI indicator: GRI 402-2

Newly hired employees 2022/23			Austria	Bulgaria	North Macedonia	Other countries	Total	
							Nominal	% ¹⁾
<30 years			148	62	67	14	291	3.8
	thereof women	Number	33	14	28	3	78	1.0
	thereof men	Number	115	48	39	11	213	2.8
30–50 years			140	100	56	48	344	4.5
	thereof women	Number	31	40	18	10	99	1.3
	thereof men	Number	109	60	38	38	245	3.2
>50 years			21	4	10	14	49	0.6
	thereof women	Number	8	1	2	2	13	0.2
	thereof men	Number	13	3	8	12	36	0.5
Total			309	166	133	76	684	8.9
	thereof women	Number	72	55	48	15	190	2.5
	thereof men	Number	237	111	85	61	494	9.4

1) In relation to the total workforce of 7,722 employees as of 30 September 2023

△ GRI indicator: GRI 401-1

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 unless operational requirements like shift work call for different solutions. This independence is based on a flexitime model without core times, which allows for high flexibility. Various part-time models and fixed models for mobile work which, for example, combine field and mobile work on the same day help our employees to organise their professional and family obligations.

The models for mobile working provide for a framework of up to 1,280 hours per year, in which our employees can work at a location of their choice. As further support, we also offer the following options:

- Parent-child office
- Supervised children’s programme for several weeks during the summer vacation
- In-house childcare in connection with a daycare centre (only at WTE)

Parental leave 2022/23			Austria	Bulgaria	North Macedonia
Employees electing parental leave		Number	61	45	24
	thereof women	Number	43	45	24
	thereof men	Number	18	–	–
Return after parental leave					
Resigned (immediately after leave)		Number	1	2	3
	thereof women	Number	1	2	3
Resigned (within one year after leave)		Number	–	2	–
	thereof women	Number	–	2	–
Return rate women		%	97.7	95.6	87.5
Retention rate women ¹⁾		%	100.0	95.6	100.0
Return rate men		%	100.0	–	–
Retention rate men ¹⁾		%	100.0	–	–

1) Salaried employees who elected to use parental leave and were still employed by the company 12 months after returning to their job.

△ GRI indicator: GRI 401-3

Our employees in Austria, Germany, Bulgaria and North Macedonia are legally entitled to parental leave after the birth of a child, in our Austrian companies this is extended by the so-called “papa month”. Parental leave in Austria covers a possible leave of absence up to the 36th month after the child’s birth and exceeds current legal regulations. This option is, however, used less frequently in South Eastern 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 fathers are also using this offering, and nearly all mothers and fathers return to EVN after that time.

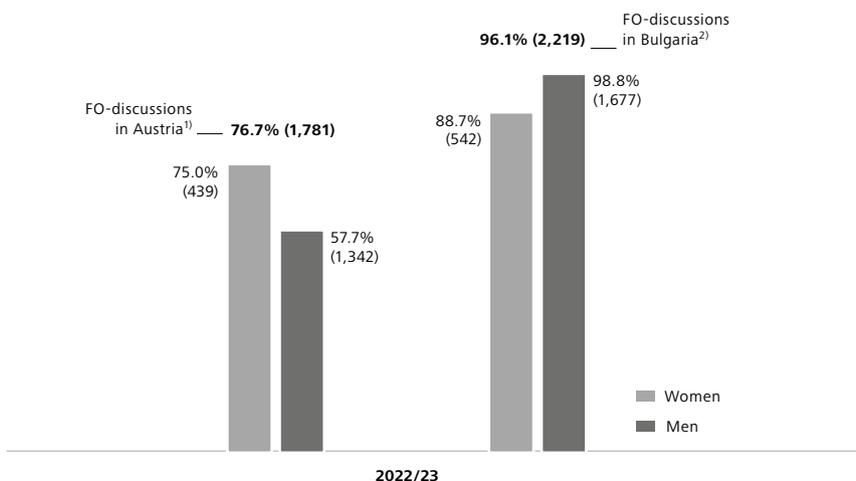
At EVN, we are well aware of the importance of training and continuing education and, therefore, also approve educational leave and part-time work during this time. Appropriate requests are generally accepted after a review of the operational possibilities and interests by the employer, subject to certain framework conditions. We also use a re-integration part-time model in special cases, for example to facilitate employees’ gradual return to work after a long illness. Our employees can also opt for a semi-retirement model to gradually reduce their working hours prior to retirement.

Human resources development and advancement

Our employees’ high qualifications represent a strategic asset and an important element for protecting our company’s sustainable success. Consequently, preserving and increasing our employees’ high level of expertise are a central element of our human resources management. In view of the current lack of labour and specialists, focused, individualised and efficient human resources development has become even more important.

Feedback and orientation discussions

% and number



1) Total number of employees in Austria: 2,910 (women: 585, men: 2,325)

2) Total number of employees in Bulgaria: 2,308 (women: 611, men: 1,697)

△ GRI indicator: GRI 404-3

We have been following a targeted employer branding approach to recruit qualified new employees for several years. It gives us the opportunity to provide authentic insights into our company and the many different areas of responsibility – all in all, EVN has more than 100 job profiles in the energy, environment, heat, water and telecommunication branches. Our colleagues describe their jobs in short videos, and we regularly post information on their daily work routine over digital platforms. Two other successful initiatives have been in operation for several years: our “employees recruit employees” recommendation campaign and a job ambassador programme. The underlying idea in both cases is to integrate existing colleagues more strongly in recruiting.

Training and development opportunities

EVN’s extensive training and professional development programmes in Austria, Bulgaria and North Macedonia are organised by the local EVN Academies. In Austria, the EVN Academy

organises roughly 200 events each year and coordinates more than 70 different training plans for electricity, natural gas, heat and water for apprentices and young technicians and recertification courses for experienced specialists. These training plans cover various courses on technical subjects and also include content on personal development. Standardised processes and quality management are included in the design of every new training programme, and the preparation of the content is always coordinated with the respective specialist department. At the end of every course, the participants receive a questionnaire to provide their feedback on the quality of the programme. Opportunities for improvement are then included in the training design.

Not least due to a general increase in the average age of our employees (43.9 years), we are placing high priority on the development of future specialists and managers. The need for qualified employees is rising as many of our qualified 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 2023, we employed 77 apprentices. In Austria, we offer the traditional 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. We also encourage our apprentices to complete internships in other countries through our "Let's Walz" programme. Most of the young people remain as employees after completing their apprenticeships.

There are no legal regulations in South East Europe for dual training, but we are working to establish a similar EVN-internal structure in these countries. We have already established cooperation programmes with several schools and training institutions in Bulgaria and North Macedonia. These EVN initiatives are not only popular locally but have also received international recognition because they cover

Training and educational measures

		2022/23	2021/22	2020/21
Total expenses	EURm	2.5	2.1	1.6
Expenses per employee	EUR	326.7	288.2	217.6
Training and education time per employee	hours	29.6	26.9	28.8

△ GRI indicator: GRI 404-1

a direct need on the labour market with their job-related training and help to combat unemployment among young people in these countries.

△ GRI indicator: GRI 413-2

The EVN Academy also offers specially designed programmes for the development of future managers. Examples include the summer university "EVN SUN", which is held each year in cooperation with the Danube University Krems, and an in-service training programme for managers. At EVN SUN, workshops and seminars on current topics like the changing working world and an accompanying programme that includes an informal get-together with the Executive Board provide sufficient opportunities for

advanced technical training and the exchange of experience with colleagues from the entire Group.

The mandatory in-service training programme for current managers includes various courses and coaching with a focus on self-competence and the EVN managerial mission statement, but also covers issues like labour law, occupational safety and worker protection. The study and training offering was further expanded in 2022/23 to provide new team leaders with additional support during their starting phase and to create a greater awareness for resilience. A relaunch of the EVN Executive Programme in 2023/24 will increase the opportunities for international networking among our managers.

Employee fluctuation – persons leaving 2022/23 ¹⁾		Austria	Bulgaria	North Macedonia	Other countries	Total	
						Nominal	% ²⁾
<30 years		19	21	25	6	71	0.9
thereof women	Number	7	9	6	1	23	0.3
thereof men	Number	12	12	19	5	48	0.6
30–50 years		44	51	58	40	193	2.5
thereof women	Number	9	36	22	12	79	1.0
thereof men	Number	35	15	36	28	114	1.5
>50 years		12	21	11	9	53	0.7
thereof women	Number	3	6	3	1	13	0.2
thereof men	Number	9	15	8	8	40	0.5
Total	Number	75	93	94	55	317	4.1
thereof women	Number	19	51	31	14	115	1.5
thereof men	Number	56	42	63	41	202	2.6

1) The table does not include intragroup transfers, retirements or trainees entering and leaving the company.

2) As a percentage of the entire workforce of 7,722 employees as of 30 September 2023

△ GRI indicator: GRI 401-1



In Bulgaria, the first round of a newly designed, one-year high-potential programme started during the past financial year. Group and individual coaching and training are designed to support the development of future managers.

Employee satisfaction

The satisfaction of our employees and the related staff retention is a fundamental concern – especially in view of the current situation on the labour market. For several years, we have been measuring employee approval with a quarterly, anonymous opinion barometer that was implemented as an online questionnaire. It includes, among others, questions on satisfaction, commitment, stress and personal resources as well as cooperation with the respective manager. The results of this externally accompanied survey

are discussed at team meetings and allow for fast identification of the current mood in the team or department and any necessary reactions.

The project was rolled out to further Group companies during the reporting period. The regular high feedback rate gives management a straightforward and meaningful tool to monitor the stress balance in their team and to promptly intervene through discussions, seminars or workshops if necessary. The further roll-out of the project is scheduled for the coming financial year.

We hold feedback and orientation sessions with our employees in Austria and Bulgaria each year. They not only allow for structured, mutual feedback on work behaviour and quality, but can also be used to define specific goals for the employees within the framework of individual development plans.

For EVN, another important indicator of employee satisfaction is the length of service which, at 15.5 years, remained constant at a high level in 2022/23.

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

Occupational safety and accident prevention

Accidents not only endanger our employees' well-being, but they can also lead to long downtime and also influence personal lives. In addition, material damages can cause supply interruptions for our customers. Protecting the safety and health of the men and women who work for EVN and our efforts in the interest of occupational safety and the prevention of accidents are therefore a central element of our corporate culture.

In addition to the requirements defined by European and national law – which have our full compliance – binding regulations for all corporate units are described in the following documents:

- The EVN Code of Conduct
- The EVN Human Rights Policy
- Internal principles in the form of a safety mission statement and safety strategy
- Internal directives and guidelines for the definition of safety risks and corresponding countermeasures

Organisation of occupational safety in the EVN Group

Our safety mission statement defines the basis for our exacting standards in the area of worker protection. With extensive training, regular evaluations and high-quality equipment, we offer a level of worker protection that exceeds legal requirements. The overriding goal is to prevent accidents, and we try to provide our employees with the necessary orientation through defined processes and instructions for technology, organisation and people. Extensive safety and health documentation is available to all employees and intended to support independent actions, while helping managers function as role models.

The recording of identified risks and incidents as well as the monitoring of implemented measures are based on the requirements of ISO 45001. In Bulgaria, two of our subsidiaries are certified under this standard. We not only record actual accidents but also “near-miss” incidents and potentially dangerous situations.

EVN has designated specially trained staff at the headquarters and in the Group companies for occupational safety and for fire protection, health and first aid. Frequent contacts between the safety officers in the

individual business units and central 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 know-how. 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.

Types of work accidents

There have been virtually no accidents with our electricity, natural gas, heat or drinking water products 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 at EVN during the past year occurred in connection with the following activities:

- Movement of persons
- Handling of objects

The most frequent work accidents involve tripping, stumbling and twisted ankles, followed by falling objects and cuts. Most of these accidents led to skin injuries followed by ligament lesions and bruises. The body parts most at risk are the upper extremities like arms, hands and fingers.

All work accidents involving our own employees and leased personnel are first recorded and handled by the respective organisational unit. Internal guidelines regulate subsequent reporting to the corporate safety service which analyses the incident and

arranges for any necessary measures. We also encourage our employees to report (potentially) dangerous situations.

Measures to prevent work accidents

We principally rely on extensive information and instructions for our employees on all health and safety issues to prevent accidents. The basis for regular instructions is formed by a safety manual by the industry association Oesterreichs Energie that addresses the special working conditions in the energy sector.

We have also issued manuals for specific areas such as hydropower plants and wind power or photovoltaic equipment. Each of these documents is routinely updated 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 specific information on the dangers connected with EVN’s equipment. The instructions on worker protection include general information and behaviour- and activity-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
- Any special dangers connected with the workplace and their prevention or avoidance (e. g. handling of machinery or behaviour near electrical equipment)
- Safety, rescue and fire protection equipment (e. g. fire extinguishers or first aid kits)



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Accident and lost days statistics

	2022/23	2021/22	2020/21
Number of employees ¹⁾	7,688	7,274 ⁸⁾	7,269
Number of hours worked ²⁾	13,069,104	12,366,367	12,357,300
Number of fatalities caused by work-related injuries	–	1	–
Rate of fatalities caused by work-related injuries (in %) ³⁾	–	0.1	–
Number of high-consequence work-related injuries ⁴⁾	1	2	–
Rate of high-consequence work-related injuries (in %) ³⁾	0.1	0.2	–
Number of recordable work-related injuries ⁵⁾	62	52	41
Rate of recordable work-related injuries (LTIF, in %) ³⁾	4.7	4.1	3.3
Number of work-related accidents ⁶⁾	64	78	78
Number of sick leave days (after work-related accidents) ⁷⁾	1,885	2,754	1,966
Number of sick leave days/employee	11	12	11

1) Employees incl. leasing personnel (average headcount for the year) who have been allocated to the respective Group companies based on Austrian labour law for which data is reported

2) Based on an average number of 1,700 hours worked per employee and year

3) Based on 1,000,000 hours worked

4) Work-related accidents that result in more than six months of sick leave, excl. fatalities

5) Work accidents (excl. commuting accidents) that result in fatalities, lost working days, work restrictions, medical treatment, unconsciousness or diagnosed severe injuries

6) All work-related accidents, excl. commuting accidents

7) All sick leave days after work-related accidents, excl. commuting accidents

8) Correction of prior year value because Group companies with <10 employees were also included

EVN's corporate occupational safety team relies on a variety of actions to create a targeted and sustainable awareness for security issues among the workforce and to prevent accidents. Direct prevention measures and initiatives to avoid falls and similar accidents include, for example, the personal mobility measurement and encouragement for employees to exercise regularly. Other measures include:

- E-learning modules and video clips on working procedures and the handling of equipment
- Options to attend specialist seminars
- Articles in the employee newsletter and Intranet on various aspects of occupational safety
- An annual "Oscar for Occupational Safety" to the departments and organisational units with an accident-free year

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", "Construction of high- and low-voltage overhead lines: the safety-related aspects of power line construction" and "Safe operations with chainsaws" 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.

The training offering and content are coordinated regularly with the involved departments and adapted or expanded where necessary. In Bulgaria, we also organise voluntary training on various aspects of occupational safety for the employees of third-party firms that work in our operating areas.

Managers contribute to these issues 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.

In addition, occupational safety is a standard element of the team and department meetings held by the local safety officers.

Occupational safety in the project business

Health and occupational safety also have high priority for WTE, our subsidiary responsible for the international project business. The underlying principle is the EVN Group's commitment to preserve and protect human rights. WTE 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 provide regular reports to the respective customer. The occupational safety and health management system used by WTE and WTE Betrieb has been certified under BS OHSAS 18001:2007 since 2011 and was also certified under ISO 45001:2018 after the introduction of a company health management system in 2019.

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 must 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 responsible for regular reporting also 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 customary practice in Kuwait.

△ GRI indicators: GRI 403-1, GRI 403-2, GRI 403-4, GRI 403-5, GRI 403-6, GRI 403-8, 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 assist employees within and beyond the framework of labour protection laws. The many related measures include, among others:

- Medical check-ups
- Vaccinations
- Eye and hearing tests
- Preventive medicine
- First aid courses
- Psychological counselling
- Coaching
- Tips on healthy nutrition
- Special offerings for employees who are exposed to particular risks

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” which formed a valuable basis for the first measures after the outbreak of Covid-19 in March 2020. Most of these safety measures have meanwhile been cancelled, but the continuous communication of behavioural and hygiene rules remains in effect.

In addition to company-sponsored measures, the EVN culture and sports club offers all employees a wide range of activities ranging from jogging to tennis, soccer and aviation to film and photography. Many of these activities have a special focus on health protection.

△ GRI indicators: GRI 403-2, GRI 403-3, GRI 403-6, GRI 403-7

Corporate social partnership and internal communication

Roughly 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 primary business locations, i. e. Austria, Bulgaria and North Macedonia. The majority of our employees in Austria, for example, are covered by the collective agreement for salaried employees in electricity companies, which was structurally 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, all 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 implement the necessary restructuring measures in a socially acceptable manner and in agreement with the trade unions and/or works council. We intend to follow this procedure in the future, whereby there were no such cases in 2022/23. 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.

Employee-related issues are also managed 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 Sustainability Advisory Council. 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. The issues addressed by the European works council range from occupational safety and employee benefits to transnational initiatives in culture and sport.

The activities of the works council on behalf of employees focused on the following issues in 2022/23:

- Further development of models for mobile working to create practical framework conditions based on previous experience and feedback, while ensuring optimal protection for the interests of everyone involved
- Preparation of a company agreement to protect employee data in connection with data collection via software applications and IT programmes
- Development of new models to support long-term employee retention
- Support for temporary initiatives involving voluntary interdepartmental assistance for the customer relations team to deal with the massive increase in customer inquiries
- Start of a dialogue involving various departments and Group companies, in particular to improve communications over customers’ concerns and to ensure the development of measures for improvement.

“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 posted first on our Intranet.

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.

△ GRI indicator: GRI 401-2

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

All EVN employees are covered by statutory pension insurance. As a supplement, 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 retirement date. EVN's contribution in 2022/23 equalled at least 2% of each eligible employee's monthly gross remuneration. Contributions by employees are voluntary, whereby 37.2% of the workforce in Austria took advantage of this offer in 2022/23. Our responsibility as an employer is also illustrated by the introduction of a voluntary pension insurance for all our full-time and part-time employees in Bulgaria.

△ GRI indicator: GRI 201-3

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 total, 455 employees are currently active volunteers in these types of aid organisations. We support this commitment as an employer by excusing employees from work for up to 50% of the invested time in the event of an operation.

Employee benefits

We spent a total of EUR 14.4m on employee benefits (pension contributions, other employee benefits) in 2022/23 (previous year: EUR 18.8m), which represents 3.4% (previous year: 5.1%) of our personnel expenses.

Designing the with

Through the massive expansion of its renewable generation capacity, EVN is steadily reducing CO₂ emissions and also meeting the targets set with the Science Based Targets initiative.



energy future,
commitment



Climate and environmental protection – a key element of our strategy

The minimisation of our natural resource consumption and emissions is an integral part of our strategy for EVN's sustainable success. This is also reflected in our materiality matrix, which defines "environmental protection" and "climate protection" as priority areas of activity. Where climate and environmental protection are involved, we therefore engage in careful and conscious actions throughout all areas of our company.



As an energy supplier, we can make a significant contribution with our sustainability-oriented management to meet the sustainability goals defined by the United Nations (in particular, “clean water and sanitation”, “affordable and clean energy” and “climate protection”). Our fundamental goals and values for the protection of the environment and climate are anchored, on the one hand, in EVN’s sustainability statement and, on the other hand, in the EVN Climate Initiative. The sustainability statement 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. Full compliance with all applicable environmental regulations and requirements in all our activities is a

matter of course. Our Climate Initiative directs attention to the gradual system transformation towards climate-neutral energy generation, focusing on wind power and photovoltaics, as well as the importance of protecting supply security.

EVN’s Strategy 2030 is also significantly influenced by the political and social discussions surrounding climate protection and the related goals. This strategy demonstrates our intent to actively contribute to the reduction of greenhouse gas emissions and the containment of global warming. Efficiency improvements and innovation initiatives – not least to reduce greenhouse gas emissions – play a key role here. Generally speaking, we want to produce our products and services as environmentally friendly as possible.

□ For details on the EVN Strategy 2030, also see page 16ff

EVN Climate Initiative

The EVN Climate Initiative was developed in 2020/21 in line with the Strategy 2030. It is based on the following three elements and underscores our commitment to climate protection with concrete measures, goals and projects:

Science Based Targets initiative

EVN joined the Science Based Targets initiative (SBTi) in summer 2021. Together with the participating companies, the SBTi defines scientific goals to reduce greenhouse gas emissions in accordance with the Paris Climate Agreement. In agreement with 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, incl. cogeneration units, (Scope 1) by 66%
- Intensity 2: Reduction of specific CO₂ emissions from electricity-generating plants, incl. cogeneration units (Scope 1), and from electricity sales to end customers (Scope 3) by 65.1%

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

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. The main drivers to meet these goals include, among others:

- The expansion of our renewable generation capacity for wind power and photovoltaics
- The continuous reduction of network losses in South East Europe
- The substitution of renewable gas for natural gas in heat production

EVN'S TRANSITION PLAN FOR THE 1.5°C GOAL

In 2021, we defined our goals to reduce CO₂ emissions in connection with the Science Based Targets initiative (SBTi). These goals are based on the internationally agreed climate goal to limit the increase in global warming to 1.5°C to 2°C. Scientific studies and forecasts for the conservation of species, on extreme weather events and on human health during the past two years clearly underscore the urgency of preventing each one-tenth of a degree of global warming. Our activities in the coming business year will therefore include the development of further key measures and the revision of our goals to reduce CO₂ emissions in order to meet the 1.5°C target in the future.

- A further increase in the share of renewable energies in EVN's product mix for end customers

We made good process within the corridor to meet these defined goals during the 2022/23 financial year.

Climate neutrality in selected subsidiaries

A further contribution by EVN to climate protection includes the goal to make selected subsidiaries with close customer contacts CO₂-neutral in the future.

EVN Wasser has taken on the pioneering role in this initiative and, in November 2021, became the first EVN subsidiary to reach full CO₂-neutrality. Several measures were successfully implemented to reach this goal, e. g. the construction of on-site photovoltaic equipment and the conversion of



electricity and natural gas purchases in the operating facilities to renewable energies. The company's CO₂-neutrality was officially confirmed for the first time in December 2021 through certification by TÜV SÜD. As part of this certification, EVN Wasser committed to a continuous increase in its energy efficiency over the next four years and the reduction of its CO₂ footprint in accordance with PAS 2060:2014. TÜV Süd audits this certification annually to document the progress. The certification for 2022/23 took place in November 2023. The minimal residual emissions are compensated by highly effective, independently certified climate protection projects. EVN Wasser has set a goal to gradually reduce its emissions to a point where CO₂-neutrality can also be achieved without compensation projects. Plans call for the installation of additional photovoltaic equipment at the company's locations to increase electricity self-supply to 30% by 2030.

In November 2022, kabelplus became the second EVN company to achieve CO₂-neutrality. This status was awarded retroactively beginning with the 2020/21 financial year. Electricity procurement in this company was also converted to renewable sources. The carbon footprint will be further reduced through the planned conversion of gas procurement to renewable gas.

Contribution by research and development to climate protection

Research and development activities to sustainably reduce CO₂ 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 advance 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 page 176

Environmental management and certifications

EVN has operated an environmental management system on a voluntary basis since 1995 which meets the Eco Management and Audit Scheme (EMAS) and ISO 14001 standards. The EMAS regulations require, among others, the definition of measurable environmental goals as part of a continuous improvement process. The basic requirements for certification under EMAS include full compliance with environmental regulations and a comprehensive accompanying review. All EVN thermal plants in Lower Austria as well as 74 of our heating and cooling plants meet these standards.

Our thermal waste utilisation plant in Zwentendorf/Dürnrohr is also certified under the ISO 9001 international quality norm and the Austrian specifications for specialised waste management companies. The engineering services unit (equipment construction, planning and realisation of energy aggregates) of EVN Wärmekraftwerke GmbH was successfully certified under ISO 9001 in 2022.

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, 14001:2004 and 45001:2018. The internal management system in North Macedonia also complies with these standards. WTE has a group-wide, integrated management system under ISO 9001, 14001, 50001 and 45001 that covers certifications in the areas of quality, the environment, safety and workplace health as well as energy.

Business activities in our other Group companies are also certified under various branch standards. Netz NÖ, for example, is subject to the branch rules for network operations defined by Oesterreichs Energie, and EVN Wasser is certified under ÖVGW QS-WVU400 and AGB V40 quality standards.

The second version of the EU Directive to promote the use of energy from renewable sources (RED II) introduced a differentiation between sustainably and non-sustainably cultivated biomass, which will take effect to its full extent in Austria on 1 January 2024. EVN Wärme therefore implemented SURE during the reporting year to identify, record and track the biomass used in its larger plants (> 20 MW) and thereby comply with the new rules. This management system was accredited by the EU Commission and meets RED II requirements. It requires the recording of data on biomass from its origin to use for energy generation in our plants and covers suppliers (retailers and forestry managers) as well as our biomass storage facilities. The first external audits of the new management system took place in November 2023. EVN Wärme has purchased its biomass for many years from regional sources which are located 70 km at most from the respective heating plant.

EVN's Sustainability Advisory Board

The EVN Sustainability Advisory Board counsels the Executive Board on principal issues involving sustainable management in the areas of environmental and climate protection, adaptations to address climate change, the circular economy, biodiversity, sustainable water management, digitalisation, equal treatment and equal opportunity, occupational safety, and social and human rights issues. The 28 board members met twice in 2022/23, whereby discussions focused on the following subjects:

- Supply security and the energy transformation
- Energy sector situation in Lower Austria
- Current market situation for and activities by EVN's energy supply company
- Challenges created by the labour market – from training to finding and retaining employees
- Future skills

Bettina Glatz-Kremsner resigned as the Chairwoman of the EVN Sustainability Advisory Board at the end of EVN's Extraordinary General Meeting on 19 June 2023. In a meeting on 27 September 2023, the Supervisory Board followed a recommendation by the Executive Board and appointed Maria Patek to the EVN Sustainability Advisory Board and elected her to serve as Chairwoman.

- For information on the impact of business activities on society, the environment and the economy, also see page 21f
- Also see www.evn.at/sustainability-advisory-board
- △ GRI indicators: GRI 2-12, GRI 2-23

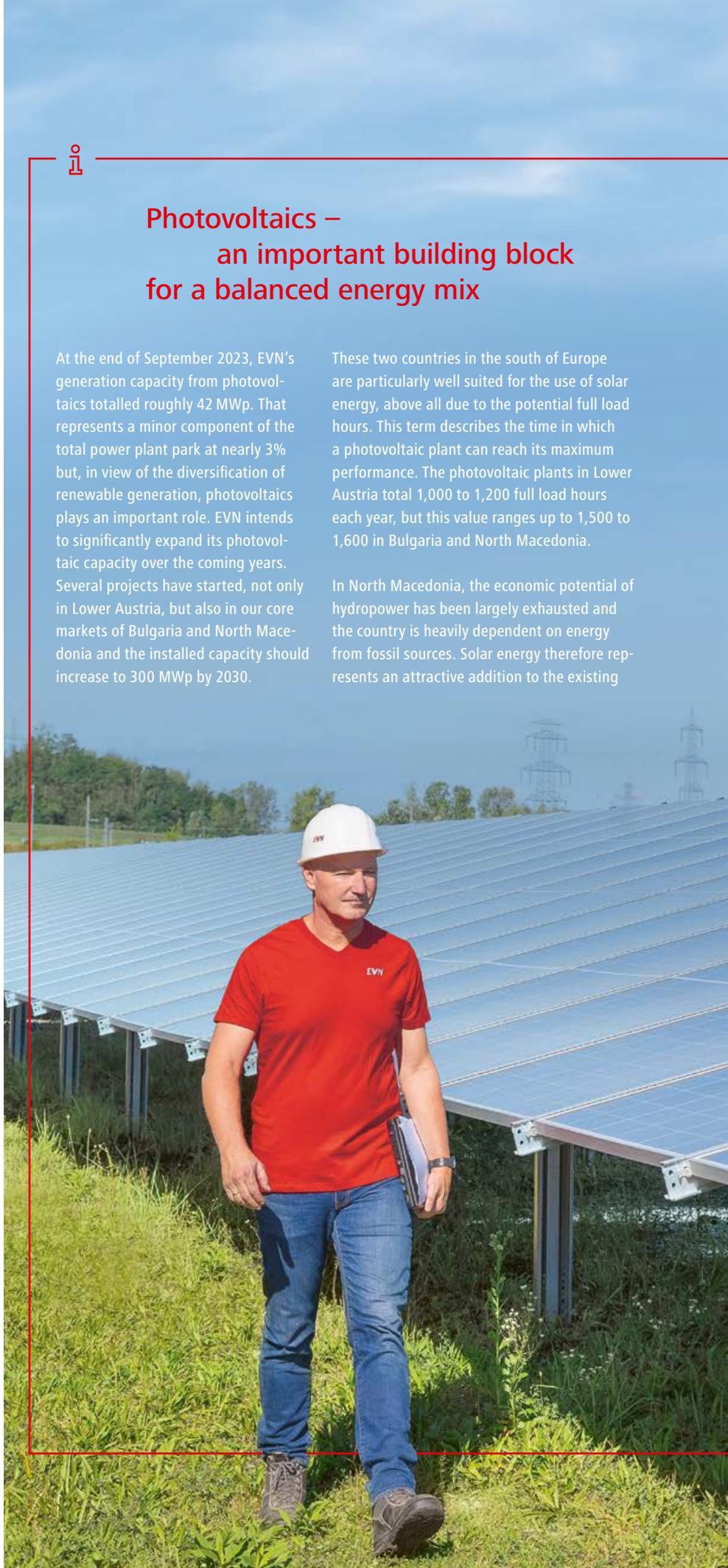


Photovoltaics – an important building block for a balanced energy mix

At the end of September 2023, EVN's generation capacity from photovoltaics totalled roughly 42 MWp. That represents a minor component of the total power plant park at nearly 3% but, in view of the diversification of renewable generation, photovoltaics plays an important role. EVN intends to significantly expand its photovoltaic capacity over the coming years. Several projects have started, not only in Lower Austria, but also in our core markets of Bulgaria and North Macedonia and the installed capacity should increase to 300 MWp by 2030.

These two countries in the south of Europe are particularly well suited for the use of solar energy, above all due to the potential full load hours. This term describes the time in which a photovoltaic plant can reach its maximum performance. The photovoltaic plants in Lower Austria total 1,000 to 1,200 full load hours each year, but this value ranges up to 1,500 to 1,600 in Bulgaria and North Macedonia.

In North Macedonia, the economic potential of hydropower has been largely exhausted and the country is heavily dependent on energy from fossil sources. Solar energy therefore represents an attractive addition to the existing





energy mix. However, photovoltaics is also advancing in Bulgaria. It gives the population access to a very low-cost source of electricity. In both countries, comparatively large ground areas are available for the expansion of photovoltaics: The population density equals roughly 109 inhabitants per km² in Austria, but only 58, for example, in Bulgaria.

The extensive approval procedures in Austria make it even more important to develop unused areas like landfills, abandoned industrial sites and quarry ponds. EVN's floating photovoltaic plant in Grafenwörth will soon be joined by a photovoltaic plant at the site of the Theiss power plant and a larger photovoltaic plant with 23.4 MWp on unused land at the energy hub in

Dürnröhr. Both power plant locations have excellent network connections, which represent a key advantage for the selection of a photovoltaic site.

Despite a lack of suitable space, the importance of photovoltaics for Austria should not be underestimated because it is a low-cost form of energy generation. This lies, on the one hand, on the relatively low cost for the construction, maintenance and operation of the equipment. On the other hand, the panels and components are becoming larger, more efficient and less expensive from year to year. And further technological progress is expected in the coming years: Included here are flexible photovoltaic foils, modules that can be integrated in facades or placed on

roofs, or so-called AGRI photovoltaics. The latter includes solutions which, in spite of installed photovoltaic equipment, still allow 80% of the farmland to be used for agricultural purposes.

Bifacial photovoltaic modules, which produce an additional yield of roughly 3% and have a substantially longer service life, are expected to become the standard in the near term. Above all, photovoltaics combined with new storage technologies – for example, based on hydrogen – will play an even more important role in the future because they make energy available counter-cyclically to other renewables. For a balanced energy mix, however, solar energy has already become an essential factor.

Our contribution to meeting national and European climate goals

Our activities on behalf of climate protection are based on a balanced mix of optimal supply security and minimal environmental impact. With the following initiatives and strategic approaches, we make an important contribution to meeting Austrian and European climate goals:

- Greater use of renewable energy sources: water, wind, sun, biomass and renewable gas
- 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 renewable gas
- Use of motor vehicles with alternative drives, e. g. electric cars

- Increase in the share of renewable energies in EVN's product mix
- Greater use of renewable energies to cover our own requirements
- Support for the transformation of natural gas networks to renewable gas and hydrogen

- Also see the climate risk analysis on page 44
- Also see www.evn.at/sustainability-statement
- Information on or energy saving tips can be found under www.evn.at/energiespartipps (German only)

Transformation of our generation portfolio

In addition to the steady increase in generation from renewable energy sources, we have taken numerous steps in recent years to continuously reduce our thermal generation portfolio. This has also had a positive effect on our carbon footprint:

- 2018: Deactivation of substantial capacity in the Theiss and Korneuburg power plants
- 2019: Premature termination of the hard coal-fired power plant in Dürnröhr
- 2021: Termination of electricity generation from coal with the sale of our 49% investment in the Walsum 10 hard coal-fired power plant and the end of electricity purchases from this source
- Use of natural gas in electricity generation exclusively in cogeneration and combined heat and power plants in Austria (18.5 MW), in the Theiss gas-fired power plant (as contracted capacity reserve for the Austrian transmission network operator, 470 MW) and in Bulgaria (80 MW)

- For information on the expansion of renewable generation, also see pages 125 and 138

Responsible use of energy and resources

As an energy and environmental services provider, we are well aware of our special responsibility for climate and environmental protection. We therefore apply our extensive know-how on resource conservation, environmental protection and energy efficiency in our internal operations – and actively share this expertise with our customers. Our responsibility is also reflected in our 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. These components include only a limited amount of recycling material due to availability and quality requirements.

Energy intensity

Energy intensity indicates EVN's own consumption of electricity, natural gas, heat and heating oil as a percentage of the total energy sales volume. In 2022/23, this indicator for EVN equalled 17.0 MWh of primary energy

for each gigawatt hour of electricity sold (previous year: 15.0 MWh). We are working to further increase our efficiency through the use of new technologies and continuous optimisation – as part of measures connected with regular audits for ISO or EMAS certification or additional voluntary targets.

1) Adjustment of prior year data due to the inclusion of electricity procurement rights and the proportionate inclusion of investments of EVN Naturkraft.

△ GRI indicator: GRI 302-3

Measures to reduce energy consumption and the energy required for our products and services

We regularly record and analyse the total energy consumption by our Group as well as our own energy consumption in order to identify, evaluate and derive suitable measures to save energy and improve efficiency. In 2022/23, for example, the ventilation system in EVN's headquarters was replaced. The equipment was upgraded to reflect the latest technical standards, operational safety was restored and, at the same time, energy savings were realised through heat recovery.

All our ISO-certified locations are subject to internal and external audits which lead to the preparation, implementation and monitoring of improvement programmes. Similar programmes are also developed for our EMAS certified equipment as part of the annual audits, which also cover the evaluation and implementation of the goals set in the previous financial year. Information on the latest environmental data from the audited locations is provided in the annual environmental declarations and is available to the general public on the websites of our Group companies.

- For the environmental statement by EVN Wärme, also see www.evn.at/waerme (German only)
- For the environmental declaration by EVN's heating plants, also see www.evn.at/waermekraftwerke (German only)

We also arrange for an external energy audit every four years in accordance with the Austrian Energy Efficiency Act and the EN 16247 European norm for energy audits. This external audit identifies opportunities for energy savings in buildings, processes and transport and defines suitable measures for



implementation and reviews these during the next audit. The last external energy audit at EVN was conducted in 2019 and identified a savings potential of roughly 0.7 GWh. It covered a variety of individual measures – from the upgrading of our generation equipment to meet the latest technical standards to the installation of photovoltaic equipment at several locations and the thermal refurbishment of company buildings.

The energy audit for 2023 was commissioned during the reporting year and also covered the evaluation of measures defined by the energy audit in 2019. This evaluation is currently in progress. In addition, further savings opportunities were identified and new measures were defined.

Following is a selection of the measures implemented in 2022/23:

- Replacement of the lighting in two biomass combined heat and power plants with LED technology
- Construction of new heating plants to reduce emissions from household heating
- Technical optimisation and/or upgrading of components at the waste utilisation plant in Dürnröhr

Energy consumption outside the organisation (Scope 3) represents our network sales volumes from cooling, heat and electricity as well as natural gas sales based on the caloric value. In 2022/23 consumption equalled 19,509 GWh (previous year: 22,231 GWh).

We also want to increase our employees' awareness for energy-saving behaviour. Business travel is being reduced through the increased use of video conferences and webinars, and e-vehicles are used for business travel

wherever possible. The progressive digitalisation and the accompanying increase in mobile working by our employees have also helped to reduce our use of energy and CO₂ emissions.

As a responsible energy supplier, we have also implemented numerous initiatives to help our customers improve their energy efficiency. We offer energy advising and, together with the option to redeem bonus points, create a financial incentive for the purchase of energy efficient products (e. g. white goods). Useful energy savings tips can be found on our website, at our service centres and, as accompanying measures at other information events.

○ For our energy saving tips, also see www.evn.at/energiespartipps (German only)

△ GRI indicators: GRI 302-1, GRI 302-2, GRI 302-4, GRI 302-5

Energy consumption of the EVN Group		2022/23	2021/22	2020/21
Energy consumption used for energy generation	GWh	4,777	5,679	7,726
Renewable energy carriers	GWh	1,338	1,191	1,214
thereof biomass	GWh	1,338	1,191	1,214
Non-renewable energy carriers	GWh	1,911	2,978	4,915
thereof fossil fuels ¹⁾	GWh	1,911	2,978	4,915
Other energy carriers	GWh	1,528	1,510	1,597
thereof waste ²⁾	GWh	1,528	1,510	1,597
EVN's own energy consumption	MWh	269,461	271,310	382,166
Renewable energy carriers	MWh	3,519	4,887	–
thereof renewable gas	MWh	3,519	4,887	–
Non-renewable energy carriers	MWh	1,744	1,730	5,845
thereof natural gas	MWh	1,579	1,496	5,699
thereof heating oil ³⁾	MWh	165	233	146
Electricity, heating and cooling energy	MWh	264,198	264,693	376,321
thereof from renewable sources	MWh	149,412	49,185	–

1) Natural gas, heating oil

2) For incineration by the thermal waste utilisation plant in Dürnröhr/Zwentendorf

3) Heating oil is used in Bulgaria only.

△ GRI indicators: GRI 301-1, GRI 302-1



Our influence on the climate and environment and our protective measures

Climate and environmental impact of our thermal plants for energy generation

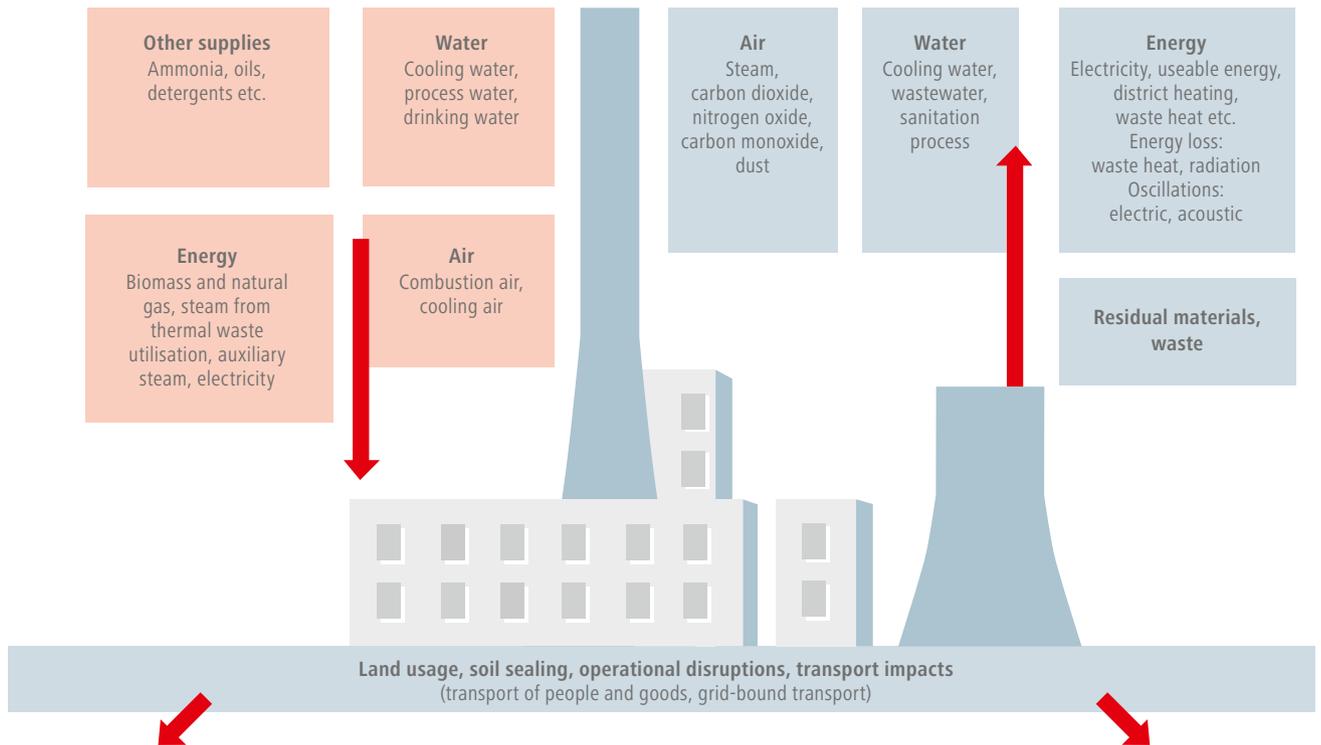
The direct and indirect environmental impact of our power plants is evaluated annually as part of an ABC analysis which covers the following aspects: air, water, wastewater, waste, soil, land usage, resource and energy consumption, noise, vibrations, radioactivity and biodiversity. This analysis examines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

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

In our plants, water is used as a heat transfer medium and for cooling purposes. The cooling water drawn from the Danube is returned to the river in accordance with all applicable environmental regulations. We measure the water temperature as the key parameter and comply with the relevant limits.

Other environmentally relevant processes include the treatment of raw water and boiler water. The water for the boilers is drawn from ground water in wells. 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.

Input-output analysis of our generation plants



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

The indirect environmental impact of our thermal energy generation plants arises mainly from 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.

○ For the sustainability statement, also see www.evn.at/sustainability-statement

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 the emissions caused by our activities. Our focus is 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

our exit from coal-based electricity generation in 2020/21. In summer 2021, we joined the Science Based Targets initiative (SBTi) and set five reduction goals which will make an important contribution to reaching the climate goals agreed in Paris to limit global warming to well below 2°C. The development of a transition plan to meet the 1.5°C goal is planned for 2023/24.

- Also see our core strategies on page 18f
- For the EVN Climate Initiative, see page 114f
- For information on the expansion of renewable generation, also see pages 125 and 138

Direct and indirect greenhouse gas emissions

The calculation of our direct and indirect greenhouse gas emissions and their allocation to individual categories

Material and other supplies – used in energy generation, wastewater treatment, thermal waste incineration

		2022/23	2021/22	2020/21
Limestone	t	5,793	5,502	12,554
Lime hydrate	t	581	671	611
Ammonia	t	876	0	337
Ammonia water	t	1,539	1,551	1,652
Demineralised water	m ³	180,610	174,106	174,799
Lubricating oils	t	4	4	14
Hydrochloric acid	t	246	364	364
Sodium hydroxide	t	146	180	179
Dosing media	t	7	6	6
Rock salt	t	131	122	128
Precipitants	t	761	857	938
Flocculating agents	t	474	401	318
Urea	t	0	0	1

△ GRI indicator: GRI 301-1

(scopes) are based on the standards defined by the Greenhouse Gas Protocol (GHG Protocol) issued by the World Resource Institute (WRI).

EVN's 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 and biogenic component 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 and waste gas 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:

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

Our Scope 2 emissions are reported under a location-based and a market-based approach in accordance with the method prescribed by the GHG Protocol. The location-based approach relies on the country-specific CO₂ factors defined by the ecoinvent database. In contrast, the emissions for the market-based approach are calculated with the CO₂ factors that reflect the respective country-specific market mix: the electricity providers supply mix for Austria, the AIB factor for Bulgaria, Germany and Cyprus, and ecoinvent

for North Macedonia. Factors supplied by ecoinvent are used to calculate the network losses.

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

- Electricity sales to end customers
- 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

We use the CO₂ factors from the ecoinvent database to calculate the upstream Scope 3 emissions. Our calculations of the Scope 3 emissions from electricity sales to customers are based on available data from the EVN KG 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 920,797 t CO₂ in 2022/23 and was 18.0% lower than the previous year (1,123,549 t).

Scope 1 – Direct GHG emissions¹⁾		2022/23	2021/22
Austria	t CO ₂ e	770,492	964,533
Bulgaria	t CO ₂ e	148,223	156,940
North Macedonia	t CO ₂ e	1,973	2,006
Other countries	t CO ₂ e	109	70
Total	t CO ₂ e	920,797	1,123,549
thereof electricity generation plants (including combined heat and power plants)	t CO ₂ e	300,977	492,050

1) Correction to prior year values due to a factor conversion

Scope 2 (location-based) – Indirect GHG emissions¹⁾		2022/23	2021/22
Austria	t CO ₂ e	116,141	154,442
Bulgaria	t CO ₂ e	288,724	310,661
North Macedonia	t CO ₂ e	757,853	681,265
Other countries	t CO ₂ e	15,584	14,521
Total	t CO ₂ e	1,178,302	1,160,889

1) Correction to prior year values based on more detailed breakdown of the ecoinvent factors

Scope 2 (market-based) – Indirect GHG emissions¹⁾		2022/23	2021/22
Austria	t CO ₂ e	79,248	108,851
Bulgaria	t CO ₂ e	288,620	309,887
North Macedonia	t CO ₂ e	756,503	681,265
Other countries	t CO ₂ e	9,971	10,896
Total	t CO ₂ e	1,134,342	1,110,899

1) Correction to prior year values based on more detailed breakdown of the ecoinvent factors

Other indirect GHG emissions (Scope 3)¹⁾		2022/23	2021/22
Total	t CO ₂ e	7,531,907	7,429,400

1) Correction to prior year values based on more detailed breakdown of the ecoinvent factors

Intensity of GHG emissions¹⁾²⁾		2022/23	2021/22
Intensity of Scope 1 emissions	t CO ₂ e/GWh	190.4	211.9
thereof intensity of electricity generation plants (incl. combined heat and power plants)	t CO ₂ e/GWh	106.2	151.6
Intensity of Scope 2 emissions (location-based)	t CO ₂ e/GWh	85.3	73.6
Intensity of Scope 2 emissions (market-based)	t CO ₂ e/GWh	82.1	70.5
Intensity of Scope 3 emissions	t CO ₂ e/GWh	386.5	334.5
Total CO₂ emissions²⁾	t CO ₂ e/GWh	493.3	435.1

1) Correction to prior year values due to the inclusion of electricity procurement rights and the proportionate inclusion of investments of EVN Naturkraft

2) Specific CO₂ emissions based on 13,812 GWh of electricity, 3,408 GWh of natural gas and 2,216 GWh of heat for 2022/23

CO₂ emission certificates

The CO₂ emissions from EVN's twelve thermal power plants and district heating plants are recorded under the EU Emissions Trading System.

The gas-fired power plant in Theiss was under contract during the 2022/23 financial year to provide the Austrian transmission network operator with 470 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 to cover the volumes actually drawn by the Austrian transmission network operator to support network stability. We purchased all the required emission certificates on the wholesale market in accordance with the applicable regulations. This was confirmed by external auditors.

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

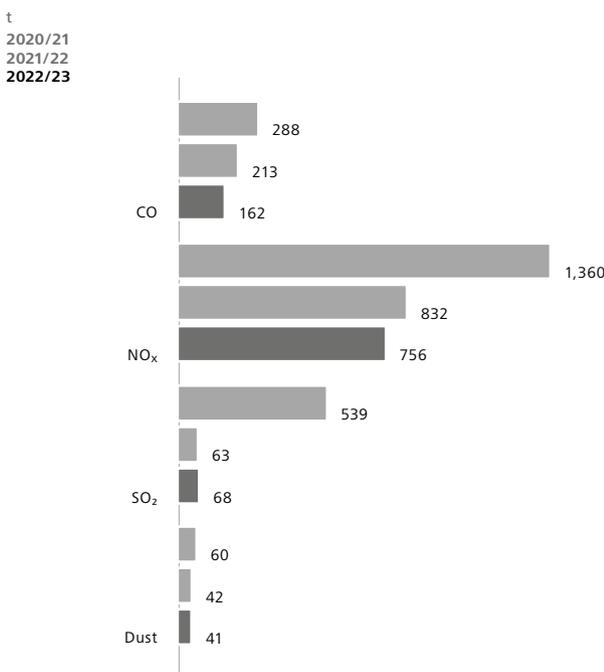
In line with the EU Emissions Trading System, EVN needed 441,196 CO₂ emission certificates in the 2022 calendar year, whereby 11.6% were allocated free of charge.

Measures to reduce greenhouse gas-relevant emissions

With our investment and innovation activities – especially through the extension of CO₂-free generation capacity through wind power and photovoltaics – we make an important contribution to environmental and climate protection.

Assuming conditions are appropriate, we plan to expand our wind power and photovoltaic capacity to over 770 MW, respectively 300 MWp by 2030. In 2022/23, we commissioned the following additional renewable generation capacity:

Further significant air emission quantities by EVN¹⁾



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

△ GRI indicator: GRI 305-7

- Repowering of the Japons wind park (12.6 MW)
- Commissioning of the wind park in Palterndorf-Dobermannsdorf (42 MW)
- Photovoltaic plants in Grafenwörth, Trumau and Theiss (total output roughly 25 MWp)

As of 30 September 2023, EVN had a total installed capacity of 447 MW from wind power and 42 MWp from photovoltaics. The increase in renewable generation capacity in 2022/23 translates into annual CO₂e savings (Scope 1) of approximately 15,000 t.¹⁾

1) Calculation based on operating statistics for the generation of electrical energy in Austria during 2021 (emission factor fossil generation).

□ For information on the expansion of renewable generation, also see pages 125 and 138

△ GRI indicator: GRI 305-5

Environmentally compatible waste management

EVN works to ensure that residual materials are recycled or reused internally as far as possible before they are designated as waste. The internal reuse or recycling of waste is not possible due to the legally required permits. In accordance with EU regulations, this takes place through direct contracts with suitable disposal or recycling firms. They guarantee the correct recycling and disposal of the waste consistent with the European waste hierarchy and ensure that no valuable materials are lost.

Most of our non-hazardous waste consists of excavated soil, biomass ash, metal, plastics, cables, electronic equipment components and transformers. Our hazardous waste consists primarily of tar oil, waste oil and impregnated wood poles. This waste

Waste¹⁾		2022/23	2021/22	2020/21
Waste quantities total	t	336,654	171,215	174,403
Non-hazardous waste²⁾	t	320,736	156,607	156,914
thereof diverted from disposal for recovery operations	t	260,119	–	–
thereof diverted from disposal for recycling	t	33,120	–	–
thereof diverted from disposal for other recovery operations	t	226,998	–	–
thereof directed to disposal	t	60,617	–	–
thereof directed to incineration with energy recovery	t	2,157	–	–
thereof directed to landfilling	t	57,996	–	–
thereof directed to other disposal operations	t	463	–	–
Hazardous waste	t	15,918	14,608	17,489
thereof diverted from disposal for recovery operations	t	708	–	–
thereof directed to disposal	t	15,210	–	–

1) Without construction residue

2) Volume increase based primarily on two factors: recording of sewage sludge under non-hazardous waste since 2022/23 and dismantling of the power plant in Peisching

△ GRI indicators: GRI 306-4, GRI 306-5

Water		2022/23	2021/22	2020/21
m m ³				
Water withdrawn¹⁾	Total	179.9	193.5	182.2
thereof by source	Surface water	78.2	94.0	78.8
	Groundwater ²⁾	37.0	37.4	36.4
	Third-party water	64.7	62.1	67.1
thereof from areas with water stress	Surface water	0.1	–	–
	Groundwater	0.6	–	–
	Third-party water	21.6	–	–
Water discharged¹⁾	Total	179.9	193.5	182.3
thereof by destination	Surface water	142.6	155.7	145.6
	Water discharge to third parties ²⁾ (municipal wastewater treatment)	37.3	37.7	36.6
thereof to areas with water stress	Surface water	21.6	–	–
	Water discharge to third parties (municipal wastewater treatment)	0.7	–	–
Water consumption²⁾	Total	0.0	0.0	0.0
thereof from areas with water stress		0.0	0.0	0.0

1) All of the water withdrawn and released is fresh water (≤ 1.000 mg/l total dissolved solids).

2) Also includes drinking water supplies by EVN Wasser

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

arises in connection with our operating activities. There are no material quantities of downstream waste. We transfer all regularly occurring hazardous and non-hazardous waste to licensed disposal companies 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. In Austria, for example, hazardous waste is always incinerated with subsequent energy recovery. No hazardous or non-hazardous waste was disposed across national borders in 2022/23.

All environmentally relevant incidents are recorded in a standardised reporting system that covers all our plants in Austria, Germany, Bulgaria and North Macedonia. EVN registered no environmentally relevant incidents in 2022/23.

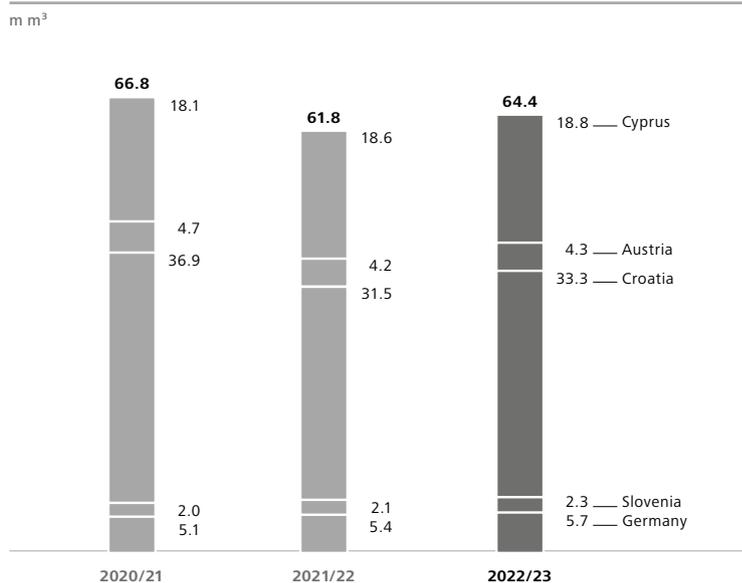
- For information on waste management at EVN, also see www.evn.at/waste-management
- △ GRI indicators: GRI 306-2 (Waste 2020), GRI 306-4 (Waste 2020)

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.

In 2022/23, we carried out an analysis of all our locations to determine whether they lie in a water risk area as defined by the WRI Aqueduct Water Risk Atlas. This analysis indicated that only one location in Bulgaria lies in a water stress area where plant operations could have an effect on the regional water household. Measures

Wastewater treated



△ GRI indicator: GRI 306-3 (Wastewater and waste 2016)

are now in preparation for this location to prevent any negative impact in the future.

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 2022/23, the cooling water flow rate at our Lower Austrian heating plants totalled 78.1m³ (previous year: 93.9m³). 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 58.98m³ and remains clearly below the allowed threshold of 5%.

1) Source: Austrian Hydrographical Annual 2020, Austrian Federal Ministry of Agriculture, Forestry, Regions and Water Management

Direct discharges into surface water in the markets where we are active comply with all applicable legal regulations. They are subject to the wastewater emission ordinance and various water-related guidelines which, among others, require measurements at every discharge point. In accordance with the EU Water Framework Directive, the profile of the water at the discharge point is tested under various parameters like temperature, pH value, total nitrogen, copper and zinc. In cases where the type or quantity of the wastewater stream at one of our locations differs from ordinary household wastewater, we conclude contracts with sewage treatment plant operators (if sewage connections are available) based on the indirect discharge ordinance. These contracts contain detailed rules on the allowable amount of wastewater, the main substances it may contain and the required wastewater inspections. Our wastewater streams are also tested regularly by

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

In the area of wastewater disposal, the EVN Group treated 64.4m m³ of wastewater in its plants during 2022/23 with a mean purification performance of 80.3%¹⁾ (previous year: 80.7%; 61.8m m³). Wastewater treatment results in sewage sludge that 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 phosphorus. The per cent value represents the quantity of pollutants removed.

However, water is also important for our company in another context: namely drinking water supplies. EVN Wasser provides these supplies in Lower Austria, while WTE is responsible for this area in the international project business. A structured sale process was initiated for WTE in September 2023.

○ For water and wastewater management, also see www.evn.at/water-and-wastewater-management

△ GRI indicators: 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, has given us a strategic advantage in a new field of business: sewage sludge utilisation. 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. In Germany, new legal regulations for sewage sludge treatment led to an increase in the demand for projects in this area. In 2022/23 WTE, which is responsible for our Group's international project business, received commissions for the construction of two further sludge utilisation plants in Skopje, North Macedonia, and Munich, Germany.

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:

- 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, construction, monitoring and the consultation of



DÜRNROHR: NEW THERMAL SEWAGE SLUDGE UTILISATION PLANT STARTS OPERATIONS

In spring 2023, EVN's location in Dürnröhr – where the coal-fired power plant was decommissioned in 2019 – was expanded to include a new facility. A thermal sewage sludge utilisation plant successfully started operations after a two-year construction period. This new plant plays an important role in sustainable waste management.

The plant was specially designed for the incineration of damp industrial sewage sludge, which has a moisture content of 20 to 25%, but can also utilise dry sewage sludge. The heat generated by firing is used to supply customers throughout the region. It closes the heat cycle and also contributes to sustainable energy supplies.

experts. In addition, we implement a wide variety of measures and programmes to protect the natural habitats in our area of influence. These activities 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)
- Biomonitoring at our waste utilisation plant in Dürnröhr

Together with external biodiversity experts, we are currently also analysing the impact of our activities on nature and the dependence of our business fields on eco-system services. The risks and opportunities associated with biodiversity will also be identified. As a first step in this analysis, the EVN locations in biodiversity-sensitive areas were localised based on geoinformation data. Of the 1,358 locations in total, 266 priority locations in or near areas with vulnerable biodiversity were identified. The effects, dependencies, risks and opportunities of each of these priority locations is now being evaluated to form the basis for the definition of future measures and goals.

Concrete projects, often in cooperation with external experts and NGOs, currently involve, among others, the following areas:

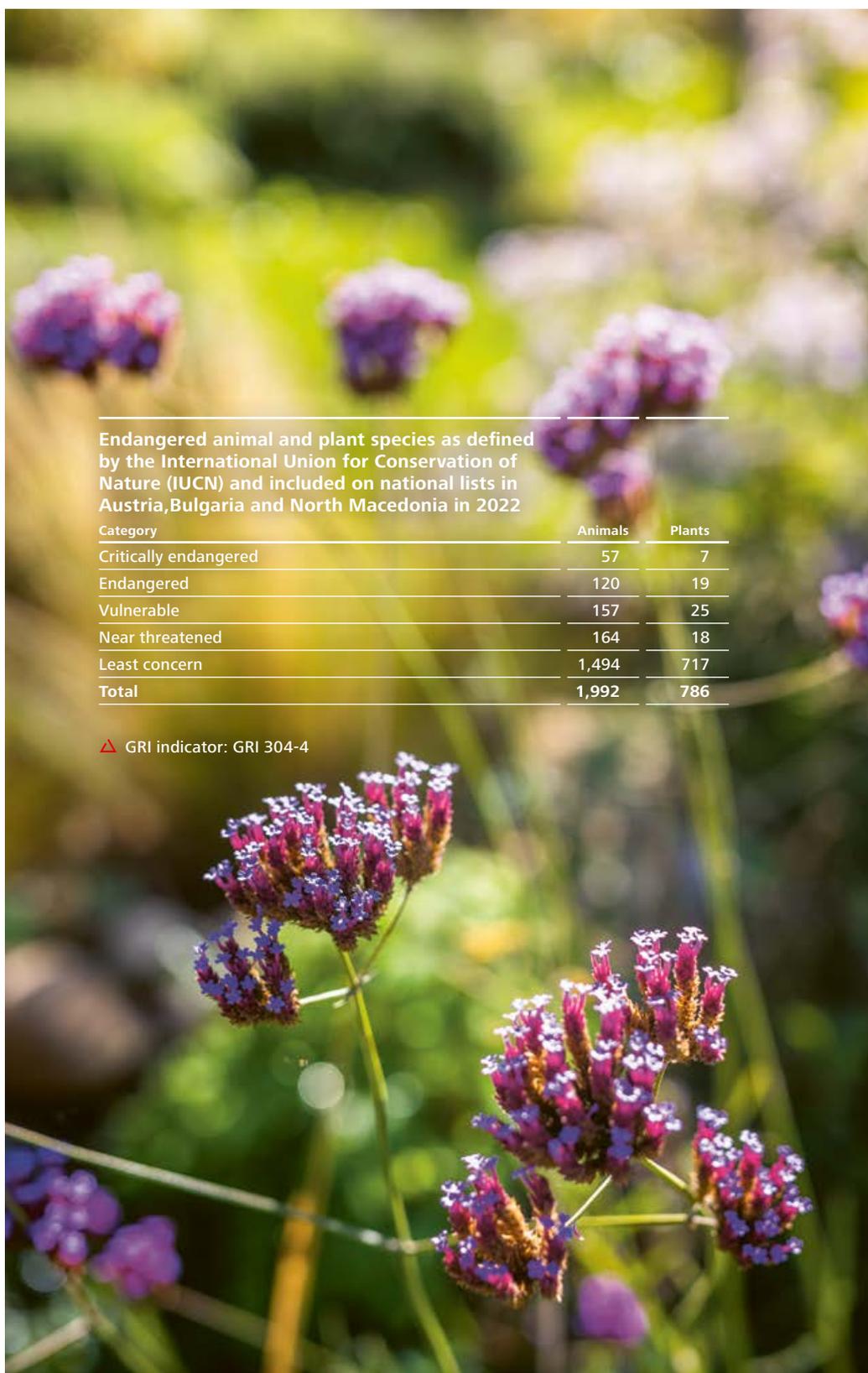
- Participation in the LIFE EUROKITE project to protect the red kite in the northern region of Lower Austria
- Participation in the LIFE project “Cross-border protection for the great bustard in Central Europe”
- Participation in the LIFE Network Danube Plus project for construction of the longest fish bypass in Lower Austria
- Graylings resettlement project on the Kamp River

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
- Participation in the “LIFE Safe Grid for Burgas” project for the implementation of general protective measures, e.g. the replacement of overhead power lines with underground cables or the insulation of these overhead lines
- Implementation of measures from the national environmental protection action programme to protect eastern imperial eagles in Bulgaria

- Implementation of measures from the action plan to protect the American black vulture in Bulgaria
- Participation in the EU LIFE project to resettle the bearded vulture in Bulgaria

□ Also see our sustainability programme (Natural resources) on page 143



Endangered animal and plant species as defined by the International Union for Conservation of Nature (IUCN) and included on national lists in Austria, Bulgaria and North Macedonia in 2022

Category	Animals	Plants
Critically endangered	57	7
Endangered	120	19
Vulnerable	157	25
Near threatened	164	18
Least concern	1,494	717
Total	1,992	786

△ GRI indicator: GRI 304-4

Providing information and communication open.



On all its projects, EVN provides its stakeholders with wide-ranging information and makes sure they are actively involved. And in the other areas of business, it works to maintain a continuous dialogue with everyone interested in the company.

***transparent
keeping***
lines



Proactive involvement of our stakeholders



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.



**SUCCESSFUL PROJECT COMMUNICATIONS:
THE KLOSTERNEUBURG-KORNEUBURG DANUBE TUNNEL**



A major investment by EVN to strengthen regional supply security included the construction of a micro-tunnel under the Danube River in the Klosterneuburg European nature reserve to connect two neighbouring cities – Klosterneuburg and Korneuburg. Pipelines for drinking water, natural heat, internet, natural gas and electricity were laid in a 460 m long, two-meter wide tunnel. The project covered a year and was completed as planned in May 2023.

and realisation in order to win over as many residents as possible for this technically and ecologically important project.

Special measures were implemented to project, natural habitats and biodiversity in the involved wetlands area: for example, to preserve the breeding dens of bats. The construction schedule also took account of the breeding times of various bird species and, in doing so, prevented any negative effects on the animal world.

An important factor for the success of this project was the close cooperation between the two involved communities, the nature conservation society in Lower Austria, the local allotment association and experts as well as ongoing legal and ecological consultations throughout all phases. Extensive discussions with the nature conservation society in Lower Austria in response to initial criticism and rejection led to a consensus and, consequently, there were no objections during the approval process. The construction phase was also completed without complaints due to the early involvement of stakeholders, even when tunnel drilling was in progress around the clock during the summer months.

The broad media coverage of the project was, for the most part, extremely positive due to the successful project communications. The Klosterneuburg-Korneuburg Danube Tunnel now serves as a pioneering example for the successful combination of technical progress and environmental protection.

In addition to timely, wide-ranging information on the project for the population, contact partners were always available onsite to answer questions. Multipliers like the mayors, schoolchildren and interested citizens were invited to learn about the project's technology



A guideline for stakeholder management ensures the regular involvement of the various interest groups at the strategic level. We regularly 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 actions.

- For details on stakeholders and the EVN materiality matrix, see page 16f
- △ GRI indicator: GRI 2-29

Project communications

We maintain close and open contacts with relevant NGOs and interest groups to develop trusting and sustainable long-term relations. This open exchange provides a solid foundation for mutual

understanding and is an important factor for the joint development of alternative solutions to projects that involve conflicting interests. Apart from greater planning quality and security, this also has a positive effect in that communications with neighbouring residents and local initiatives become more intensive and professional. The experience with previous projects also plays an important role here.

EVN's stakeholders and the type of involvement (Extract)	Survey	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 market	+	+	+	+	+

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 we carry out before the start of every project, form the basis for the Executive Board's decision processes and, for certain large-scale projects, the necessary Supervisory Board approval.

This extensive dialogue is intended, in particular, to support the following goals:

- High acceptance by all 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

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
- Transparent and comprehensive project information
- Professional, structured and proactive communications with all local stakeholders (including political decision makers)
- Support for municipalities in their communications and mediation in conflict situations

Measures to improve project communications

Projects involving renewable generation, networks and drinking water supplies are currently influenced by two trends: On the one hand, the public has come to view these projects more critically and, on the other hand, successful project communications are faced with increasing demands from all interest groups.

To address these trends, we created the "project communication and climate dialogue" team and developed a special training programme to strengthen project managers' communicative and strategic skills. The first course was held in 2022/23 with 24 participants from various Group companies who are involved in infrastructure projects.

External experts accompanied the 40-hour course and provided the participants with valuable know-how and proven strategies to ensure successful communications with key interest groups. The content also covered dealing with difficult situations and conflicts, which can arise in connection with infrastructure projects. The participants are now equipped to optimise their communications with relevant stakeholders like NGOs and citizens' initiatives and solve conflicts at an early point in time. This strengthens trust and acceptance and supports the successful realisation of projects. The result is a sustainable improvement in project communications and conflict management for the involved Group companies.

Our goal is to continue the training programme for successful project communications. We want to firmly anchor the importance of a successful exchange with stakeholders in the corporate culture of our involved subsidiaries and strengthen the necessary skills. These measures are designed to safeguard the acceptance and satisfaction of the people affected by our projects and, in this way, support the success of the energy future and the sustainable projection of supply security.

Information activities for our various projects are carried out in close coordination and cooperation with the respective project managers and other responsible persons. Local stakeholders can, of course, contact EVN at any time to discuss their concerns. In addition to direct contact with the project managers or project communication team via dialog@evn.at, this is also possible over the EVN service telephone or via e-mail to info@evn.at.

△ GRI indicators: GRI 2-12, GRI 413-1

Support for interest groups

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 and in the interest of our stakeholders, we are a member, on a voluntary or legally required basis, of numerous national and international organisations and interest groups. Examples of these memberships are

Oesterreichs Energie and Eurelectric as industry associations as well as the UN Global Compact and respACT as social and ecological initiatives. The activities related to 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.

○ For information on active memberships, also see www.evn.at/memberships

△ GRI indicators: GRI 2-23, GRI 2-28

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 – by our employees as well as third parties – in the areas of art, culture, social issues and sport – on both a material and immaterial basis. This includes high transparency and an open approach to dialogue, inside as well as outside our company.

Consequently, we also participate in 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.

One focal point of our social responsibility involves the transfer of knowledge on the careful use of

energy, energy efficiency and energy savings through special youth and school platforms. 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. We spent a total of TEUR 603.3 in our three core markets during 2022/23 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).

Our kabelplus subsidiary again held school workshops in 2022/23 on the safe use of digital media, actions to deal with fake news, and the identification of false information. Modules on subjects like “online actions & energy consumption”, “fake news”, “safe Internet” and “netiquette and cyber mobbing” are designed to increase the awareness and responsibility of young people in using their digital space. kabelplus also offers training sessions on basic digital skills for the 60+ generation. The initiative “safe Internet use” for senior citizens provides the necessary fundamentals for secure first steps with the Internet and cell phones.

○ Also see www.young.evn.at and www.kabelplus.at/onlinesicher (German only)

EVN Junior Ranger Programme: On two Saturdays, 17 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 customers' bills or as a contribution to various charitable projects. Recent campaigns involved donations, among others, for people with mental illness, for animal shelters and for social markets.

EVN Social Fund: The EVN Social Fund, which has an annual endowment of roughly EUR 120,000, 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 2022/23, this fund supported 18 projects with a total of TEUR 122.

□ For the newly established energy help fund, see page 80

○ 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 selection of international, contemporary art that 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.

○ Also see www.evn-sammlung.at (German only)

Sustainability programme

Our sustainability programme was developed in an iterative process during target discussions. Within the framework of these discussions, we identified area-specific focal points based on the EVN materiality matrix and – based on these findings – defined sustainability goals and related measures. An important objective was, and is, to ensure that these goals and measures make a concrete contribution to realising the Sustainable Development Goals of the United Nations. Our focus is on SDG 6, 7 and 13.

ESG details	Definition of goals	SDG	Developments and progress in 2022/23
Society and community	Protection of network stability, while guaranteeing supply security and the integrating of volatile renewable generation		<p>Concepts were prepared for various regions in Lower Austria to increase network capacity and support the further integration of renewable energy. These network concepts will now be implemented in stages up to 2030. Specific projects involve the new construction or replacement of roughly 40 transformer stations together with the related connecting power lines. In the low- and medium-voltage range, the number of substations, cable diameters and underground cables will be increased.</p> <p>We completed the following high-voltage projects in 2022/23: replacement of the 110-kV power lines from Pottenbrunn to Bergern (ca. 38 km) and reinforcement of the transformer stations in Lasse, Deutsch Altenburg, Traisen and Hainfeld.</p>
	Protection of supply security and the quality of drinking water through expansion and other measures		<p>We guarantee supply security, on the one hand, with the integration of our supply system and 200,000 m³ of drinking water reserves in elevated tanks and, on the other hand, through continuous expansion. Our projects include the expansion of elevated tanks and the construction of additional emergency generators. Construction has also started on the second and third sections of the new transport pipeline from Krems to Zwettl, and completion is planned for 2025.</p> <p>Our projects to improve the water quality include the commissioning of the sixth natural filter plant in 2022/23, which is located in Bisamberg. Planning has already started for the construction of further natural filter plants.</p>
	Protection of supply security and the quality of district heating through expansion and other measures		<p>We guarantee sufficient failure reserves and the necessary peak load coverage by equipping our district heating generation equipment with redundant aggregates and using two different fuels (primarily biomass). Moreover, we are evaluating opportunities to use substitute fuels (untreated scrap wood) in place of natural biomass and expanding our round timber storage capacity by roughly 30% to manage possible supply shortages (biomass storage).</p> <p>The existing high quality of our certified district heating plants is ensured by regular audits (EMAS and ISO 14001).</p>

ESG details	Definition of goals	SDG	Developments and progress in 2022/23
Society and community	Improvement of stakeholders' digital and sustainability knowledge 4 8		<p>EVN supports the stronger inclusion of sustainability issues in education. We regularly develop programmes for children and young people ranging from three to 18 years old and, as part of our EVN School Service, provide a broad portfolio of free workshops, learning resources and events throughout Lower Austria. The free-of-charge learning kits are available for download under www.young.evn.at.</p> <p>Our offering for school classes also includes energy savings courses and visits to power plants (hydropower plants, wind and solar parks, biomass district heating plants, thermal power plants, waste utilisation plants and storage power plants).</p> <p>kabelplus holds workshops at schools in Lower Austria and Burgenland that are designed to strengthen young people's digital competence. We have also developed specific formats for senior citizens, and kabelplus offers special online courses to increase the media skills of this target group.</p>
	Active stakeholder dialogue on sustainability 8		<p>The Strategy 2030 – which is illustrated by the motto “More sustainable. More digital. More efficient.” – confirms EVN's commitment to make an active contribution to reducing greenhouse gas emissions and thereby containing climate warming. The EVN Climate Initiative with the following three focal points was developed in 2020/21: concrete CO₂ emission reduction goals (coordinated with the Science Based Targets initiative), climate neutrality for selected Group companies and a contribution to climate protection by EVN's research and development.</p> <p>In order to meet these challenges, EVN took several steps in 2022/23 to improve the structure and content of project communications: Additional staff was added to the project communication and climate dialogue team that was established in the previous year, and an extensive training concept was launched under the title “Project Communication 2.0” to support the managers of infrastructure projects. The core of project communications is formed by the “EVN for the climate” campaign that was introduced in 2020/21:</p> <ul style="list-style-type: none"> → “EVN for the climate” defines the content-related foundation for all presentations to political decision-makers and information events for infrastructure projects. It explains why we plan our projects, what they are designed to achieve and why they are reasonable. → “EVN for the climate” is an integral part of our external communications (PR, social media, customer magazine) on all relevant activities. <p>The EVN Climate Initiative is also a central element of EVN's management development programme in the “Summer University”.</p>
	Demand-side management for e-mobility and industry 2 4 6		<p>A first-time option introduced by EVN enables the postponement of communications for e-autos within the framework of an automated trading system and the marketing of these flexibilities over the short term on the energy market.</p> <p>For this purpose, more than 100 charging points at locations operated by EVN and EZN (Energiezukunft Niederösterreich) were equipped with joule optimisation assistants and aggregated into a large storage facility.</p>

Areas of activity

- 1 Sustainable increase in corporate value
- 5 Attractive employer
- 2 Supply security
- 6 Climate protection
- 3 Customer orientation
- 7 Environmental protection
- 4 Innovation and digitalisation
- 8 Stakeholder dialogue

ESG details	Definition of goals	SDG	Developments and progress in 2022/23
<p>Expansion of renewable generation</p>	<p>Expansion of renewable generation; targets defined by the Strategy 2030: increase in wind power capacity to 750 MW and photovoltaic capacity to 300 MWp</p> <p>2 6</p>		<p>In order to meet this ambitious target by 2030, we completed, continued and started numerous wind power and photovoltaic projects in 2022/23:</p> <ul style="list-style-type: none"> → Wind parks: Japons (repowering; 12.6 MW), Palterndorf-Dobermannsdorf (42 MW), Grosskrut-Altlichtenwarth (12.4 MW), Prottes 2 (18 MW), Sigless-Pöttelsdorf (repowering; 8.4 MW), Paasdorf (22.2 MW) → Photovoltaic equipment: floating photovoltaic plant in Grafenwörth (EVN share: 12.3 MWp), Trumau (10 MWp), Dürnröhr (23.4 MWp), two plants in North Macedonia (approximately 15 MWp in total), two plants in Bulgaria (4.5 MWp in total)
	<p>Widespread construction of conventional and non-conventional photovoltaic capacity</p> <p>2 6</p>		<p>The EVN solar initiative in Lower Austria is a focal point of continuous expansion. We made the following progress in 2022/23 with the construction of additional photovoltaic capacity:</p> <ul style="list-style-type: none"> → Solar cooperating power plants: additional three; in total, six as of 30 September 2023 → Solar contracting: additional seven; in total, 72 as of 30 September 2023
	<p>Revitalisation of small hydropower plants</p> <p>2 6</p>		<p>In line with the measures defined by the National Water Management Plan (NGP), the small hydropower plants operated by EVN Naturkraft are regularly revitalised and modernised. We made the following progress in this area during 2022/23:</p> <ul style="list-style-type: none"> → The run-of-river power station in Ochsenburg was almost completely rebuilt and commissioned, whereby the standard capacity was increased from roughly 2.7 GWh to 3.7 GWh per year. This power plant now supplies nearly 1,100 households with clean electricity. → We successfully regained the water rights for the Grüner Baum power plant; the entire facility was adapted to meet the latest technical standards and expanded to include an innovative fish lift (Denilpass).
<p>Innovation and new prospects for the environment</p>	<p>Increased focus on e-mobility through widespread charging infrastructure</p> <p>2 3 6</p>		<p>With a focus on Lower Austria, EVN is currently installing additional public charging points and strengthening the charging network with roaming partners. The charging infrastructure is under construction along the major traffic axes and also in the surrounding areas. Our charging network covers the entire province of Lower Austria. Customers with more than 14,600 active EVN electricity charging cards can now recharge with electricity from renewable sources at nearly 13,500 charging points throughout Austria (status: 30 September 2023). Plans call for the consolidation of the charging station system through cooperation with numerous regional energy providers.</p> <p>Another initiative involves the gradual expansion of the EVN fleet at all locations, and we are also intensifying our cooperation with the Austrian Federal Association for Electromobility ("Bundesverband Elektromobilität Österreich") and Oesterreichs Energie (which represents Austria's electricity industry).</p>

ESG details	Definition of goals	SDG	Developments and progress in 2022/23
Energy efficiency	<p>Energy efficiency measures for waste utilisation and heat generation</p> <p>6</p>		<p>EVN is working to improve the energy efficiency of its waste utilisation and heat generation plants. We are also increasing the coverage of our internal electricity requirements from renewable energy.</p> <p>Photovoltaic equipment was installed at five locations in 2022/23, in addition to the 12 power plants where this equipment is already in operation. The expansion originally planned for 2021/22 was delayed by delivery problems. At our waste utilisation plant in Dürnröhr, we are taking numerous steps to improve energy efficiency: The overhaul of the primary fans on Lines 1 and 2 results in energy savings of approximately 157 MWh per year. In addition, gas consumption caused by malfunctions was reduced with strict receiving inspections.</p>
Society and community	<p>Strengthening of the principle “focus on customers”</p> <p>3 4</p>		<p>Examples of the ongoing measures are the articles in the EVN Intranet on “Impulses for customer orientation” and the annual customer service week in October with EVN employees from Austria, Bulgaria, North Macedonia and Croatia. The focus is “We are here to help our customers”.</p> <p>EVN’s customer service was successfully recertified in accordance with ISO 18295-1 during spring 2023.</p> <p>Measures with a focus on the digitalisation of products and services in 2022/23:</p> <ul style="list-style-type: none"> → Classification, prioritisation and recommendations for routine responses by the point of contact for email processing (AI support) → Trials for the use of a voice bot for limited application in an automated customer conversation → Installation of an online panel as a platform for digital customer feedback → Creation of the EVN energy help fund → Expansion of the automated handling of customer issues on the website to include a service for the “preparation of a photovoltaic purchase agreement (solar electricity)” → Best possible customer support for the discontinuation of the Klassik tariffs and the new “Garant 12” offer with an info bus tour across all Lower Austrian communities to supplement existing contact channels (website, telephone, email and personal) → Individual presentation of currently available subsidies on the customer portal to improve the overview → Introduction of an option for monthly invoicing to give customers the advantage of only paying for the energy actually used
Product responsibility	<p>Focus on data protection throughout the entire customer contact management system</p> <p>3</p>	Not SDG relevant	<p>The number of data protection requests remains low, but EVN has implemented various measures to minimise potential errors in the information process. For example: We have integrated the data used to provide information in an automated report.</p>

Areas of activity

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ESG details	Definition of goals	SDG	Developments and progress in 2022/23
Dealings with employees	Location-independent, autonomous work; work-life balance		<p>Measures introduced in 2022/23 to further improve the mobile working hours model that makes location-independent work possible at EVN:</p> <ul style="list-style-type: none"> → Evaluation of the model with external support and with a view towards the effectiveness of teamwork; recommendations for improvement were developed in management workshops and will now be implemented. → Implementation of a pilot project on desk sharing; to stabilise desk sharing, a further pilot test will follow under different conditions for the flexible use of seating in the training centre. → The roll-out of MS Teams was completed; stabilisation and support for employees in the use of various formats (“Clever MS Teams Tips” and “digital morning coffee”) → Survey of corporate culture: The gradual expansion of the EVN mood barometer will continue with a focus on the effectiveness of the mood barometer and follow-up issues. → Resilience-supporting measures were presented or identified in various formats: lecture by occupational psychologist, seminars in the EVN Academy, management workshops.
	Barrier-free e-learning		<ul style="list-style-type: none"> → Analysis of the feasibility to create barrier-free e-learning courses for employees in Austria → Implementation of a suitable course (e-learning “Onboarding”) for new employees → Evaluation and collection of experience in 2023/24
	Feedback and orientation discussion in the onboarding phase		<p>Roll-out of feedback and orientation discussions in the onboarding phase scheduled for 2023/24; plans call for a feedback discussion with new employees in every phase of the onboarding process to support rapid integration.</p>
	EVN Executive Programme for established managers in an international context		<p>The goals of this Group-wide management development programme include international networking and the exchange of experience as well as technical and personal development with a focus on management content. The programme helps to harmonise the understanding of leadership and technical and personal skills. EVN can, as a result, draw on this management pool when needed to quickly fill vacant positions and safeguard the Group’s ability to act.</p>
	Avoidance of work accidents through protective measures (and reduction in Lost Time Injury Frequency)		<p>Efforts to prevent work accidents include the purchase of state-of-the-art work and protective clothing and tools. Managers are increasingly integrated (among others through training and safety meetings) and specialist seminars on occupational safety are offered. Special issues (e. g. in connection with occupational medicine) are also regularly emphasised to support the continuous reduction of work accidents.</p> <p>Our preventive measures include the following: a continuous focus on awareness through regular internal communications (e. g. Intranet, employee newsletter), measures to prevent falls (e. g. protective equipment, training for involved employees) and an extensive training programme (also for external firms) on general issues that also includes the smart meter exchange. We also participate in relevant committees of Oesterreichs Energie, a branch association.</p>

ESG details	Definition of goals	SDG	Developments and progress in 2022/23
Dealings with employees	Delegation of persons to support the organisation and guarantee safety 5		EVN maintains a central database for each company which includes, for example, planning and construction site coordinators, waste management officers, fire protection officers, occupational physicians, responsible employee representatives and/or safety ombudspersons for occupational safety etc. We comply with all legal requirements and implement additional safety measures in areas with a greater risk potential, e.g. through more first-aiders than legally required. To ensure the availability of sufficient first-aiders at all times in organisational units with shift work, all employees in these areas have received appropriate training.
	Digital learning offering 4		ELI, EVN's internal online learning platform for employees, was successfully implemented. We also regularly offer digital training courses (e.g. on energy issues and project management as well as compliance training, safety instructions and cyber security webinars).
	Raising environmental awareness of employees in North Macedonia 7		Information on environmental protection is available on Dnevnik, an internal platform for the exchange of information and cooperation between the employees of EVN Macedonia and its companies.
	Training and support for university degrees 5		EVN has implemented the following measures to meet this target: → Employment offers to all apprentices after the completion of their training programmes → Comprehensive support for university and school students through long-term cooperation with universities, colleges and schools Support and qualification of existing employees for specific positions through further academic training.
	Support for and cooperation with future talents at the international level		WTE is serving – for the 12 th time – as a Golden Sponsor at the IWA Eastern European Young Water Professionals Conference; this platform promotes an international dialogue between young professionals on issues involving water management and energy efficiency.
Diversity and equal opportunity	Programme to support and improve diversity 5		Measures in 2022/23: → Mentoring programme as preparation for women in management positions successfully completed → Continuous support for all employees in the use of gender-sensitive language; overview page with suggestions, explanations and additional information in the EVN Intranet

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ESG details	Definition of goals	SDG	Developments and progress in 2022/23
Natural resources	Protection for ecosystems and biodiversity, safeguarding of species protection 7		<p>In North Macedonia, we have implemented measures to protect biological diversity in cooperation with the environmental NGO Macedonian Ecology Society. The related measures are intended to reduce bird losses due to electric shocks and collisions and include the insulation of masts and voltage elements. Additionally, stork platforms are installed on the masts in our distribution network.</p> <p>EVN also has ongoing actions in Bulgaria to prevent bird losses, and power poles involving incidents with birds are reinforced. Newly installed stork nests are protected in line with regular observations.</p> <p>Our goals up to autumn 2023 are:</p> <ul style="list-style-type: none"> → 800 secured power poles in connection with the project “Safe grids for the lakes in Burgas”, financed by the EU programme LIFE; this means 80 km of secured overhead power lines → 245 secured power poles in connection with the project “Protection for saker falcon species in Bulgaria”, financed by the Operational Programme Environment (OPE); this means 25 km of secured overhead power lines → 850 secured power poles in connection with the project “Protection for imperial eagle species in Bulgaria” financed by the Operational Programme Environment (OPE); this means 85 km of secured overhead power lines → 150 secured stork nests on power poles in the electricity distribution network of EP Yug through the installation of nest platforms <p>In connection with the implementation of the National Water Management Plan in accordance with the EU Water Framework Directive, numerous fish lifts were installed at existing hydropower plants throughout the EU. Various types of lifts are used, depending on the characteristics of the power plant location. In Austria, EVN is currently working on plans for the installation of five fish lifts in accordance with the 2nd National Water Management Plan. The 3rd National Water Management Plan, which covers the planning period up to 2027, will require the installation of nine further fish lifts.</p> <p>Netz Niederösterreich has provided financial support for the Life Plus Eurokite project to protect the red kite since 2020. GPS transmitters, which were partly financed by Netz Niederösterreich, were attached to young red kites and will collect data up to 2023 on the habitats of these birds. The goal is to reduce the man-made mortality of birds of prey. To ensure the protection of these species, Netz Niederösterreich will include the collected data in the selection of its cabling projects.</p>
	Commitment to restoration of former locations 7		<p>We are currently dismantling – on our own initiative – a thermal power plant that was decommissioned in 1987. All pollutants will be removed to recreate a meadow area. After this transformation is completed, we will evaluate concepts for the further use of the location to generate renewable energy (e.g. enlargement of the biomass round timber storage area and construction of a photovoltaic plant).</p>
	Circular economy as part of location management 7		<p>Concrete foundation elements that have no further functional use as a result of replacement investments are always removed so the ground area can be restored and put to a new use. We transport the used concrete to a building materials recycling firm to enable its reuse. The component parts of our power plants, equipment and networks that are technically no longer functional are correctly separated, optimally utilised and transferred to building material or metal recycling as far as possible.</p>

ESG details	Definition of goals	SDG	Developments and progress in 2022/23
Natural resources	Motivation for customers to donate their bonus points for biodiversity or animal protection measures 7 8		As part of the EVN Bonus World, EVN encourages its private electricity and natural gas customers to donate their bonus points. These donations can be used to plant trees in a selected community or to support animal protection associations. EVN acts as the broker for this programme, and customers make the donations.
	Safeguarding soil and ground water protection 7		The project initiated in 2021/22 to restore a former location that was used during the 1940s and 1950s to impregnate wood power poles has now been completed. The excavated earth was transported by lorry to a special washing installation where the pollutants were removed. The excavated material can now be used, for example, in road construction and transfer to a landfill area is not required. The related work was completed in November 2022 and all contamination was eliminated.
	Environmentally friendly and economical utilisation of sewage sludge 7		WTE was commissioned with the planning, construction and commissioning of a fully functional, legally compliant, turnkey and operational sewage sludge utilisation plant in Berlin-Wassmannsdorf for Berliner Wasserbetriebe (BWB). The facility is designed to accommodate a planning horizon up to 2040 and will ensure future-safe operations for a sewage sludge volume of 64,000 t and an additional 4,000 t of screenings per year. The planned 360° concept for optimal energy supplies includes modern multi-level flue gas cleaning, heat recovery for feed-in to the district heating network and a highly efficient reaction turbine for independent energy supplies. EVN Wärmekraftwerke is also planning to construct a sewage sludge mono-incineration facility on the grounds of the former Dürnröhr power plant. In line with the principles of the circular economy, this will permit the recovery of phosphorus from the incineration ash. Sewage sludge treatment will take place in a stationary fluidised bed aggregate with an annual capacity of 140,000 t. The recovered energy will be fed into the Dürnröhr energy network. This project is subject to an environmental impact assessment, and the documents required by the related legal regulations are currently in preparation. According to the current schedule, completion is expected in 2028 but this will depend on the legal framework (effective date for the obligation to recover phosphorus from municipal sewage sludge).
	Protection of water resources 7		Work on the Umm Al Hayman wastewater treatment plant in Kuwait started in summer 2020 (following a corona-related delay). WTE, as the general contractor, is responsible for the planning and construction of a wastewater treatment plant and – together with partners – for a sewerage network with pumping stations. As of 30 September 2023, the wastewater treatment plant was nearly complete and two-thirds of the wastewater infrastructure was finished.
	Expansion of emission measurements 7		The existing emission measurements in the Dürnröhr waste utilisation plant were expanded to include continuous ammoniac measurement which, in turn, helped to optimise the ammoniac dosage in the flue-gas denitrification.

Areas of activity

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ESG details	Definition of goals	SDG	Developments and progress in 2022/23
<p>Innovation and new prospects for the environment</p>	<p>Innovation supports the system transformation toward renewable energy and the protection of resources</p> <p>4</p>		<p>Selection of the projects pursued by EVN in 2022/23 as part of its innovation activities:</p> <ul style="list-style-type: none"> → Development and roll-out of a virtual power plant with private customers' flexibilities (Green the Flex) → Projects to optimise renewable energy communities (NETSE, Hybrid LSC) → Bi-directional charging for e-vehicles and greater flexibility through demand-side management (Car2Flex): bi-directional charging stations were developed by the project consortium and tested by AIT; installation in three use cases (fleet, private, car-sharing) currently in progress; test operations begin in the fourth calendar quarter of 2023 → Integration and use of flexible loads in industrial operations on the energy and control reserve market (Industry4Redispatch) → Pilot project by RAG for the large-volume seasonal storage of renewable solar energy, which is converted into green hydrogen through electrolysis and stored in former natural gas storage facilities in pure form (Underground Sun Storage); construction of the electrolyser has been completed; the storage facilities will be filled beginning in 2024. → Development and realisation of an innovative hybrid storage system consisting of a thermal and an electrical battery storage system: This project involves the expansion of an existing electrical heating system (5 MW) that is connected with a large thermal storage facility to include a battery storage system (5 MW) and combination with a new large photovoltaic plant. Improvements also include expanded forecast concepts for photovoltaic energy generation and intelligent monitoring concepts for the storage system (hybrid storage facility in Theiss). → Conversion of biomethane electrification to biomethane network feed-in to reduce the dependence on natural gas over the near term and to support decarbonisation in the gas sector; development of a long-term EVN hydrogen roadmap up to 2024 (renewable gases) → Construction of electricity supply points for Danube River ships – so-called landside aggregates – by June 2024; this will prevent emissions at centrally located piers (Electrified Danube) → Research project to increase the volume of photovoltaic electricity fed into the system, e.g. through new technologies and methods, innovative business models and social acceptance (Engage PV) → Research project by WTE and EVN Wasser on the extraction of biological nitrate from pollutants that were removed from water by reverse osmosis; realisation in a semi-technical test facility at the drinking water plant in Obersiebenbrunn (NERO) → Further development and testing of microbial fuel cell technology for energy and resource recovery from wastewater by WTE
<p>Circular economy</p>	<p>Upcycle products through cooperation with other firms</p> <p>7</p>		<p>kabelplus cooperates with Refurbed, an online marketplace for certified and carefully selected traders who market refurbished products. Used equipment (for example routers) is extensively overhauled and upgraded to meet the latest technical standards.</p>
<p>Contain environmental pollution and optimise waste management; reduce emissions</p>	<p>Continuation of environmental management systems</p> <p>7</p>		<p>Our waste utilisation plant in Dürnröhr is certified under ISO 9001 quality management, ISO 14001 environmental management and EMAS. It is also a registered waste management facility. These certifications are updated regularly.</p>

ESG details	Definition of goals	SDG	Developments and progress in 2022/23
Contain environmental pollution; reduce emissions	Prevention of contamination; process optimisation and reduction of emissions in thermal utilisation 7		We met the target for the reduction of emissions in our district heating plants by installing primary circulation in the biomass equipment. An analysis is currently in progress to determine whether there is a need or possibility to install this equipment in other plants. In the district heating plants in Tulln and Korneuburg, the incineration process was optimised by mechanical modifications in the firing room and the flue gas path. To reduce the emissions from household heating, we are continuing to construct new biomass heating plants for district heating supplies. Projects in 2022/23 included the commissioning of a new biomass cogeneration plant in Krems, plans for a similar plant in St. Pölten and the expansion of tanks at the biomass plants in Wiener Neustadt Civitas Nova (completed), Bruck an der Leitha and Guntramsdorf (in planning). Planning for additional plants is currently in progress, among others, for Bad Vöslau, Leobersdorf, Spillern, Pyhra and Waidhofen an der Thaya.
	Bicycles for plant traffic 6		Bicycles were purchased for travel at the plant location in Dürnrohr. This will reduce automobile traffic – and the related emissions – in the future.
Responsible supplier management	Sustainable orientation of all procurement procedures at EVN 1		Our strategic supplier management is based on two pillars: merchandise group management and supplier management. This system was implemented throughout the Group in accordance with the EU Taxonomy. Merchandise group management involves the annual assessment of risk for all merchandise groups according to market, ESG, legal and supply security criteria in order to develop a merchandise group score. On this basis, the procurement strategies in the purchasing chessboard are applied and improved. The sustainable procurement strategy will be coordinated with corporate goals in a final step in 2023/24 and gradually implemented in operational procurement. Necessary compensation measures, for example specific audits (e.g. ESG on-site audit, self-declaration etc.), are in preparation and will be gradually implemented in the coming financial year. Supplier management ensures that all suppliers are screened by a well-known rating agency to identify potential risks (e.g. in the areas of sustainability, social minimum standards, compliance). All suppliers and bidders are required to accept the EVN Integrity Clause. This acknowledgement can take place after login, during the registration process in EVN's procurement portal, or in connection with the conclusion of a contract.
	Biodiversity	Development of biological compensation areas 7	

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ESG details	Definition of goals	SDG	Developments and progress in 2022/23
Emissions	Development of goals together with the Science Based Targets initiative (SBTi) to reduce CO ₂ emissions 6		The goals were submitted to SBTi at the end of the 2020/21 financial year and accepted at the beginning of 2021/22. The base year for the five goals to reduce various Scope 1, Scope 2 and Scope 3 emissions is the 2018/19 financial year, and the target year is 2033/34. By reaching these goals, we are making an important contribution to realising the “well below 2°C goal” set by the Paris Climate Agreement. In 2022/23 we took further steps to reach these long-term goals.
	Climate neutrality in selected Group companies 6		In 2022/23 kabelplus became the second Group company to receive certification for climate neutrality under PAS 2060. Plans call for other Group companies to become PAS 2060-certified climate neutral in the future. EVN Wasser plans to expand its existing photovoltaic equipment from the current capacity of approx. 1 MWp to approx. 10 to 15 MWp by 2027.

Areas of activity

- 1** Sustainable increase in corporate value
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This sustainability programme, which is continuously being updated and extended in close cooperation with all our departments, 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.

- For the EVN materiality matrix, see page 17
- For information on the SDGs and the individual targets, also see <https://sustainabledevelopment.un.org/sdgs>

Maria Enzersdorf, 21 November 2023

EVN AG
The Executive Board



Stefan Szyszkowitz
Spokesman of the Executive Board



Franz Mittermayer
Member of the Executive Board

Independent assurance on the non-financial reporting

To the members of the Management and the
Supervisory Board of EVN AG, Maria Enzersdorf

Report on the independent assurance of the non-financial reporting in accordance with Section 267a of the Austrian Commercial Code (UGB)

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 non-financial reporting 2022/23, 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.

We have performed a limited assurance engagement of the consolidated non-financial report and sustainability performance disclosures and indicators in accordance with Section 267a UGB for the financial year 2022/23 of EVN AG (the "Company"). In the course of the spin-off of the auditing business of BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, the audit engagement has been transferred to BDO Assurance GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft with all rights and obligations by way of universal succession with effect from 26 January 2023.

Summary judgement

On the basis of our audit procedures and the evidence we have obtained, nothing has come to our attention that would cause us to believe that the consolidated non-financial report for the financial year 2022/23 of the Company has in any material respect not been established in compliance with the requirements of the Austrian Sustainability and Diversity Improvement Act (Section 267a UGB), the standards on sustainability reporting of the Global Reporting Initiative (hereafter "GRI Standards 2021") and Article 8 and 9 lit. a and b of the EU Taxonomy Regulation ((EU) 2020/852) in conjunction with Article 10 (4) of the Delegated Regulation ((EU) 2021/2178) in conjunction with Article 1 of the Delegated Regulation ((EU) 2023/2486).

Responsibility of the statutory representatives

The proper preparation of the consolidated non-financial report in accordance with the requirements pursuant to Section 267a UGB, the GRI Standards 2021 as well as Article 8 and 9 lit. a and b of the EU Taxonomy Regulation ((EU) 2020/852) in conjunction with Article 10 (4) of the Delegated Regulation ((EU) 2021/2178) in conjunction with Article 1 of the Delegated Regulation ((EU) 2023/2486) is the responsibility of the statutory representatives.

The responsibility of the statutory representatives includes the selection and application of appropriate non-financial reporting methods (in particular the identification of material topics) and the use of assumptions and estimates for individual sustainability disclosures that are reasonable in the circumstances. It also includes designing, implementing, and maintaining systems, processes and internal controls relevant to the preparation and fair presentation of the consolidated non-financial report that is free from material misstatement, whether due to fraud or error. The responsibility also includes the selection and application of appropriate methods in the context of the applications of Article 8 and 9 lit. a and b of the EU Taxonomy Regulation ((EU) 2020/852) in conjunction with Article 10 (4) of the Delegated Regulation ((EU) 2021/2178) in conjunction with Article 1 of the Delegated Regulation ((EU) 2023/2486).

Auditor's responsibility

We have been engaged with providing a judgement, based on our audit procedures and on the evidence we have obtained, as to whether anything has come to our attention that would cause us to believe that the consolidated non-financial report of the Company as of 30. September 2023 does not conform in any material respect to the legal requirements of the Austrian Sustainability and Diversity Improvement Act (Section 267a UGB), the GRI Standards 2021 as well as Article 8 and 9 lit. a and b of the EU Taxonomy Regulation ((EU) 2020/852) in conjunction with Article 10 (4) of the Delegated Regulation ((EU) 2021/2178) in conjunction with Article 1 of the Delegated Regulation ((EU) 2023/2486).

Non-financial report

Independent assurance report on the non-financial reporting

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 2022/23

We have performed our audit in accordance with the professional principles in force in Austria relating to general assurance engagements (KFS/PG 13) and the International Standard on Assurance Engagements (ISAE 3000 (Revised)). In this respect, we have to comply with our professional obligations, including the provisions on independence, and are bound to plan and carry out our assignment with regard to the principle of materiality in such a manner that allows us to deliver our judgement with limited assurance.

In a limited assurance engagement, the audit procedures undertaken are less extensive than in a reasonable assurance engagement, and therefore a lesser degree of assurance is obtained.

The choice of audit procedures is at the due discretion of the auditor 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 sites in North Macedonia and Bulgaria. The interviews with personnel in North Macedonia was conducted virtually and the interviews of personnel in Bulgaria was carried out through an on-site visit at the headquarter in Plovdiv;
- Analytical assessment of the data and trends of the quantitative disclosures for the GRI Standards 2021 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 2021 have been adequately addressed;
- Assessment of whether the requirements of Article 8 and 9 lit. a and b of the EU Taxonomy Regulation ((EU) 2020/852) in conjunction with Article 10 (4) of the Delegated Regulation ((EU) 2021/2178) in conjunction with Article 1 of the Delegated Regulation ((EU) 2023/2486) have been adequately addressed;
- Assessment of the overall presentation of the disclosures through critical reading of the consolidated non-financial report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our summary judgement.

The subject-matter of the engagement does not consist of performing either an audit or an audit-related review of the financial statements. Neither are the detection and investigation of fraudulent acts, such as misappropriation or other acts of defalcation or administrative offences, nor an assessment of the effectiveness and efficiency of the management a part of that subject-matter.

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 consolidated financial statements was checked for correctness (no substantive audit).

Restriction on use and liability

As our report is prepared exclusively at the client's request and in the client's interest, there exists no basis for third parties to place any reliance on its content. It therefore provides no grounds for third-party claims arising from it. We consent to the publication of our assurance report together with the consolidated non-financial report.

Conditions of the engagement

Our engagement was performed on the basis of the audit agreement concluded with the Company. This agreement includes the "General Conditions of Contract for the Public Accounting Professions" issued by the Chamber of Tax Advisers and Auditors. These conditions of contract govern both the relationship between the Company and the relationship between third parties and the auditor.

Vienna, 21.11.2023

BDO Assurance GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft
(as universal successor to BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft)

Gerhard Posautz

Certified Auditor

Johannes Waltersam

Certified Auditor

Report of the Supervisory Board

Ladies and Gentlemen,

As an energy supply company, EVN carries a special responsibility for the design of the energy future. The transformation of the energy system, with climate neutrality and supply security as the most important goals and priorities, brings not only enormous challenges for the Group's management and all employees but also offers excellent prospects for further organic growth. The Supervisory Board therefore expressly supports the ambitions of EVN's management to optimally utilise the available development and growth opportunities in the areas of network infrastructure, the expansion of renewable generation and drinking water supplies. This focus was reflected in an investment volume that rose to nearly EUR 700m in 2022/23 and plans for a further increase to a level of EUR 700m to EUR 900m over the coming years. The investment programme reflects the Strategy 2030 and strengthens the foundation for EVN's successful development. At the same time, it guarantees that the infrastructure operated by EVN optimally meets customers' demands in all markets. The Supervisory Board also definitely supports EVN's ambitions to make a measurable contribution to the continuous reduction of greenhouse gas emissions through its strategy and goals.

The Executive Board and the Supervisory Board also agree on the efforts to identify potential buyers for WTE and its international project business. We are convinced that WTE's numerous references – above all the large-scale project in Kuwait – create opportunities for the expansion of this highly specialised company that can be better developed with new owners. The management and employees of EVN are challenged to commit their full energy and expertise to the realisation of the Group's increased investment programme and to successfully meet their responsibilities for the design of the energy future.

Fulfilment of duties

The Supervisory Board actively monitored and supported EVN's strategic steps as part of its designated responsibilities. Eight plenary meetings and twelve committee meetings were held during the reporting year, in which the Supervisory Board fulfilled the tasks and duties required by legal regulations and the company's by-laws. The Executive Board provided the Supervisory Board with regular, timely and comprehensive reports on all relevant aspects of business development. Key issues included the risk position and risk management of EVN and its key Group companies, the inclusion of

sustainability aspects, and the opportunities and risks related to the environment, social issues and corporate governance for the development and implementation of the corporate strategy. This reporting, in particular, allowed the Supervisory Board to continuously supervise and support the Executive Board's management activities. The control functions exercised by the Supervisory Board within the framework of open discussions with the Executive Board did not lead to any objections. Recommendations by the Supervisory Board were taken up by the Executive Board. Moreover, the Executive Board submitted the transactions requiring approval to the Supervisory Board for its decision.

Austrian Corporate Governance Code

EVN, as a listed company, is committed to compliance with the Austrian Corporate Governance Code. EVN complies in full with the Code in the January 2023 version. EVN complies with all C-Rules, with two exceptions that are explained in the consolidated corporate governance report.

Consolidated corporate governance report

Schönherr Rechtsanwälte GmbH audited the consolidated corporate governance report for 2022/23, which was prepared by EVN in accordance with C-Rule 62 of the Austrian Corporate Governance Code and § 96 (2) of the Austrian Stock Corporation Act, and reported to the Executive Board, the Audit Committee and the Supervisory Board on their work. In a meeting on 13 December 2023, the Supervisory Board examined the consolidated corporate governance report as required by § 96 of the Austrian Stock Corporation Act and in accordance with Opinion 22 published by the Austrian Financial Reporting Advisory Committee. This analysis was based on a report issued by the Audit Committee on 29 November 2023 and did not lead to any objections.

Remuneration policy and report

The 91st Annual General Meeting of EVN in January 2020 approved the principles of remuneration (remuneration policy) for the members of the Executive Board and Supervisory Board of EVN which were prepared by the Supervisory Board in accordance with §§ 78a and 98a of the Austrian Stock Corporation Act. On this basis, the Executive Board and Supervisory Board prepared a remuneration report for the 2022/23 financial year in accordance with §§ 78c and 98a of the Austrian Stock Corporation Act which will be presented to the 95th Annual General Meeting for voting.

Annual financial statements and consolidated financial statements

BDO Assurance GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft was appointed to audit the financial statements for the financial year from 1 October 2022 to 30 September 2023. This firm examined the annual financial statements of EVN as of 30 September 2023, which were prepared in accordance with Austrian accounting regulations, and the management report submitted by the Executive Board. BDO presented a written audit report on the audit and issued an unqualified opinion.

The Supervisory Board received and reviewed the auditors' report. In accordance with § 92 of the Austrian Stock Corporation Act, the Audit Committee reported to the Supervisory Board on the results of the audit and its effects on financial reporting as well as the additional report prepared by the auditor based on the requirements of Art. 11 of Regulation (EU) No. 537/2014 on the statutory audit of public-interest entities.

Following a detailed analysis and discussions by the Audit Committee and the Supervisory Board, the Supervisory Board approved the following documents that were submitted by the Executive Board: the annual financial statements as of 30 September 2023 together with the notes, the management report including the non-financial statement, and the consolidated corporate governance report as well as the recommendation for the use of profits. The annual financial statements as of 30 September 2023 were thereby approved in accordance with § 96 (4) of the Austrian Stock Corporation Act.

The consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) and, together with the management report, also audited by BDO Assurance GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, which issued an unqualified opinion. The Audit Committee reviewed the consolidated financial statements together with the management

report and consolidated non-financial report and reported on its activities to the Supervisory Board, which subsequently approved these documents.

BDO Assurance GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft was responsible for an audit with limited assurance of the consolidated non-financial report for the 2022/23 financial year in agreement with the requirements of the Austrian Sustainability and Diversity Improvement Act and § 267a of the Austrian Commercial Code, the GRI standards 2021 and Article 8 and 9 letters a and b of the EU Taxonomy Directive (2020/852) in connection with Article 10 para. 4 of the Delegated Act of the European Commission (2021/2178) in connection with Article 1 of the Delegated Act of the European Commission (2023/2486).

In conclusion, the Supervisory Board would like to thank the Executive Board and all employees of the EVN Group for their performance and commitment during the 2022/23 financial year. Special thanks are also directed to EVN's shareholders, customers and partners for their trust in the company.

This report to the Annual General Meeting was unanimously approved by the Supervisory Board.

Maria Enzersdorf, 13 December 2023

On behalf of the Supervisory Board



Reinhard Wolf
Chairman

Consolidated corporate governance report

Basic principles

EVN AG (EVN) is an Austrian stock corporation whose shares are traded on the Vienna Stock Exchange. Corporate governance is therefore based on Austrian law – in particular the Stock Corporation Act and capital market laws, legal regulations governing co-determination by employees and the company by-laws, as well as the Austrian Corporate Governance Code (ACGC) and the rules of procedure for the company's corporate bodies.

In agreement with § 243c of the Austrian Commercial Code and the applicable provisions of the ACGC, the company prepares a consolidated corporate governance report each year as of 30 September which is available under www.evn.at/Corporate-Governance-Report.

Commitment to the Austrian Corporate Governance Code

Introduction

The Executive Board and Supervisory Board of EVN are committed to the principles of good corporate governance and, in this way, meet the expectations of national and international investors for responsible, transparent and sustainable management and control. On 1 March 2023, EVN announced its commitment to comply with the ACGC in the January 2023 version. The ACGC is available under www.corporate-governance.at.

Burgenland Holding Aktiengesellschaft is a stock corporation under Austrian law, which is listed on the Vienna Stock Exchange and included in EVN's scope of consolidation. The corporate governance report prepared and published by this company is available under www.buho.at/corporate-governance-bericht.

The ACGC rules are divided into three categories¹⁾:

- The legal requirements (L-Rules) are based on binding regulations which must be observed by all Austrian listed companies.
- The C-Rules (Comply or Explain) should be observed; any deviations must be explained and justified.
- The R-Rules (Recommendations) represent recommendations and do not require the disclosure or justification of deviations.

The Executive Board and Supervisory Board formerly declare that EVN complies with all C-Rules of the ACGC, irrespective of the following deviations and explanations.

Deviations from C-Rules

EVN does not fully comply with the following C-Rules of the ACGC:

C-Rule 16: EVN does not comply with this rule which requires the management board to have a chairman. The Supervisory Board did not appoint a member of the Executive Board to serve as chairman because the Executive Board consists of only two members in line with its assigned duties and the company's structure. In this case, a valid resolution by the Executive Board requires that meetings be announced in the approved manner and both Executive Board members must be present. Resolutions must be passed unanimously and abstention from voting is not permitted. If a unanimous decision is not reached, the Executive Board must review and vote again on the respective point of the agenda within ten days. The Executive Board must report to the Supervisory Board if the second round of voting does not bring a unanimous decision. One member was appointed as spokesman of the Executive Board. The Supervisory Board's decision not to appoint a chairman for the Executive Board applies for an indefinite period.

C-Rule 45: The provision that prohibits Supervisory Board members from holding corporate functions in a competing company is observed by all members of the Supervisory Board with one exception. Supervisory Board member Peter Weinelt serves as the managing director of Wiener Stadtwerke GmbH which, in particular through its subsidiaries, competes in part with subsidiaries of EVN. The decision to elect Mr. Weinelt to the Supervisory Board was taken by the Annual General Meeting. The proposal for this nomination was approved by the Supervisory Board based on a recommendation by the Nominating Committee. The representation of major shareholders on the company's Supervisory Board has proven to be advantageous. This deviation applies to the entire term of the involved Supervisory Board member's appointment. EVN's corporate governance and continued practice on the Supervisory Board ensure that potential conflicts of interest are clarified in advance of voting on related issues and legally compliant procedures are guaranteed.

1) In order to improve readability, the rules in the following section are presented without reference to the ACGC.

Executive Board

Composition

Stefan Szyszkowitz

Member and Spokesman of the Executive Board

Born in 1964, Master of Law, Master of Business Administration. Joined EVN in 1993; first appointed to the EVN Executive Board on 20 January 2011. End of the current term of office: 19 January 2026.

Supervisory board mandates in other companies not included in the consolidated financial statements (C-Rule 16)

	Function
Wiener Börse AG	Member of the supervisory board
Österreichische Post Aktiengesellschaft (up to 20.04.2023)	Member of the supervisory board
Verbund AG	Member of the supervisory board

Supervisory board mandates in material, consolidated companies¹⁾

	Function
Burgenland Holding Aktiengesellschaft	Chairman of the supervisory board
EVN Macedonia AD	Chairman of the supervisory board
RAG Austria AG	Chairman of the supervisory board
Netz Niederösterreich GmbH	Vice-Chairman of the supervisory board
Burgenland Energie AG	Vice-Chairman of the supervisory board

1) In addition to the supervisory board functions, the Executive Board manages significant subsidiaries based on quarterly reporting by segment.

Working procedures

The Executive Board of EVN must have a minimum of two members. If the Supervisory Board does not appoint a chairman or spokesman for the Executive Board, the members are entitled to designate their own spokesman. The Executive Board is responsible for managing the company to support its business activities and continued success in the interests of shareholders, employees and the general public. The work of the Executive Board is based on legal requirements, in particular stock corporation, stock exchange and commercial laws, the by-laws and the rules of procedure for the Executive Board that were approved by the Supervisory Board as well as the ACGC.

Franz Mittermayer

Member of the Executive Board

Born in 1958, Master of Mechanical Engineering and Industrial Management. Joined EVN in 1993; first appointed to the EVN Executive Board on 1 October 2017. In a statement to the Supervisory Board on 19 June 2023, he announced his intention to resign from the Executive Board prematurely as of 31 March 2024 due to his retirement.

Supervisory board mandates in material, consolidated companies¹⁾

	Function
Netz Niederösterreich GmbH	Chairman of the supervisory board
Burgenland Holding Aktiengesellschaft	Vice-Chairman of the supervisory board
Burgenland Energie AG	Member of the supervisory board
RAG Austria AG	Member of the supervisory board

1) In addition to the supervisory board functions, the Executive Board manages significant subsidiaries based on quarterly reporting by segment.

Irrespective of the Executive Board's overall responsibility, the Supervisory Board establishes and assigns specific areas of responsibility to the individual Executive Board members based on the given requirements. Certain transactions are reserved for joint discussions and decision-making by the full Executive Board.

Stefan Szyszkowitz is responsible for the Energy and South East Europe segments as well as the following corporate functions: controlling, customer relations, finance, accounting, general secretary and investment management, legal and public affairs, information and communications, and human resources.

Franz Mittermayer is responsible for the Generation, Networks and Environment segments as well as the following corporate functions: data processing, procurement and purchasing, safety and infrastructure, and internal auditing.

Moreover, the Executive Board is required to obtain the prior consent of the Supervisory Board for business transactions that require this approval based on legal regulations or a previous Supervisory Board resolution. The rules of procedure for the Executive Board and the Supervisory Board contain a detailed list of such cases.

Organisational regulations require the Executive Board to report to the Supervisory Board. These reporting standards also apply to the Supervisory Board committees. The reporting obligations of the Executive Board include quarterly reports on the development of business in the Group and information on matters of importance relating to major Group subsidiaries.

Supervisory Board

Composition

As of 30 September 2023, the Supervisory Board of EVN AG had ten shareholder representatives elected by the Annual General Meeting and five members delegated by the works council. The shareholder representatives were elected by the 92nd Annual General Meeting on 21 January 2021, respectively by the 33rd Extraordinary General Meeting on 19 June 2023 for a term of office extending to the Annual General Meeting which will vote on the release from liability for the 2024/25 financial year.

The composition of the Supervisory Board reflects a balance between the professional and personal qualifications of the members as well as a balance of technical and specialist expertise. Diversity with regard to the representation of both genders, the age structure and internationality is also taken into account.

Independence

The Supervisory Board established the following criteria for the independence of the members of the Supervisory Board of EVN AG based on the general clause defined by C-Rule 53:

A member of the Supervisory Board is considered to be independent when he/she has no business or personal relations with the company or its management board that could lead to a material conflict of interest and is therefore capable of influencing the

member's behaviour. The following criteria form the basis for evaluating the independence of the members of the Supervisory Board of EVN AG who are elected by the Annual General Meeting:

1. The Supervisory Board member may not have served as a member of the Executive Board or a top executive of EVN or any of its subsidiaries during the past five years.
2. The Supervisory Board member may not maintain, or in the previous year did not maintain, any business relations with EVN or a subsidiary of EVN that are considered material for that member. This also applies to business relations of companies in which the Supervisory Board member holds a significant economic interest but does not cover appointments to corporate bodies within the EVN Group. The approval of individual transactions by the Supervisory Board in accordance with L-Rule 48 does not automatically lead to qualification as not independent.
3. The Supervisory Board member may not have acted as an auditor of EVN or owned a share in or worked as an employee of the auditing company during the past three years.
4. The Supervisory Board member may not serve on the management board of another company in which a member of the Executive Board of EVN is a member of the supervisory board.
5. The Supervisory Board member may not serve on the Supervisory Board for more than 15 years. This does not apply to Supervisory Board members who hold an investment in the company as shareholders or who represent the interests of such shareholders.
6. The Supervisory Board member may not be closely related (i.e. direct offspring, spouse, life partner, parent, uncle, aunt, brother, sister, niece, nephew) to a member of the Executive Board or to persons who hold one of the above-mentioned positions.

In accordance with C-Rule 54, companies with a free float of more than 20% are required to have at least one of the supervisory board members elected by the general meeting or delegated by shareholders in accordance with the by-laws who is independent pursuant to C-Rule 53 and who is not a shareholder with a stake of more than 10% or who represents such a shareholder's interests. In the case of companies with a free float of over 50%, at least two members of the supervisory board must meet these criteria. EVN has a free float of 20.6% (incl. 0.9% treasury shares). Up to 19 June 2023, nine members (90%) of the Supervisory Board were considered independent according to C-Rule 53 and seven members (70%) according to C-Rule 54. Since 19 June 2023,

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Members of the Supervisory Board as of 30 September 2023 (including resigned members)

Shareholder representatives	Date of initial appointment ¹⁾	Supervisory board or comparable functions in Austrian or foreign listed companies ²⁾	Independence C-Rule 53 ³⁾	Independence C-Rule 54 ⁴⁾	Diversity factors ⁵⁾
Reinhard Wolf President and Chairman	19.06.2023	Chairman of the management board of RWA Raiffeisen Ware Austria AG and RWA Raiffeisen Ware Austria Handel und Vermögensverwaltung eGen; member of the management board of BayWaAG; chairman of the supervisory board of Garant-Tiernahrung Gesellschaft m.b.H. and "UNSER LAGERHAUS" Warenhandelsgesellschaft m.b.H.; vice-chairman of the supervisory board of Raiffeisen-Lagerhaus GmbH; member of the management board and deputy chairman of RAIFFEISEN-HOLDING NIEDERÖSTERREICH-WIEN registrierte Genossenschaft mit beschränkter Haftung	Yes	Yes	Male born 1960 Austria
Jochen Danninger 1 st Vice-Chairman	19.06.2023	Representative of the State Parliament of Lower Austria; managing chairman of a parliamentary group; chairman of the supervisory board of ecoplus. Niederösterreichs Wirtschaftsagentur GmbH and Breitbandholding GmbH	Yes	No	Male born 1975 Austria
Willi Stiowicek 2 nd Vice-Chairman	15.01.2009	Member of the supervisory board of NÖ.Regional.GmbH	Yes	Yes	Male born 1956 Austria
Georg Bartmann	21.01.2021	Head of the finance department and financial group in the provincial government of Lower Austria; managing director of NÖ Landes-Beteiligungsholding GmbH, NÖ Holding GmbH, NÖ BET GmbH and NÖ Immobilien Holding GmbH; chairman of the supervisory board of Land Niederösterreich Finanz- und Beteiligungsmanagement GmbH; vice-chairman of the supervisory board of EBG MedAustron GmbH and N.vest Unternehmensfinanzierungen des Landes Niederösterreich GmbH; member of the supervisory board of NÖ Landesgesundheitsagentur; government commissioner for Hypo NOE Landesbank für Niederösterreich und Wien AG	Yes	No	Male born 1965 Austria
Gustav Dressler	21.01.2021	Owner and manager of an agricultural company; chairman of the supervisory board of METAGRO Edelstahltechnik AG; member of the management board of Caressa Privatstiftung	Yes	Yes	Male born 1954 Austria
Philipp Gruber	21.01.2016	Member of the Wiener Neustadt town council; director of the provincial parliament club of the Lower Austrian People's Party; chairman of the management board of Business Messen Wiener Neustadt Genossenschaft für Wirtschaftsförderung registrierte Genossenschaft mit beschränkter Haftung	Yes	Yes	Male born 1979 Austria
Maria Patek	21.01.2021	Head of the forestry and sustainability section in the Federal Ministry of Agriculture, Regions and Tourism (up to 31.07.2023)	Yes	Yes	Female born 1958 Austria
Angela Stransky	16.01.2014	Authorised officer of ecoplus. Niederösterreichs Wirtschaftsagentur GmbH; managing director of Breitband Holding GmbH; member of the supervisory board of riz up Niederösterreichs Gründeragentur GmbH	Yes	Yes	Female born 1960 Austria
Peter Weinelt	21.01.2021	Deputy director general of WIENER STADTWERKE GmbH; managing director of WIENER STADTWERKE Planvermögen GmbH; chairman of the supervisory board of WIEN ENERGIE GmbH, WIENER NETZE GmbH, Wien IT GmbH and B&F Wien – Bestattung & Friedhöfe GmbH; member of the supervisory board of Verbund AG, Burgenland Holding Aktiengesellschaft and Wiener Gesundheitsverbund	Yes	No	Male born 1966 Austria
Veronika Wüster	19.06.2023	Managing director of Verband Österreichischer Entsorgungsbetriebe; member of the management board of Junge Industrie Niederösterreich/Burgenland	Yes	Yes	Female born 1985 Austria

Shareholder representatives (resigned)					
Bettina Glatz-Kremsner (up to 19.06.2023)	21.01.2016	General council member of Oesterreichische Nationalbank (up to 08.03.2023); member of the supervisory board of Österreichische Lotterien Gesellschaft m.b.H. (up to 28.06.2023)	Yes	Yes	Female born 1962 Austria
Norbert Griesmayr (up to 19.06.2023)	12.01.2001	Chairman of the management board of Hutschinski Privatstiftung; member of the management board of AVZ-Privatstiftung zur Verwaltung von Anteilsrechten; vice-chairman of the supervisory board of BauWelt Handels-Aktiengesellschaft, Collegialität Versicherungsverein Privatstiftung and JLP Health GmbH; member of the supervisory board of Österreichisches Verkehrsbüro Aktiengesellschaft, card complete Service Bank AG and Land Niederösterreich Finanz- und Beteiligungsmanagement GmbH	No	No	Male born 1957 Austria
Friedrich Zibuschka (up to 19.06.2023)	21.01.2016	Associate professor in the Institute for Transportation Studies at the University of Natural Resources and Life Sciences, Vienna; general partner of Zibuschka Regional Consulting OG	Yes	Yes	Male born 1950 Austria
Employee representatives					
Paul Hofer	01.04.2007	Chairman of the European works council of the EVN Group; chairman of the central works council of the EVN Group; chairman of the central works council of EVN AG	n. a.	n. a.	Male born 1960 Austria
Uwe Mitter	14.05.2019	Chairman of the central works council of Netz Niederösterreich GmbH; member of the supervisory board of Netz Niederösterreich GmbH; vice-chairman of the central works council of the EVN Group; member of the supervisory board of VBV-Pensionskasse Aktiengesellschaft	n. a.	n. a.	Male born 1971 Austria
Irene Pugi	14.05.2019	Chairwoman of the works council of EVN Business Service GmbH; vice-chairwoman of the central works council of the EVN Group	n. a.	n. a.	Female born 1975 Austria
Friedrich Bußlehner	01.01.2016	Member of the supervisory board of Netz Niederösterreich GmbH	n. a.	n. a.	Male born 1962 Austria
Monika Fraiße	01.07.2013	Vice-chairwoman of the central works council of Netz Niederösterreich GmbH (headquarters)	n. a.	n. a.	Female born 1973 Austria

- 1) The terms of office of the Supervisory Board members elected by the Annual General Meeting expire at the end of the Annual General Meeting that will vote on their release from liability for the 2024/25 financial year.
- 2) Including other material functions
- 3) The majority of the Supervisory Board members elected by the Annual General Meeting or delegated pursuant to the by-laws are independent of the company and its Executive Board.
- 4) Companies with a free float of more than 20% are required to have at least one of the supervisory board members elected by the general meeting or delegated by shareholders pursuant to the by-laws who is independent pursuant to C-Rule 53 and who is not a shareholder with a stake of more than 10% or who represents such a shareholder's interests.
- 5) Gender, year of birth and citizenship

→ Continued from page 155

ten members (100%) of the Supervisory Board are considered independent according to C-Rule 53, and seven members (70%) according to C-Rule 54.

Contracts requiring the approval of the Supervisory Board (L-Rule 48 and C-Rule 49): No contracts were concluded with members of the Supervisory Board which committed these persons to the performance of a service outside of their activities on the Supervisory Board for the company or a subsidiary in exchange for remuneration exceeding minor value. Moreover, no contracts were concluded with companies in which a member of the supervisory board has a considerable economic interest.

Working procedure

The Supervisory Board is headed by a chairman and two vice-chairmen. The rules of procedure for the Executive Board and Supervisory Board include a catalogue of transactions which require the Supervisory Board approval.

Communications between the Executive Board and the Supervisory Board take place at the meetings of the Supervisory Board and its committees and in writing, as required. In addition, the Executive Board and the chairman of the Supervisory Board maintain regular contact on issues that fall under the responsibility of the Supervisory Board. In particular, this includes the preparation of meetings.

Eight plenary meetings were held by the Supervisory Board during the reporting year, at which its members fulfilled their tasks and duties. The Supervisory Board monitored the activities of the Executive Board, accepted its reports and, in addition to the annually recurring cycle of resolutions on the annual financial statements and budget, dealt with a number of issues which required Supervisory Board approval. Specific resolutions covered the remuneration policy, the environmental business, the capitalisation of EVN KG, the expansion of water supplies by EVN Wasser, and the construction of renewable generation plants by EVN Naturkraft.

In addition to the formal meetings, the members of the Supervisory Board were able to attend elective events on onboarding and received training and information on sustainability regulations and an update on the Strategy 2030.

The average attendance at Supervisory Board meetings equalled 97.5% in 2022/23. No member was absent from more than half

the Supervisory Board meetings during the past financial year. Participation in the elective events reflected a similar level.

Evaluation of the Supervisory Board's activities

In accordance with C-Rule 36, the Supervisory Board carried out a self-evaluation of its activities in 2022/23. This assessment was based on an extensive written questionnaire which was answered by the members of the Supervisory Board. The results of the evaluation were discussed in a plenary meeting.

The Supervisory Board dealt with potential conflicts of interest on the part of its members and took appropriate steps.

Committees

The Supervisory Board fulfils its responsibilities as a joint decision-making body in cases where individual issues are not delegated to its committees. These committees are responsible for preparing negotiations and resolutions, monitoring the implementation of the Supervisory Board's decisions and taking decisions on issues delegated by the Supervisory Board. In accordance with the requirements of the Austrian Stock Corporation Act, the ACGC and its rules of procedure, the Supervisory Board has established an Audit Committee, a Working Committee, a Nominating Committee and a Remuneration Committee.

Working Committee

Name	Function
Reinhard Wolf (as of 19.06.2023)	Chairman
Jochen Danninger (as of 19.06.2023)	Vice-Chairman
Willi Stoiwicek	Member
Georg Bartmann	Member
Paul Hofer	Employee representative
Uwe Mitter	Employee representative

Resigned members

Name	Function
Bettina Glatz-Kremsner (up to 19.06.2023)	Chairwoman
Norbert Griesmayr (up to 19.06.2023)	Vice-Chairman

The Working Committee includes the chairman of the Supervisory Board, the two vice-chairmen and any elected members as well as the employee representatives delegated in accordance with § 110 (4) of the Austrian Labour Constitutional Act.

This committee is responsible for specific tasks assigned by the full Supervisory Board and, in certain urgent cases, is authorised to approve specific business transactions on behalf of the Supervisory Board. It is also responsible for all other issues where there are reasons to assume a possible conflict of interest on the Supervisory Board but not in the Working Committee.

The Working Committee of the Supervisory Board met three times during the 2022/23 financial year. Resolutions focused on the environmental business and WTE Wassertechnik as well as the construction of a biomass heating plant and the expansion of the district heating network by EVN Wärme.

Remuneration Committee

Name	Function
Reinhard Wolf (as of 19.06.2023)	Chairman; remuneration expert
Jochen Danningер (as of 19.06.2023)	Vice-Chairman
Willi Stiowicek	Member
Georg Bartmann (as of 19.06.2023)	Member

Resigned members

Name	Function
Bettina Glatz-Kremsner (up to 19.06.2023)	Chairwoman; remuneration expert
Norbert Griesmayr (up to 19.06.2023)	Vice-Chairman

The Remuneration Committee includes the chairman of the Supervisory Board, who also serves as chairman of this committee, the two vice-chairmen and, if necessary, a further member with knowledge and experience relating to remuneration policy. Most of the committee members are independent members of the Supervisory Board.

This committee is responsible for all matters concerning the relationships between the company and the members of the Executive Board, in cases where the full Supervisory Board is not responsible under law. In particular, the Remuneration Committee is responsible for the negotiation, content, conclusion, implementation and, if appropriate, termination of the employment contracts with the members of the Executive Board in accordance with the applicable rules of the ACGC. Each year it prepares a draft report on remuneration policy for the Executive Board members and evaluates this remuneration policy at least every fourth year. It also makes a

recommendation for remuneration policy to the full Supervisory Board if this is considered necessary.

In cases where the Remuneration Committee makes use of a consultant, it must ensure that this person and any other persons active with him/her in a network (§ 271b of the Austrian Commercial Code) have not advised the Executive Board or one of its members on remuneration issues or served as an advisor during the past two years.

The Remuneration Committee met four times in 2022/23. Resolutions focused, above all, on the revision of the employment contracts for the members of the Executive Board, the definition of targets for the variable remuneration of the Executive Board and the determination of the respective target attainment, the preparation of a report on the remuneration of the members of the Executive Board and Supervisory Board of EVN. Another issue concerned the revision and updating of remuneration policy for the members of these two corporate bodies, whereby a consultant was appointed for this purpose.

Nominating Committee

Name	Function
Reinhard Wolf (as of 19.06.2023)	Chairman
Jochen Danningер (as of 19.06.2023)	Vice-Chairman
Willi Stiowicek	Member
Georg Bartmann	Member
Paul Hofer	Employee representative
Uwe Mitter	Employee representative

Resigned members

Name	Function
Bettina Glatz-Kremsner (up to 19.06.2023)	Chairwoman
Norbert Griesmayr (up to 19.06.2023)	Vice-Chairman

The Nominating Committee includes the chairman of the Supervisory Board and three elected members, as well as the employee representatives delegated in accordance with § 110 (4) of the Austrian Labour Constitutional Act.

This committee prepares the tender for appointments to the Executive Board in accordance with the Austrian law governing appointments, reviews applications and manages the application

process. It can engage consultants for support with and evaluation of the applications. The Nominating Committee submits recommendations to the Supervisory Board for appointments to upcoming vacant or newly created positions on the Executive Board and deals with issues involving succession planning. It can also make recommendations for appointments to upcoming vacant or newly created positions on the Supervisory Board. The Nominating Committee meets as needed.

The Nominating Committee met twice in 2022/23, during which discussions focused on elections to the Supervisory Board and on succession planning for the Executive Board, whereby a consultant was appointed for this purpose.

Audit Committee

Name	Function
Georg Bartmann	Chairman, financial expert
Reinhard Wolf (as of 19.06.2023)	Vice-Chairman
Jochen Danninger (as of 19.06.2023)	Member
Willi Stiowiczek	Member
Maria Patek (as of 19.06.2023)	Member, sustainability expert
Paul Hofer	Employee representative
Uwe Mitter	Employee representative
Monika Fraissl (as of 19.06.2023)	Employee representative

Resigned members

Name	Function
Bettina Glatz-Kremsner (up to 19.06.2023)	Vice-Chairwoman
Norbert Griesmayr (up to 19.06.2023)	Member

The responsibilities of the Audit Committee are as follows:

- monitoring the accounting process and issuing recommendations or suggestions to ensure its reliability;
- monitoring the effectiveness of the company's internal control, internal audit and risk management systems;
- monitoring the audit of the annual and consolidated financial statements, including the results and conclusions indicated in the reports by the Auditor Oversight Commission;

- verifying and monitoring the independence of the auditor of the annual financial statements (and consolidated financial statements), in particular with regard to additional services provided for the audited company; moreover, Art. 5 (5) of Regulation (EU) No. 537/2014 on the statutory audit of public-interest entities must be observed;
- reporting on the results of the audit to the Supervisory Board, explaining how the audit contributed to the reliability of financial reporting and explaining the role of the Audit Committee in this procedure;
- reviewing the annual financial statements and preparing the required authorisation, reviewing the proposal for the distribution of profits, the management report, the corporate governance report and the non-financial report (§ 243b of the Austrian Commercial Code) as well as submitting a report on the results of this review to the Supervisory Board;
- if necessary, examining the consolidated financial statements, the Group management report, the consolidated corporate governance report and the consolidated non-financial report (§ 267a of the Austrian Commercial Code) as well as submitting a report on the results of this review to the Supervisory Board;
- selecting an auditor for the annual and consolidated financial statements, taking the appropriateness of the fee into consideration, as well as preparing a proposal for the Supervisory Board on this selection; moreover, Art. 16 of Regulation (EU) No. 537/2014 on the statutory audit of public-interest entities must be observed.

The Audit Committee includes a financial expert as required by law. Based on their professional experience, in particular their, for the most part, many years on the Supervisory Board, all members of the Audit Committee are familiar with the sector in which the company operates.

The Audit Committee met four times during the 2022/23 financial year and dealt with all its assigned responsibilities, above all with preparations for the resolution on the consolidated financial statements and annual financial statements as of 30 September 2022, including the related reports, the recommendation for the use of profits and the internal control, audit, risk and compliance management systems. Further activities involved the following: a recommendation for the appointment of an auditor for the 2022/23 annual and consolidated financial statements and the proposal of a change to this recommendation, the approval of a fee adjust-

ment for the auditor, and the acceptance of a report by the auditor on the provision of non-audit services. The Audit Committee also acknowledged the report on the evaluation of transactions carried out during the course of normal business activities and at ordinary market conditions (§ 95a (6) of the Austrian Stock Corporation Act).

Measures to support women and diversity concept¹⁾

1) § 243c (2) no. 2 and (3) of the Austrian Commercial Code

The EVN Group is committed to offering equal opportunities to all its employees. The company is convinced that diversified teams produce better results and are more effective and innovative than single-gender groups.

The percentage of women in EVN's workforce equalled 23.6% in 2022/23, and roughly 10.5% of the positions for managing directors and authorised officers were filled by women. The Women@EVN programme is designed to achieve the greatest possible diversity at the upper management level and gradually increase the percentage of women in management positions. Numerous initiatives have been introduced to create a framework that enables women to assume qualified positions in specialised areas and at the management level in line with their inclinations and skills.

Twelve women currently serve as project managers (project manager career path) in the EVN Group. The percentage of young women in the corporate management development programme has always been higher than the current share of women in EVN's workforce.

EVN has long pursued measures that are designed to support women's work-life balance. Examples of these measures are flexible working time models, individualised support for women returning after maternity leave, day care during school holidays, information events for staff members on parental leave as well as a comprehensive programme of vocational and professional education which is also open to all employees on parental leave. These measures are supplemented by a range of home office work options. EVN's objective for the medium term is to

increase the share of women to a level that mirrors their current educational levels in the applicable professional groups.

The Austrian Equal Opportunity Act requires companies with a workforce above a certain threshold to submit a biannual remuneration report (§ 11a of the Equal Opportunity Act). All companies in the EVN Group with a workforce above the legally defined threshold prepared the required report and submitted it to the Central Works Council.

The diversity concept approved by the Nominating Committee of the Supervisory Board for appointments to the Executive and Supervisory Board of EVN AG also defines equal opportunity as the underlying principle for all corporate management and supervisory bodies.

There are no women on EVN's Executive Board at the present time. New appointments are based on public tenders in accordance with the Austrian law governing personnel appointments.

Elections to the Supervisory Board are intended to create a balanced mix between the professional qualifications and expertise of the members as well as a balance of technical and personal credentials. Special focus is placed on diversity with regard to the representation of both genders, a balanced age structure and the internationality of the members.

EVN's Supervisory Board – as a whole and in the individual committees – has the necessary expertise required by the company, especially in the business, legal and technical fields. Attention was given to creating and maintaining a balance between continuity and change.

EVN's Supervisory Board included five women in 2022/23: three shareholder representatives and two employee representatives. The previous chairwoman of the Supervisory Board, Bettina Glatz-Kremsner, headed this corporate body since 2016 but resigned at the end of the Annual General Meeting on 19 June 2023. The percentage of women also equals 33.3% for the Supervisory Board as a whole following her replacement. The current composition of EVN's Supervisory Board meets the requirements of the Austrian Equality Act for Men and Women on Supervisory Boards with regard to the number of shareholder representatives and the number of employee representatives. This law calls for a ratio of 30% for both genders on the super-

visory boards of listed corporations with a specified minimum number of supervisory board members and employees. At the present time, EVN is required to meet the 30% quota for the Supervisory Board in total.

The members of the Supervisory Board ranged in age from 43 to 73 years up to 19 June 2023 and the average age was 59.2 years. Since 19 June 2023, the members of the Supervisory Board range in age from 37 to 68 years and the average age equals 56.1 years.

External evaluation

In accordance with C-Rule 62, compliance with the C-Rules of the ACGC must be evaluated at least every three years by an external institution and the results of this evaluation must be included in the corporate governance report.

Furthermore, the Supervisory Board is required by § 96 of the Austrian Stock Corporation Act to inform the Annual General Meeting whether, and if so, which sections of the consolidated corporate governance report were examined and indicate whether the final results of this examination provided any grounds for material objections. The Audit Committee is required by § 92 (4a) no. 4 lit. g of the Austrian Stock Corporation Act to review the consolidated corporate governance report in advance and to issue a report on its review to the full Supervisory Board. In order to optimally meet these requirements, EVN commissioned Schönherr Rechtsanwälte GmbH to evaluate the consolidated corporate governance report for 2022/23, including compliance with the C-Rules of the ACGC.

Schönherr Rechtsanwälte GmbH evaluated EVN's consolidated corporate governance report for 2022/23 in agreement with C-Rule 62 and § 96 of the Austrian Stock Corporation Act and reported to the Executive Board, the Audit Committee and the Supervisory Board on its review. This report on compliance with the ACGC can be found under www.investor.evn.at. The evaluation showed that EVN complied with the C-Rules of the ACGC in 2022/23 with two justified exceptions.

Changes after the balance sheet date

No reportable changes occurred between the balance sheet date on 30 September 2023 and the preparation of this consolidated corporate governance report.

Maria Enzersdorf, 21 November 2023



Stefan Szyszkowitz
Member and Spokesman
of the Executive Board



Franz Mittermayer
Member of the Executive Board

Management report

Energy policy environment

Energy and climate policy

European Union

The EU is working to make Europe the first climate-neutral continent by 2050, and the associated plans call for a significant reduction in greenhouse gas emissions by 2030. Against this backdrop, the EU is continuing the implementation of various legal regulations to create a binding framework for the attainment of these ambitious goals.

In March 2023, the member states agreed on the basics of a package for the hydrogen market and the decarbonisation of the gas market. It is designed to establish the framework conditions for the gradual transition from fossil natural gas to renewable gases by creating a competitive market together with the necessary infrastructure. Other key content covers the regulation of the future hydrogen networks and the improvement of planning and investment security for networks and storage.

The new EU directive to reform emission trading took effect in May 2023 and was expanded to also cover the transport and building sector beginning in 2027. The income from these new emission trading areas is designated to flow into a climate and social fund.

The EU Parliament and the Council agreed in autumn 2023 on an amendment to the Renewable Energy Directive (RED III) which sets significantly more ambitious goals for the share of renewable energies in heating and cooling supplies as well as the building, industry and transport sectors. For the industry sector, the new goals mean a more rapid conversion to renewable hydrogen. The directive also requires shorter planning and approval periods for projects involving the expansion of plants that generate renewable energies, networks and energy storage.

The energy crisis triggered by the Ukraine war led to efforts by the EU Commission in 2023 to prepare and issue a draft for a new electricity market design. A key objective of these reform efforts is to contain the negative effects of extreme price fluctuations on the EU market and, in the end, reduce the impact on consumers. One of the most important measures gives governments an option to assume the market price risks associated with investments in plants that generate electricity from renewable and non-fossil sources. This will provide power plant operators with greater investment security and customers with relief in the event of rising market prices. The basis will be formed by the conclusion of so-called energy sector contracts for difference between electricity producers and the EU member states. The EU

aims to approve this legislative package on the electricity market design before the upcoming EU elections in 2024.

Austria

The Renewable Energy Expansion Act, which was enacted in Austria during July 2021, includes concrete expansion targets. It requires an increase of 27 TWh per year in renewable electricity generation by 2030, with 11 TWh coming from photovoltaics, 10 TWh from wind power, 5 TWh from hydropower and 1 TWh from biomass.

The most relevant points of the Renewable Energy Expansion Act for EVN's business activities include the subsidy mechanisms for the construction of new renewable plants as well as investment subsidies for electrolysis equipment to convert electricity into hydrogen or synthetic gas. Investment security will also be created for existing and future renewable gas generating plants, and an increase of 5 TWh per year in nationally produced renewable gas as a share of Austria's total natural gas volumes is planned by 2030. Other relevant content includes the framework conditions for citizens' and renewable energy communities.

An amendment to the Environmental Impact Assessment Act was passed in March 2023. It facilitates proceedings and introduces measures to accelerate the approval of projects that contribute to the energy transformation.

An amendment to the Federal Energy Efficiency Act in June 2023 finalised the overdue enactment of the EU Energy Efficiency Directive in Austria.

In October 2023, the federal government agreed on the contents of a new Renewable Heat Act which, in particular, prohibits the installation of fossil fuel-based heating equipment in new household buildings. The Austrian Parliament also approved higher standards for gas storage as part of a legal amendment during that same month. It requires gas suppliers to guarantee supply security at a level of 45 days in the future (instead of the previous 30 days). A storage standard was also introduced for gas-fired power plants (including combined heat and power plants), and the strategic gas reserve was extended to 2026.

The Federal Ministry for Climate Action, Environment, Energy, Mobility, Innovation and Technology is currently working on the Electricity Industry Act to replace the current Electricity Industry and Organisation Act and to implement the EU's Directive on common rules for the internal market for electricity and the Renewable Energy Directive. The Electricity Industry Act is expected to provide, among others, clear rules for energy communities (e.g. concerning

the operation of storage) as well as new rules for network operators (e. g. concerning the simplified use of smart meter data for planning network flexibilities). The new law is also expected to include additional consumer protection rules.

Federal Act on the Energy Crisis Contribution for Electricity

To implement an EU regulation on emergency intervention measures that was issued in autumn 2022, Austria passed the Federal Act on the Energy Crisis Contribution for Electricity for the period from 1 December 2022 to 31 December 2023. The primary goal of the EU regulation and the related national laws was to present a temporary answer to the massive distortions on the international energy markets and the resulting effect on the European society and economy. Specifically, the member states were permitted to collect a solidarity levy based on the increased market revenue from electricity generation and from the crude oil, coal and refinery sectors. The income was to be used to provide financial relief from the high energy prices for end customers like households and smaller and medium-sized businesses.

The Austrian Federal Act on the Energy Crisis Contribution for Electricity calls for a levy equal to 90% of the surplus revenue from electricity generation. The threshold for the calculation of surplus proceeds equalled EUR 140 per MWh from 1 December 2022 to 31 May 2023 but increased up to EUR 176 per MWh based on the inclusion of allowable investments in renewable energies and energy efficiency measures. The threshold was reduced to EUR 120 per MWh, respectively to EUR 156 per MWh as of 1 June 2023 based on the decline in the wholesale prices for electricity.

Regulatory environment

Austria

The operation of the distribution networks and network infrastructure for electricity and natural gas in Lower Austria is the responsibility of EVN's group company Netz Niederösterreich. All investments and expenditures by this company to ensure the continuous operations of the network infrastructure are remunerated through network tariffs which are set by the E-Control Commission each year in accordance with the Austrian regulatory method.

Key parameters for the determination of the network tariffs include the interest-bearing capital base (regulatory asset base) of the network operator and the weighted average cost of capital. Also included is an incentive in the form of productivity factors, which serve as cost reduction targets for the respective company and also include inflationary adjustments. E-Control

sets the weighted average cost of capital and cost reduction targets for an entire regulatory period, which equals five years in Austria.

The regulatory authority reduced the weighted average cost of capital with the start of the new regulatory periods for the electricity distribution network on 1 January 2019 and for the natural gas distribution network on 1 January 2023, respectively, to reflect the generally lower interest rate levels. However, a differentiation was made for the first time between the efficiency of the various network operators and between existing and new equipment in order to create incentives for further investments and efficiency improvements. This benefits network operators with higher productivity in industry comparison as well as with the slightly higher interest rates on the capital required for new investments. EVN's network company has received a very positive evaluation from the regulatory authority for its productivity in peer-group benchmarking. A new regulatory period for the electricity distribution network will start on 1 January 2024.

Bulgaria

The delivery of electricity to industrial and commercial customers in Bulgaria has been liberalised. EVN Trading SEE serves as a supplier in this market segment. Household customers remain in the regulated market and are supplied by EVN Bulgaria EC, which also acts as a "supplier of last resort" for customers who do not select another supplier or cannot receive electricity from their chosen supplier through no fault of their own. In view of the current energy policy debate in Bulgaria, it can be assumed that the transfer of household customers to the liberalised market will be postponed at least to the end of 2026. Energy sales to customers in the regulated market segments and the procurement of the corresponding volumes are based on regulated prices.

The Bulgarian regulatory authority set new energy tariffs for the regulated market segments as of 1 July 2023. The electricity prices for household customers in EVN's supply area were increased by 3.8% on average (previous year: average increase of 3.6% as of 1 July 2022).

The new three-year regulation period for the electricity network in Bulgaria began on 1 July 2021. The regulatory method defines a revenue cap which covers recognised operating expenses, amortisation and depreciation as well as an adequate return on the regulatory asset base. The applied method also includes the projected network distribution volumes as well as an annually defined investment factor for planned future investments. EP Yug is responsible for the operation of the electricity distribution networks in EVN's Bulgarian supply area. Due to the decline in electricity prices dur-

ing the 2022/23 financial year, this company did not receive any further government compensation payments to cover network losses (in the previous year, expenses were reduced by these compensation payments).

North Macedonia

In order to achieve the legally required unbundling of the individual fields in the energy business and meet the related requirements, EVN operates through various companies in North Macedonia. Network operations in the regulated market segment are the responsibility of Elektrodistribucija DOOEL, while customers in the liberalised market segment receive deliveries from the supply company EVN Macedonia Elektrosnabdvanje DOOEL. EVN Macedonia Elektrani DOOEL serves as a production company. Since 1 July 2019, EVN Home DOO has supplied electricity to all households and small businesses in the regulated market segments based on a license as the “supplier of universal service”. This license has an initial term of five years and will be reallocated in the first half of 2024. EVN Home DOO also serves as a “supplier of last resort” for customers who do not select another supplier or cannot receive electricity from their chosen supplier through no fault of their own.

The regulated electricity prices for the household customers supplied by EVN Home DOO are currently classified in four consumption-based categories. As of 1 January 2023, the prices for all four categories were raised by 8.7% to 14.4% (1 July 2022: increase of roughly 21.8%) and the regulated electricity procurement price for EVN Home DOO was set at EUR 56.0 per MWh (previous year: EUR 48.0 per MWh). The VAT on energy – which was temporarily reduced to 5% as of 1 July 2021 as relief for household customers – was increased to 10% in a first step. These tariff increases were, however, mitigated for household customers by a reduction of 19.8% in the network tariffs.

The VAT on energy was raised to the pre-crisis level of 18% as of 1 July 2023. In return, the regulator reduced the electricity prices for household customers of EVN Home DOO slightly and the regulated electricity procurement price for EVN Home DOO was cut to EUR 53.0 per MWh.

A new three-year regulation period for the North Macedonian electricity network began on 1 July 2021 and brought an improvement in the recognition of operating expenses. Similar to the framework in Bulgaria, the regulatory method for the electricity network in North Macedonia defines a revenue cap which covers recognised operating expenses, amortisation and depreciation as well as an adequate return on the regulatory asset base.

Croatia

The liberalisation of the Croatian natural gas market for household customers was nearly complete in 2022. The market for commercial and industrial customers has been liberalised since 2012 and is characterised by increasing competition among the natural gas suppliers active in the country. The new LNG terminal near the island of Krk was commissioned on 1 January 2021 and has further diversified natural gas supplies in Croatia. The substantial fluctuation in natural gas prices during the reporting period and the resulting changes in the suppliers’ offering structure have led to expectations of continued consolidation on the Croatian natural gas market.

General business environment

The global economy lost substantial momentum in 2022, and this trend has continued into 2023. The energy crisis and the related, in part dramatic increase in the market prices for electricity and natural gas in the previous year have had a stronger impact on Europe than on the USA, where the economy remains robust despite monetary policy tightening. Growth in the eurozone equalled a moderate 3.3% in 2022. Economists currently expect a short time-span for the recession that has taken hold of several countries as well as a general improvement in the economy during the coming year. These assumptions are based on a substantial reduction in energy prices below the previous highs as well as weakening inflation and the related increase in real income, and an improvement in the global economic environment. GDP growth in the eurozone is projected to range from 0.4% to 0.7% in 2023 and from 1.2% to 1.3% in 2024.

The Austrian economy is currently unable to disengage from the international economic downturn and has fallen into a recession. Forecasts now point to a decline of 0.8% in 2023 after the 4.8% increase in 2022. The underlying factors include the negative effects of above-average inflation, restrictive monetary policies and the weak global economy. Added factors are the generally lower demand following the corona-related catch-up effects and weaker economic growth, especially in the neighbouring countries. The industrial sector is confronted with a decline in orders and high cost pressure. The coming year is, however, expected to see a recovery in the global economy and an increase in private consumption as the result of rising real incomes. The GDP in Austria is expected to increase by 0.8% to 1.2%.

The economic slowdown in Bulgaria became increasingly clear during the course of the year, and the industrial sector is now in a

recession. Exports declined, above all, due to weakening demand from Western Europe. A new government was formed in May and is supported by both major political parties. Bulgaria's accession to the eurozone has been delayed and will not take place as originally scheduled on 1 January 2024. Economic recovery is not expected before 2024. After a plus of 3.4% in 2022, GDP growth is forecasted to range from 1.5% to 2.0% in 2023 and from 1.8% to 3.2% in 2024.

Croatia's accession to the eurozone and border-free Schengen area served as a significant source of momentum for tourism in 2023. The full integration of the country in the EU will help to improve trade and investments over the long term, as was demonstrated in 2022: EU subsidies supported investment activity in the country at that time, and this trend has continued in 2023. Economic growth is currently driven by private household consumption, the largest component of GDP. However, high inflation is pressuring real incomes, export activity and the willingness to invest. The GDP increase of 6.2% in 2022 is expected to be followed by a plus of 1.9% to 2.7% in 2023 and 2.5% to 3.1% in 2024.

Economic growth in North Macedonia slowed as expected during the second quarter of 2023, chiefly due to high inflation, the restrictive monetary policy of the North Macedonian central bank and limited foreign direct investment. Inflation has remained very high as a result of corporate profits, and the government recently even introduced price controls for food. Economic growth was moderate at 2.1% in 2022, and forecasts show an increase of 2.0% to 2.5% in 2023 and 2.7% to 3.2% in 2024.

Energy sector environment

EVN's energy business is significantly influenced by external factors. The weather has a strong influence on the demand for electricity, natural gas and heat by household customers, while the general business environment is an important driver for industrial customers' energy requirements. Since the start of the Ukraine war and the related energy crisis, the energy saving steps taken by many customers in reaction to the rising energy prices have played an important role. Market prices and, as a result, EVN's procurement costs are also a function of the geopolitical climate. The relevant factors for energy generation include wind and water flows as well as solar radiation.

The weather in EVN's three core markets during the 2022/23 financial year was characterised by milder temperatures. The heating degree total – which defines the temperature-related demand for energy – in Austria was slightly lower and in Bulgaria and North Macedonia substantially lower than the long-term average. In Bulgaria, it reached only 77.7% of the median value. In contrast, the heating degree totals in the previous year were substantially above the long-term average in all three countries. The cooling degree total, which measures the temperature-related demand for cooling energy, rose substantially year-on-year in all three core markets during 2022/23. In Austria it was slightly above, and in Bulgaria and North Macedonia clearly above the long-term average.

The massive fluctuations and distortions in the previous financial year were followed by a decline in primary energy and energy

GDP growth	%	2024f	2023e	2022	2021	2020
EU-28 ^{1) 2) 5)}		1.2 to 1.3	0.4 to 0.7	3.3	5.6	-6.1
Austria ^{1) 2) 3) 5)}		0.8 to 1.2	-0.8 to 0.1	4.8	4.6	-6.6
Bulgaria ^{1) 2) 4)}		1.8 to 3.2	1.5 to 2.0	3.4	7.6	-4.0
Croatia ^{1) 2) 5)}		2.5 to 3.1	1.9 to 2.7	6.2	13.1	-8.5
North Macedonia ^{4) 5)}		2.7 to 3.2	2.0 to 2.5	2.1	3.9	-4.7

1) Source: "European Economic Forecast, Autumn 2023", EU-Commission, November 2023

2) Source: "Herbst-Prognose der österreichischen Wirtschaft 2023–2024", IHS, October 2023

3) Source: "Prognose für 2023 und 2024: Kaufkraft steigt nach milder Rezession", WIFO, October 2023

4) Source: "Global Economic Prospects", World Bank, June 2023

5) Source: "World Economic Outlook", International Monetary Fund, October 2023

prices during 2022/23, especially during the summer months. The average EEX price for natural gas dropped by half from EUR 123.1 per MWh to approximately EUR 56.4 per MWh. However, a contrasting trend appeared towards the end of the reporting year – with the exception of CO₂ emission certificate prices. Their price was subject to less fluctuation, but rose by 8% on average over the prior year value of EUR 78.0 per tonne to EUR 84.2 per tonne in 2022/23.

This development also had an impact on the market prices for electricity, which declined significantly during the reporting year but remained high. The spot market prices for base load and peak load electricity averaged EUR 134.4 per MWh and EUR 154.8 per MWh, respectively (previous year: EUR 258.7 per MWh and EUR 296.3 per MWh).

Business development

The scope of consolidation and changes in comparison with the previous year are explained in the notes to the consolidated financial statements. Effects from initial consolidations and deconsolidations are of minor significance for the development of the consolidated statement of operations and the consolidated statement of financial position.

☐ See page 203ff

The notes to the consolidated financial statements also include an analysis of the potential effects of climate change, the war in Ukraine and the macroeconomic environment on the recoverability of assets in accordance with IAS 36 and IFRS 9 and explain further uncertainty in discretionary assessments.

☐ See page 203ff

Energy sector environment – indicators		2022/23	2021/22
Heating-related energy demand¹⁾	%		
Austria		98.7	105.8
Bulgaria		77.7	111.8
North Macedonia		86.1	106.2
Cooling-related energy demand¹⁾	%		
Austria		101.2	86.4
Bulgaria		120.2	86.5
North Macedonia		131.0	123.0
Primary energy and CO₂ emission certificates			
Crude oil – Brent	EUR/bbl	78.8	89.5
Natural gas – NCG ²⁾	EUR/MWh	56.4	123.1
Hard coal – API#2 ³⁾	EUR/t	150.4	258.8
CO ₂ emission certificates	EUR/t	84.2	78.0
Electricity – EPEX spot market⁴⁾			
Base load	EUR/MWh	134.4	258.7
Peak load	EUR/MWh	154.8	296.3

1) Calculated based on the heating degree total respectively cooling degree total; the basis (100%) corresponds to the adjusted long-term average for the respective countries.

2) Net Connect Germany (NCG) – EEX (European Energy Exchange) stock exchange price for natural gas

3) ARA notation (Amsterdam, Rotterdam, Antwerp)

4) EPEX spot – European Power Exchange

Statement of operations

Highlights 2022/23

- Earnings improvement in South East Europe; includes, in part, positive anticipatory and subsequently recognised effects
 - Previous year negatively influenced by impairment losses totalling EUR 114.8m
 - Equity accounted energy supply company EVN KG – as forecasted – with substantial loss of EUR 240.3m (pre-tax) for the period
 - Group net result influenced by significantly higher dividend of EUR 158.0m from Verbund AG for the 2022 financial year (previous year: EUR 46.1m)
-

Results of operations

Revenue recorded by the EVN Group declined by 7.2% year-on-year to EUR 3,768.7m in 2022/23. This development resulted primarily from a decline in revenue in South East Europe which, in turn, was caused by lower network and energy sales volumes and by the downward trend in wholesale prices. In the international project business, the largely completed wastewater treatment plant in Kuwait led to lower revenue. This decline was moderated by price and volume effects from renewable electricity generation, positive valuation effects from hedges, higher revenue from natural gas trading, increased selling prices at EVN Wärme and higher network tariffs.

The revenue generated by EVN outside Austria amounted to EUR 1,991.2m in 2022/23 (previous year: EUR 2,578.6m). This represents a decrease in the share of Group revenue from 63.5% in the previous year to 52.8% in 2022/23.

Other operating income rose by 16.4% to EUR 127.5m.

Declining wholesale prices in South East Europe led to a reduction of 26.5% in the cost of electricity purchases from third parties and primary energy expenses to EUR 1,675.5m in 2022/23. These costs

include positive upfront effects from the procurement of energy to cover network losses, which will be offset in the following year in accordance with the regulation methodology. Contrasting factors included, in particular, higher costs for network losses and upstream network costs at Netz Niederösterreich as well as increased energy procurement costs of EVN Wärme. Higher electricity production volumes in the Verbund Innkraftwerke also increased the cost of electricity purchases from third parties.

The cost of materials and services declined by 6.3% to EUR 662.7m in line with the development of revenue in the international project business and offset inflation-based increases in the other Group companies.

Personnel expenses were 12.6% higher year-on-year at EUR 419.2m due to adjustments required by collective bargaining agreements. The EVN Group had an average workforce of 7,255 in 2022/23 (previous year: 7,135 employees).

Other operating expenses rose by 27.7% to EUR 202.2m. This amount includes a levy of EUR 25.1m on the surplus revenue from electricity production which is based on the Federal Act on the Energy Crisis Contribution for Electricity which was implemented in Austria during December 2022 (details on the underlying legal regulation are provided on page 164 in the section “Energy policy environment”).

The share of results from equity accounted investees amounted to EUR –67.6m (previous year: EUR 98.9m). This decline – which was already reported in the first quarter of the financial year and forecasted for the entire year – is attributable to the energy supply company EVN KG, where the development of earnings was significantly impaired by several factors. They included higher procurement costs for energy that can only be passed on to customers with a delay, the lower valuation of hedges as of 30 September 2023 and additions to provisions for impending losses from contractual supply obligations. EVN KG reported a loss of EUR 240.3m for the reporting year. In contrast, higher earnings contributions were received from RAG (EUR +27.4m), the Verbund Innkraftwerke (EUR +20.7m) and Burgenland Energie (EUR +16.6m). A further positive effect was a revaluation to the Ashta hydropower plant (EUR 11.1m).

Based on these developments, EBITDA recorded by the EVN Group rose by 15.1% year-on-year to EUR 869.0m in 2022/23.

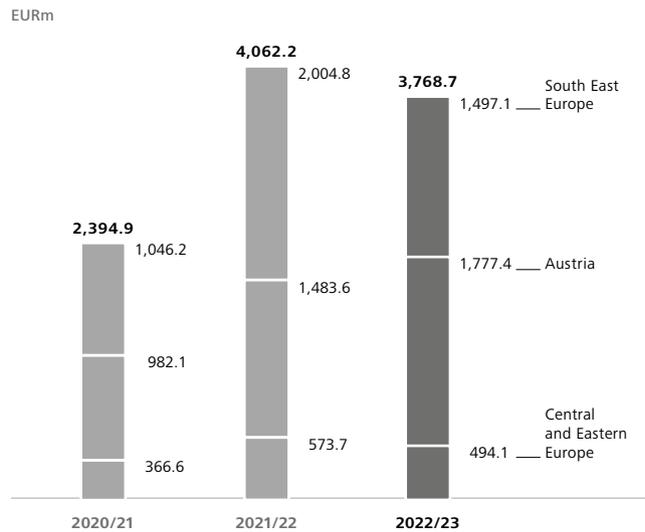
Scheduled depreciation and amortisation rose by 5.8% to EUR 336.5m based on investments. A year-on-year comparison of the effects of impairment testing is influenced, above all, by the absence of impairment losses totalling EUR 114.8m from 2021/22 (which involved the international project business, Netz Niederösterreich's natural gas network, district heating equipment in Lower Austria and the Bulgarian district heating company TEZ Plovdiv). Impairment losses in 2022/23 amounted to EUR 7.1m and were related chiefly to district heating equipment in Lower Austria (EUR 5.7m). Revaluations of EUR 3.2m were recorded to plants operated by EVN Wärme and EVN Wasser (previous year: revaluations of EUR 9.6m to the Kavarna wind park).

These developments led to an increase in EBIT to EUR 528.5m (previous year: EUR 331.6m).

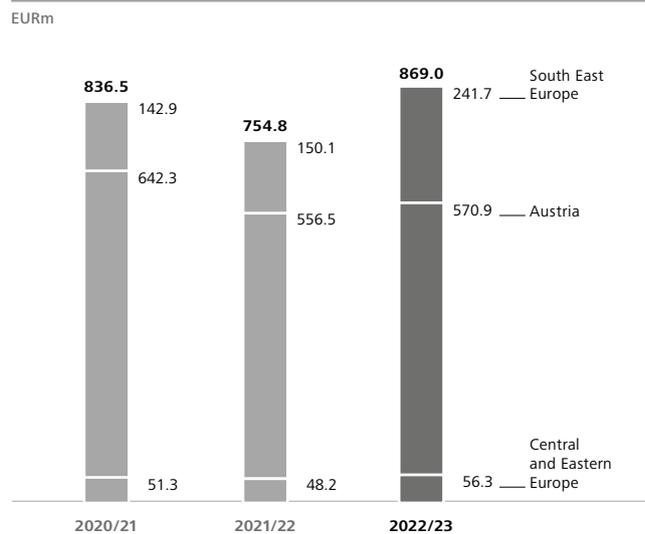
Financial results improved to EUR 127.6m in 2022/23 (previous year: EUR -30.5m) and were influenced, above all, by an increase in the dividend from Verbund AG to EUR 3.60 per share for the 2022 financial year (previous year: EUR 1.05 per share). In total, the earnings contribution from the Verbund investment equalled EUR 158.0m in 2022/23. Financial results were also supported by the better performance of the R138 fund and EVN's cash fund despite the increase in interest expense. In the previous year, financial results were negatively influenced by foreign exchange effects and the value adjustment to a loan extended to an equity accounted company in the international project business.

The result before income tax totalled EUR 656.2m in 2022/23 (previous year: EUR 301.2m). After the deduction of income tax expense – which increased to EUR 74.0m (previous year: EUR 64.0m) – and the earnings attributable to non-controlling interests, Group net result for the 2022/23 financial year equalled EUR 529.7m (previous year: EUR 209.6m).

Revenue by region



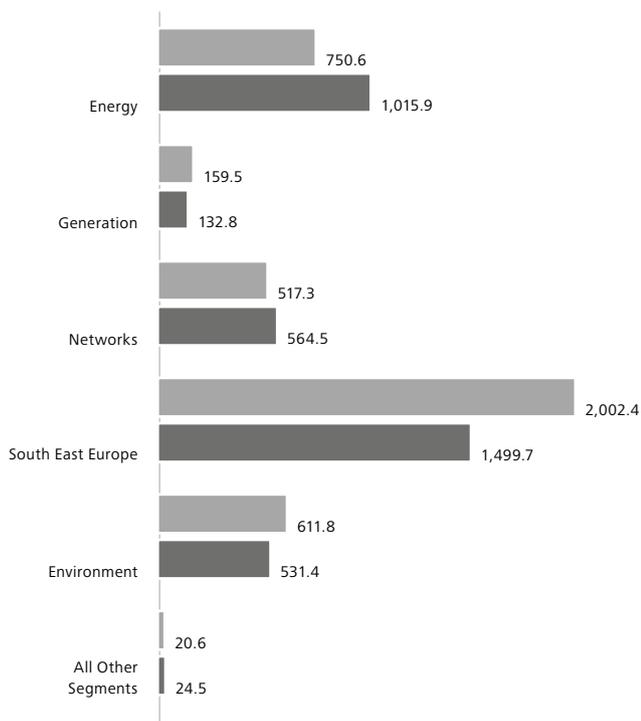
EBITDA by region



External revenue by segment

EURm

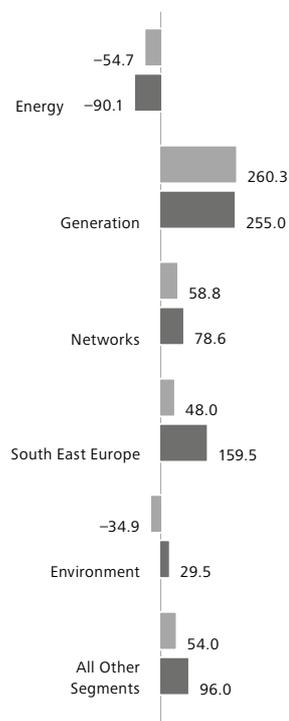
2021/22
2022/23



EBIT by segment

EURm

2021/22
2022/23



Statement of financial position

Asset and financial position

EVN's balance sheet total declined by 11.5% year-on-year to EUR 10,996.0m as of 30 September 2023.

The carrying amount of equity accounted investees fell sharply due to the valuation of hedges held by EVN KG and EnergieAllianz as well as the loss recorded by EVN KG for the reporting period. In addition, the market price of the Verbund share (EUR 77.05 as of 30 September 2023 versus EUR 87.45 as of 30 September 2022) was responsible for a decline in other investments. A contrasting factor was the increase in property, plant and equipment which resulted from the high level of investments. Non-current assets declined by 12.4% to EUR 9,380.9m.

Current assets were 6.0% lower at EUR 1,615.1m in 2022/23, whereby the high level of investments and capital commitment in

working capital led to a reduction in cash and cash equivalents. Inventories fell below the level of the previous year which resulted from the rapid rise in wholesale prices for natural gas and the build-up of additional strategic natural gas reserves to protect supply security. In contrast, an increase was recorded in the receivables due from EVN KG from loans granted by the EVN Group, in tax receivables and in the receivables from hedging transactions.

Equity totalled EUR 6,464.3m as of 30 September 2023 and was 11.7% lower than on 30 September 2022, even though the result after tax for the reporting period exceeded the dividend payment in February 2023 of EUR 0.52 per share for the 2021/22 financial year. This decline was based, above all, on valuation effects recorded directly in equity without recognition to profit or loss, in particular to equity accounted investees and to Verbund AG. These valuation effects are also reflected in the consolidated statement of comprehensive income, which reduced equity by a

Condensed consolidated statement of operations	2022/23	2021/22	+/-		2020/21
	EURm	EURm	Nominal	%	EURm
Revenue	3,768.7	4,062.2	-293.5	-7.2	2,394.9
Other operating income	127.5	109.5	18.0	16.4	250.1
Electricity purchases and primary energy expenses	-1,675.5	-2,278.2	602.7	26.5	-1,064.7
Cost of materials and services	-662.7	-707.1	44.3	6.3	-509.2
Personnel expenses	-419.2	-372.2	-47.0	-12.6	-361.3
Other operating expenses	-202.2	-158.4	-43.9	-27.7	-113.0
Share of results from equity accounted investees with operational nature	-67.6	98.9	-166.5	-	239.6
EBITDA	869.0	754.8	114.2	15.1	836.5
Depreciation and amortisation	-336.5	-318.0	-18.5	-5.8	-337.7
Effects from impairment tests	-3.9	-105.2	101.3	96.3	-112.4
Results from operating activities (EBIT)	528.5	331.6	196.9	59.4	386.4
Financial results	127.6	-30.5	158.1	-	-20.0
Result before income tax	656.2	301.2	355.0	-	366.4
Income tax	-74.0	-64.0	-10.0	-15.6	-14.7
Result for the period	582.1	237.1	345.0	-	351.7
thereof result attributable to EVN AG shareholders (Group net result)	529.7	209.6	320.1	-	325.3
thereof result attributable to non-controlling interests	52.4	27.5	-24.9	90.5	26.4
Earnings per share in EUR¹⁾	2.97	1.18	1.8	-	1.83

1) There is no difference between basic and diluted earnings per share.

total of EUR -737.1m in the reporting period (previous year: increased by EUR 895.4m). The equity ratio equalled 58.8% as of 30 September 2023 (30 September 2022: 58.9%).

Non-current liabilities declined by 10.4% to EUR 3,029.4m, chiefly due to the reduction in long-term tax liabilities which followed the lower valuation of equity accounted investees and the investment in Verbund AG. The development of non-current financial liabilities reflected the arrangement of four long-term bank loans at a total of EUR 255m, which was contrasted by the reclassification of bank loans (in total, EUR 200m) and the JPY bond (EUR 77.8m) to current financial liabilities. The new loans include a "green loan" with the European Investment Bank (EUR 110m), which has already been drawn down by an initial tranche of EUR 105m.

Current liabilities fell by 13.0% to EUR 1,502.2m. The main factors for this development included a lower balance of liabilities from derivative transactions and from the procurement of strategic gas reserves, both of which are recorded under other current liabilities. A decline was also recorded in investments by EVN KG in the EVN Group, which are recorded under other current liabilities.

Value analysis

The weighted average cost of capital (WACC) after tax – including EVN's specific company and country risks – was set at 5.0% for the purpose of corporate management. The operating return on capital employed (OpROCE) equalled 7.7% for the reporting year (previous year: 5.5%). The economic value added (EVA[®]) generated in 2022/23 totalled EUR 159.4m (previous year: EUR 29.3m).

Liquidity position

EVN's net debt including non-current employee-related provisions as of 30 September 2023 amounted to EUR 1,364.3m (previous year: EUR 1,245.1m). The gearing ratio increased from 17.0% to 21.1%.

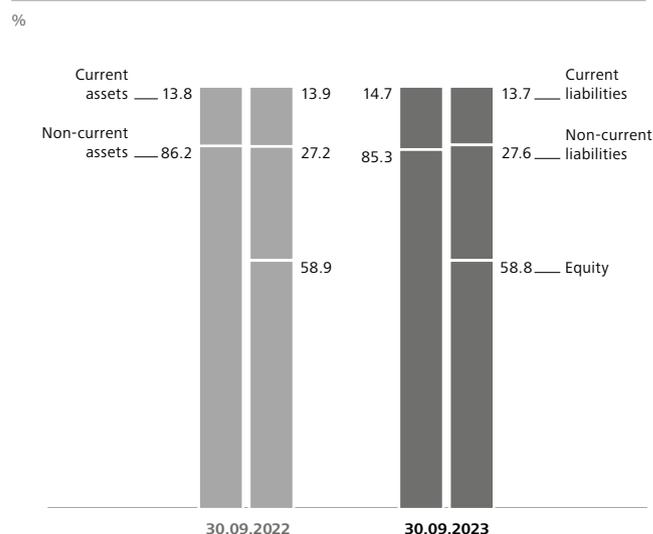
In order to safeguard its financial flexibility, the EVN Group holds a syndicated credit line of EUR 400.0m as well as contractually agreed bilateral credit commitments of EUR 286.0m. These bilateral commitments were not drawn as of 30 September 2023 and were therefore available in full. The term of the syndicated credit line which serves as a strategic liquidity reserve will end in May 2025. The remaining terms of the bilateral credit lines concluded with 13 banks range up to two years.

Statement of cash flows

Gross cash flow rose by 49.9% year-on-year to EUR 1,100.7m in 2022/23, chiefly due to the increase in EVN's result before tax. The development of the non-cash earnings components was characterised by the correction of the negative result from the equity accounted EVN KG. The increase was reduced by a reduction in the dividend payments from equity accounted investees and a year-on-year decline in impairment losses and the non-cash earnings components in financial results.

Cash flow from operating activities totalled EUR 942.4m and was negatively affected by working capital developments and by an increase in income tax payments over 2021/22 but still exceeded the prior year value of EUR 151.0m. Working capital was reduced, in part by the liquidity settlement with EVN KG which followed the capital increases. Other positive effects resulted from the lower capital commitment in the international project

Balance sheet structure



Condensed consolidated statement of financial position

	30.09.2023 EURm	30.09.2022 EURm	+/-		30.09.2021 EURm
			Nominal	%	
Assets					
Non-current assets					
Intangible assets and property, plant and equipment	4,496.9	4,071.3	425.6	10.5	3,908.6
Investments in equity accounted investees and other investments	4,658.8	6,422.0	-1,763.2	-27.5	5,607.0
Other non-current assets	225.2	218.7	6.5	3.0	257.0
	9,380.9	10,712.0	-1,331.1	-12.4	9,772.6
Current assets	1,615.1	1,718.5	-103.4	-6.0	1,367.1
Total assets	10,996.0	12,430.5	-1,434.5	-11.5	11,139.8
Equity and liabilities					
Equity					
Issued capital and reserves attributable to shareholders of EVN AG	6,165.4	7,047.8	-882.4	-12.5	6,281.2
Non-controlling interests	298.9	273.3	25.6	9.4	263.2
	6,464.3	7,321.1	-856.8	-11.7	6,544.3
Non-current liabilities					
Non-current loans and borrowings	1,103.5	1,150.8	-47.3	-4.1	718.9
Deferred tax liabilities and non-current provisions	1,153.7	1,463.0	-309.3	-21.1	1,480.8
Deferred income from network subsidies and other non-current liabilities	772.3	769.0	3.3	0.4	738.2
	3,029.4	3,382.8	-353.4	-10.4	2,937.9
Current liabilities					
Current loans and borrowings	343.2	377.4	-34.3	-9.1	318.0
Other current liabilities	1,159.0	1,349.1	-190.1	-14.1	1,339.6
	1,502.2	1,726.5	-224.4	-13.0	1,657.6
Total equity and liabilities	10,996.0	12,430.5	-1,434.5	-11.5	11,139.8

Value analysis

		2022/23	2021/22	+/- %	2020/21
Average equity	EURm	6,892.7	6,932.7	-0.6	5,543.8
WACC after income tax ¹⁾²⁾	%	5.0	5.0	0.0	5.5
Operating ROCE (OpROCE) ¹⁾³⁾	%	7.7	5.5	2.1	6.5
Average capital employed ³⁾	EURm	5,998.9	5,683.2	5.6	4,842.5
Net operating profit after tax (NOPAT) ³⁾	EURm	459.4	313.4	46.6	312.8
EVA [®]	EURm	159.4	29.3	-	46.4

1) Changes reported in percentage points

2) The WACC given is used for the purpose of corporate management.

3) Adjusted for impairment losses and one-off effects. The market value of the investment in Verbund AG is not included in capital employed in order to consistently determine the value contribution.

business which reflected the good progress on WTE's Kuwait project and from a reduction in natural gas inventories. However, working capital was increased by higher receivables from taxes and from hedges.

Cash flow from investing activities totalled EUR -929.0m (previous year: EUR -336.7m) and was influenced mainly by the significant increase in investments and by capital contributions to EVN KG. Investments were again made in the cash funds included under current financial investments during the fourth quarter of 2022/23, following the gradual reduction of these holdings in the previous quarters and prior year. A contrasting factor was the increase in network subsidies that accompanied the higher volume of network investments.

Cash flow from financing activities amounted to EUR 1.6m (previous year: EUR 115.8m). It includes the dividend payments to the shareholders of EVN AG and to non-controlling interests as well as the scheduled repayment of financial liabilities and the arrangement of four long-term bank loans with a combined balance of EUR 255m.

Cash flow totalled EUR 14.9m in 2022/23, and cash and cash equivalents equalled EUR 20.2m as of 30 September 2023. EVN AG also had contractually agreed, undrawn credit lines of EUR 686m at its disposal at the end of the reporting year to service potential short-term financing requirements.

Capital structure indicators

	30.09.2023	30.09.2022	+/-		30.09.2021
	EURm	EURm	Nominal	%	EURm
Non-current loans and borrowings and leasing liabilities	1,174.8	1,206.1	-31.4	-2.6	773.9
Current loans and borrowings ¹⁾	302.0	128.8	173.2	-	323.4
Cash and cash equivalents	-20.2	-36.9	16.7	45.3	-122.3
Non-current and current securities	-337.5	-285.6	-51.9	-18.2	-473.5
Non-current and current loans receivable	-29.5	-29.4	-0.1	-0.3	-39.6
Financial net debt	1,089.7	983.1	106.6	10.8	461.9
Net debt	1,364.3	1,245.1	119.3	9.6	813.8
Equity	6,464.3	7,321.1	-856.8	-11.7	6,544.3
Gearing (%)²⁾	21.1	17.0	4.1	4.1	12.4

1) Excluding bank overdrafts contained in cash and cash equivalents

2) Changes reported in percentage points

Investments

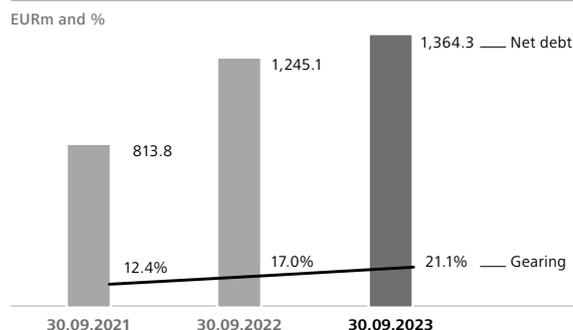
Capital expenditure was substantially higher than the previous year at EUR 694.1m in 2022/23 (previous year: EUR 564.0m). This increase was based on the Strategy 2030 which sets the focal points for EVN's investments in network infrastructure, renewable generation, natural heat and drinking water.

Investments in the Energy Segment included the completion of the new biomass combined heat and power plant in Krems and, above all, equipment and network expansion measures in the heating business. In the energy services business, investments in e-charging stations also increased.

In the Generation Segment, investments focused on the expansion of renewable generation and included wind power projects as well as large-scale photovoltaic equipment in Lower Austria.

Investments in the Lower Austrian network infrastructure continue to increase. EVN's projects in this area make a key contribution to the transformation towards a CO₂-neutral energy system because the continuous expansion of the networks at all voltage levels together with the construction and/or expansion of transformer

Net debt and gearing



For additional information on the composition and terms of non-current financial liabilities, see page 248f

stations and substations represent the basic requirements to feed the growing electricity production from renewable sources into the energy system. Other investments in this segment included the kabelplus telecommunication network and also increased over the previous year.

Condensed consolidated statement of cash flows	2022/23	2021/22	+/-		2020/21
	EURm	EURm	Nominal	%	EURm
Result before income tax	656.2	301.2	355.0	-	366.4
Non-cash items	444.5	433.2	11.4	2.6	395.8
Gross cash flow	1,000.7	734.3	366.4	49.9	762.3
Changes in current and non-current balance sheet items	-109.5	-556.7	447.2	80.3	94.4
Income tax paid	-48.9	-26.6	-22.2	-83.4	-67.0
Net cash flow from operating activities	942.4	151.0	791.4	-	789.6
Changes in intangible assets and property, plant and equipment incl. deferred income from network subsidies	-570.4	-477.4	-93.0	-19.5	-605.9
Changes in financial assets and other non-current assets	-333.6	-50.7	-282.9	-	-0.3
Changes in current securities	-25.1	191.5	-216.5	-	-148.1
Net cash flow from investing activities	-929.0	-336.7	-592.4	-	-754.3
Net cash flow from financing activities	1.6	115.8	-114.3	-98.6	-53.0
Net change in cash and cash equivalents	14.9	-69.8	84.8	-	-17.7
Cash and cash equivalents at the beginning of the period	36.9	122.3	-85.3	-69.8	140.0
Currency translation differences on cash and cash equivalents	-31.7	-15.5	-16.2	-	0.0
Cash and cash equivalents at the end of the period	20.2	36.9	-16.7	-45.3	122.3

Investment priorities ¹⁾	2022/23	2021/22	+/-		2020/21
	EURm	EURm	Nominal	%	EURm
Energy	61.5	41.7	19.8	47.5	20.5
Generation	117.2	56.0	61.2	–	24.6
thereof renewable energy Lower Austria	100.9	43.1	57.8	–	18.9
thereof thermal power plants	15.5	10.3	5.2	50.4	5.6
Networks	356.0	334.3	21.7	6.5	249.0
thereof electricity networks	277.9	267.4	10.5	3.9	196.0
thereof natural gas networks	48.7	43.3	5.4	12.5	31.3
thereof cable TV and telecommunications networks	29.5	25.3	4.2	16.4	21.7
South East Europe	135.5	110.0	25.5	23.2	100.4
Environment	22.0	19.9	2.1	10.8	20.5
thereof cross-regional supply pipelines and local networks for drinking water	19.9	18.8	1.1	5.7	18.9
All Other Segments	1.8	2.1	–0.3	–13.0	0.1
Total	694.1	564.0	130.0	23.1	415.0

1) After consolidation

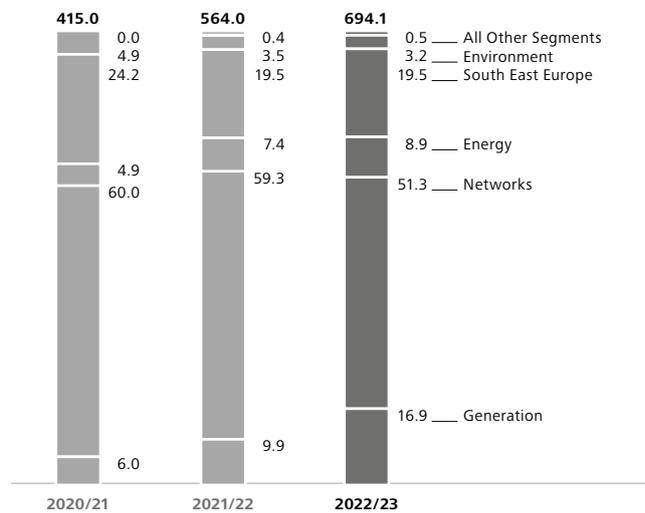
△ GRI indicator: GRI 203-1

EVN’s investments in South East Europe involved network investments to guarantee supply security and, among others, the construction of further large-scale photovoltaic plants in North Macedonia.

In line with its corporate strategy, EVN also sets focal points for its investments in the Environment Segment – namely the improvement of supply security and quality of drinking water in Lower Austria. The focus here is on the expansion of cross-regional supply pipelines.

Structure of investments

%, total in EURm



Innovation, research and development

The areas of activity in the EVN materiality matrix also define the framework for innovation, research and development activities. Projects are directed primarily to safeguarding supply security, protecting the environment and resources, and strengthening the company's competitive position. The overriding criterion for all projects is to provide a concrete benefit for customers.

In 2022/23 EVN spent approximately EUR 4.0m (previous year: approximately EUR 2.6m) on innovation, research and development projects. Public subsidies were received for these projects and represent a subsidy quota of 2.8%.

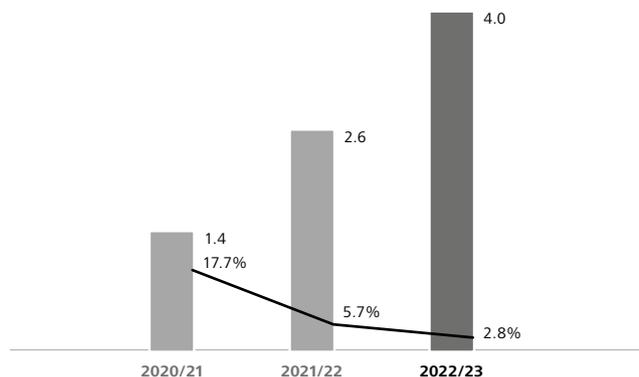
An important focal point for EVN's innovation activities during the reporting year was formed by storage solutions that will allow surplus renewable production to be used in periods with lower energy generation from renewable sources. This challenge must be solved, particularly from a seasonal viewpoint, to design a CO₂-free energy system. Electricity generation from wind power and photovoltaics now frequently exceeds demand during the summer half-year due to the expansion of capacity, but low water, wind and sun periods in Central Europe – above all during the

winter half-year – can create challenging situations for supply security. In light of these developments, EVN is working, for example as a project partner with RAG, on a pilot plant that will use solar energy to operate electrolysis equipment. The resulting green hydrogen will be stored in an idle RAG natural gas storage facility and can be used during the winter to generate emission-free electricity and heat. In other projects, EVN is testing the possibility to use surplus production from renewable sources for sector integration purposes or for the substitution of thermal generation. One example is the pilot hybrid storage facility in Theiss, which combines heat storage equipment with a 5 MW storage battery and photovoltaics.

Other EVN research projects involve innovative approaches to increasingly utilise flexibilities from various customers and smaller electricity producers to adjust the demand for energy over time in a manner that prevents demand peaks and makes it possible to cover requirements with the available renewable energy. Contributions in this area are made by CyberGrid, a subsidiary acquired by EVN in 2022, which offers special IT solutions for the flexibility management of electricity networks as well as individual projects (e.g. for the bi-directional charging of e-vehicles) within the framework of the Green Energy Lab, an interdisciplinary innovation laboratory.

Expenditures for innovation, research and development projects and share of subsidies¹⁾

EURm and %



- Share of subsidies
- Expenditures for innovation, research and development projects

1) Share of subsidies in total expenditure for innovation, research and development projects

Risk management

Definition of risk

The EVN Group defines risk as the potential deviation from planned corporate targets and objectives.

Risk management process

The primary goal of risk management is to protect current and future earnings and cash flows through the active identification and control of risk. As part of this process, a centrally organised corporate risk management department provides the decentralised risk managers with effective methods and tools for identifying and assessing risks. The responsible business units communicate their risk exposures to corporate risk management, which defines suitable actions to minimise these risks. The necessary actions are then implemented by the individual business units. The corporate risk management department is also responsible for analysing EVN's risk exposure. The risks related to sustainability, climate and compliance issues are identified annually and managed by specialised organisational units and/or processes in agreement with central risk management. EVN's risk management process includes the following steps:

- **Identification:** The survey and/or revision of risks based on the latest risk inventory (review of risk inventory) and the identification of new risk positions and appropriate risk management countermeasures
- **Assessment and analysis:** The qualitative and quantitative evaluation of the identified risks; the aggregation of risks from different points of view; and the modelling of earnings and cash flow distributions
- **Reporting:** Discussion and evaluation of the risk profile by the Risk Working Committee and the Group Risk Committee; the implementation of further risk management measures where necessary; reporting on risk issues to the Audit Committee
- **Process review:** Definition of the organisational units that must submit to an explicit risk assessment; regular reviews to determine whether the methods used to identify and assess risks should be modified to reflect changed conditions; routine reviews by the internal audit department

Responsibilities of the Risk Working Committee

The Risk Working Committee supports the corporate risk management department in the correct implementation of the risk management process. It evaluates and approves changes in risk (assessment) methods and defines the type and scope of risk reporting. The voting members of the committee at the corporate level include the heads of the following corporate functions: controlling,

legal and public affairs, finance, accounting, internal audit and the chief compliance officer (CCO) as well as an (internal) energy industry expert.

Group Risk Committee and control

The results of the risk inventory and the related reports are presented to and discussed by the Group Risk Committee, which consists of the Executive Board of EVN AG, the heads of the organisational units and the members of the Risk Working Committee. The Group Risk Committee decides on any need for action, can establish working groups and assign specified tasks, and is authorised to approve the results of the risk inventory (risk reports).

△ GRI indicator: GRI 2-12

Risk profile

In addition to the normal industry risks and uncertainties, EVN's risk profile is influenced primarily by political, legal and regulatory challenges and changes in the competitive environment. EVN carries out an annual risk inventory that is updated as needed through ad-hoc risk reports. This inventory includes the following categorisation of risks: market and competition risks, financial risks, operating risks, external risks, strategic and planning risks and other risks. These are largely assessed in terms of their financial impact on the EVN Group. The following table shows the risks classified under the above categories and the measures designated for their minimisation.

In line with the Sustainability and Diversity Improvement Act, the risk inventory aims to systematically identify potential risks and effects of EVN's business activities and business relations on areas of environmental, social and employee-related issues, the observance of human rights and the fight against corruption. The identified risks and their impact were dealt with in accordance with the steps defined by the risk management process.

□ For the material impacts, see page 21ff

Potential climate risks

EVN also places high priority on climate protection, and potential climate risks are therefore identified as part of the risk inventory. Climate risk is consciously not defined as a separate risk category but – wherever applicable – represents interdisciplinary material in the individual risk categories. A differentiation is made between transition risks and physical risks: Transition risks include the uncertainties which arise during the transition to a renewable energy system. Physical risks, in contrast, involve events and changes caused directly by climatic factors.

Continued on page 180 →

EVN's major risks and opportunities as well as related risk mitigation measures

Risk/opportunity category	Description	Risk mitigation measure
Market and competition risks/opportunities		
Profit margin risk/opportunity (price and volume effects)	<p>Energy sales and production: failure to meet profit margin targets</p> <ul style="list-style-type: none"> → Procurement and selling prices (esp. for energy carriers) that are volatile and/or deviate from forecasts → Weaker demand (above all due to weather/ climate change, politics, reputation or competition) → Decline in own generation → Reduced project volume in the environmental services business (in particular due to market saturation, limited resources for infrastructure projects, non-inclusion in or failure to win tenders) <p>Potential climate risk</p>	Procurement strategy tailored to the market environment; hedging strategies; diversification of customer segments and business areas; product portfolio that reflects customer demands; longer-term sale of power plant capacity
Supplier risk	Cost overruns on planned projects; incomplete performance of contracted services or failure to meet contract obligations	Partnerships; contractual controls wherever possible; third party expert opinions
Financial risks/opportunities		
Foreign currency risks	Transaction risks (foreign exchange losses) and translation risks on the conversion of foreign currency amounts in the consolidated financial statements; financing for Group companies that does not reflect the respective foreign exchange situation	Monitoring; limits; hedging instruments
Liquidity, cash flow and financing risk	Failure to repay liabilities on schedule or to obtain the required liquidity/funds when needed at the expected conditions; potential climate risk	Long-term, centrally managed financial planning; safeguarding financing requirements (e. g. through credit lines)
Market price risks/opportunities	Decline in the value of investments (e. g. funds) and listed strategic holdings (e. g. Verbund AG, Burgenland Holding); potential climate risk	Monitoring of loss potential via daily value-at-risk calculations; investment guidelines
Counterparty/credit risks (default risks)	Complete or partial failure of a business partner or customer to provide the agreed performance	Contractual construction; credit monitoring and credit limit systems; regular monitoring of customer behaviour; hedging instruments; insurance; systematic diversification of business partners
Investment risks	Failure of a core subsidiary or holding company to meet profit targets; potential climate risk	Representation on corporate bodies of the respective company
Rating changes	Higher refinancing costs due to rating downgrades; potential climate risk	Ensuring compliance with key financial indicators
Interest rate risks	Changes in market rates; increase in interest expense; negative effects of low interest rates on the valuation of assets and provisions and on future tariffs	Use of hedging instruments; fixed interest rates in financing contracts

EVN's major risks and opportunities as well as related risk mitigation measures

Risk/opportunity category	Description	Risk mitigation measure
Impairment risks	Recognition of impairment losses to receivables, goodwill, investments, generation equipment and other assets (profitability/value significantly dependent on electricity and primary energy prices and energy sector framework conditions); potential climate risk	Monitoring via sensitivity analyses
Guarantee risk	Financial loss due to claim of contingent liabilities; potential climate risk	Limit volume of guarantees as far as possible; routine monitoring
Strategy and planning risks		
Technology risk	Late identification of and reaction to new technologies (delayed investments) or to changes in customer needs; investments in "wrong" technologies; potential climate risk	Active participation in external research projects; own demonstration facilities and pilot projects; ongoing adjustments to keep technologies at the latest level
Planning risk	Model risks; incorrect or incomplete assumptions; lost opportunities	Feasibility studies by experienced, highly qualified employees; monitoring of parameters and regular updates; four-eyes principle
Organisational risks	Inefficient or ineffective processes and interfaces; duplication; potential climate risk	Process management; documentation; internal control system (ICS)
Operating risks		
Infrastructure risks	Incorrect design and use of technical facilities; potential climate risk	Elimination of technical weaknesses; regular inspections and reviews of current and planned infrastructure
Service disruptions/network breakdowns (own and third party), accidents	Supply interruptions; physical danger to persons or infrastructure through explosions/accidents; potential climate risk	Technical upgrading at interfaces of the different networks; expansion and maintenance of network capacity
IT/security risks (incl. cybersecurity)	System losses; data loss or unintended transfer; hacker attacks	Strict system and risk monitoring (internal control system); backup systems; technical maintenance; external audits; occupational safety and health measures; crisis training
Workforce risks	Loss of highly qualified employees; absence due to work accidents; surplus or shortfall of personnel; communication problems; cultural barriers; fraud; intentional or unintentional misrepresentations of transactions or items in the annual financial statements	Attractive work environment; occupational health care and safety measures; flexible working time models; training; events for employees for the exchange of information and networking purposes; internal control system (ICS)
External risks/opportunities		
Legislative, regulatory and political risks/opportunities	Change in political and legal parameters and/or the regulatory environment (e. g. environmental laws, changes in the legal framework, shifting subsidy scheme, market liberalisation in South East Europe); political and economic instability; network operations: non-inclusion of actual operating costs in the network tariffs established by regulatory authority; potential climate risk	Cooperation with interest groups, associations and government agencies on a regional, national and international level; appropriate documentation and service charges

EVN's major risks and opportunities as well as related risk mitigation measures

Risk/opportunity category	Description	Risk mitigation measure
Legal and litigation risks	Non-compliance with contracts; litigation risk from various lawsuits; regulatory and supervisory audits	Representation in local, regional, national and EU-wide interest groups; legal consulting
Social and general economic environment	Macroeconomic developments; debt/financial crisis; stagnating or declining purchasing power; rising unemployment; potential climate risk	Best possible utilisation of (anti-)cyclical optimisation potential
Contract risks	Failure to identify legal, economic or technical problems; contract risks under financing agreements	Extensive legal due diligence; involvement of external experts/legal advisors; contract database and ongoing monitoring
Other risks		
Granting of undue advantages, non-compliance, data protection incidents	Distribution of confidential internal information to third parties and the granting of undue advantages/corruption; violation of regulations for the protection of personal data	Internal control systems; uniform guidelines and standards; Code of Conduct; compliance organisation
Project risk	Cost overruns on the construction of new capacity; potential climate risk	Contractual agreement on economic parameters
Co-investment risk	Risks related to the implementation of major projects jointly with partners; potential climate risk	Contractual safeguards; efficient project management
Sabotage	Sabotage, e.g. to natural gas lines, wastewater treatment plants or waste incineration plants	Suitable security measures; regular measurement of water quality and emissions
Image risk	Reputational damage; potential climate risk	Transparent and proactive communications; sustainable management

→ Continued from page 177

Following are several examples that illustrate the allocation of potential climate risks to EVN's risk categories:

- Weaker demand due to a mild winter: physical risk that is assigned to the category "profit margin risk"
- Decline in electricity production due to a climate-related drop in water flows: physical risk that is assigned to the category "profit margin risk"
- Damage caused by extreme weather: physical risk that is assigned to the category "service disruptions/network breakdowns"
- Change in environmental regulations: transition risk that is assigned to the category "external risks"; stricter requirements could possibly lead to additional costs

- Additional stress for the electricity network due to the ongoing expansion of substantially more volatile renewable generation: transition risk that is assigned to the category "operating risks" ("service disruptions/network breakdowns")

Risk and opportunity analysis for 2022/23

In view of the geopolitical crises during the past two years and the resulting distortions on energy markets, EVN also monitored risk developments in the Group throughout the reporting period. Ad-hoc analyses were not required in 2022/23 but the assessment of the major risks with a potentially high impact was updated at the end of the first half-year. A report on these risks and their effects was also presented to the Audit Committee of EVN's Supervisory Board.

The following issues were identified as the major uncertainties with the potentially highest effects and analysed in particular detail in connection with the risk inventory carried out as of 30 September 2023 (excerpt):

- Margin risk and competitive situation
- Inflation-related increase in procurement costs for investments and maintenance
- Completion risk for major international projects in the environmental business
- Cybersecurity

EVN's risk profile is influenced primarily by common industry risks and uncertainties and, in particular, by political, legal and regulatory challenges and changes. All these aspects are categorised as part of EVN's risk management process.

Overall risk profile

In addition to the uncertainties connected with the areas of business and operations outside Austria, EVN continues to be confronted with a challenging environment in its home market of Lower Austria. In the 2022/23 financial year, however, the uncertainties decreased. The overall risk profile of EVN is trending downwards, but not yet to pre-crisis levels. To conclude, no future risks can be identified at the present time that could endanger the continued existence of the EVN Group.

The table on the pages 178 to 180 provides a summary of the material risks and uncertainties to which the EVN Group is exposed. For the first time, this table also includes opportunities for certain categories, if applicable.

Key features of the internal control and risk management system related to accounting processes

In accordance with § 267 (3b) and in connection with § 243a (2) of the Austrian Commercial Code, those companies whose shares are admitted for trading on a regulated market are required to disclose the key features of their internal control and risk management system for corporate accounting processes in the management report. The Executive Board is responsible for establishing a suitable internal control and risk management system (ICS) for accounting processes as defined in § 82 of the Austrian Stock Corporation Act. The effectiveness of the ICS must be monitored by the Audit Committee in accordance with § 92 (4a) no. 4b of the Austrian Stock Corporation Act.

EVN's ICS for accounting processes is monitored at regular intervals by auditing the processes that are considered to be exposed to risk. The results of these monitoring activities are reported to

the Executive Board and the Audit Committee. The ICS ensures clear lines of responsibility and eliminates unnecessary process steps, and thereby further improves the security of processes for the preparation of financial statements. The description of the major features of the ICS covers five interrelated components: control environment, risk assessment, control activities, information and communication, and monitoring.

Control environment

The Code of Conduct issued by EVN and the underlying values apply to all Group employees.

○ EVN's Code of Conduct is available under www.evn.at/code-of-conduct

The consolidated financial statements are prepared by Group accounting. The related processes are based on a uniform accounting guideline that defines the accounting policies to be applied as well as key processes and schedules for the entire Group. Binding instructions apply to the reconciliation of intra-group accounts and other work required for the preparation of the consolidated financial statements. All employees involved in the accounting process have the necessary qualifications and undergo regular training. Complex actuarial opinions and valuations are prepared by external experts or specially qualified employees. The managers responsible for the specific processes – in general, the heads of the organisational units and corporate services – are responsible for compliance with these processes and the related control measures.

Risk assessment and control activities

Multi-stage control measures have been implemented to prevent material misstatements in the presentation of transactions in order to ensure that the individual financial statements of all subsidiaries are recorded correctly. These measures include automated controls that are executed by the consolidation software as well as manual controls by the involved corporate services. These corporate service departments carry out extensive plausibility checks of the individual subsidiaries' financial statements to ensure their correct transfer to the consolidated financial statements. The review of the financial statement data includes analyses at the position, segment and Group levels, both before and after consolidation. The consolidated financial statements are not released until these quality controls are complete at all levels.

EVN AG and the major domestic and foreign subsidiaries use SAP software (FI module, finance and accounting) for their accounting. The IFRS consolidated financial statements are prepared with the Hyperion Financial Management software, whereby the data from

the individual financial statements of the consolidated companies are transferred by means of an interface. The accounting systems and all upstream systems are protected by restricted access as well as automated and mandatory manual control steps.

The ICS for financial reporting and all accounting-related processes are reviewed by the auditor at least once each year to verify compliance with the required controls, to evaluate any risk incidents that occurred during the financial year and to determine whether the controls are still suitable to deal with the existing risks. In the reporting period, a number of process adjustments and improvements were made as part of the continuous efforts to further develop the ICS for financial reporting.

Information, communication and monitoring

The Executive Board provides the Supervisory Board with quarterly reports on EVN's asset, financial and earnings position, together with a statement of financial position and a statement of operations. The Executive Board and the Audit Committee also receive a report on the ICS for financial accounting twice each year, which contains basic information to evaluate the efficiency and effectiveness of the ICS and is designed to support the management of the ICS by the responsible corporate bodies. The report is prepared by ICS management in cooperation with the ICS Committee based on information supplied by the managers responsible for ICS, the persons who carried out the controls and the auditors.

This information is also distributed to management and key personnel in the involved companies to facilitate monitoring and control activities and thereby ensure the accuracy of accounting and reporting procedures. EVN's internal audit department carries

out regular reviews of the ICS for financial accounting, and their findings are also included in the continuous improvement of this system.

△ GRI indicators: GRI 2-12, GRI 2-16

Consolidated non-financial report

The consolidated non-financial statement required by the Austrian Sustainability and Diversity Improvement Act was prepared in accordance with § 267a of the Austrian Commercial Code and is presented as an independent non-financial report.

□ See page 1ff

Disclosures required by § 243a of the Austrian Commercial Code

1. The share capital of EVN AG totalled EUR 330,000,000 as of 30 September 2023 and was divided into 179,878,402 zero par value bearer shares, each of which represents an equal stake in share capital. Shareholders are not entitled to the issue of individual share certificates. There is only one class of shares, and all shares carry the same rights and responsibilities. EVN AG shares are traded in the Prime Market segment of the Vienna Stock Exchange.

2. There are no restrictions on voting rights or agreements limiting the transfer of shares which exceed the general requirements of the Austrian Stock Corporation Act. However, it should be noted that the transferability of the investment owned by the province of Lower Austria, which holds its shares through NÖ Landes-Beteiligungsholding GmbH, St. Pölten, is limited by Austrian federal and provincial constitutional law.

NÖ Landes-Beteiligungsholding GmbH (“NLH”) and Wiener Stadtwerke GmbH (“WSTW”) established a tax participation association on 23 September 2021, for which they concluded an “agreement over the creation of a tax participation association for their investments in EVN AG”. This contract basically calls for the syndicated exercise of voting rights by NLH and WSTW in the Annual General Meetings of EVN but reflects only the voting weight in the Annual General Meeting based on the respective investments held by NLH and WSTW and in accordance with legal regulations and/or the articles of association (NLH continues to hold a simple – but not qualified – majority and WSTW continues to hold a blocking minority).

3. Based on the above-mentioned constitutional requirements, the province of Lower Austria is the major shareholder of EVN with a stake of 51.0%. The second largest shareholder is Wiener Stadtwerke GmbH, Vienna, with a stake of 28.4%; this company is wholly owned by the city of Vienna. As of 30 September 2023, EVN held treasury shares representing 0.9% of share capital and free float equalled 19.7%.

4. EVN has not issued any shares with special control rights.

5. Employees who own shares in EVN may exercise their voting rights personally at the Annual General Meeting. EVN does not have a stock option programme.

6. The Executive Board consists of at least two members. The Supervisory Board has a minimum of eight and a maximum of 12 members. Unless another majority is required by law, the Annual General Meeting passes its resolutions with a simple majority of the votes cast or with a majority of the capital represented in cases requiring a majority of capital.

7. There were no authorisations as defined by § 243a (1) no. 7 of the Austrian Commercial Code in effect during the 2022/23 financial year which entitled the Executive Board, in particular, to issue the company’s shares. However, the possibility of issuing previously repurchased treasury shares to employees remains intact.

8. A change of control in EVN in the sense of § 243a (1) no. 8 of the Austrian Commercial Code is currently not possible because of the legal regulations described above under points 2. and 3. Therefore, there are no possible consequences of a change of control.

9. There are no agreements to provide compensation to the members of corporate bodies or employees in the event of a public takeover.

Outlook on the 2023/24 financial year

Following the new historical level of investments reached during the past financial year, annual investments will range from EUR 700m to EUR 900m up to 2030, whereby three-fourths will focus on Lower Austria. That makes EVN one of the key players in the design of a CO₂-free energy future. The necessary foundation is formed by a high-performance electricity network infrastructure and, consequently, up to EUR 450m will be directed to this area each year. These investments will safeguard Lower Austria's leading position in renewable generation because an efficient and stable network is the basic condition for integrating the electricity generated by the wind, sun and water in the energy system. Marketable solutions must also be found to utilise the surplus production from renewable generation across multiple sectors or – even more decisive for the success of a year-round CO₂-free energy future – to be stored over several seasons. We will continue to address this essential future issue as part of our innovation activities and work to develop solutions, for example together with RAG, through promising projects.

The expansion of our own renewable generation capacity has also reached a historically high level. In addition to the construction of wind parks, the realisation of large-scale photovoltaic plants has increased rapidly. Our installed photovoltaic capacity will double to roughly 80 MWp in the first quarter of 2023/24 with the commissioning of plants in Dürnröhr and North Macedonia – an important step to reach the goal of 300 MWp for photovoltaics by 2030. In the wind power field, a pipeline of projects in different phases of completion in Lower Austria will help us meet our expansion goal of over 770 MW by 2030.

The crisis that has influenced the international energy markets for the past two years has, at times, triggered unexpected and erratic price fluctuations. This has led to an enormous burden not only for our customers, but also for the profitability of our energy supply business. We expect a return to positive earnings in 2023/24 after spot and futures prices gradually decline.

In South East Europe, the sharp rise in electricity prices also created significant challenges in the various market segments. Regulatory measures, for example as compensation for the additional costs for covering network losses, had positive anticipatory effects that will be offset in 2023/24 in accordance with the regulatory mechanism.

We initiated a structured bidder process for the international project business in September 2023. Its goal is to identify potential new investors for WTE who can support the realisation of the future international project and growth potential that is offered, above all by the successful project in Kuwait.

For the 2023/24 financial year, EVN expects Group net result within a range of roughly EUR 420m to EUR 460m – under the assumption of a stable regulatory and energy policy environment.

EVN's future dividend policy has also been revised to reflect the investment and growth perspectives up to 2030 and beyond. The dividend will equal at least EUR 0.82 per share in the future, whereby EVN wants its shareholders to appropriately participate in any additional earnings growth. In the mid term, a payout ratio equalling 40% of Group net result, adjusted for extraordinary effects, is targeted.

These future perspectives underscore EVN's responsibility to remain a reliable operator of energy and drinking water infrastructure. At the same time, EVN also offers attractive opportunities for the capital market.

Maria Enzersdorf, 21 November 2023



Stefan Szyszkowitz

Spokesman of the Executive Board



Franz Mittermayer

Member of the Executive Board

Segment report

Overview

EVN's corporate structure comprises six reportable segments. In accordance with IFRS 8 "Operating Segments", they are differentiated and defined solely on the basis of the internal

organisational and reporting structure. Business activities which cannot be reported separately because they are below the quantitative thresholds are aggregated under "All Other Segments".

Business areas	Segments	Major activities
Energy business	Energy	<ul style="list-style-type: none"> → Marketing of electricity produced in the Generation Segment → Procurement of electricity, natural gas and primary energy carriers → Trading with and sale of electricity and natural gas to end customers and on wholesale markets → Production and sale of heat → 45.0% investment in EnergieAllianz¹⁾ → Investment as sole limited partner in EVN KG¹⁾
	Generation	<ul style="list-style-type: none"> → Generation of electricity from renewable energy sources as well as thermal production capacities for network stability at Austrian and international locations → Operation of a thermal waste utilisation plant in Lower Austria → 13.0% investment in Verbund Innkraftwerke (Germany)¹⁾ → 49.99% investment in Ashta run-of-river power plant (Albania)¹⁾
	Networks	<ul style="list-style-type: none"> → Operation of distribution networks and network infrastructure for electricity and natural gas in Lower Austria → Cable TV and telecommunication services in Lower Austria and Burgenland
	South East Europe	<ul style="list-style-type: none"> → Operation of distribution networks and network infrastructure for electricity in Bulgaria and North Macedonia → Sale of electricity to end customers in Bulgaria and North Macedonia → Generation of electricity from hydropower and photovoltaics in North Macedonia → Generation, distribution and sale of heat in Bulgaria → Construction and operation of natural gas networks in Croatia → Energy trading for the entire region
Environmental services business	Environment	<ul style="list-style-type: none"> → Water supply and wastewater disposal in Lower Austria → International project business: planning, construction, financing and/or operation (depending on the project) of plants for drinking water supplies, wastewater treatment, thermal waste and sludge utilisation²⁾
Other business activities	All Other Segments	<ul style="list-style-type: none"> → 50.03% investment in RAG-Beteiligungs-Aktiengesellschaft, which holds 100% of the shares in RAG¹⁾ → 73.63% investment in Burgenland Holding, which holds a stake of 49.0% in Burgenland Energie¹⁾ → 12.63% investment in Verbund AG³⁾ → Corporate services

1) The earnings contribution represents the share of results from equity accounted investees with operational nature and is included in EBITDA.

2) A structured sales process was initiated for the international project business in September 2023.

3) Dividends are included under financial results.

Key energy business indicators	GWh	2022/23	2021/22	+/-		2020/21
				Nominal	%	
Electricity generation volumes		2,981	3,365	-384	-11.4	3,997
thereof renewable energy sources		2,295	2,248	48	2.1	2,283
thereof thermal energy sources		686	1,117	-431	-38.6	1,715
Network distribution volumes						
Electricity		21,483	23,092	-1,609	-7.0	23,257
Natural gas ¹⁾		12,454	15,877	-3,423	-21.6	16,184
Energy sales volumes to end customers						
Electricity		18,153	20,853	-2,700	-12.9	20,207
thereof Central and Western Europe ²⁾		7,551	8,662	-1,111	-12.8	8,717
thereof South East Europe		10,602	12,191	-1,590	-13.0	11,490
Natural gas		4,291	4,987	-696	-14.0	5,412
Heat		2,272	2,545	-273	-10.7	2,545
thereof Central and Western Europe ²⁾		2,096	2,328	-231	-9.9	2,342
thereof South East Europe		176	217	-41	-18.9	203

1) Incl. network distribution volumes to EVN power plants

2) Covers Austria and Germany

Energy

Highlights 2022/23

- Energy sales volumes below previous year
- Energy supply company EVN KG with significant loss for the period as forecasted
- EBITDA, EBIT and result before income tax below previous year

Development of energy sales volumes

EVN recorded a decline in sales volumes to end customers in all three product groups – electricity, natural gas and heat – during 2022/23. The main underlying factors included the milder weather, energy savings measures and an increase in customers' own energy generation from photovoltaic facilities as well as growing competition in the electricity and natural gas business. The electricity and natural gas sales volumes recorded by the equity accounted energy supply companies EVN KG and by EnergieAllianz fell by 12.8% to 7,551 GWh and by 14.1% to 4,155 GWh, respectively. EVN Wärme recorded a decline of 9.9% in sales volumes to 2,096 GWh.

Revenue development

Revenue in the Energy Segment, in contrast, rose by 35.5% to EUR 1,035.2m. This was primarily driven by valuation effects from

hedges, an increase in revenue from natural gas trading, price effects in the marketing of renewable electricity generation and higher sales prices in the heating business.

Operating expenses

Operating expenses increased by 7.9% to EUR 859.9m, chiefly due to the higher cost of energy purchases from third parties in connection with the marketing of EVN's renewable electricity production, higher procurement costs for biomass and inflationary effects. Operating expenses were reduced by valuation effects from hedges for primary energy carriers.

Results from equity accounted investees

The share of results from equity accounted investees – as already reported in the first quarter of 2022/23 and forecasted for the remainder of the year – was massively burdened by the energy supply company EVN KG and amounted to EUR -238.8m. In addition to higher procurement costs for energy, which can only be passed on to customers with a delay, the decline resulted chiefly from the lower valuation of hedges as of 30 September 2023 and additions to provisions for impending losses from contractual supply obligations.

Operating results

EBITDA in the Energy Segment amounted to EUR -63.6m in 2022/23 (previous year: EUR -26.7m). Depreciation and amortisation, including the effects from impairment testing, fell by

Key indicators – Energy ¹⁾				+/-		2020/21
		2022/23	2021/22	Nominal	%	
Key energy business indicators	GWh					
Energy sales to end customers						
Electricity sales volumes ²⁾		7,551	8,662	-1,111	-12.8	8,717
Natural gas sales volumes ²⁾		4,155	4,835	-681	-14.1	5,259
Heat sales volumes		2,096	2,328	-231	-9.9	2,342
Key financial indicators	EURm					
External revenue		1,015.9	750.6	265.2	35.3	300.9
Internal revenue		19.3	13.4	5.9	43.6	10.6
Total revenue		1,035.2	764.1	271.1	35.5	311.4
Operating expenses		-859.9	-797.1	-62.7	-7.9	-243.8
Share of results from equity accounted investees with operational nature		-238.8	6.4	-245.2	-	120.9
EBITDA		-63.6	-26.7	-36.9	-	188.6
Depreciation and amortisation including effects from impairment tests		-26.6	-28.0	1.4	5.0	-22.0
Results from operating activities (EBIT)		-90.1	-54.7	-35.5	-64.9	166.6
Financial results		-4.7	-2.7	-2.0	-75.2	-2.1
Result before income tax		-94.8	-57.3	-37.5	-65.4	164.5
Total assets		674.0	1,914.1	-1,240.2	-64.8	1,142.4
Total liabilities		464.2	993.3	-529.1	-53.3	604.3
Investments ³⁾		63.6	43.0	20.5	47.7	21.1

1) The comparative amounts for the 2020/21 financial year include the marketing of the electricity generated by the Walsum 10 power plant which was terminated as of 30 September 2021 following the sale of the 49% investment in STEAG-Walsum 10 Kraftwerksgesellschaft mbH and simultaneous cancellation of the electricity procurement contract for the Walsum 10 power plant.

2) Consists mainly of sales volumes from EVN KG and EnergieAllianz in Austria and Germany; the results from these two sales companies are included in EBITDA under the share of results from equity accounted investees with operational nature.

3) In intangible assets and property, plant and equipment

5.0% to EUR 26.6m. Included here are revaluations of EUR 1.6m and impairment losses of EUR 5.8m to district heating plants (previous year: no revaluations and EUR 6.8m of impairment losses). EBIT in this segment fell to EUR -90.1m (previous year: EUR -54.7m).

Financial results and result before income tax

Financial results declined to EUR -4.7m (previous year: EUR -2.7m), and the result before income tax for 2022/23 equalled EUR -94.8m (previous year: EUR -57.3m).

Investments

Investments in the Energy Segment rose to EUR 63.6m (previous year: EUR 43.0m) and focused primarily on the heating business. The main project involved a new biomass combined heat and power plant in Krems, which was commissioned in summer 2023. The energy services marketed by EVN also include increased investments in e-charging stations.

Outlook

The development of the Energy Segment is determined by the marketing of EVN's own electricity production, by heat sales from EVN Wärme and by the equity accounted energy supply business. Distortions on the wholesale markets had a significant negative impact on the energy supply business during the past two years. This market volatility was also responsible for high fluctuations in the valuation of hedges as of 30 September 2023 – with different effects on the marketing of EVN's own electricity production and the procurement of energy to fulfil end customer contracts.

In view of the gradual decline in spot and forward prices during recent months, the energy supply company EVN KG is expected to again generate positive earnings. EBIT in the Energy Segment should reflect the lower end of the EUR 45m to EUR 70m range in 2023/24, which was presented as a perspective for the years up to 2030 at the Capital Markets Day in 2023.

Generation

Highlights 2022/23

- Below average wind flows reduce renewable generation; reduced use of the Theiss power plant for network stabilisation
- Share of renewable generation: 77.0% (previous year: 66.8%)
- EBITDA above previous year
- Slight decline in EBIT, result before income tax nearly at previous year level
- Expansion of renewable generation capacity reaches historical high

Development of electricity generation

Electricity production in the Generation Segment fell by 14.4% year-on-year to 2,280 GWh in 2022/23. The increase in renewable electricity production from hydropower was able to offset the decline caused by clearly below-average wind flows. Positive volume effects for Verbund Innkraftwerke resulted from the marketing of the electricity generated by the recommissioned Jettenbach-Töging hydropower plant. Renewable generation rose by 1.3% over the previous year to 1,910 GWh. In contrast, thermal generation fell by more than half to 370 GWh following the reduced use of the Theiss power plant for network stabilisation by the Austrian transmission network operator.

Key indicators – Generation ¹⁾		2022/23	2021/22	+/-		2020/21
				Nominal	%	
Key energy business indicators	GWh					
Electricity generation volumes		2,280	2,662	-382	-14.4	3,314
thereof renewable energy sources		1,910	1,884	25	1.3	1,921
thereof thermal energy sources		370	778	-407	-52.4	1,393
Key financial indicators	EURm					
External revenue		132.8	159.5	-26.8	-16.8	127.1
Internal revenue		349.2	264.5	84.7	32.0	202.2
Total revenue		481.9	424.0	57.9	13.7	329.3
Operating expenses		-224.2	-141.9	-82.4	-58.1	-119.0
Share of results from equity accounted investees with operational nature		42.7	10.8	31.9	-	52.1
EBITDA		300.4	292.9	7.5	2.6	262.5
Depreciation and amortisation including effects from impairment tests		-45.4	-32.6	-12.8	-39.3	-80.3
Results from operating activities (EBIT)		255.0	260.3	-5.3	-2.0	182.2
Financial results		2.3	-2.4	4.7	-	-20.2
Result before income tax		257.3	257.9	-0.6	-0.2	162.0
Total assets		1,193.3	990.9	202.4	20.4	828.4
Total liabilities		442.4	398.0	44.4	11.2	411.3
Investments ²⁾		121.7	56.6	65.1	-	27.2

1) The comparative amounts for previous periods include the 49% investment in STEAG-Walsum 10 Kraftwerksgesellschaft mbH, which was accounted for as a joint operation. Following the sale of the investment and simultaneous termination of the electricity procurement contract for the Walsum 10 power plant, the investment was deconsolidated as of 30 September 2021.

2) In intangible assets and property, plant and equipment

Revenue development

Revenue in the Generation Segment rose by 13.7% to EUR 481.9m due to an increase in electricity prices in spite of the lower generation volumes. Other positive factors were the volume and price effects which resulted from the marketing of the higher electricity volumes produced by Verbund Innkraftwerke.

Operating expenses

Operating expenses rose by 58.1% to EUR 224.2m. Similar to the development of revenue, the marketing of the higher electricity production from Verbund Innkraftwerke led to increased costs for third party electricity purchases. Expenses were also increased by the Energy Crisis Contribution levy which was introduced on 1 December 2022 and amounted to EUR 25.1m for the Generation Segment (for details on the energy crisis contribution for electricity, see page 164 in the section “Energy policy environment”). Expenses were also increased by inflationary effects.

Results from equity accounted investees

The results from equity accounted investees rose substantially to EUR 42.7m (previous year: EUR 10.8m), whereby the main drivers were higher earnings contributions from Verbund Innkraftwerke and a revaluation to the Ashta hydropower plant (EUR 11.1m).

Operating results

EBITDA in the Generation Segment improved by 2.6% to EUR 300.4m. Depreciation and amortisation, including the effects of impairment testing, rose by 39.3% to EUR 45.4m. In addition to a slight increase in scheduled depreciation and amortisation, this development resulted from the absence of the EUR 9.6m revaluation to the Kavarna wind park in Bulgaria during the previous year which was contrasted in 2022/23 by an impairment loss of EUR 1.1m in the company EVN Wärmekraftwerke. EBIT declined by 2.0%, in total, to EUR 255.0m.

Financial results

Financial results in this segment improved to EUR 2.3m (previous year: EUR –2.4m) based on the interest income from the investment by EVN Naturkraft of higher liquidity in the Group’s cash pooling. The result before income tax remained nearly unchanged at EUR 257.3m (previous year: EUR 257.9m).

Investments

Investments in this segment reached a new historical high at EUR 121.7m (previous year: EUR 56.6m). The increase was based on the high pace of activity in the expansion of wind parks and photovoltaic plants. In 2022/23, the wind park in Japons was repowered (12.6 MW) and a new wind park in Palterndorf-Dobermannsdorf (42 MW) was completed. Three new large-scale photovoltaic plants with a combined output of approximately 25 MWp (EVN share) were commissioned in Grafenwörth, Trumau and Theiss. Other projects involved the construction of or preparations for three further wind parks and the repowering of another wind park. The commissioning for two of these projects – the wind parks in Altlichtenwarth-Grosskrut (12.4 MW) and Prottes (18 MW) – is planned before the end of 2023. The photovoltaic plant in Dürnröhr (23.5 MWp), which was under construction as of 30 September 2023, is scheduled for commissioning in January 2024.

Outlook

Under the assumption that wind and water flows reflect the long-term average, EBIT in the Generation Segment is expected to be slightly below the prior year level in 2023/24 due to declining electricity prices.

Key indicators – Networks		2022/23	2021/22	+/-		2020/21
				Nominal	%	
Key energy business indicators	GWh					
Network distribution volumes						
Electricity		7,796	8,608	-812	-9.4	8,789
Natural gas		12,103	15,567	-3,463	-22.2	15,871
Key financial indicators	EURm					
External revenue		564.5	517.3	47.2	9.1	495.1
Internal revenue		73.4	63.4	10.1	15.9	58.6
Total revenue		637.9	580.7	57.2	9.9	553.8
Operating expenses		-402.6	-344.2	-58.4	-17.0	-316.5
Share of results from equity accounted investees with operational nature		-	-	-	-	-
EBITDA		235.4	236.5	-1.1	-0.5	237.3
Depreciation and amortisation including effects from impairment tests		-156.8	-177.7	20.9	11.8	-142.5
Results from operating activities (EBIT)		78.6	58.8	19.8	33.6	94.8
Financial results		-21.8	-14.5	-7.3	-50.5	-13.9
Result before income tax		56.8	44.4	12.5	28.1	81.0
Total assets		2,562.7	2,313.3	249.4	10.8	2,246.6
Total liabilities		1,838.6	1,601.4	237.2	14.8	1,448.0
Investments ¹⁾		356.0	334.4	21.7	6.5	249.0

1) In intangible assets and property, plant and equipment

Networks

Highlights 2022/23

- Decline in electricity and natural gas network sales volumes
- Increase in revenue due to higher electricity network tariffs
- EBITDA below, EBIT and result before income tax above previous year
- Investments remain at record level with over EUR 350m

Development of network distribution volumes

Electricity and natural gas network sales volumes were lower in all customer segments during 2022/23. This decline reflected the very mild weather in year-on-year comparison as well as noticeable energy savings by customers. Electricity network distribution volumes fell by 9.4% to 7,796 GWh, and natural gas network sales volumes dropped – also due to the reduced use of the power plants for network stabilisation – by 22.2% to 12,103 GWh.

Revenue development

As of 1 January 2023, the E-Control Commission raised the system network tariffs for household customers by an average of 40.0% for electricity and by an average of 17.2% for natural gas. The Republic of Austria has taken over a large part of the cost increase for electricity since 1 March 2023.

The higher network tariffs led to an increase in revenue from the electricity business, while the substantial reduction in natural gas network sales volumes led to a slight decrease in this business. The positive revenue development at kabelplus resulted from continuing high demand for high-performance telecommunications services. Revenue in this segment rose by 9.9% to EUR 637.9m.

Operating expenses and operating results

High inflation throughout the entire 2022/23 financial year as well as rising energy prices led to an increase in the costs for network losses and upstream network costs. Operating expenses in this segment consequently rose by 17.0% year-on-year to EUR 402.6m and EBITDA declined by 0.5% to EUR 235.4m. Scheduled depreciation and amortisation increased over the 2021/22 level based on

the steady increase in investments during recent years. In the previous year, depreciation and amortisation, including the effects of impairment testing, included the recognition of an impairment loss (EUR 32.9m) to the natural gas network operated by Netz Niederösterreich. EBIT in the Networks Segment rose by 33.6% over the previous year to EUR 78.6m.

Financial results and result before income tax

Financial results amounted to EUR –21.8m and were 50.5% lower year-on-year due to the increase in interest expense which resulted from rising interest rates and from higher long-term financial liabilities. The result before income tax reported by the Networks Segment equalled EUR 56.8m and was EUR 44.4m, or 28.1%, higher than the previous year.

Investments

EVN's investments in the Networks Segment rose by 6.5% year-on-year to EUR 356.0m in 2022/23. EVN has prepared a network expansion concept for the various regions in its Lower Austrian supply area to meet the Austrian climate goals and intends to implement these plans in stages by 2030. The focus remains on integrating the steadily increasing quantity of equipment used for decentralised renewable electricity generation. In order to reliably protect supply security and quality, projects will include the new construction or replacement of 40 transformer stations and connecting power lines in the high voltage area and plans for the continuous expansion of distribution networks in the medium and low voltage ranges. Network capacity is expected to double from the current level of approximately 3,000 MW to 6,000 MW by 2030.

Investments in this segment also included the ongoing strengthening and expansion of the kabelplus telecommunications network as well as the implementation of digitalisation projects.

Outlook

The development of earnings in the Networks Segment is determined to a significant degree by the Austrian regulatory methodology. A new regulatory period begins on 1 January 2024, and a lower weighted average cost of capital for existing assets in the electricity distribution network is expected. Combined with end customers' ongoing efforts to reduce energy consumption and negative macroeconomic effects, EBIT is expected to be lower than the reporting year in 2023/24.

South East Europe

Highlights 2022/23

- Declines in network and energy sales volumes
- EBITDA, EBIT and result before income tax substantially higher than the previous year
- Investments in photovoltaic plants in North Macedonia

Energy sector and regulatory development

In South East Europe, the demand for energy was influenced by significantly milder temperatures during the winter half-year, compared to both the previous year and to the long-term average. The result was a noticeable decline in sales volumes for the network companies (–5.5% to 13,686 GWh) and in the regulated supply business in Bulgaria and North Macedonia. Electricity sales volumes to end customers fell – also in combination with growing competition in the previously liberalised market segments – by 13.0% to 10,602 GWh. Heat sales in Bulgaria also declined to 176 GWh and were 18.9% below the previous year.

Renewable generation in this segment rose by 21.0% to 174 GWh based on above-average water flows in North Macedonia and a recently commissioned photovoltaic plant in North Macedonia. Thermal electricity generation at the cogeneration plant in Plovdiv, Bulgaria, increased by 2.4% year-on-year to 286 GWh.

- For information on the regulatory environment, see page 164ff

Revenue development

Revenue in the South East Europe Segment fell by 25.1% year-on-year to EUR 1,501.2m. The main reasons were the lower network and energy sales volumes as well as the downward trend in wholesale prices which followed the sharp rise triggered by market distortions in the previous year. These declines were partly offset by higher network tariffs in Bulgaria and an increase in electricity prices for the regulated household customer segment in North Macedonia.

Operating expenses

The cost of electricity purchases from third parties and primary energy carriers reflected the development of revenue with a decline in 2022/23. In North Macedonia, the costs for covering network losses were reduced by government subsidised procure-

Key indicators – South East Europe		2022/23	2021/22	+/-		2020/21
				Nominal	%	
Key energy business indicators	GWh					
Electricity generation volumes		460	423	37	8.7	386
thereof renewable energy		174	144	30	21.0	140
thereof thermal power plants		286	279	7	2.4	245
Electricity network distribution volumes		13,686	14,484	-798	-5.5	14,468
Sales volumes to end customers		10,913	12,559	-1,646	-13.1	11,846
thereof electricity		10,602	12,191	-1,590	-13.0	11,490
thereof natural gas		136	151	-16	-10.3	153
thereof heat		176	217	-41	-18.9	203
Key financial indicators	EURm					
External revenue		1,499.7	2,002.4	-502.7	-25.1	1,047.4
Internal revenue		1.6	1.6	0.0	-1.4	0.7
Total revenue		1,501.2	2,003.9	-502.7	-25.1	1,048.1
Operating expenses		-1,261.8	-1,861.7	599.9	32.2	-909.0
Share of results from equity accounted investees with operational nature		-	-	-	-	-
EBITDA		239.4	142.2	97.2	68.4	139.0
Depreciation and amortisation including effects from impairment tests		-79.9	-94.3	14.4	15.2	-74.0
Results from operating activities (EBIT)		159.5	48.0	111.6	-	65.0
Financial results		-10.0	-12.5	2.5	20.1	-15.7
Result before income tax		149.6	35.4	114.1	-	49.4
Total assets		1,402.7	1,388.6	14.1	1.0	1,242.6
Total liabilities		895.4	1,013.4	-118.0	-11.6	869.0
Investments ¹⁾		135.5	110.0	25.5	23.2	100.4

1) In intangible assets and property, plant and equipment

ment prices. In contrast, a year-on-year comparison in Bulgaria, on the other hand, must also include the absence of government compensation payments for network losses. These factors led, in total, to a decline of 32.2% in operating expenses to EUR 1,261.8m.

Operating results

Based on the above developments, EBITDA rose by 68.4% to EUR 239.4m. Depreciation and amortisation, including the effects of impairment testing fell to EUR 79.9m (previous year: EUR 94.3m), primarily due to the absence of the impairment loss of EUR 16.7m recognised to the Bulgarian district heating company TEZ Plovdiv in 2021/22. EBIT in the South East Europe Segment equalled EUR 159.5m for the reporting year (previous year: EUR 48.0m).

Financial results and result before income tax

Financial results amounted to EUR -10.0m (previous year: EUR -12.5m). The South East Europe Segment recorded a substantial improvement in the result before income tax to EUR 149.6m in 2022/23 (previous year: EUR 35.4m).

Investments

EVN's investments in South East Europe were 23.2% higher than the previous year at EUR 135.5m in 2022/23. In addition to network investments to strengthen supply security, projects included the further expansion of photovoltaic capacity in North Macedonia. One project with an installed capacity of 14.5 MWp is currently under construction here.

Key financial indicators – Environment	EURm	2022/23	2021/22	+/-		2020/21
				Nominal	%	
External revenue		531.4	611.8	-80.4	-13.1	405.0
Internal revenue		0.7	0.5	0.3	54.4	0.5
Total revenue		532.2	612.3	-80.1	-13.1	405.5
Operating expenses		-488.4	-571.3	82.9	14.5	-355.1
Share of results from equity accounted investees with operational nature		18.3	15.6	2.8	17.9	13.6
EBITDA		62.2	56.5	5.6	9.9	64.0
Depreciation and amortisation including effects from impairment tests		-32.7	-91.4	58.7	64.3	-37.5
Results from operating activities (EBIT)		29.5	-34.9	64.4	-	26.5
Financial results		-20.9	-45.5	24.5	53.9	-10.1
Result before income tax		8.6	-80.3	88.9	-	16.4
Total assets		1,072.0	1,150.9	-78.9	-6.9	979.3
Total liabilities		849.3	934.6	-85.3	-9.1	771.9
Investments ¹⁾		22.9	21.4	1.5	6.9	20.7

1) In intangible assets and property, plant and equipment

Outlook

EBIT is expected to reflect a range of EUR 70m to EUR 90m in 2023/24. The forecasted decline in comparison to 2022/23 is attributable, above all, to the offset of positive anticipatory effects in the following year as defined by the regulatory mechanism.

Those were, in particular, the compensation for additional costs for covering network losses which contributed to the unusually high segment results in 2022/23.

Environment

Highlights 2022/23

- Positive development in the international project business:
 - Construction of the wastewater treatment plant in Kuwait largely completed
 - Completion of three projects
 - Commission received for new projects in Munich and Skopje
- EBITDA, EBIT and result before income tax above previous year
- Structured sale process initiated for the international project business

International project business

As announced in an ad-hoc release on 18 September 2023, a structured bidder process was started for WTE, which is responsible for the EVN Group's international project business. This process is intended to identify investors who would fully take over and continue to develop WTE.

WTE completed construction on three projects in 2022/23 – a wastewater treatment plant in Międzyzdroje, Poland, and thermal sewage sludge utilisation plants in Hanover, Germany, and Utena, Lithuania – and transferred these plants to the customers. In addition, excellent progress was made on the large-scale Umm Al Hayman project in Kuwait during the reporting year. Construction on the wastewater treatment plant was largely completed by the end of the financial year as were two-thirds of the wastewater infrastructure.

In 2022/23, WTE was successful in tenders for two major projects: It received the commission for the construction of a wastewater treatment plant and a thermal sewage sludge utilisation plant in Skopje, North Macedonia (contract value: approximately EUR 184m). In Munich, Germany, the company will also build a thermal sewage sludge utilisation plant (contract value: approximately EUR 255m).

On 31 March 2023, WTE acquired the 50% stake of sludge2energy from the previous 50:50 joint venture partner Huber SE. sludge2energy was responsible for construction of the thermal sludge utilisation plant in Hanover.

WTE was working on the planning and construction of 12 projects for wastewater treatment, drinking water treatment and thermal sludge utilisation in Germany, Poland, North Macedonia, Romania, Bahrain and Kuwait as of 30 September 2023.

Revenue development

Revenue in the international project business reached a very high level in the previous year due to the major project in Kuwait and is now declining consistent with progress on the project. In contrast, the revenue recorded by EVN Wasser was slightly higher than the previous year. Revenue in the Environment Segment, in total, declined by 13.1% to EUR 532.2m in 2022/23.

Operating expenses

Operating expenses declined by 14.5% to EUR 488.4m in line with the development of revenue in the international project business.

Results from equity accounted investees

The results from equity accounted investees rose to EUR 18.3m (previous year: EUR 15.6m), supported by the project in Kuwait.

Operating results

EBITDA in the Environment Segment rose by 9.9% to EUR 62.2m in 2022/23. EBIT – which was negatively influenced in the previous year by the recognition of impairment losses of EUR 58.4m in the international project business – totalled EUR 29.5m for the reporting year (previous year: EUR –34.9m). Scheduled depreciation and amortisation remained nearly unchanged in year-on-year comparison.

Financial results and result before income tax

Financial results amounted to EUR –20.9m and represented a substantial improvement over the previous year (EUR –45.5m) which, however, was negatively influenced by foreign exchange effects. The result before income tax in this segment totalled EUR 8.6m (previous year: EUR –80.3m).

Investments

Investments in the Environment Segment rose by 6.9% to EUR 22.9m in 2022/23. They were related entirely to EVN Wasser and, above all, to the expansion of the cross-regional pipeline infrastructure to support supply security and quality in Lower Austria. As part of the major project to build a 60 km transport pipeline from Krems to Zwettl, the construction of the second section started during the reporting year. Investments in the further improvement of drinking water quality included the construction of additional natural filter plants: The sixth plant of this type was commissioned in Bisamberg during March 2023 (investment volume: EUR 7.0m) and now supplies roughly 50,000 customers to the north of Vienna with drinking water that is softened by natural means. The seventh natural filter plant in EVN's supply area is currently under construction in Obersulz.

Outlook

The development of earnings in the Environment Segment is significantly influenced by the progress on international projects. Earnings in this segment are expected to reflect the prior year level in 2023/24.

An assessment of the divestment process for WTE is not possible at the present time.

Key financial indicators – All Other Segments	EURm	2022/23	2021/22	+/-		2020/21
				Nominal	%	
External revenue		24.5	20.6	3.9	18.8	19.4
Internal revenue		83.9	75.7	8.3	10.9	75.2
Total revenue		108.4	96.3	12.1	12.6	94.6
Operating expenses		-120.1	-106.0	-14.1	-13.3	-101.5
Share of results from equity accounted investees with operational nature		110.2	66.2	44.0	66.5	53.0
EBITDA		98.5	56.5	42.0	74.4	46.1
Depreciation and amortisation including effects from impairment tests		-2.5	-2.4	0.0	-1.7	-2.3
Results from operating activities (EBIT)		96.0	54.0	42.0	77.7	43.8
Financial results		200.6	62.6	138.0	-	56.9
Result before income tax		296.6	116.6	180.0	-	100.7
Total assets		6,195.2	6,575.2	-380.0	-5.8	6,528.8
Total liabilities		2,075.7	2,001.4	74.3	3.7	2,249.5
Investments ¹⁾		1.8	2.1	-0.3	-13.0	0.1

1) In intangible assets and property, plant and equipment

All Other Segments

Highlights 2022/23

- Higher share of earnings from equity accounted investees with operational nature
- EBITDA, EBIT and result before income tax above previous year

Revenue, EBITDA and EBIT development

Revenue in this segment rose by 12.6% to EUR 108.4m in 2022/23, while operating expenses increased by 13.3% to EUR 120.1m.

The share of results from equity accounted investees with operational nature increased by 66.5% to EUR 110.2m (previous year: EUR 66.2m). The main drivers for this development were an improvement in earnings at RAG due to the higher demand for gas storage and positive operating results from Burgenland Energie.

Based on these factors, EBITDA in this segment rose by 74.4% to EUR 98.5m. Depreciation and amortisation, including the effects from impairment testing, were nearly stable year-on-year at EUR 2.5m, and EBIT amounted to EUR 96.0m (previous year: EUR 54.0m).

Financial results and result before income tax

The significant improvement in financial results to EUR 200.6m (previous year: EUR 62.6m) resulted primarily from an increase in the dividend from Verbund AG to EUR 3.60 per share for the 2022 financial year (previous year: EUR 1.05 per share). Positive performance was also recorded by the R138 fund.

The result before income tax in this segment clearly exceeded the previous year at EUR 296.6m (previous year: EUR 116.6m).

Outlook

EBIT in this segment is expected to be within a range of EUR 40m to EUR 50m in 2023/24. Due to the substantial dividend from Verbund AG in the reporting year, which is reflected in financial results, a decline in pre-tax segment earnings is expected in 2023/24.

Consolidated financial statements for 2022/23

According to International Financial Reporting Standards

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Consolidated statement of operations

EURm	Note	2022/23	2021/22
Revenue	25	3,768.7	4,062.2
Other operating income	26	127.5	109.5
Cost of materials and services	27	-2,338.2	-2,985.3
Personnel expenses	28	-419.2	-372.2
Other operating expenses	29	-202.2	-158.4
Share of results from equity accounted investees with operational nature	30	-67.6	98.9
EBITDA		869.0	754.8
Depreciation and amortisation	31	-336.5	-318.0
Effects from impairment tests	31	-3.9	-105.2
Results from operating activities (EBIT)		528.5	331.6
Results from other investments		169.0	51.4
Interest income		16.5	5.4
Interest expense		-57.4	-37.9
Other financial results		-0.5	-49.4
Financial results	32	127.6	-30.5
Result before income tax		656.2	301.2
Income tax	33	-74.0	-64.0
Result for the period		582.1	237.1
thereof result attributable to EVN AG shareholders (Group net result)		529.7	209.6
thereof result attributable to non-controlling interests		52.4	27.5
Earnings per share in EUR ¹⁾	34	2.97	1.18
Dividend per share in EUR	46	1.14 ²⁾	0.52

1) There is no difference between basic and diluted earnings per share.

2) Proposal to the Annual General Meeting: dividend of EUR 0.52 plus a special dividend of EUR 0.62 per share

Consolidated statement of comprehensive income

EURm	Note	2022/23	2021/22
Result for the period		582.1	237.1
Other comprehensive income from			
Items that will not be reclassified to profit or loss		-388.2	147.2
Remeasurements IAS 19	47	-26.7	78.1
Investments in equity accounted investees	47	1.3	16.8
Shares and other equity instruments measured at fair value and reported in other comprehensive income	47, 63	-479.0	2.3
Thereon apportionable income tax expense	47	116.2	50.0
Items that may be reclassified to profit or loss		-931.1	511.1
Currency translation differences	5	-15.9	31.4
Cash flow hedges	47	235.4	-184.1
Investments in equity accounted investees	47	-1,435.3	793.6
Thereon apportionable income tax expense	47	284.8	-129.7
Total other comprehensive income after tax		-1,319.3	658.3
Comprehensive income for the period		-737.1	895.4
thereof income attributable to EVN AG shareholders		-790.5	858.5
thereof income attributable to non-controlling interests		53.3	36.9

Consolidated statement of financial position

EURm	Note	30.09.2023	30.09.2022
Assets			
Non-current assets			
Intangible assets	35	211.2	190.9
Property, plant and equipment	36	4,285.7	3,880.4
Investments in equity accounted investees	37	1,103.4	2,388.0
Other investments	38	3,555.5	4,034.0
Deferred tax assets	51	50.9	55.6
Other non-current assets	39	174.3	163.0
		9,380.9	10,712.0
Current assets			
Inventories	40	137.7	206.8
Income tax receivables		51.3	–
Trade and other receivables	41	1,083.6	993.5
Securities and other current financial investments	42	266.5	216.8
Cash and cash equivalents	61	70.2	292.0
Assets held for sale	43	5.8	9.3
		1,615.1	1,718.5
Total assets		10,996.0	12,430.5
Equity and liabilities			
Equity			
Issued capital and reserves attributable to shareholders of EVN AG	44–48	6,165.4	7,047.8
Non-controlling interests	49	298.9	273.3
		6,464.3	7,321.1
Non-current liabilities			
Non-current loans and borrowings	50	1,103.5	1,150.8
Deferred tax liabilities	51	785.9	1,126.7
Non-current provisions	52	367.7	336.2
Deferred income from network subsidies	53	683.3	631.3
Other non-current liabilities	54	89.1	137.8
		3,029.4	3,382.8
Current liabilities			
Current loans and borrowings	55	343.2	377.4
Income tax liabilities		63.9	54.9
Trade payables	56	463.2	436.7
Current provisions	57	134.4	135.5
Other current liabilities	58	497.1	720.7
Liabilities in connection with assets held for sale	43	0.4	1.3
		1,502.2	1,726.5
Total equity and liabilities		10,996.0	12,430.5

Consolidated statement of changes in equity

EURm	Share capital	Share premium and capital reserves	Retained earnings	Valuation reserve	Currency translation reserve	Treasury shares	Issued capital and reserves of EVN AG shareholders	Non-controlling interests	Total
Balance on 30.09.2021	330.0	254.2	2,863.0	2,860.6	-8.1	-18.5	6,281.2	263.2	6,544.3
Comprehensive income	-	-	209.6	617.7	31.3	-	858.5	36.9	895.4
Dividends 2020/21	-	-	-92.7	-	-	-	-92.7	-26.7	-119.4
Change in treasury shares	-	0.4	-	-	-	0.4	0.8	-	0.8
Balance on 30.09.2022	330.0	254.6	2,979.9	3,478.3	23.2	-18.1	7,047.8	273.3	7,321.1
Comprehensive income	-	-	529.7	-1,304.3	-15.9	-	-790.5	53.3	-737.1
Dividends 2021/22	-	-	-92.7	-	-	-	-92.7	-27.7	-120.4
Change in treasury shares	-	0.4	-	-	-	0.4	0.8	-	0.8
Balance on 30.09.2023	330.0	254.9	3,417.0	2,174.0	7.3	-17.7	6,165.4	298.9	6,464.3
Note	44	45	46	47	5	48		49	

Consolidated statement of cash flows

EURm	Note	2022/23	2021/22
Result before income tax		656.2	301.2
+ Depreciation, amortisation/– revaluation of intangible assets and property, plant and equipment and other non-current assets	31	342.0	423.2
– Results of equity accounted investees and other investments	37, 38	–101.4	–150.3
+ Dividends from equity accounted investees and other investments		274.7	204.0
+ Interest expense		57.4	37.9
– Interest paid		–46.0	–36.1
– Interest income		–16.5	–5.4
+ Interest received		15.4	5.2
+ Losses/– gains from foreign exchange translations		3.9	27.1
+/- Other non-cash financial results		–3.3	15.0
– Release of deferred income from network subsidiaries	60	–64.1	–58.8
– Gains/+ losses on the disposal of intangible assets and property, plant and equipment		–3.3	2.8
– Decrease/+ increase in non-current provisions	52	–13.8	–33.3
+ Impairments/– write ups due to revaluation of a disposal group		–0.3	1.9
Gross cash flow		1,100.7	734.3
+ Decrease/– increase in inventories and receivables		3.2	–426.6
+ Increase/– decrease in current provisions		–10.5	10.7
+ Increase/– decrease in trade payables and other liabilities		–102.3	–140.8
– Income tax paid		–48.9	–26.6
Net cash flow from operating activities		942.4	151.0
+ Proceeds from the disposal of intangible assets and property, plant and equipment		6.2	3.9
+ Proceeds from network subsidiaries		114.5	82.9
+ Proceeds from the disposal of financial assets and other non-current assets		3.6	10.4
+ Proceeds from the disposal of current securities and other current financial investments		70.5	696.3
– Acquisition of intangible assets and property, plant and equipment		–691.0	–564.2
– Acquisition of financial assets and other non-current assets		–331.3	–61.1
– Acquisition of current securities and other current financial investments		–95.6	–504.8
– Acquisition of subsidiaries less acquired cash and cash equivalents	4	–5.9	–
Net cash flow from investing activities		–929.0	–336.7
– Dividends paid to EVN AG shareholders	46	–92.7	–92.7
– Dividends paid to non-controlling interests		–27.7	–26.7
+ Sales of treasury shares		0.8	0.8
+ Increase in financial liabilities	60	256.7	562.0
– Decrease in financial liabilities	60	–123.7	–320.7
– Decrease in leasing liabilities	60	–11.8	–6.9
Net cash flow from financing activities		1.6	115.8
Net change in cash and cash equivalents		14.9	–69.8
Net change in cash and cash equivalents			
Cash and cash equivalents at the beginning of the period ¹⁾	60	36.9	122.3
Other movements on cash and cash equivalents ²⁾		–31.7	–15.5
Cash and cash equivalents at the end of the period ¹⁾		20.2	36.9
Net change in cash and cash equivalents		14.9	–69.8

1) The addition of bank overdrafts results in cash and cash equivalents as reported on the consolidated statement of financial position.

2) Composition of other movements: EUR –27.7m restricted cash, EUR –3.6m currency differences and EUR –0.4m change of consolidation scope

Consolidated notes

Basis of preparation

1. General

EVN AG, as the parent company of the EVN Group (EVN), is a leading listed Austrian energy and environmental services provider. Its headquarters are located in A-2344 Maria Enzersdorf, Austria. In addition to serving its domestic market in the province of Lower Austria, EVN operates in the Bulgarian, North Macedonian, Croatian, German and Albanian energy industry. EVN is also active in the area of environmental services through subsidiaries that provide customers in twelve countries with water supply, wastewater treatment and thermal waste utilisation services.

The consolidated financial statements are prepared as of the balance sheet date of EVN AG. The financial year of EVN AG covers the period from 1 October to 30 September.

The consolidated financial statements are prepared on the basis of uniform accounting policies. In cases where the balance sheet date of a consolidated company differs from the balance sheet date of EVN AG, interim financial statements are prepared as of 30 September.

The consolidated financial statements are prepared on the basis of historical acquisition and production costs, unless indicated otherwise.

Certain items on the consolidated statement of financial position and the consolidated statement of operations are summarised to achieve a more understandable and clearly structured presentation. These positions are presented individually in the consolidated notes and explained according to the principle of materiality. In order to improve clarity and comparability, the amounts in the consolidated financial statements are generally shown in millions of euros (EURm), unless otherwise noted. Small amounts below TEUR 50 as well as zero values are presented in the notes to the consolidated financial statements with “–” to improve readability. The rounding of individual positions and percentage rates can lead to minimal rounding differences. As far as possible, the legislative basis is presented as is.

The consolidated statement of operations is prepared in accordance with the nature of expense method.

2. Reporting in accordance with IFRS

Pursuant to § 245a of the Austrian Commercial Code, the consolidated financial statements were prepared in accordance with the current guidelines set forth in the IFRS issued by the International Accounting Standards Board (IASB) as well as the interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) that were applicable as of the balance sheet date and had been adopted by the European Union (EU).

Standards and interpretations applied for the first time and changes in accounting policies

The following standards and interpretations were applied for the first time in the 2022/23 financial year:

Standards and interpretations applied for the first time		Effective ¹⁾	Expected material effects on EVN's consolidated financial statements
Revised standards and interpretations			
IFRS 3	Reference to the Conceptual Framework	01.01.2022	None
IAS 16	Proceeds before Intended Use	01.01.2022	None
IAS 37	Cost of Fulfilling a Contract	01.01.2022	None
Several	Annual Improvements to IFRS 2018–2020	01.01.2022	None

1) In accordance with the official Journal of the EU, these standards are applicable to financial years beginning on or after the effective date.

The first-time mandatory application of the amended standards and interpretations has no material impact on the consolidated financial statements.

Standards and interpretations already adopted by the EU, but not yet compulsory		Effective ¹⁾	Expected material effects on EVN's consolidated financial statements
New standards and interpretations			
IFRS 17	Insurance Contracts	01.01.2023	None
Revised standards and interpretations			
IAS 1	Disclosure of Accounting Policies	01.01.2023	None
IAS 8	Definition of Accounting Estimates	01.01.2023	None
IAS 12	Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction	01.01.2023	None
IFRS 17	Initial Application of IFRS 17 and IFRS 9 – Comparative Information	01.01.2023	None
IAS 12	Amendments to IAS 12 Income Taxes – Pillar Two Model	01.01.2023	None

1) In accordance with IASB, these standards are applicable to financial years beginning on or after the effective date.

The IASB announced changes to IAS 12 – International Tax Reform – Pillar Two Model Rules in May 2023. The changes include a temporary exemption from the required recording and disclosure of information on deferred tax assets and liabilities in connection with the implementation of the Pillar Two rules.

The effects of the global minimum tax are currently the subject of analyses, and detailed statements on the concrete effects are therefore not possible at the present time. However, we assume there will be no effect on the consolidated financial statements. EVN regularly monitors and evaluates developments in connection with the global minimum tax. The future application of not yet binding standards and interpretations is also not expected to have a material effect on EVN's consolidated financial statements.

The following standards and interpretations had been issued by the IASB as of 30 September 2023, but have not yet been adopted by the EU:

Standards and interpretations not yet applicable and not yet adopted by the EU		Effective ¹⁾	Expected material effects on EVN's consolidated financial statements
Revised standards and interpretations			
IAS 1	Classification of Liabilities as Current or Non-current	01.01.2024	None
IFRS 16	Lease Liability in a Sale and Leaseback	01.01.2024	None
IAS 7, IFRS 7	Amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments (Supplier Finance Arrangements)	01.01.2024	None
IAS 21	Accounting in case of Lack of Exchangeability of a Currency	01.01.2025	None

1) In accordance with IASB, these standards are applicable to financial years beginning on or after the effective date.

EVN regularly monitors and analyses the effects of the application of revised standards and interpretations on the future presentation of the consolidated financial statements and the future disclosures in the consolidated notes.

Basis of consolidation

3. Consolidation methods

Consolidation is carried out by offsetting the consideration transferred against the fair value of the acquired assets and assumed liabilities.

All significant companies whose financial and operating activities are directly or indirectly controlled by EVN AG (i. e. subsidiaries) are fully consolidated. EVN is considered to have a controlling interest over a company in which it holds an investment when it has a right to variable returns from the investee and can influence the amount of these returns through its control.

This is usually the case when EVN's voting rights exceed 50.0%, but may also apply if EVN has the power of disposition over and is the primary beneficiary of any economic benefits arising from the business operations of these companies or if EVN is required to carry most of the risks. Companies are initially consolidated on the acquisition date or at the time EVN gains control and are deconsolidated when control ends.

In accordance with IFRS 3, assets and liabilities (including contingent liabilities) obtained through business combinations are recognised at their full fair value, irrespective of any existing non-controlling interests. Non-controlling interests in subsidiaries are carried at the proportional share of net assets (excluding the proportional share of goodwill). Intangible assets are recognised separately from goodwill if they can be separated from the acquired company or arise from statutory, contractual or other legal rights. Any remaining positive differences which represent compensation to the seller for market opportunities or developmental potential that cannot be individually identified are recognised in local currency as goodwill and allocated to cash-generating units (CGUs) in the relevant segment (for information on the treatment and recoverability of goodwill, see notes **35. Intangible assets** and **22. Procedures and effects of impairment tests**). Negative differences are recognised in profit or loss after a repeated measurement of the acquired company's identifiable assets and liabilities (including contingent liabilities) and measurement of the acquisition cost. The differences between fair value and the carrying amount are carried forward in accordance with the related assets and liabilities during the subsequent consolidation. A change in the investment in a fully consolidated company is accounted for directly in equity without recognition through profit or loss.

Joint arrangements are included in the consolidated financial statements of EVN depending on the rights and obligations attributed to the controlling parties by the respective agreement. If only rights to the net assets are involved, the joint arrangement is classified as a joint venture according to IFRS 11 and included at equity. If rights to the assets and obligations for the liabilities are involved, the joint arrangement is classified as a joint operation according to IFRS 11 and included in the consolidated financial statements through line-by-line consolidation.

Associates – i. e. companies in which EVN AG can directly or indirectly exercise significant influence – are included at equity.

Subsidiaries, joint ventures and associates are not consolidated if their influence on EVN's asset, financial and earnings position is considered to be immaterial, either individually or in total. These companies are reported at cost less any necessary impairment losses. The materiality of an investment is assessed on the basis of the balance sheet total, the proportional share of equity, external revenue and annual profit or loss as reported in the last available financial statements in relation to the respective Group totals.

Intragroup receivables, liabilities, income and expenses as well as interim profits and losses are eliminated unless they are immaterial. The consolidation procedure for profit or loss includes the effects of income taxes as well as the recognition of deferred taxes if permissible.

4. Scope of consolidation

The scope of consolidation is determined in accordance with the requirements of IFRS 10. Accordingly, 26 domestic and 28 foreign subsidiaries (including the parent company EVN AG) were fully consolidated in the consolidated financial statements as of 30 September 2023 (previous year: 25 domestic and 27 foreign subsidiaries). A total of ten subsidiaries (previous year: 16) were not consolidated due to their immaterial influence on EVN's asset, financial and earnings position, either individually or in total.

The fully consolidated subsidiary EVN Energieservices GmbH (previous year: EVN AG), as the limited partner of EVN KG, participates to 100.0% in the profit or loss of EVN KG. The limited partner changed in connection with intragroup reorganisations during 2022/23 (also see the information on the initial consolidation of EVN Energieservices GmbH). EnergieAllianz serves as the general partner of EVN KG, but does not hold an investment in this company. Based on the agreement with EnergieAllianz regarding the management of EVN KG, there is joint control and EVN KG is therefore classified as a joint venture in the sense of IFRS 11 and consolidated at equity. Contractual agreements also lead to the classification of the EnergieAllianz Group (EnergieAllianz and its subsidiaries) as a joint venture in the sense of IFRS 11; the group is therefore included in the consolidated financial statements at equity.

RBG, a fully consolidated company in which EVN AG has an unchanged interest of 50.03%, holds a 100.0% stake in RAG. RAG is consolidated at equity because contractual agreements prevent EVN from exercising control.

Bioenergie Steyr, in which EVN Wärme holds a stake of 51.0%, is included in EVN's consolidated financial statements at equity because contractual agreements exclude any possibility of control.

Verbund Innkraftwerke, Germany, in which EVN AG has an unchanged interest of 13.0%, is included at equity due to special contractual arrangements that allow for the exercise of significant influence.

The criteria for control defined by IFRS 10 are not considered to be met in companies with an investment of 50.0%. These companies are classified as joint ventures in the sense of IFRS 11 based on the respective contractual agreements and are therefore included in the consolidated financial statements at equity.

An overview of the companies included in the consolidated financial statements is provided under **EVN's investments**, starting on page 287. Notes **49. Non-controlling interests** and **64. Disclosures of interests in other entities** provide detailed information on the subsidiaries with major non-controlling interests as well as joint ventures and associates that are included in the consolidated financial statements.

The scope of consolidation (including EVN AG as the parent company) developed as follows during the reporting year:

Changes in the scope of consolidation	Full consolidation	Equity	Total
30.09.2021	55	16	71
thereof foreign companies	29	6	35
Initial consolidation	–	–	–
Deconsolidation	–3	–	–3
30.09.2022	52	16	68
thereof foreign companies	27	6	33
Company acquisition	1	–	1
Initial consolidation	2	1	3
Deconsolidation	–	–2	–2
Reorganisation ¹⁾	–1	–	–1
30.09.2023	54	15	69
thereof foreign companies	28	5	33

1) Internal reorganisation

The 100.0% share in WTE Projektentwicklung GmbH, Maria Enzersdorf, and the 50.0% share in EVN-ECOWIND Sonnenstromerzeugung GmbH, Maria Enzersdorf, which were previously not consolidated due to immateriality, were included in the consolidated financial statements as of 1 January 2023. WTE Projektentwicklung GmbH has been fully consolidated and EVN-ECOWIND consolidated at equity since 1 January 2023. These two first-time consolidations had no material effect on the consolidated financial statements.

EVN previously held 50% of the shares in sludge2energy GmbH (s2e), Berching, Germany and included this company in the consolidated financial statements at equity. As of 1 January 2023, EVN acquired the remaining 50% of the shares in s2e and now holds an investment of 100%. The company has therefore been included through full consolidation since 1 January 2023.

The focus point of business for s2e is the planning, construction and operation of plants for the treatment and utilisation of sludge and residual materials as well as the generation of thermal and electrical energy. The company currently has a newly built thermal sewage sludge utilisation plant in Halle-Lochau, Germany, and is constructing a thermal sewage sludge utilisation plant for a German customer. EVN's objective for the acquisition of s2e by the WTE Group is to expand its market position in the planning and turnkey construction of thermal sewage sludge utilisation plants and to improve and increase the attractiveness of the product portfolio for environmental infrastructure projects in the international project business.

The fair value of the acquired assets and liabilities as of the acquisition date on 1 January 2023 is as follows:

Acquired assets and liabilities	Fair value 01.01.2023
EURm	
Intangible assets and property, plant and equipment	12.4
Other non-current assets	1.3
Current receivables and other assets ¹⁾	23.5
Cash and cash equivalents	1.5
Total fair value of assets	38.7
Trade payables	-4.4
Current provisions	-9.3
Other current liabilities	-22.7
Total fair value of liabilities	-36.5
Net assets	2.2
Transferred consideration	2.2
thereof previous at-equity share (50%)	1.1
thereof consideration acquired share (50%)	1.1
Difference	0.0

1) The carrying amounts of current receivables and other assets represent gross receivables and the fair value as of 1 January 2023.

The purchase price reflected the fair value of the acquired net assets and was paid entirely in cash. s2e recorded revenue of EUR 27.9m and a result for the period of EUR -5.4m from the acquisition date to 30 September 2023. If the company had been fully consolidated from the beginning of the financial year, it would have increased revenue by EUR 33.0m. The company generated a result before tax of EUR 2.0m in the first quarter of 2022/23. Because s2e reported negative equity as of 30 September 2022, the excess losses could not be recognised to profit or loss.

This transaction represents a business combination through the successive purchase of shares to attain control. The at equity carrying amount before the business combination equalled EUR 0.0m. The next step involved a revaluation of EUR 1.1m to the existing at equity component at fair value. The gain from this revaluation was reported on the consolidated statement of operations under share of results from equity accounted investees with operational nature.

EVN Energieservices GmbH, Maria Enzersdorf, which was previously not consolidated by EVN due to immateriality, was initially consolidated as of 28 February 2023. EVN AG holds all shares in this company. In connection with internal restructuring following the reorientation of sales activities in the EVN Group, the business unit “sales and energy-related services” of the equity accounted EVN KG was subsequently transferred to EVN Energieservices GmbH as of 28 February 2023. In the future, EVN KG will concentrate solely on electricity and natural gas deliveries to end customers and EVN Energieservices GmbH on sales and energy-related services. The transfer of this business unit represents an acquisition of a business as defined in IFRS 3. The consideration for the transfer of the business unit equalled EUR 3.4m.

The for the first time fully consolidated EVN Energieservices GmbH and the acquired business unit “sales and energy-related services” were assigned to the Energy Segment. The identified assets and liabilities of the business unit measured at fair value as of the acquisition date on 28 February 2023 are as follows:

Acquired assets and liabilities	Fair value 28.02.2023
EURm	
Intangible assets and property, plant and equipment	9.7
Inventories	3.3
Current receivables and other assets ¹⁾	13.3
Total fair value of assets	26.4
Non-current provisions	-1.7
Other non-current liabilities	-2.3
Current loans and borrowings	-0.4
Trade payables	-3.2
Other current liabilities	-14.0
Total fair value of liabilities	-21.6
Net assets	4.7
Transferred consideration	3.4
Difference	1.3

1) The fair value of receivables and other assets represents the carrying amounts. Gross receivables, however, totalled EUR 14.7m. The component considered uncollectible according to best estimates on the acquisition date therefore equals EUR 1.4m.

The contribution generated a negative difference of EUR 1.3m for the EVN Group on the acquisition date, which was recorded to profit or loss and is reported under other operating income. The agreed consideration of EUR 3.4m was based on the valuation of the business unit as of 30 September 2022. The gain from the transaction resulted primarily from the actual development of the business unit during the first five months of the 2022/23 financial year.

This business unit contributed revenue of EUR 20.8m and profit before tax of EUR -9.5m from the acquisition date to 30 September 2023. If the business unit had been included in EVN's consolidated statements from the beginning of the financial year, it would have increased revenue by EUR 42.8m. As the results of EVN KG for the period are included in full under the share of results from equity accounted investees with operational nature, there would have been no change in Group result for the period apart from the above-mentioned initial consolidation gain.

The fully consolidated EVN Kraftwerks- und Beteiligungsgesellschaft mbH, Maria Enzersdorf, was merged with EVN Wärmekraftwerke GmbH. The merger was recorded in the company register on 10 May 2023.

Biowärme Amstetten-West GmbH, Amstetten, which was previously consolidated at equity, was deconsolidated as of 30 June 2023 due to immateriality. This deconsolidation had no material effect on the consolidated financial statements.

EVN acquired a telecommunications network from Bauer GmbH & Co KG, Loosdorf, through an asset deal as of 30 September 2023. This network, which services the communities of Loosdorf and Pöchlarn, provides customers with cable television as well as coaxial and glass fibre internet services. The transaction covers the entire business operations together with all its constituent parts, in particular the cable network, including all related plant components, employment relationships, the existing customer base and the processes required for business operations. Consequently, the acquisition represents a business combination as defined in IFRS 3. A purchase price of EUR 2.9m was paid as return consideration.

The business operations were acquired by kabelplus and allocated to the Networks Segment. The transaction will expand kabelplus' supply area and support connections with new customers. The location of the cable network between Melk and St. Pölten is considered ideal and closes a gap for kabelplus, which already provides internet connectivity.

The fair values of the acquired assets and assumed liabilities as of the acquisition date on 30 September 2023 are as follows:

Acquired assets and liabilities	Fair value 30.09.2023
EURm	
Intangible assets	1.2
Property, plant and equipment	1.9
Current receivables and other assets	0.1
Total fair value of assets	3.1
Other liabilities	0.1
Total fair value of liabilities	0.1
Net assets	3.0
Transferred consideration	2.9
Difference	0.1

The acquired assets and assumed liabilities were included by carrying forward the fair values determined as of the acquisition date. These determined values should be seen as preliminary in accordance with IFRS 3 due to uncertainty.

In connection with the preliminary purchase price allocation under IFRS 3, the existing customer base was identified as an intangible asset to be recognised separately. The value of the customer base was calculated by applying the residual value method based on future earnings and expenses that could be allocated to the customer base. The fair value of the customer base equalled EUR 1.2m as of 30 September 2023 and will be amortised over a useful life of eight years.

The acquired current receivables did not include any receivables that are likely to be uncollectible. Consequently, the carrying amount represents the fair value.

If the business operations had been acquired as of 1 October 2022, they would have increased revenue by EUR 1.1m and the result after tax by EUR 0.3m.

The transaction led to a minor negative difference of less than EUR 0.1m, which resulted primarily from the negotiating positions of the involved parties.

There were no other IFRS 3 business combinations in the reporting period.

5. Foreign currency translation

All Group companies record their foreign currency business transactions at the mid exchange rate in effect on the date of the relevant transaction. Monetary assets and liabilities denominated in a foreign currency are translated at the mid exchange rate on the balance sheet date. Any resulting foreign currency gains or losses are recognised in profit or loss. The exchange rate applied to the initial recognition of an asset, expense or income is derived from the date on which a company initially recognises the related non-monetary asset or non-monetary liability.

In accordance with IAS 21, the annual financial statements of Group companies that are prepared in a foreign currency are translated into euros for inclusion in the consolidated financial statements. This translation is based on the functional currency method, under which the assets and liabilities of companies not reporting in euros are converted at the mid exchange rate on the balance sheet date and any income and expenses are converted at the average annual rate. Unrealised currency translation differences from long-term Group loans are recorded under the currency translation reserve in equity without recognition in profit or loss. Currency translation differences directly recognised in equity resulted in a change to equity of EUR –15.9m in 2022/23 (previous year: EUR 31.3m). Of this amount, EUR 0.0m (previous year: EUR –2.1m) is attributable to transfers to the consolidated statement of operations from partial disposals (redemptions) of net investments and is reported as exchange rate losses in the other financial result (see note **32. Financial results**).

Additions and disposals are reported at the applicable average exchange rates in all tables. Changes in the mid exchange rates between the balance sheet date for the reporting year and the previous year as well as differences arising from the use of mid exchange rates to translate changes during the financial year are reported separately under currency translation differences in all tables.

Goodwill resulting from the acquisition of foreign subsidiaries is recorded at the exchange rate in effect on the acquisition date. This goodwill is subsequently allocated to the acquired company and translated at the exchange rate in effect on the balance sheet date. When a foreign company is deconsolidated, any related currency differences are recognised in profit or loss.

The following key exchange rates were used for foreign currency translation:

Foreign currency translation	2022/23		2021/22	
	Exchange rate on the balance sheet date	Average ¹⁾	Exchange rate on the balance sheet date	Average ¹⁾
Albanian lek	106.68000	112.01423	116.59500	120.14423
Bulgarian lev ²⁾	1.95583	1.95583	1.95583	1.95583
Bahrain dinar	0.39950	0.40042	0.36775	0.40878
Japanese yen	158.11000	148.73692	140.99500	134.31769
Croatian kuna ³⁾	–	7.53476	7.52415	7.53292
Kuwaiti dinar	0.32740	0.32669	0.30215	0.33036
North Macedonian denar	61.50160	61.58384	61.49500	61.63175
Polish zloty	4.62775	4.61934	4.84870	4.66853
Russian rouble	103.18475	83.21165	59.62660	78.11961

1) Average of the exchange rates on the last day of each month

2) The exchange rate was determined by Bulgarian law.

3) Accession to the euro currency area on 1 January 2023

Accounting policies

6. Intangible assets

Acquired intangible assets are recognised at acquisition cost less straight-line amortisation and any impairment losses, unless their useful life is classified as indefinite. Assets with a determinable limited useful life are amortised on the basis of that expected useful life, which as in the previous year, equals three to eight years for software and three to 40 years for rights. Customer relationships capitalised in connection with a business acquisition, which have a determinable useful life because of potential market liberalisation, are amortised on a straight-line basis over five to 15 years. The expected useful lives and amortisation curves are determined by estimating the timing and distribution of cash inflows from the corresponding intangible assets over time. Intangible assets with an indefinite useful life are measured at cost and tested annually for impairment (see note **22. Procedures and effects of impairment tests**).

Internally generated intangible assets must meet the requirements of IAS 38 in order to be capitalised. This standard distinguishes between research and development expenses.

Service concessions that meet the requirements of IFRIC 12 are classified as intangible assets. Expenses and income are recognised according to the percentage of completion method at the fair value of the compensation received. The percentage of completion is assessed according to the cost-to-cost method. The requirements defined in IFRIC 12 are currently met by the Ashta hydropower plant as well as the sewage treatment plant project in Zagreb, both of which are included at equity.

7. Property, plant and equipment

Property, plant and equipment are carried at acquisition or production cost less scheduled straight-line depreciation and any necessary impairment losses. The acquisition or production cost also includes the estimated expenses for demolition and disposal if there is an obligation to decommission or demolish the plant and equipment or to restore property at the end of the asset's useful life. The present value of the estimated demolition and/or disposal costs is capitalised along with the acquisition or production cost and also recognised as a liability (provision). Production costs for internally generated fixed assets include appropriate material and manufacturing overheads in addition to direct material and labour costs.

Ongoing maintenance and repairs to property, plant and equipment are recognised in profit or loss, provided this work does not change the nature of the asset or lead to additional future benefits. If these measures enhance the value of the respective asset, the related expenses must be capitalised retroactively as part of the acquisition or production cost.

If the construction of property, plant and equipment continues over an extended period of time, these items are classified as "qualifying assets". The borrowing costs incurred during the construction period are then capitalised as a part of the production cost in accordance with IAS 23. In keeping with EVN's accounting policies, a project gives rise to a qualifying asset only if construction takes at least twelve months. Interest on borrowed capital is not capitalised if the amounts are insignificant over the entire construction phase.

Property, plant and equipment are depreciated from the time they are available for use. Depreciation for property, plant and equipment subject to wear and tear is calculated on a straight-line basis over the expected useful life of the relevant asset or its components. The expected economic and technical life is evaluated at each balance sheet date and adjusted if necessary.

As in the previous year, straight-line depreciation is based on the following useful lives, which are uniform throughout the Group:

Expected useful life of property, plant and equipment	Years
Buildings	10–50
Transmission lines and pipelines	15–50
Machinery	10–50
Meters	5–40
Tools and equipment	3–25

When property, plant and equipment are sold, the acquisition or production cost and accumulated depreciation are reported as a disposal. The difference between the net proceeds from the sale and the carrying amount are recognised in other operating income or expenses.

Some leases include extension and cancellation options which are used by EVN to achieve maximum operating flexibility in the assets used by the Group. The determination of the contract term includes all facts and circumstances which could represent an economic incentive for the exercise of an extension option or the non-exercise of a cancellation option.

EVN evaluates at the beginning of the contract term whether a contract establishes a lease. If a lease is involved, a right of use and corresponding lease liability are recognised. The amount of the right of use represents the amount of the lease liability on the contract's initial recognition date, with an adjustment for any initial direct costs incurred by the lessee, payments at or before the beginning of the lease relationship, lease incentives and/or dismantling obligations. The carrying amount of the lease liability is determined by discounting the payments expected during the lease, the expected payments from issued residual value guarantees, the exercise prices for purchase options (if their exercise is sufficiently probable) and any payments for premature cancellation of the contract (if probable).

8. Investments in equity accounted investees

Investments in equity accounted investees are initially recognised at cost. In subsequent periods, the carrying amounts of these investments are adjusted by the share of profit or loss attributable to EVN, less any dividends received, and by EVN's share of other comprehensive income and any other changes in equity. Investments accounted for according to the equity method are tested for impairment in accordance with IAS 36 if there are any indications of a loss in value (see note **22. Procedures and effects of impairment tests**).

The share of results from equity accounted investees with operational nature is reported as part of results from operating activities (EBIT). The share of results from equity accounted investees with financial nature is reported as part of financial results (see notes **30. Share of results from equity accounted investees with operational nature**, **32. Financial results** and **64. Disclosures of interests in other entities**).

9. Financial instruments

A financial instrument is a contract that gives rise to a financial asset in one company and a financial liability or an equity instrument in another company.

Primary financial instruments

Primary financial instruments are measured in accordance with the rules defined by IFRS 9. Initial recognition is based on fair value as of the settlement date, including transaction costs, unless the financial instruments are recognised at fair value through profit or loss. Primary financial instruments are recognised in the consolidated statement of financial position when EVN is contractually entitled to receive payment or other financial assets from another party.

Following the initial application of IFRS 9, EVN has classified its financial assets under the following measurement categories since 1 October 2018:

- Fair value through other comprehensive income (FVOCI)
- Fair value through profit or loss (FVTPL)
- At amortised cost (AC)

The classification of financial assets on initial recognition is based on the business model and the characteristics of the contractual cash flows.

A financial asset is classified at amortised cost (AC) when it is held to collect contractual cash flows and these cash flows consist entirely of interest and principal payments on the outstanding amount. EVN holds loans receivable, trade receivables, remaining other non-current assets, cash on hand and cash at banks within the framework of a business model whose objective is to collect contractual cash flows. Consequently, the cash flow criterion is also met and the financial assets are classified at amortised cost (AC).

The non-current and current securities held by EVN are held within a business model whose objective is neither to collect contractual cash flows nor to collect contractual cash flows and to sell financial assets. These securities are classified at fair value through profit or loss (FVTPL). Derivative financial assets (outside hedge accounting) must be classified at fair value through profit or loss (FVTPL) (see Derivative financial instruments).

Investments in equity instruments are generally measured at fair value through profit or loss (FVTPL). However, EVN decided, at the time IFRS 9 was initially applied, to exercise the “FVOCI option” provided by IFRS 9.5.7.5 and classify all its equity instruments irrevocably at fair value through other comprehensive income (FVOCI).

Financial liabilities are still classified under the following measurement categories:

- Fair value through profit or loss (FVTPL)
- At amortised cost (AC)

Subsequent measurement is based on the classification to the measurement categories listed above and the rules applicable to the individual categories. These rules are described in the notes to the individual items on the consolidated statement of financial position.

The introduction of IFRS 9 led to the application at the time of initial recognition of the expected credit loss model (ECL) to debt instruments carried at amortised cost, debt instruments measured at FVOCI, lease receivables and contractual assets as defined in IFRS 15. Under the ECL model, impairment losses are not only recognised for losses which have already occurred but also for expected future credit losses. The related classification is based on a three-stage impairment model. When a financial asset is initially recognised, a loss allowance must be determined for the credit losses expected to occur within one year (risk category 1). Any significant deterioration in the debtor’s credit standing leads to the extension of this timeframe to the full term of the financial asset (risk category 2). An impaired credit standing or actual default by the debtor results in reclassification to risk category 3. The criteria for the transfer between risk categories are based on EVN’s internal rating system.

EVN determines the expected future credit loss by multiplying the “probability of default (PoD)” with the carrying amount of the financial asset “exposure at default (EAD)” and the actual loss resulting from customer default “loss given default (LGD)”.

In contrast to the above-mentioned ECL model, the simplified approach does not include the measurement of the twelve-month expected credit loss but only the lifetime expected credit loss. A simplified approach must be applied to trade receivables and IFRS 15 contractual assets without a significant financing component. An option is also available to apply the simplified approach to trade receivables and IFRS 15 contractual assets with a significant financing component. EVN uses this option. The option to apply the simplified approach in accordance with IFRS 16 to lease receivables is not applied.

EVN uses the practical expedient defined by IFRS 9.B5.5.35 for trade receivables and measures the expected credit loss with a provision matrix (also see note **13. Trade and other receivables**).

Derivative financial instruments

The main instruments used by EVN to manage and limit existing exchange rate and interest rate risks in the financial sector are foreign currency and interest rate swaps. EVN uses swaps, futures and forwards to limit energy sector risks arising from changes in commodity and product prices.

The forward and futures contracts concluded by EVN for the purchase or sale of electricity, natural gas, coal and CO₂ emission certificates serve to hedge the purchase prices for expected electricity and natural gas deliveries or CO₂ emission certificates as well as the selling prices for planned electricity production. If physical delivery is based on the expected procurement, sale or usage requirements, the criteria for the so-called "own use exemption" are met. The contracts are then not considered derivative financial instruments in terms of IFRS 9, but represent pending purchase and sale transactions, which must be assessed for possible impending losses from pending transactions in accordance with IAS 37. If the requirements for the own use exemption are not met – for example, by transactions for short-term optimisation – the contracts are recorded as derivatives in accordance with IFRS 9. Corresponding expenses and income from such derivative financial instruments are reported under results from operating activities.

Derivative financial instruments are recognised at fair value, which generally reflects the acquisition cost, when the respective contract is concluded and measured at fair value in subsequent periods. The fair value of derivative financial instruments is determined on the basis of quoted market prices, information provided by banks or discounting-based valuation methods whereby the counterparty risk is also included. Positive fair values are recorded as receivables from derivative transactions (under other non-current assets or under current receivables and other assets, depending on the term). In contrast, negative fair values are recorded as liabilities from derivative transactions (under other non-current liabilities or under other current liabilities, depending on the term). For counterparties with a master agreement that includes a so-called netting clause, the positive and negative fair values are presented as net amounts for the respective time periods when net settlement is planned (see note **63. Reporting on financial instruments**).

EVN has designated significant parts of the listed derivatives as hedges within the framework of hedge accounting. The requirements defined by IFRS 9 for this designation include an approved underlying transaction or hedging instrument, the formal designation and documentation of the hedge relationship, an economic relationship between the underlying transaction and the hedge as well as an appropriately documented hedging strategy.

Cash flow hedges are used to hedge the interest rate risks arising from financial liabilities and foreign exchange risks and to hedge the price risk from planned future electricity sales. At the beginning of the designated hedge relationship, the Group documents the risk management goals and strategies to be followed with regard to the hedge. The Group also documents the economic relationship between the underlying transaction and the hedging instrument as well as expectations as to whether the changes in the cash flows from the underlying transaction and the hedging instrument are expected to offset each other.

When a derivative is designated as a cash flow hedge, the effective portion of the changes in fair value are recognised under other comprehensive income and accumulated in the hedging reserve. The effective portion of the changes in fair value, which is recorded under other comprehensive income, is limited to the cumulative change in the fair value of the underlying transaction (based on present value) since the beginning of the hedge. Any ineffective parts of the changes in the fair value of the derivative are recognised immediately to profit or loss.

If an expected hedged transaction subsequently leads to the recognition of a non-financial item, e.g. inventories, the accumulated amount from the hedging reserve and the reserve for hedging costs is included in the acquisition cost of the non-financial item, if it is recognised.

For all other expected hedged transactions, the accumulated amount in the hedging reserve and the reserve for hedging costs is reclassified to profit or loss of the period or periods in which the expected future hedged cash flows influence profit or loss. If a hedge no longer meets the criteria for hedge accounting or if the hedging instrument is sold, expires, is terminated or exercised, hedge accounting is terminated prospectively. A so-called “rebalancing” is generally carried out when the framework conditions change, and the hedge is only terminated when this is not possible. When cash flow hedge accounting is terminated, the amount in the hedging reserve remains in equity until it is included in the acquisition cost of a non-financial item on initial recognition (for hedging transactions that lead to the recognition of a non-financial item) or until it is reclassified to profit or loss of the period or periods in which the expected hedged future cash flows influence profit or loss (for other cash flow hedges).

If the hedged future cash flows are no longer expected to occur, the amounts in the hedging reserve and the reserve for hedging costs are reclassified immediately to profit or loss.

The accounting treatment of the changes in the fair value of derivatives used for hedging purposes depends on the type of the hedging transaction.

Fair value hedges are used to hedge currency risks (also see notes **61. Risk management** and **63. Reporting on financial instruments**).

Derivative financial instruments classified as fair value hedges under IFRS 9 serve to hedge recognised assets or liabilities against the risk of a change in fair value. For fair value hedges, the recognition in profit or loss includes the change in the fair value of the derivative as well as the contrasting change in the fair value of the underlying transaction, as far as it reflects the hedged risk. The related earnings are generally reported under the same position in the consolidated statement of operations as the underlying transaction. Changes in the value of the hedges are essentially offset by the changes in the value of the hedged transactions.

The derivatives used by EVN for hedging purposes constitute effective protection. The changes in the fair value of these derivatives are generally offset by compensating changes in the underlying transactions.

10. Other investments

Other investments include, in addition to other investments, shares in associated companies which are not included in the consolidated financial statements due to immateriality. These shares are recorded at cost less any necessary impairment losses. The other investments were classified irrevocably at fair value through other comprehensive income (“FVOCI option”) in accordance with IFRS 9.5.7.5 following the introduction of IFRS 9. The fair value of these investments is based on available information and derived from market quotations, discounted cash flow calculations or the multiplier method. The measurement and deconsolidation results from these equity instruments are recorded under other comprehensive income. Dividends received are still reported on the consolidated statement of operations under income from investments, despite the use of this option (also see note **32. Financial results**).

11. Other non-current assets

Securities recorded under other non-current assets are initially recognised as FVTPL. These assets are recorded at fair value as of the acquisition date and subsequently measured at fair value as of the balance sheet date. Changes in fair value are recognised in the consolidated statement of operations.

Loans receivable are classified as AC, whereby the carrying amount on the acquisition date corresponds to the fair value. These loans are subsequently measured at amortised cost in keeping with the effective interest rate method and also reflect any necessary impairment losses.

Lease receivables arise from the international project business in the Environment Segment. They are classified as finance leases according to IFRS 16.

Receivables arising from derivative transactions are recognised as FVTPL. Gains and losses arising from changes in the fair value of derivative financial instruments are either recognised in profit or loss in the consolidated statement of operations or in other comprehensive income (see note **9. Financial instruments**).

The measurement of the remaining non-current assets is based on acquisition or production cost or the lower net realisable value on the balance sheet date.

Costs incurred for obtaining a contract are capitalised as an asset when EVN assumes these costs can be recovered. The capitalised costs are amortised on a systematic basis depending on how the goods or services are transferred to the customer.

12. Inventories

The measurement of inventories is based on acquisition or production cost or the lower net realisable value as of the balance sheet date. For marketable inventories, these values are derived from the current market price. For other inventories, these figures are based on the expected proceeds less future production costs. Risks arising from the length of storage or reduced marketability are reflected in experience-based reductions. The moving average price method is used to determine the consumption of primary energy inventories as well as raw materials, auxiliary materials and fuels.

The inventories of natural gas held by EVN for trading purposes are measured through profit or loss in the consolidated statement of operations. In accordance with the dealer-broker exception for raw material and commodities traders, measurement is based on fair value less costs to sell. This represents the market price for day-ahead deliveries on the Central European Gas Hub (CEGH).

13. Trade and other receivables

Current receivables are generally recorded at amortised cost, which equals the acquisition cost less impairment losses for the components of the receivables that are expected to be uncollectible. EVN applies the practical expedient provided by IFRS 9.B5.5.35 to trade receivables and determines the expected credit loss with a provision matrix. The input factors for the matrix include analyses of default incidents in previous financial years based on different regional characteristics for the core markets. The expected credit losses determined by the matrix are ranked by the time (over)due based on historical default rates and subsequently written off through profit or loss. The compiled information is reviewed annually, and the default rates are adjusted if necessary. All other receivables are accounted for in accordance with the ECL model (also see note **9. Financial instruments**).

Amortised costs, less any applicable impairment losses, can be considered appropriate estimates of the current value because the remaining term to maturity is generally less than one year.

Exceptions to the above procedure are receivables arising from derivative transactions which are recognised at fair value, and foreign currency items, which are measured at the exchange rates in effect on the balance sheet date.

Contract assets consist primarily of the Group's claims to consideration for performance on contract orders from the project business, in cases where the performance was completed but not yet invoiced as of the balance sheet date. Contract assets are reclassified to receivables when the rights become unconditional. This generally occurs when the Group issues an invoice to the customer.

14. Securities

Current securities, which consist mainly of investment certificates, are classified as FVTPL and measured at their fair value. Changes in fair value are recognised in the consolidated statement of operations.

15. Cash and cash equivalents

Cash and cash equivalents include cash on hand and demand deposits. Cash balances in foreign currencies are translated at the exchange rate in effect on the balance sheet date.

In accordance with internal Group guidelines, EVN invests cash and cash equivalents only with reputable financial institutions with good ratings. In this respect, it is assumed that cash and cash equivalents based on the external rating of banks and financial institutions have a low risk of default.

16. Assets and liabilities held for sale

Non-current assets as well as disposal groups that contain assets and liabilities are classified as held for sale when their sale is highly likely.

These assets and disposal groups are generally carried at the lower of their respective carrying amount and fair value less disposal costs. Any necessary recognition of an impairment loss to a disposal group is initially allocated to goodwill and, thereafter, to the remaining assets and liabilities on a proportional basis. Impairment losses resulting from the initial classification as held for sale as well as later gains and losses on revaluation are recognised to profit or loss.

Intangible assets and property, plant and equipment are no longer amortised, respectively depreciated once they have been classified as held for sale.

17. Equity

In contrast to borrowings, equity is defined by the IFRS framework as the "residual interest in the assets of an entity after deducting all of its liabilities". Equity is thus the residual value of a company's assets and liabilities.

Treasury shares held by EVN are not recognised as securities pursuant to IAS 32, but are instead reported at their (repurchase) acquisition cost and offset against equity. Any profit or loss resulting from the resale of treasury shares relative to the acquisition cost increases or decreases capital reserves.

The items recorded under other comprehensive income include certain changes in equity that are not recognised through profit or loss as well as the related deferred taxes. For example, this position contains the currency translation reserve, valuation results from equity instruments (FVOCI), the effective portion of changes in the fair value of cash flow hedges as well as all remeasurements according to IAS 19. This item also includes the proportional share of gains and losses recognised directly in equity accounted investees.

18. Provisions

Personnel provisions

The projected unit credit method is used to determine the provisions for pensions and similar obligations as well as severance payments. The expected pension payments are distributed according to the number of years of service by employees until retirement, taking expected future increases in salaries and pensions into account.

The amounts of the provisions are determined by an actuary as of each balance sheet date based on an expert opinion. The measurement principles are described in note **52. Non-current provisions**. All remeasurements – at EVN, only gains and losses from changes in actuarial assumptions – are recognised under other comprehensive income in accordance with IAS 19.

The applied interest rate is based on the market yields for first-class, fixed-interest industrial bonds as of the balance sheet date, whereby the maturities of the benefits were taken into account.

The service cost added to the provision is reported under personnel expenses, while the interest component of the addition is included under financial results.

Provisions for pensions and pension-related obligations

The calculation of the provisions for pensions, as in the previous year, was based on the Austrian mortality tables “AVÖ 2018-P – Rechnungsgrundlagen für die Pensionsversicherung”, which were issued by the Actuarial Association Austria (AVÖ) on 15 August 2018.

Under the terms of a company agreement, EVN AG is required to pay a supplementary pension on retirement to employees who joined the company prior to 31 December 1989. This commitment also applies to employees who, within the context of the legal unbundling agreement for the spin-off of the electricity and natural gas networks, are now employed by Netz Niederösterreich. The amount of this supplementary pension is based on performance as well as on the length of service and the amount of remuneration at retirement. EVN, in any case, and the employees, as a rule, also make contributions to the umbrella pension fund VBV Pensionskasse AG (VBV) and the resulting claims are fully credited toward pension payments. Therefore, EVN’s obligations toward both retired employees and prospective beneficiaries are covered in part by provisions for pensions as well as by defined contribution payments on the part of VBV.

For employees who joined the company after 1 January 1990, the supplementary company pension was replaced by a defined contribution plan that is financed through VBV. VBV is responsible for the investment of the pension plan assets. Pension commitments were also made to certain employees, which require EVN to pay retirement benefits under certain conditions.

Provisions for pension-related obligations were recognised for liabilities arising from the vested claims of current employees and the current claims of retired personnel and their dependents to receive benefits in kind in the form of electricity and natural gas.

Provision for severance payments

Austrian corporations are required by law to make one-off severance payments to employees whose employment began before 1 January 2003 if they are dismissed, in case of dissolution of the employment relationship by mutual consent or when they reach the legal retirement age. The amount of such payments is based on the number of years of service and the amount of the respective employee’s remuneration at the time the severance payment is made.

Employees in Bulgaria and North Macedonia are entitled to severance payments on retirement, which are based on the number of years of service. With regard to severance compensation entitlements, the other EVN employees are covered by similar social protection measures contingent on the legal, economic and tax framework of the country in which they work.

The obligation to make one-off severance payments to employees of Austrian companies whose employment commenced after 31 December 2002 has been transferred to a defined contribution plan. The payments to this external employee fund are reported under personnel expenses.

Other provisions

The other provisions reflect all recognisable legal or factual commitments to third parties based on past events, where the amount of the commitments and/or the precise starting point was still uncertain. In these cases, a reliable estimate of the amount of the obligation is required. If a reliable estimate is not possible, a provision is not recognised. These provisions are recognised at the discounted settlement amount. They are measured based on the expected value or the amount most likely to be incurred.

Risk-free interest rates are used for the discount rates. If the risks and uncertainties in cash flows cannot be taken into consideration adequately, an adapted discount rate is used.

The provisions for service anniversary bonuses required by collective wage and company agreements are measured using the same parameters as the provisions for pensions and similar obligations. A new regulation in the collective agreement for salaried employees of Austrian utility companies entitles salaried employees whose employment relationship began after 31 December 2009 to a service anniversary bonus equalling one month's salary after 15, 20, 25, 30 and 35 years and to one-half month's salary after 40 years. This was taken into account accordingly. All remeasurements – at EVN, only gains and losses from changes in actuarial assumptions – involving service anniversary bonuses are recognised through profit or loss in accordance with IAS 19. The service cost added to the provision is reported under personnel expenses, while the interest component of the addition is included under financial results.

Waste disposal and land restoration requirements resulting from legal and perceived commitments are recorded at the present value of the expected future costs. Changes in the estimated costs or the interest rate are offset against the carrying amount of the underlying asset. If the decrease in a provision exceeds the carrying amount of the asset, the difference is recognised through profit or loss. The related depreciation is corrected in accordance with the residual carrying amount and depreciated over the remaining useful life. If the asset has reached the end of its useful life, all subsequent changes to the provisions are recognised in profit or loss.

Provisions for onerous contracts are recognised at the amount of the unavoidable outflow of resources. This represents the lower of the amount that would result from performance of the contract and any compensatory payments to be made in the event of non-performance.

19. Liabilities

Liabilities are reported at amortised cost, with the exception of liabilities arising from derivative financial instruments or liabilities arising from hedge accounting (see note **9. Financial instruments**). Costs for the procurement of funds are considered part of amortised cost. Non-current liabilities are discounted by applying the effective interest method.

With respect to financial liabilities, bullet loans and borrowings with a remaining term to maturity of over one year are classified as non-current and items with a remaining term to maturity of less than one year are reported under current loans and borrowings (for information on maturities see note **50. Non-current loans and borrowings**).

If the fulfilment of a liability is expected within twelve months after the balance sheet date, the liability is classified as current. Network subsidies – which constitute payments made by customers to cover previous investments by EVN in the upstream network – represent an offset to the acquisition cost of these assets. In the electricity and natural gas network business, they are related to supply obligations by EVN. The granting of investment subsidies generally requires an operational management structure that complies with legal requirements and has been approved by the authorities.

Network and investment subsidies represent an offset to the acquisition or production cost of the related asset and, in accordance with the application of IAS 20 and IFRS 15, are recognised as liabilities. Network and investment subsidies are released on a straight-line basis over the average useful life of the respective assets. The release of network subsidies from the regulated business is reported under other operating income, while comparable items from the non-regulated business are reported under revenue (also see notes **2. Reporting in accordance with IFRS** and **20. Revenue recognition**).

A contract liability must be reported when consideration (e. g. a prepayment) has been transferred by the customer and the company has not yet provided goods or services. In the EVN Group, this generally takes place in connection with prepayments from the international project business.

20. Revenue recognition

IFRS 15 provides a five-step model for the recognition and measurement of revenue from contracts with customers. Under this model, revenue from contracts with customers is recognised when control over a good or service is transferred to the customer. A determination must therefore be made when a contract is concluded as to whether the resulting revenue should be recognised at a specific point in time or over time.

Revenue in the EVN Group results primarily from the sale (energy deliveries) and distribution (network utilisation/network services) of electricity, natural gas, heat and water to industrial, household and commercial customers. The EVN Group also generates revenue from waste utilisation, telecommunications and the international project business. The provision of goods and services by the EVN Group generally takes place over a specific time period, and revenue is therefore recognised over time.

The major services are described below:

Energy deliveries

Revenue results primarily from the transfer of electricity, natural gas, heat and water. Since the customer uses these services as they are provided, revenue is recognised over time. Revenue is recognised at an amount that reflects the services provided and entitled to be invoiced by EVN. In particular for household customers who only receive one invoice per year, the variable consideration is determined by extrapolating the energy consumption based on usage profiles and current temperature trends. The payment terms for energy deliveries generally represent 14 days. There is no significant financing component.

Network utilisation and services

EVN supplies electricity, natural gas, heat and water to its customers within the framework of network usage. The related performance obligation lies, above all, in the continuous provision and availability of energy through the network infrastructure. Revenue from these services is also recognised over time and when the services are provided, as described above. The payment terms for network usage generally represent 14 days. There is no significant financing component.

Network subsidies constitute payments made by customers to cover previous investments by EVN in the upstream network, to the extent they represent compensation for granting usage or purchase rights. Network subsidies in the regulated electricity and natural gas business, where the regulator determines the amount and underlying reason, are recognised as liabilities in accordance with IAS 20 and reported, as in the past, under other operating income as income from the reversal of deferred income from network subsidies. The network subsidies for all other areas are recorded as non-refundable advance payments (liabilities) in accordance with IFRS 15 and have been released to profit or loss under other revenue since 2018/19 (also see note **2. Reporting in accordance with IFRS**).

International project business

Revenue from the international project business is also recognised in accordance with the percentage of completion method as defined by IFRS 15. Projects are characterised by individual contract conditions with fixed prices and payments which follow a fixed schedule. If the construction services provided exceed the amount of the payment, a contract asset is recognised. If the payments are higher than the construction services provided, a contract liability is recorded. The percentage of completion is determined by the cost-to-cost method, which calls for the recognition of revenue and contract results in relation to actually incurred production costs as a per cent of the expected total costs. Reliable estimates of the total costs for the contracts, selling prices and incurred costs are available. Any changes in the estimated total contract costs and possible resulting losses are recognised in profit or loss in the period incurred. The technological and financial risks which could occur during the remaining term of a project are included through individual estimates and an appropriate amount is added to the expected total costs. Impending losses from the valuation of projects not yet invoiced are expensed immediately. These losses are realised when it is probable that the total contract costs will exceed the contract revenue. In the case that customers terminate the contract for reasons other than the non-fulfilment of the service promised by the company, EVN has a legal claim that at least the expenses incurred plus the lost profit margin will be reimbursed.

Other

EVN also generates revenue from telecommunications, waste utilisation and energy services. Most of the related contracts include services which are consumed by the customer as they are provided, and this revenue is also recognised over time. Revenue from waste utilisation is recognised at a point in time.

Interest income is recorded pro rata temporis using the effective interest rate applicable to the particular asset. Dividends are recognised when a legal entitlement to payment arises.

The costs for obtaining contracts are expensed as incurred if the amortisation period for the related asset equals one year or less. Significant financing components are not included when the period between the transfer to the customer of the promised good or service and payment by the customer is less than one year.

Significant judgments related to revenue recognition

Consumption-based fees for energy deliveries and network utilisation represent variable consideration, which is determined according to the expected value method defined by IFRS 15.53a. Meter-reading dates are spread over the entire year, especially for household customers with rolling invoices. The volumes of energy consumed during the period between the last meter-reading and the balance sheet date must be extrapolated with statistical methods and therefore estimated. The procedure used by EVN assigns each customer to a standard consumption profile in the form of an annual consumption curve for electricity and/or natural gas and extrapolates each customer individually.

In the international project business, the percentage of completion is decisive for the recognition of revenue. Progress on the respective projects is determined by an input-based method (cost-to-cost method). This method requires numerous estimates and judgmental decisions, above all for the identification of incurred costs, total contract costs and realisable contract revenue as well as the related contract risks (technical, political and financial risks). These estimates are reviewed regularly and adjusted if necessary.

21. Income taxes and deferred taxes

The income tax expense reported in the consolidated statement of operations comprises the current income tax expense for fully consolidated companies, which is based on their taxable income and the applicable income tax rate, as well as the change in deferred tax assets and deferred tax liabilities.

The following income tax rates were applied in calculating current income taxes:

Corporate income tax rates		
%		
Country of residence	2022/23	2021/22
Austria	24.0	25.0
Albania	15.0	15.0
Bulgaria	10.0	10.0
Germany ¹⁾	31.2–32.6	31.2–32.6
Croatia	18.0	18.0
Kuwait	15.0	15.0
Lithuania	15.0	15.0
North Macedonia	10.0	10.0
Montenegro	9.0	9.0
Poland	19.0	19.0
Romania	16.0	16.0
Russia	20.0	20.0
Slovenia	19.0	19.0
Czech Republic	19.0	19.0
Cyprus	12.5	12.5

1) The tax rate varies slightly depending on the applicable assessment rate for trade tax.

EVN utilised the corporate tax group option as of 30 September 2023. EVN AG is a member of a participation entity with NÖ Landes-Beteiligungsholding GmbH as the majority participating company and Wiener Stadtwerke GmbH as the minority participating company. A group and tax settlement contract was concluded for this purpose. EVN also has the right to designate other corporate entities as members of this tax group.

The taxable profit of the companies belonging to this group is attributable to EVN AG, which calculates combined results based on the attributed taxable profit. The contract calls for the payment of a positive tax charge, when the aggregated results are positive. As in the previous year, the positive aggregated tax result is based on the allocation method. If the aggregated results are negative, the tax losses are kept on record and offset against future positive results. The related disclosures are reported under income taxes. The transfer of losses from foreign subsidiaries within group taxation leads to the recognition of a liability equal to the nominal amount of the future corporate income tax obligation.

As an offset for the transferred taxable results, the tax group contracts include a tax charge that is based on the stand-alone method. Transferred tax losses are kept on record as internal loss carryforwards for the respective tax group members and offset against future positive earnings. An exception to this procedure is the contract concluded with Burgenland Holding, which calls for a negative tax charge for this company if its taxable results are negative and the group's total results are positive. In other cases, the loss is recorded as an internal loss carryforward and refunded in later years in the form of a negative tax charge as soon as it is covered by positive earnings.

Future changes in the tax rate are taken into account if the relevant law has been enacted by the time the consolidated financial statements are prepared. The eco-social tax reform adopted in the 2021/22 financial year, which will reduce the corporate income tax rate by one percentage point to 23% from 2024, is therefore taken into account in the measurement of deferred taxes. These changes were reflected in the valuation of deferred taxes. Deferred taxes are calculated according to the liability method at the tax rate expected when short-term differences are reversed. Deferred tax assets and deferred tax liabilities are calculated and recognised for all temporary differences (i. e. the difference between the carrying amounts in the consolidated financial statements and the annual financial statements prepared for tax purposes that will balance out in the future).

Deferred tax assets are recognised only if it is probable that there will be sufficient taxable income or taxable temporary differences to utilise these items. Tax loss carryforwards are recognised as deferred tax assets. Deferred tax assets and deferred tax liabilities are presented as a net amount in the consolidated financial statements if there is a legal right and intention to offset these items.

22. Procedures and effects of impairment tests

EVN carries out its impairment tests in accordance with the rules defined by IAS 36. Property, plant and equipment and intangible assets, including goodwill, are tested for impairment when there are internal or external indications of a loss in value. Intangible assets with an indefinite useful life and goodwill are tested at least once each year for signs of impairment.

The impairment testing of goodwill and assets for which no expected future cash flows can be identified is based on an assessment of the respective cash-generating unit (CGU). The decisive criterion used by EVN to classify a generation unit as a CGU is the technical and commercial ability to generate independent revenue. In the EVN Group, this definition applies to the electricity and heat generation plants, electricity, natural gas and water distribution systems, electricity procurement rights, telecommunications networks and facilities in the environmental services business.

The value in use is calculated in accordance with the requirements of IAS 36. Due to the long-term nature of investments in infrastructure assets, EVN uses cash flow projections that correspond to the economic useful life of the respective assets. Impairment tests for hydro-power plants are generally based on the assumption that the concession will be reissued and therefore that the respective sites will exist indefinitely. After a detailed planning period of seven years (previous year: four years), a rough planning period follows for infrastructure facilities/long-term projects until the end of the economic useful life, albeit limited to the period in which external electricity price forecasts are available (currently 2050). As the period of the medium-term planning calculations approved by management was aligned with the Strategy 2030 in the 2022/23 financial year, the detailed planning period was also adjusted to seven years.

The fair value less costs of disposal is basically calculated in accordance with the fair value measurement hierarchy defined in IFRS 13. Since it is generally not possible to derive market values for the CGUs and assets of EVN under evaluation, the fair value is estimated in accordance with Level 3 in the fair value hierarchy. The fair value less costs of disposal for a CGU is calculated with a WACC-based discounted cash flow method, which is conceptually similar to the value in use procedure, but includes adjustments to the parameters in the DCF model to reflect a market participant's viewpoint.

The calculation of the fair value less disposal costs and the value in use is based on the future cash inflows and outflows which are basically derived from internal medium-term forecasts. The cash flow forecasts are based on the latest financial plans approved by management. The underlying assumptions also take climate-related effects into consideration. The assumptions for the future development of electricity prices are derived from the quotations on the futures market of the European Energy Exchange AG, Leipzig, Germany. For the period extending beyond this time, an average is developed from the forecasts issued by two well-known information service providers in the energy sector. Several scenarios are used for averaging. In this way, the risks that may influence electricity prices in the future are taken into account comprehensively.

A weighted average cost of capital which includes the deduction of income tax (WACC) is used as the discount rate. The equity component of the WACC reflects the risk-free interest rate, a country-specific premium plus a risk premium that incorporates the market risk premium and an appropriate beta coefficient based on peer group capital market indicators. The debt component of the WACC equals the basis interest rate plus a country-specific premium and a rating dependent risk premium. The equity and debt components are weighted according to a capital structure that is appropriate for the CGU based on peer group data at market values. The resulting WACC is used to discount the cash flows in the respective CGU.

For the purpose of estimating the recoverable amount, EVN initially assesses the value in use. In cases where this amount is lower than the carrying amount of the asset, or the CGU, the fair value less costs of disposal is calculated if necessary.

23. Accounting estimates and forward-looking statements

The preparation of the consolidated financial statements in accordance with generally accepted IFRS accounting methods requires estimates and assumptions that have an effect on the assets, liabilities, income and expenses reported in the consolidated financial statements and on the amounts shown in the notes. The actual values may differ from these estimates. The assumptions and estimates are reviewed on a regular basis.

In particular, the following assumptions and estimates can lead to significant adjustments in the carrying amounts of individual assets and liabilities in future reporting periods.

In the international project business, changes in estimates for the progress on major projects can have a material effect. These estimates are particularly relevant for the large-scale project in Kuwait (construction of a wastewater treatment plant and corresponding sewage network) and the large-scale project in Bahrain (expansion of an existing wastewater treatment plant and construction of a sewage sludge utilisation plant). Revenue is recognised in accordance with the percentage of completion method (see notes **20. Revenue recognition** and **25. Revenue**).

Impairment tests require estimates, especially for future cash surpluses. A change in the general economic, industry or company environment may reduce cash surpluses and therefore lead to signs of impairment. The weighted average cost of capital (WACC) is used to determine the recoverable amounts based on capital market methods. The WACC represents the weighted average interest paid by a company for equity and debt. The weighting applied to the interest on the equity and debt components – which reflects a capital structure at market values – was derived from an appropriate peer group. Given the current volatility on the financial markets, the development of the cost of capital (and above all the country risk premiums) is monitored on a regular basis (see note **22. Procedures and effects of impairment tests**).

For the valuation of the generation portfolio, the price structure beginning with the fifth year (when predictable market prices are no longer available on the electricity exchanges) was based on average forecasts from two well-known market research institutes and information service providers in the energy sector. The most recent studies, which are updated annually due to the current volatility on the electricity markets, were used in each case. The following notes show the sensitivity of these assumptions for the largest CGUs, based on the carrying amount, where a triggering event was identified and for which an impairment loss or reversal was recognised in the financial statements: **35. Intangible assets**, **36. Property, plant and equipment** and **37. Investments in equity accounted investees**.

The most important premises and judgmental decisions used to determine the scope of consolidation are described under notes **4. Scope of consolidation** and **38. Other investments**.

WTE constructed a wastewater treatment plant in Budva, Republic of Montenegro, with a contract value of EUR 58.5m. The customer, the municipality of Budva, subsequently failed to meet its payment obligations to WTE. Following the issue of reminders and an extension period, WTE cancelled the investment contract in May 2018 but operations were temporarily continued as a goodwill gesture by WTE. All efforts by WTE to reach an agreement on the outstanding payments failed due to a lack of cooperation by the municipality of Budva; in particular, the joint commission installed for this purpose was unable to deliver any results due to a lack of cooperation by the municipality of Budva. In December 2019, WTE therefore called the guarantee issued by the Republic of Montenegro (EUR 29.3m) and the municipality of Budva (EUR 64.6m). The Republic of Montenegro met its payment obligation, but the municipality of Budva refused to make payment. WTE terminated its operation of the plant at the end of January 2020 after multiple notifications and transferred these operations to the municipality of Budva. WTE filed an arbitration action in Frankfurt against the municipality of Budva for failure to honour the guarantee; the value in dispute equalled EUR 37.9m, including interest. The court of arbitration issued a decision in favour of WTE at the beginning of October 2023. The municipality of Budva must therefore honour the guarantee provided to WTE. Moreover, WTE filed an arbitration action in Geneva in spring 2021 against the municipality of Budva for non-fulfilment of the investment contract. The outcome of these proceedings can lead to valuation adjustments in future periods (also see note **61. Risk management**).

The valuation of the provisions for pensions, pension-related obligations and severance payments are based on assumptions for the discount rate, retirement age and life expectancy as well as pension and salary increases. The adjustment of these parameters in future periods can lead to valuation adjustments. Moreover, future changes in electricity and natural gas tariffs can lead to valuation adjustments in the pension-related obligations (see note **52. Non-current provisions**).

Assumptions and estimates are also required to determine the useful life of non-current assets (see notes **6. Intangible assets** and **7. Property, plant and equipment**), and the provisions for legal proceedings and environmental protection (see note **18. Provisions**) as well as estimates for other obligations and risks (see note **65. Other obligations and risks**). In addition, it is necessary to make assumptions and estimates for the valuation of receivables and inventories (see notes **12. Inventories** and **13. Trade and other receivables**) and for the recognition of revenue (see note **20. Revenue recognition**), as well for the usability of tax carry forwards (see note **51. Deferred taxes**). These estimates are based on historical data and other assumptions considered appropriate under the given circumstances.

Information on climate change

As an energy and environmental services provider, EVN is committed to making a concrete contribution to climate protection. The company's strategic considerations include the special requirements created by the energy transformation and the far-reaching changes required by this transformation towards climate neutrality as well as the related effects on all sectors of the economy and on private households. Analyses in this context place a special focus on the requirements for climate protection, possible implementation tracks and the implications for the company's business model. These elements create an important basis for evaluating the opportunities and risks for our business resulting, from climate change and the related, rapidly changing regulations.

EVN terminated electricity generation from hard coal in 2020/21. In summer 2021, the company joined the Science Based Targets initiative (SBTi) and, in this connection, set five reduction goals for its activities. The EVN Climate Initiative "EVN for the climate" was launched in 2020/21 to realise these goals. It includes three focal points: the concrete reduction of CO₂ emissions, climate neutrality in selected group companies, and a contribution by EVN's research and development to climate protection. Success in this area will make an important contribution to realising the climate goal agreed in Paris to limit global warming to clearly below 2°C.

The majority of EVN's assets are subject to unpredictable weather conditions due to the generation and transmission or distribution technologies in use. This applies, in particular, to the in part exposed generation infrastructure (hydropower and wind power plants, photovoltaic equipment) and also to the transmission and distribution infrastructure. Climate changes can have a lasting influence on the hydropower, wind power and photovoltaic offering over the long term, which could lead to more extreme seasonal and annual deviations in generation. Changing climatic conditions can also lead to different demand-related behaviour. The declining demand for heating products will be accompanied by a greater demand for drinking water. In view of the high priority given to climate protection at EVN, potential climate risks are identified and assessed as part of the central risk management process. The active handling of risks can limit the effects on the company or support the conscious perception of opportunities for additional growth.

The impact of climate change on the recognition and valuation of assets and liabilities is evaluated at regular intervals. Climate-related earnings fluctuations – whether they result from production differences or changes in demand – are analysed with sensitivity and scenario calculations as part of the planning process and, after approval by management, transferred to the forecast calculations. The measures derived from the EVN Climate Initiative also flow into these calculations which, in total, form the basis for the impairment tests required by IAS 36 (see notes **22. Procedures and effects of impairment tests** and **36. Property, plant and equipment**). The risks arising from climate change are also included in the determination of the useful life of depreciable assets (see note **7. Property, plant and equipment**), the measurement of inventories (see note **12. Inventories**) and the recognition and measurement of provisions (see note **18. Provisions**).

The CO₂ emissions from twelve of our electricity generation and heating supply plants are covered by the EU's emission rights trading scheme (EU-ETS). In accordance with the ETS, we needed 318,582 CO₂ emission certificates in the 2022/23 financial year. The emission certificates required for heat production in Austria were granted free of charge, and the remainder were purchased over the wholesale market (see notes **40. Inventories** and **57. Current provisions**).

Impact of the war in Ukraine

The possible effects of the war in Ukraine were evaluated, in particular, with regard to the recoverability of assets as defined by IAS 36 and IFRS 9 and to further uncertainties connected with discretionary assessments.

Russia's assault on Ukraine which began on 24 February 2022 has strained relations between the majority of the international community and the Russian Federation and led to a series of reciprocal sanctions by the EU as well as the Russian Federation. The result was a massive increase in the wholesale prices for electricity and primary energy, which have since stabilised at a level two- to three-times higher than before the crisis. Further developments are uncertain due to the tense situation and can bring an increase in energy prices at any time. Added reciprocal sanctions and/or a possible halt to gas deliveries by Russia could have a significant influence on the energy market and a negative effect on the macroeconomic environment.

The possible termination of gas deliveries by Russia could, depending on the timing and duration, have an impact on natural gas supplies for EVN's customers. The volume of non-Russian gas and strategic gas inventories were expanded in view of this possibility. Measures to support supply security are connected with higher costs and can have a negative influence on earnings in individual periods.

The volatile development of energy prices had a negative effect on earnings in the energy supply business. To protect energy supplies, EVN successively purchased natural gas supplies and concluded futures contracts for electricity. The decline in the market prices for electricity and natural gas subsequently led to negative valuation effects for the recorded natural gas inventories and derivative futures in 2022/23. Provisions were also required for contingent losses from onerous customer contracts (see note **30. Share of results from equity accounted investees with operational nature**).

As a consequence of the political developments in Russia, EVN decided in the previous year to withdraw from this market and to sell the two combined heat and power plants in Moscow. The sale negotiations are currently in the approval process by the Russian government commission (see note **43. Assets and liabilities held for sale**).

Effects of the macroeconomic environment

EVN evaluated the recoverability of assets as defined by IAS 36 and IFRS 9 and further uncertainties connected with discretionary assessments against the backdrop of the current macroeconomic environment.

Economic developments have led to a higher number of insolvencies across Europe, especially after the expiration of government subsidy measures. These insolvencies are expected to have a negative effect on the macroeconomic environment and cause an increase in receivables defaults. The EVN Group has included the projected increase in potential default incidents through a forward-looking component, similar to the procedure followed in previous years.

EVN determines the impairment losses for trade receivables in accordance with IFRS 9.B5.5.35 based on regionally differentiated analyses of historical default incidents. The inclusion of the forward-looking component led to an increase of EUR 5.0m in the impairment loss allowance for trade receivables (previous year: EUR 6.1m) (see the section on Credit and default risk under note **61. Risk management**).

Apart from price increases on the energy markets and the differing effects on EVN's activities and business fields, investments and operating expenses are also affected by the sharp rise in inflation. These cost increases can possibly only be passed on to customers with a delay. The current macroeconomic developments can also have a – direct and indirect – negative influence on the demand for energy and, together with rising costs, have a negative influence on earnings.

Low net debt and a comfortable base of contractually committed, undrawn credit lines give EVN a constant, high degree of financial flexibility and solid liquidity reserves. The high energy prices in recent months had a substantial negative impact on earnings from energy supply, while renewable energy generation made a positive contribution to earnings. Stabilising effects were provided, above all, by EVN's integrated business model and widely diversified customer portfolio. The EVN Group can therefore be considered a going concern.

24. Principles of segment reporting

The identification of operating segments is based on the internal organisational and reporting structure and information prepared for internal management decisions (the "management approach"). The Executive Board of the EVN Group (the chief operating decision-maker as defined in IFRS 8) reviews internal management reports on each operating segment at least once each quarter. EVN has defined the following operating segments: Generation, Energy, Networks, South East Europe, Environment and All Other Segments. This conforms in full to the internal reporting structure. The assessment of all segment information is consistent with the IFRS. EBITDA is used as an indicator to measure the earning power of the individual segments. For each segment, EBITDA represents the total net operating profit or loss before interest, taxes, amortisation of intangible assets and depreciation of property, plant and equipment for the companies included in the segment, taking intragroup income and expenses into account (see note **59. Notes to segment reporting**).

Notes to the consolidated statement of operations

25. Revenue

Revenue from contracts with customers is recognised when control of a good or service is transferred to the customer. The consideration is recognised in the amount that the company expects to receive in exchange for these goods or services.

In addition to revenue from contracts with customers, EVN generates other revenue from its ordinary business activities. This revenue is presented separately in the following table:

Revenue	2022/23	2021/22
EURm		
Revenue from contracts with customers	3,662.9	3,995.3
Other revenue	105.7	66.9
Total	3,768.7	4,062.2

Other revenue includes valuation effects of EUR 73.7m (previous year: EUR 44.9m) related to energy derivatives which are attributable to the Energy Segment. Positive and negative results from the valuation of these derivatives are offset for reporting. In addition, EVN recognised operating lease revenue of EUR 32.2m in the 2022/23 financial year (previous year: EUR 22.1m).

The following table shows the revenue from contracts with customers classified by segment and product:

Revenue from contracts by segment and product	2022/23	2021/22
EURm		
Electricity	437.1	405.4
Natural gas	191.0	57.7
Heat	239.6	186.3
Other	42.4	34.3
Energy	910.1	683.7
Electricity	75.7	95.3
Other	57.0	64.2
Generation	132.8	159.5
Electricity	374.6	331.3
Natural gas	103.0	103.7
Other	86.8	82.2
Networks	564.5	517.3
Electricity	1,464.4	1,973.4
Natural gas	9.9	9.4
Heat	11.9	11.2
Other	13.4	8.4
South East Europe	1,499.7	2,002.4
Environmental services	525.3	604.3
Electricity	4.9	6.1
Heat	1.3	1.5
Environment	531.4	611.8
Other	24.5	20.6
All Other Segments	24.5	20.6
Total	3,662.9	3,995.3

EVN generally recognises revenue over time in its core business of energy supplies and deliveries as well as in the international project business. An exception to this practice is the recognition of revenue by EVN Wärmekraftwerke in connection with the thermal waste utilisation plant in Dürnrohr, where revenue is recognised at a specific point in time. The related revenue amounted to EUR 51.9m in 2022/23 (previous year: EUR 53.1m).

Sales revenues which are expected to be realised in future in connection with performance obligations and which have not yet been met or have only been partially met as of 30 September 2023, mainly relate to network subsidies and the international project business.

In total, the remaining performance obligations amount to EUR 942.5m (previous year: EUR 875.2m) at the balance sheet date. Of this amount, EUR 873.5m (previous year: EUR 812.4m) relates to performance obligations from the international project business. Revenue is recognised on the basis of the percentage of completion and will be recognised within the next five years, depending on the project. The performance obligations from network subsidies are shown in the following table:

Transaction prices allocated to remaining performance obligations

2022/23 financial year

EURm	< 1 year	1–5 years	> 5 years
Network subsidies	7.0	28.1	34.0
Total	7.0	28.1	34.0

2021/22 financial year

EURm	< 1 year	1–5 years	> 5 years
Network subsidies	6.3	25.4	30.7
Total	6.3	25.4	30.7

EVN applies the practical expedient provided by IFRS 15.B16 when the respective requirements are met and recognises revenue at the amount it is entitled to invoice. Moreover, contracts for electricity and natural gas deliveries as well as contracts for network utilisation in the household customer business are concluded for an indefinite period. The customer has a unilateral right to terminate the contracts at any time. As a result, EVN does not have a contractual right to transfer the related performance obligations or to receive consideration. EVN therefore uses the practical expedients provided by IFRS 15.121 for the two cases described above and does not disclose any information on the remaining performance obligations.

26. Other operating income

Other operating income

EURm	2022/23	2021/22
Income from the reversal of deferred income from network subsidies	58.3	53.3
Own work capitalised	29.8	31.8
Compensation and remunerations	7.0	14.1
Rental income	3.5	3.0
Result from the disposal of intangible assets, and property, plant and equipment	1.9	-2.8
Change in work in progress	3.6	-5.2
Miscellaneous other operating income	23.4	15.4
Total	127.5	109.5

The reversal of deferred income from network subsidies in other operating income relates to grants related to the regulated area.

The decrease in compensation and remuneration is mainly due to the discontinuation of warranties granted in the previous year in connection with a wastewater treatment system.

Miscellaneous other operating income consists, above all, of bonuses, subsidies and services that are not related to business activities.

27. Cost of materials and services

Cost of materials and services	2022/23	2021/22
EURm		
Electricity procurement costs	1,229.6	1,803.0
Gas procurement costs	355.3	382.8
Other energy expenses	90.6	92.4
Electricity purchases from third parties and primary energy expenses	1,675.5	2,278.2
Third-party services and other materials and services	662.7	707.1
Total	2,338.2	2,985.3

The cost of materials includes valuation effects from derivative contracts in the energy sector. In the business year under report, these resulted in a decrease in expenses of EUR 19.8m (previous year: increase in expenses of EUR 49.2m).

Other energy expenses include in particular biomass procurement costs and expenses for the use of purchased CO₂ emission certificates.

The expenses for third-party services and other materials and services mainly relate to the project business of the Environment Segment and to third-party services for the operation and maintenance of plants. Moreover, this item also includes other expenses directly allocable to the provision of services.

28. Personnel expenses

Personnel expenses	2022/23	2021/22
EURm		
Salaries and wages	331.7	287.8
Severance payments	5.0	5.1
Pension costs	4.8	10.4
Compulsory social security contributions and payroll-related taxes	68.1	60.4
Other employee-related expenses	9.6	8.4
Total	419.2	372.2

Personnel expenses include contributions to the VBV Pensionskasse in the amount of EUR 7.8m (previous year: EUR 7.1m) and contributions to company employee provision funds in the amount of EUR 2.1m (previous year: EUR 1.7m).

The provisions of § 744 of the Austrian Social Security Act led to a reduction in pension adjustments compared with previous years and led to a decline of EUR 4.9m in pension costs.

The average number of employees was as follows:

Employees by segment¹⁾	2022/23	2021/22
Generation	298	229
Networks	1,340	1,345
Energy	326	274
South East Europe	4,072	4,114
Environment	654	622
All Other Segments	564	550
Total	7,255	7,135

1) Average for the year

The average number of employees comprised 97.8% salaried and 2.2% wage employees (previous year: 97.7% salaried and 2.3% wage employees), whereby no distinction is made between salaried and wage employees in Bulgaria and North Macedonia. Wage employees are therefore counted together with salaried employees in these countries.

29. Other operating expenses

Other operating expenses	2022/23	2021/22
EURm		
Business operation taxes and duties	62.8	18.4
Legal and consulting fees, expenses related to process risks	20.9	14.2
Write-up/write-off of receivables	20.7	38.0
Maintenance	14.7	13.7
Telecommunications and postage	12.6	11.4
Advertising expenses	11.1	10.3
Transportation and travelling expenses, automobile expenses	10.9	12.8
Insurance	9.3	11.2
Rents	4.5	4.5
Employee training	2.5	2.1
Miscellaneous other operating expenses	32.3	21.9
Total	202.2	158.4

The Austrian Federal Act on the Energy Crisis Contribution – Electricity introduced a levy of 90% on the surplus proceeds earned from electricity generation in Austria as of 1 December 2022. The threshold for the calculation of surplus proceeds was set at EUR 140 per MWh up to 31 May 2023 but reduced to EUR 120 per MWh from 1 June 2023 up to the expiration date on 31 December 2023. The threshold can be increased up to EUR 176 per MWh, respectively EUR 156 per MWh based on the inclusion of allowable investments in renewable energies and energy efficiency measures. A levy to moderate the energy and price crisis was also introduced in North Macedonia during 2022/23, whereby this solidarity tax for companies in North Macedonia was only collected once.

This levy on surplus proceeds from electricity generation in Austria and the solidarity tax in North Macedonia were reflected in the recognition of expenses totalling EUR 31.2m.

The increase in business operation taxes and duties resulted primarily from the levy on surplus proceeds from electricity generation in Austria and the solidarity tax in North Macedonia. In addition, provisions were recognised for tax audits in South East Europe.

The position legal and consulting fees, expenses related to process risks also contains the change in the provision for process costs and risks. The item rents includes non-capitalised rental expenses (see note **36. Property, plant and equipment**) as well as changes in provisions for rents for network access in Bulgaria. In addition, expenses which are not under the scope of IFRS 16 are also included.

The decline in receivables write-offs resulted mainly from a reduction in the balance of receivables in North Macedonia. As in previous years, a forward-looking component was included in 2022/23 to reflect expected future receivables defaults (see note **61. Risk management**).

Miscellaneous other operating expenses include environmental protection expenses, fees for monetary transactions, licenses, membership fees and administrative and office expenses.

30. Share of results from equity accounted investees with operational nature

Share of results from equity accounted investees with operational nature	2022/23	2021/22
EURm		
EVN KG	-240.3	7.2
RAG	79.1	51.7
Burgenland Energie	31.0	14.4
Verbund Innkraftwerke	28.8	8.2
Ashta	11.0	0.7
ZOV; ZOV UIP	10.8	12.0
Umm Al Hayman	6.4	4.6
EnergieAllianz	-3.3	-2.4
Other companies	8.7	2.5
Total	-67.6	98.9

The share of results from equity accounted investees with operational nature (see note **64. Disclosures of interests in other entities**) is reported as part of the results from operating activities (EBIT). The consolidated financial statements do not include any equity-accounted companies of a financial nature.

The share of results from equity accounted investees with operational nature consists primarily of earnings contributions, impairment losses recognised to assets capitalised in connection with acquisitions and other necessary impairment losses and write-ups (see note **37. Investments in equity accounted investees**).

The share of results from equity accounted investees with operational nature decreased to EUR -67.6m in financial year 2022/23 (previous year: EUR 98.9m). This was mainly due to the development of EVN KG. A write-up of the Ashta hydropower plant in the amount of EUR 11.1m had the opposite effect (see note **37. Investments in equity accounted investees**).

31. Depreciation and amortisation and effects from impairment tests

The procedure used for impairment testing is described as part of the disclosures on accounting policies under note **22. Procedures and effects of impairment tests**.

Depreciation and amortisation and effects from impairment tests by items of the consolidated statement of financial position		
EURm	2022/23	2021/22
Intangible assets	20.5	73.4
Property, plant and equipment	302.6	338.8
Other non-current assets ¹⁾	20.6	20.6
Write-up of property, plant and equipment	-3.2	-9.6
Total	340.4	423.2

1) Depreciation of capitalised contract costs

Depreciation and amortisation and effects from impairment tests		
EURm	2022/23	2021/22
Scheduled depreciation and amortisation	336.5	318.0
Effects from impairment tests (impairment) ¹⁾	7.1	114.8
Effects from impairment tests (reversal of impairment) ¹⁾	-3.2	-9.6
Total	340.4	423.2

1) For details, see notes 35. Intangible assets and 36. Property, plant and equipment

32. Financial results

Financial results		
EURm	2022/23	2021/22
Income from investments		
Dividend payments	169.3	51.4
thereof Verbund AG	158.0	46.1
thereof Verbund Hydro Power GmbH	9.1	3.5
thereof Wiener Börse AG	1.5	1.5
thereof other companies	0.8	0.4
Valuation results/disposals	-0.3	-
Total income from investments	169.0	51.4
Interest results		
Interest income on financial assets	1.9	1.7
Other interest income	14.6	3.7
Total interest income	16.5	5.4
Interest expense on financial liabilities	-34.0	-29.2
Interest expense personnel provisions	-10.4	-4.1
Other interest expense	-12.9	-4.7
Total interest expense	-57.4	-37.9
Total interest results	-40.9	-32.5
Other financial results		
Results from changes in exchange rates and the disposal of securities from non-current financial assets	0.7	-3.3
Results from changes in exchange rates and the disposal of current financial assets	2.8	-5.8
Currency gains/losses	-3.9	-25.5
Other financial results	-0.1	-14.7
Total other financial results	-0.5	-49.4
Financial results	127.6	-30.5

Interest income on financial assets includes interest from investment funds whose investment focus is on fixed-interest securities, as well as the interest component from leasing business. Other interest income includes income from liquid funds and securities held as current financial assets.

Interest income on financial assets recognised using the effective interest method amounted to EUR 15.6m (prior year: EUR 3.2m).

The interest expense on financial liabilities represents regular interest payments on issued bonds and bank loans.

Other interest expense includes the interest expense for lease liabilities, the accrued interest expense on non-current provisions, expenses for current loans as well as leasing costs for biomass equipment, distribution and heating networks. The interest expense on liabilities not designated at fair value through profit or loss totalled EUR 46.9m (previous year: EUR 33.8m).

The increase in the financial result was mainly due to the dividend payment by Verbund AG in the amount of EUR 158.0m.

33. Income tax expense

Income tax expense	2022/23	2021/22
EURm		
Current income tax income and expense	7.3	50.9
thereof Austrian companies	-14.2	32.3
thereof foreign companies	21.5	18.6
Deferred tax income and expense	66.7	13.1
thereof Austrian companies	51.9	-1.2
thereof foreign companies	14.9	14.4
Total	74.0	64.0

The following table explains the reasons for the difference between the Austrian corporate income tax rate of 24.0% that applied in 2023 (previous year: 25.0%) and the tax expense based on the Group net result reported on the consolidated statement of operations for the 2022/23 financial year:

Calculation of the effective tax rate	2022/23		2021/22	
	%	EURm	%	EURm
Result before income tax		656.2		301.2
Income tax rate/income tax expense at nominal tax rate	24.0	157.5	25.0	75.3
- Different corporate income tax rates in other countries	-3.6	-23.3	-3.9	-11.8
- Effect of tax rate change	-0.3	-2.2	-1.3	-4.0
- Tax-free income from investments	-12.5	-82.0	-11.9	-35.8
+ Revaluation of deferred taxes	3.6	23.6	14.0	42.0
+ Impairment of goodwill	-	-	4.4	13.2
+/- Tax share valuations and impairment on Group receivables	-0.1	-0.6	-2.2	-6.7
+ Non-deductible expenses	0.6	3.7	1.2	3.5
- Other tax-free income	-0.5	-3.2	-0.5	-1.4
+ Aperiodic tax increases	0.3	1.7	0.1	0.2
-/+ Other items	-0.2	-1.2	-3.5	-10.4
Effective tax rate/effective income tax expense	11.3	74.0	21.3	64.0

The changes in the revaluation of deferred taxes resulted primarily from the recognition of previously unrecognised tax losses.

The effective tax burden on EVN for the 2022/23 financial year amounts to 11.3% of earnings before taxes (previous year: 21.3%). The effective tax rate is a weighted average of the effective local income tax rates of all consolidated subsidiaries (see note **51. Deferred taxes**).

34. Earnings per share

Earnings per share were calculated by dividing Group net result (= proportional share of net result attributable to EVN AG shareholders) by the weighted average number of ordinary shares outstanding in 2022/23, i.e. 178,225,093 (previous year: 178,187,472) (see note **48. Treasury shares**). This amount may be diluted by so-called potential shares arising from stock options or convertible bonds. Since EVN does not have any such shares, there is no difference between basic and diluted earnings per share. Based on the Group net result of EUR 529.7m for the 2022/23 financial year (previous year: EUR 209.6m), earnings per share equalled EUR 2.97 (previous year: EUR 1.18).

Notes to the consolidated statement of financial position

Assets

35. Intangible assets

Goodwill is allocated to the CGUs “international project business” and “other CGUs”. Rights include electricity procurement rights, transportation rights for natural gas pipelines and other rights (primarily software licenses). Other intangible assets primarily include the customer bases of the Bulgarian and North Macedonian electricity supply companies.

Reconciliation of intangible assets

2022/23 financial year

EURm	Goodwill	Rights	Other intangible assets	Total
Gross value 30.09.2022	216.2	487.1	58.9	762.1
Additions	–	40.0	–	40.0
Disposals	–	–3.6	–	–3.6
Transfers	–	–0.2	–	–0.2
Change in the scope of consolidation	–	0.7	1.2	1.9
Gross value 30.09.2023	216.2	524.1	60.1	800.3
Accumulated amortisation 30.09.2022	–213.2	–311.3	–46.7	–571.2
Scheduled amortisation	–	–17.3	–3.1	–20.5
Disposals	–	2.7	–	2.7
Accumulated amortisation 30.09.2023	–213.2	–326.0	–49.9	–589.1
Net value 30.09.2022	3.0	175.8	12.1	190.9
Net value 30.09.2023	3.0	198.1	10.2	211.2

2021/22 financial year

EURm	Goodwill	Rights	Other intangible assets	Total
Gross value 30.09.2021	216.2	442.2	59.5	717.9
Additions	–	47.8	–	47.8
Disposals	–	–3.6	–	–3.6
Transfers	–	0.6	–0.6	–
Gross value 30.09.2022	216.2	487.1	58.9	762.1
Accumulated amortisation 30.09.2021	–160.3	–298.0	–43.1	–501.4
Scheduled amortisation	–	–16.8	–3.6	–20.5
Impairment losses	–52.9	–0.1	–	–52.9
Disposals	–	3.6	–	3.6
Accumulated amortisation 30.09.2022	–213.2	–311.3	–46.7	–571.2
Net value 30.09.2021	55.8	144.2	16.4	216.5
Net value 30.09.2022	3.0	175.8	12.1	190.9

The rights include EVN's electricity procurement rights to the Danube power plants in Freudenau, Melk and Greifenstein. The carrying amount totalled EUR 37.6m as of 30 September 2023 (previous year: EUR 41.5m) and will be amortised over the expected remaining operating life of the power plants.

In 2022/23, a total of EUR 3.9m (previous year: EUR 2.4m) was invested in research and development, EUR 1.1m thereof was capitalised (previous year: EUR 0.9m).

36. Property, plant and equipment

Reconciliation of property, plant and equipment

2022/23 financial year EURm	Land and buildings	Lines	Technical equipment	Meters	Other plants, tools and equipment	Equipment under construction	Total
Gross value 30.09.2022	977.5	4,930.7	2,782.4	320.0	240.5	351.0	9,602.2
Currency translation differences	–	–0.1	–34.3	–	–	–	–34.4
Additions	65.3	166.9	133.2	17.9	34.8	266.7	684.7
Disposals	–3.7	–14.6	–14.0	–9.3	–7.9	–0.6	–50.0
Transfers	43.4	79.2	84.6	0.1	4.6	–211.8	–
Change in the scope of consolidation	1.4	1.9	14.2	–	1.5	4.4	23.3
Gross value 30.09.2023	1,084.0	5,163.9	2,966.1	328.7	273.6	409.7	10,225.9
Accumulated amortisation 30.09.2022	–570.1	–2,784.4	–2,063.0	–126.4	–166.7	–11.3	–5,721.7
Currency translation differences	–	–	34.2	–	–	–	34.2
Scheduled depreciation	–28.3	–131.4	–83.2	–25.6	–26.9	–	–295.4
Impairment losses	–1.4	–4.3	–1.4	–	–	–	–7.1
Revaluation	2.0	0.7	0.5	–	–	–	3.2
Disposals	2.5	14.5	12.6	8.3	8.3	0.4	46.6
Reclassifications	0.2	0.1	–0.1	–	–	–0.1	0.1
Accumulated amortisation 30.09.2023	–595.1	–2,904.8	–2,100.4	–143.7	–185.2	–10.9	–5,940.2
Net value 30.09.2022	407.5	2,146.3	719.4	193.6	73.9	339.8	3,880.4
Net value 30.09.2023	488.8	2,259.2	865.6	185.0	88.3	398.8	4,285.7

2021/22 financial year							
EURm	Land and buildings	Lines	Technical equipment	Meters	Other plants, tools and equipment	Equipment under construction	Total
Gross value 30.09.2021	965.6	4,729.1	2,802.0	294.7	227.9	240.2	9,259.5
Currency translation differences	0.4	1.0	24.4	0.2	0.1	0.1	26.2
Additions	21.8	139.0	60.3	59.8	25.7	215.7	522.3
Disposals	-20.9	-10.5	-45.3	-34.8	-13.8	-1.0	-126.3
Transfers	10.8	72.1	20.0	-	0.7	-103.9	-0.4
Reclassification to assets held for sale	-	-	-79.0	-	-0.1	-	-79.1
Gross value 30.09.2022	977.6	4,930.7	2,782.4	320.0	240.5	351.0	9,602.2
Accumulated amortisation 30.09.2021	-561.8	-2,632.4	-2,073.8	-133.1	-154.2	-11.9	-5,567.3
Currency translation differences	-0.2	-0.6	-23.7	-0.1	-0.1	-	-24.7
Scheduled depreciation	-25.8	-120.5	-81.1	-23.7	-25.8	-	-276.9
Impairment losses	-3.9	-43.5	-14.1	-0.1	-0.2	-	-61.9
Revaluation	0.5	2.3	6.8	-	-	-	9.6
Disposals	20.7	10.3	44.0	30.6	13.5	0.6	119.8
Reclassifications	0.5	-	-	-	-	-	0.5
Reclassification to assets held for sale	-	-	79.0	-	0.1	-	79.1
Accumulated amortisation 30.09.2022	-570.1	-2,784.4	-2,063.0	-126.4	-166.6	-11.3	-5,721.7
Net value 30.09.2021	403.8	2,096.7	728.2	161.6	73.6	228.3	3,692.1
Net value 30.09.2022	407.5	2,146.3	719.4	193.6	73.9	339.8	3,880.4

Land and buildings included land with a value of EUR 71.0m (previous year: EUR 63.5m). There was no maximum amount mortgage as of 30 September 2023.

As in the previous year, no property, plant and equipment or intangible assets were pledged as collateral as of 30 September 2023.

The impairment testing of assets in accordance with IAS 36 led to the recognition of the following impairment losses and write-ups in 2022/23:

Various heating plants attributable to EVN Wärme in the Energy Segment were tested for impairment due to a deterioration in the economic environment during 2022/23. The related calculations led to the recognition of impairment losses totalling EUR 5.7m to three plants and to revaluations of EUR 1.6m to six plants. The recoverable amount was determined on the basis of the value in use and amounted to EUR 23.9m. A WACC after tax ranging from 5.51% to 5.66% was used as the discount rate, which corresponds to an iteratively derived pre-tax WACC of 6.50% to 9.05%.

A building used for operations by EVN Wasser was tested for impairment in 2013/14 following the unscheduled shutdown of a wellfield. The construction and commissioning of a natural filter plant in this operating building led to a revaluation with recognition to profit or loss of EUR 1.6m to the depreciated cost in 2022/23.

EVN as the lessee

The most important application area for the EVN Group is formed by lease and easement agreements, as well as leased commercial and warehouse space which are assumed to be based on long-term leases. Rights of use totalling EUR 95.6m (previous year: EUR 74.0m) were contrasted by lease liabilities with a present value of EUR 80.2m (previous year: EUR 61.8m) as of 30 September 2023. The short-term portion of the lease liabilities equalled EUR 8.8m (previous year: EUR 6.4m).

In connection with subsequent measurement, the rights of use are amortised on a systematic basis over the shorter of the useful life and the remaining term of the lease. The conclusion of new agreements and the recognition of changes in estimates and modifications in 2022/23 led to an addition of EUR 28.6m (previous year: EUR 12.0m). Rights of use from lease agreements are reported as part of property, plant and equipment in accordance with IFRS 16; the development and amortisation of these rights of use are allocated to the following asset classes:

2022/23 financial year					
EURm	Land and buildings	Lines	Technical equipment	Other plants, tools and equipment	Total
Rights of use 30.09.2022	58.4	14.8	0.3	0.5	74.0
Additions	24.2	3.5	–	1.1	28.7
Scheduled depreciation	–6.5	–0.6	–0.3	–0.4	–7.7
Disposals	–0.7	–	–	–	–0.7
Transfers	–0.1	–	0.2	–0.1	–
Change in the scope of consolidation	1.2	–	–	–	1.3
Rights of use 30.09.2023	76.5	17.7	0.1	1.3	95.6

2021/22 financial year					
EURm	Land and buildings	Lines	Technical equipment	Other plants, tools and equipment	Total
Rights of use 30.09.2021	55.8	11.4	1.0	0.4	68.6
Additions	7.4	3.9	0.4	0.4	12.0
Scheduled depreciation	–4.9	–0.5	–1.0	–0.2	–6.6
Rights of use 30.09.2022	58.4	14.8	0.3	0.5	74.0

The determination of the rights of use and corresponding lease liabilities includes all sufficiently probable cash outflows. The cash outflows from leases totalled EUR 19.9m (previous year: EUR 14.0m) in 2022/23. The consolidated statement of operations contains EUR 3.4m (previous year: EUR 2.5m) of expenses from unrecognised leases, which include expenses from low-value leases, expenses from short-term leases (less than twelve months) and expenses from variable lease payments that were not included in the lease liability. The interest expense for lease liabilities totalled EUR 1.3m (previous year: EUR 0.6m) in 2022/23. The difference between the cash outflows presented here and the payments for lease liabilities resulted primarily from advance rental payments made in 2022/23. These advance payments are not reported under cash flow from financing activities because they are not related to lease liabilities; they are instead included under cash flow from investing activities.

37. Investments in equity accounted investees

The companies included in the consolidated financial statements at equity are listed in the notes under **EVN's investments** starting on page 287. Note **64. Disclosures of interests in other entities** contains financial information on joint ventures and associates that are included at equity in EVN's consolidated financial statements.

All investments in equity accounted investees were recognised at their proportional share of IFRS income or loss based on an interim or annual report with a balance sheet date that does not precede the balance sheet date of EVN by more than three months. There were no listed market prices for the investments in equity accounted investees included in the consolidated financial statements.

Reconciliation of investments in equity accounted investees

2022/23 financial year

EURm

Gross value 30.09.2022	968.3
Additions	329.6
Disposals	-5.8
Gross value 30.09.2023	1,292.2
Accumulated amortisation 30.09.2022	1,419.7
Currency translation differences	-2.5
Change in the scope of consolidation	0.9
Revaluation	11.1
Proportional share of results	-78.7
Dividends	-105.3
Changes recognised in other comprehensive income	-1,434.0
Accumulated amortisation 30.09.2023	-188.9
Net value 30.09.2022	2,388.0
Net value 30.09.2023	1,103.4

2021/22 financial year

EURm

Gross value 30.09.2021	918.3
Additions	50.0
Gross value 30.09.2022	968.3
Accumulated amortisation 30.09.2021	659.2
Currency translation differences	3.8
Proportional share of results	98.9
Dividends	-152.6
Changes recognised in other comprehensive income	810.3
Accumulated amortisation 30.09.2022	1,419.7
Net value 30.09.2021	1,577.5
Net value 30.09.2022	2,388.0

To protect energy supplies, EVN KG continuously purchased natural gas supplies and concluded futures contracts for electricity. The decline in the market prices for electricity and natural gas subsequently led to negative valuation effects for the recognised natural gas inventories and derivative futures. Provisions were also required for contingent losses from onerous customer contracts. EVN injected new capital to cover the company's losses and ensure its operational capability. The subsidies to EVN KG totalled EUR 318.4m in 2022/23. The at equity carrying amount of EVN KG equalled EUR 0.0m as of 30 September 2023. Value adjustments of EUR 16.9m could not be recorded directly in equity because the at equity carrying amount would then have been negative.

A capital contribution of EUR 8.6m was provided to EnergieAllianz in 2022/23. The at equity carrying amount of EnergieAllianz equalled EUR 0.0m as of 30 September 2023. Value adjustments of EUR 34.1m were not recognised because the carrying amount would then have been negative.

EVN-ECOWIND Sonnenstromerzeugungs GmbH was included in the consolidated financial statements of EVN AG for the first time in 2022/23. This resulted in the recognition of a EUR 0.5m addition (also see **4. Scope of consolidation**). A shareholder contribution of EUR 2.2m was also made to EVN-ECOWIND.

The disposals resulted from the transferral of the “sales and energy-related services” business unit from EVN KG and to changes in the scope of consolidation in connection with s2e and Biowärme Amstetten-West GmbH (also see note **4. Scope of consolidation**).

The carrying amount of equity accounted investees, excluding additions and disposals, declined by EUR 1,620.1m in 2022/23. These changes resulted chiefly from adjustments of EUR –1,445.2m to the fair value of derivative financial instruments in the energy business which are designated as cash flow hedges and related to the investments in EVN KG and EnergieAllianz and also included an earnings contribution of EUR –240.3m from EVN KG.

38. Other investments

The item other investments includes holdings in affiliates and associates, which are not consolidated due to immateriality, as well as miscellaneous stakes of less than 20.0% that were not included at equity.

The shares in affiliates and associates which are not consolidated due to immateriality are measured at cost less any necessary impairment losses and totalled EUR 7.0m in 2022/23 (previous year: EUR 6.2m). The other investments classified as FVOCI consist primarily of shares in Verbund AG with a value of EUR 3,381.1m (previous year: EUR 3,837.5m) and miscellaneous other investments of EUR 167.4m (previous year: EUR 190.9m). The valuation adjustments were recorded under other comprehensive income, the dividends were recorded in the consolidated statement of operations (also see note **32. Financial results**).

EVN AG and Wiener Stadtwerke Holding AG entered into an agreement on 22 September 2010 for the syndication of their directly and indirectly held shareholdings in Verbund AG. This agreement gives the two companies joint control over approximately 26% of the voting shares in Verbund AG. In spite of the syndicate agreement, the scope of possible influence over the financial and business policies of Verbund AG is very limited. The requirements for classification as a controlling influence (IAS 28) are therefore not met and the shares in Verbund AG are therefore accounted by applying IFRS 9.

The valuation of the investment in Verbund Hydro Power AG in 2022/23 based on the discounted cash flow method resulted in an impairment loss of EUR 26.2m in the Generation Segment. The recoverable amount was determined on the basis of fair value less costs to sell (Level 3 according to IFRS 13) and amounted to EUR 132.8m. A WACC after tax of 5.54% was used as the discount rate. The present value model underlying the valuation is based on publicly available information from the annual financial statements and, according to available data for electricity prices, forecasts the development of the years up to 2050 and a perpetual yield without a growth rate.

In the Networks Segment, the valuation of the investment in AGGM Austrian Gas Grid Management AG based on the discounted cash flow method resulted in the recognition of an impairment loss of EUR 1.3m. The recoverable amount was determined on the basis of fair value less costs to sell (Level 3 according to IFRS 13) and amounted to EUR 3.0m. A WACC after tax of 4.90% was used as the discount rate. The present value model underlying the valuation is based on a perpetual yield without a growth rate which, in turn, was developed from the average trend of data from the publicly available annual financial statements for 2019–2022 and a forecast for the 2023 financial year.

In the All Other Segments, the valuation of the investment in Wiener Börse AG based on the discounted cash flow method resulted in an impairment loss of EUR 0.2m in 2022/23. The recoverable amount was determined on the basis of fair value less costs to sell (Level 3 according to IFRS 13) and amounted to EUR 30.5m. A WACC after tax of 6.47% was used as the discount rate. The present value model underlying the valuation includes forecasted distributions for the coming year as well as a perpetual yield without a growth rate.

39. Other non-current assets

Other non-current assets	30.09.2023	30.09.2022
EURm		
Non-current financial assets		
Securities	71.0	68.8
Loans receivable	25.0	25.1
Lease receivables	10.1	12.7
Receivables arising from derivative transactions	11.7	–
Receivables and other assets	25.3	13.9
Non-current other assets		
Contract assets	2.4	1.9
Contract costs	15.5	36.1
Primary energy reserves	0.8	0.8
Remaining other non-current assets	12.4	3.9
Total	174.3	163.0

Securities reported under other non-current assets consist mainly of shares in investment funds and serve as coverage for the provisions for pensions and similar obligations as required by Austrian tax law. The carrying amounts correspond to the fair value as of the balance sheet date.

Lease receivables relate to project business in connection with PPP-projects. The decline in the fiscal year is mainly due to the contractually agreed redemption payments.

The reconciliation of the future minimum lease payments to their present value is as follows:

Terms to maturity of non-current lease receivables

	Remaining term to maturity as of 30.09.2023			Remaining term to maturity as of 30.09.2022		
	Principal components	Interest components	Total	Principal components	Interest components	Total
<5 years	8.9	0.7	9.6	7.6	0.5	8.2
>5 years	1.2	0.1	1.3	5.0	0.1	5.1
Total	10.1	0.8	10.9	12.7	0.6	13.3

The total of the principal components corresponds to the capitalised value of the lease receivables. The interest components correspond to the proportionate share of the interest component of the total lease payment and do not represent discounted amounts. The interest components of the lease payments in 2022/23 were reported as interest income on non-current assets.

Receivables and other assets include claims from trade receivables in North Macedonia that are reported under non-current assets as a result of instalment plan agreements. In addition, non-current receivables from the Bulgarian Post in the amount of EUR 16.4m are included for the first time in the 2022/23 financial year.

Contract costs represent the costs for obtaining contracts, as defined in IFRS 15.91, and are related to the international project business. Contract costs totalling EUR 86.7m were capitalised in financial year 2019/20 and will be amortised on a systematic basis in line with the expected timing of the contract on which the costs are based and depending on how the goods or services are transferred to the customer. Therefore, the original depreciation period is between 2.5 years and 4 years. As a result of the current depreciation of EUR 20.6m (previous year: EUR 20.6m) in the financial year 2022/23, the book value decreased to EUR 15.5m (see note **31. Depreciation and amortisation and effects from impairment tests**).

Current assets

40. Inventories

Inventories	30.09.2023	30.09.2022
EURm		
Primary energy inventories	67.6	120.0
CO ₂ emission certificates	13.6	16.9
Raw materials, supplies, consumables and other inventories	47.8	62.3
Customer orders not yet invoiced	8.8	7.6
Total	137.7	206.8

Primary energy inventories consist primarily of natural gas. Gas inventories totalled EUR 61.0m as of 30 September 2023 (previous year: EUR 117.2m).

Part of the natural gas inventories are measured according to the broker-trader exception because they are held exclusively for trading. Consequently, these natural gas inventories are measured at fair value (Level 1) less costs to sell. The fair value of the inventories held for trading totalled EUR 48.1m (previous year: EUR 0.1m) as of 30 September 2023. Negative changes in the market value resulted in a revaluation through profit or loss of EUR –10.5m (previous year: EUR 0.1m) as of 30 September 2023.

The CO₂ emission certificates relate exclusively to certificates purchased to fulfil the requirements of the Austrian Emission Certificate Act and which have not yet been used. The corresponding obligation for any shortfall in the certificates is reported under current provisions (see note **57. Current provisions**).

Valuation allowances of EUR 0.9m were recognised to inventories in 2022/23 (previous year: EUR 0.7m) and were contrasted by revaluations of EUR 0.2m (previous year: EUR 0.1m). The inventories are not subject to any restrictions on disposal or other encumbrances.

41. Trade and other receivables

Trade and other receivables	30.09.2023	30.09.2022
EURm		
Financial assets		
Trade accounts receivable	331.2	306.1
Receivables from investments in equity accounted investees	147.7	50.6
Receivables from non-consolidated subsidiaries	3.1	5.9
Receivables from employees	10.0	9.2
Receivables arising from derivative transactions	69.1	27.0
Lease receivables	2.2	1.5
Other receivables and assets	155.8	180.9
	719.1	581.2
Other receivables		
Taxes and levies receivable	58.1	48.1
Prepayments	128.0	142.8
Contract assets	178.4	221.4
	364.5	412.3
Total	1,083.6	993.5

Trade accounts receivable relate mainly to electricity, natural gas and heating customers and customers from the international project business. Notes to impairment losses and default risks for trade receivables can be found in note **61. Risk management**.

Receivables from investments in equity accounted investees and receivables from non-consolidated subsidiaries arise primarily from intragroup transactions related to energy supplies as well as Group financing and services provided to those companies.

The receivables arising from derivative transactions consist of the positive market values of derivatives in the energy business. Other receivables and assets include, among others, receivables from insurance and short-term loans receivable, as well as security retained in the international project business. The development in contract assets resulted primarily from contract orders in the international project business. In 2022/23, as in the previous year, no impairments were recognised in connection with contract assets.

As of 30 September 2023, as in the previous year, no receivables were pledged as collateral for EVN's own liabilities.

42. Securities and other financial investments

Composition of securities and other financial investments	30.09.2023	30.09.2022
EURm		
Funds	229.5	193.3
thereof cash funds	229.3	193.1
thereof other fund products	0.2	0.2
Time deposits	14.1	14.4
Restricted cash	22.9	9.3
Total	266.5	216.8

A write-up of EUR 1.7m was recorded through profit or loss in 2022/23 (previous year: a small amount below EUR 0.1m). The time deposits reported under this item have a maturity of more than three months.

The item restricted cash includes bank balances that have been pledged and are therefore not available for general use by the Group.

43. Assets and liabilities held for sale

EVN, together with its two fully consolidated subsidiaries OOO EVN Umwelt Service and OOO EVN Umwelt, operates two sludge-fired combined heat and power plants in Moscow. These plants are allocated to the Environment Segment. The war in Ukraine has had a negative influence on relations between the majority of the international community of states and the Russian Federation, and the risk of the orderly continuation of business operations in Russia is more difficult to calculate. In view of these developments, EVN evaluated possible exit scenarios and decided to sell the companies. EVN generally assumed that the sale would take place in the 2022/23 financial year, but there were unexpected delays due to additional requirements and bureaucratic hurdles. The agreement with the buyer was already reached in the first quarter of the 2022/23 financial year, but the mandatory approval of the Russian government commission has not yet been granted. EVN fulfills all of the prescribed requirements for the sale of the companies and expects the formal approval of the Russian government commission to be granted within the next twelve months. The assets and liabilities connected with this disposal group are therefore classified as current as of 30 September 2023 in accordance with IFRS 5.

As of 30 September 2022, other operating expenses included impairment losses of EUR 1.8m. In addition, impairment losses to property, plant and equipment and intangible assets were combined into a minor sum of less than EUR 0.1m. A comparison of the carrying amount and fair value less costs to sell for the disposal group led to a revaluation of EUR 0.4m as of 30 September 2023.

Other comprehensive income includes cumulative expenses connected with the disposal group. The difference from currency translation equalled EUR –5.4m (previous year: EUR –1.5m) as of 30 September 2023.

The disposal group was measured at fair value less costs to sell as of 30 September 2023 and contains the following assets and liabilities:

Assets and liabilities held for sale	30.09.2023	30.09.2022
EURm		
Current assets	5.8	9.3
Assets held for sale	5.8	9.3
Non-current liabilities	–	0.5
Current liabilities	0.4	0.8
Liabilities held for sale	0.4	1.3

Current assets include EUR 4.9m (previous year: EUR 7.5m) of bank deposits which are subject to disposal restrictions due to the sanctions imposed by the Russian Federation.

Liabilities

Equity

The development of equity in 2022/23 and 2021/22 is shown on page 201.

44. Share capital

The share capital of EVN AG totals EUR 330.0m (previous year: EUR 330.0m) and is divided into 179,878,402 (previous year: 179,878,402) zero par value bearer shares.

45. Share premium and capital reserves

The share premium and capital reserves comprise appropriated capital reserves of EUR 205.2m (previous year: EUR 205.2m) from capital increases and unappropriated capital reserves of EUR 58.3m (previous year: EUR 58.3m), both in accordance with Austrian stock corporation law.

46. Retained earnings

Retained earnings of EUR 3,417.0m (previous year: EUR 2,979.9m) comprise the proportional share of retained earnings attributable to EVN AG and all other consolidated companies from the date of initial consolidation as well as the proportional share of retained earnings from business combinations achieved in stages.

Dividends are based on the result of EVN AG as reported in the annual financial statements and developed as follows:

Reconciliation of EVN AG's result for the period	
EURm	2022/23
Reported result for the period 2022/23	416.3
Plus retained earnings from the 2021/22 financial year	0.4
Less additions to voluntary reserves	-213.0
Distributable result for the period	203.7
Proposed dividend	-203.2
Retained earnings for the 2023/24 financial year	0.5

Liabilities do not include the dividend of EUR 1.14 per share for the 2022/23 financial year which will be proposed to the Annual General.

The 94th Annual General Meeting on 2 February 2023 approved a proposal by the Executive Board and the Supervisory Board to distribute a dividend of EUR 0.52 per share for the 2021/22 financial year. This resulted in a total dividend payment of EUR 92.7m. Ex-dividend day was 8 February 2023, dividend payment day was 10 February 2023.

47. Valuation reserves

The valuation reserve contains changes in the market value of cash flow hedges and financial assets classified at fair value through other comprehensive income (FVOCI), the IAS 19 remeasurements and the proportional share of changes in the equity of investments in equity accounted investees.

In addition, the statement of comprehensive income includes EUR -0.9m (previous year: EUR 9.4m) for the share of changes in the valuation reserves that are attributable to non-controlling interests (see **Consolidated statement of comprehensive income**, page 199).

The part of the valuation reserve attributable to equity accounted investees consists primarily of components from cash flow hedges that were recorded under equity as well as remeasurements in accordance with IAS 19 and the valuation of FVOCI instruments.

Valuation reserves EURm	30.09.2023			30.09.2022		
	Before tax	Tax	After tax	Before tax	Tax	After tax
Items recognised under other comprehensive income from						
Financial assets classified at fair value through other comprehensive income	3,087.0	-709.9	2,377.1	3,566.3	-820.2	2,746.1
Cash flow hedges	28.9	-3.3	25.6	-206.5	55.1	-151.4
Remeasurements IAS 19	-99.6	22.3	-77.3	-73.0	16.3	-56.7
Investments in equity accounted investees	-204.9	53.5	-151.3	1,229.9	-289.7	940.2
Total	2,811.4	-637.4	2,174.0	4,516.7	-1,038.4	3,478.3

In 2022/23, cash flow hedges totalling EUR -15.4m (previous year: EUR -43.0m) were transferred from other comprehensive income to the consolidated statement of operations. The year-on-year change resulted, above all, from the portfolio hedge as well as from the hedging of net cash flows from the international project business (see note **63. Reporting on financial instruments**). Due to the ineffectiveness of the hedges an amount of EUR 0.0m (previous year: EUR 0.0m) was recognised in profit or loss.

48. Treasury shares

A total of 36,287 treasury shares were sold during the reporting year to permit their issue as a special payment in accordance with a company agreement (previous year: 37,888 shares). EVN AG is not entitled to any rights arising from treasury shares. In particular, these shares are not entitled to dividends.

The number of shares outstanding developed as follows:

Reconciliation of the number of outstanding shares	Zero par value shares	Treasury shares	Outstanding shares
30.09.2021	179,878,402	-1,697,245	178,181,157
Purchase of treasury shares	-	-	-
Disposal of treasury shares	-	37,888	37,888
30.09.2022	179,878,402	-1,659,357	178,219,045
Purchase of treasury shares	-	-	-
Disposal of treasury shares	-	36,287	36,287
30.09.2023	179,878,402	-1,623,070	178,255,332

The weighted average number of shares outstanding, which is used as the basis for calculating earnings per share, equals 178,225,093 shares (previous year: 178,187,472 shares).

49. Non-controlling interests

The item non-controlling interests comprises the non-controlling interests in the equity of fully consolidated subsidiaries.

The following table provides information on each fully consolidated subsidiary of EVN with material non-controlling interests before intragroup eliminations:

Financial information of subsidiaries with material non-controlling interests	30.09.2023			30.09.2022		
	RBG	BUHO	EVN Macedonia	RBG	BUHO	EVN Macedonia
EURm						
Subsidiaries						
Non-controlling interests (%)	49.97	26.37	10.00	49.97	26.37	10.0
Carrying amount of non-controlling interests	216.1	48.7	33.9	202.0	41.7	34.0
Result attributable to non-controlling interests	39.7	8.2	-0.1	25.8	3.8	2.5
Dividends attributable to non-controlling interests	25.0	2.7	-	24.0	2.7	-
Statement of financial position						
Non-current assets	431.7	221.1	399.2	403.8	195.5	391.6
Current assets	0.4	10.4	67.3	0.1	9.4	140.3
Non-current liabilities	-	1.0	94.4	-	0.8	108.1
Current liabilities	-	-	19.8	-	0.1	77.1
	2022/23			2021/22		
Statement of operations						
Revenue	-	-	0.3	-	-	0.1
Result after income tax	79.4	31.2	5.4	51.7	14.4	29.3
Net cash flows						
Net cash flow from operating activities	50.4	11.3	111.0	47.9	10.4	12.2
Net cash flow from investing activities	-	-	-40.9	-	-	-34.4
Net cash flow from financing activities	-50.0	-10.4	-20.9	-48.0	-10.4	9.8

Non-current liabilities

50. Non-current loans and borrowings

Breakdown of non-current loans and borrowings	Nominal interest rate (%)	Term	Nominal amount	Carrying amount 30.09.2023 EURm	Carrying amount 30.09.2022 EURm	Fair value 30.09.2023 EURm
Bonds				469.5	556.7	393.5
JPY bond	3.130	2009–2024	JPY 12.0bn	-	87.4	-
EUR bond	4.125	2012–2032	EUR 100.0m	98.8	98.6	99.0
EUR bond	4.125	2012–2032	EUR 25.0m	24.8	24.7	24.7
EUR bond	0.850	2020–2035	EUR 101.0m	101.0	101.0	66.6
Registered bond	2.005	2022–2034	EUR 5.0m	5.0	5.0	4.0
Registered bond	2.440	2022–2037	EUR 150.0m	150.0	150.0	117.0
Registered bond	3.900	2022–2038	EUR 90.0m	90.0	90.0	82.2
Bank loans (incl. promissory note loans) ¹⁾	0.00–4.99	until 2068	-	633.9	594.0	599.4
Total				1,103.5	1,150.8	992.9

1) In the 2022/23 financial year, a reclassification was made to current financial liabilities in the amount of EUR 249.9m.

The maturity structure of the non-current loans and borrowings is as follows:

Maturity of non-current loans and borrowings EURm	Remaining term to maturity as of 30.09.2023			Remaining term to maturity as of 30.09.2022		
	<5 years	>5 years	Total	<5 years	>5 years	Total
Bonds	–	469.5	469.5	87.4	469.3	556.7
thereof fixed interest	–	469.5	469.5	–	469.3	469.3
thereof variable interest	–	–	–	87.4	–	87.4
Bank loans	203.3	430.6	633.9	235.6	358.5	594.0
thereof fixed interest	199.7	325.6	525.3	229.6	358.5	588.1
thereof variable interest	3.6	105.0	108.6	6.0	–	6.0
Total	203.3	900.1	1,103.5	323.0	827.8	1,150.8

Bonds

All bonds involve bullet repayment on maturity. The foreign currency bond is hedged against interest and foreign exchange risk by means of cross-currency swaps.

The change in the carrying amount of the bonds resulted primarily from the reclassification of one bond to current financial liabilities because of the scheduled maturity within the next 12 months.

The bonds are carried at amortised cost. Foreign currency liabilities are translated at the exchange rate in effect on the balance sheet date. In accordance with IFRS 9, hedged liabilities are adjusted to reflect the corresponding change in the fair value of the hedged risk in cases where hedge accounting is applied (see note **63. Reporting on financial instruments**).

Bank loans

The loans consist of immaterial general borrowings from banks and loans which are subsidised in part by interest and redemption grants from the Austrian Environment and Water Industry Fund. This position also includes EUR 247.0m (previous year: EUR 247.0m) of promissory note loans that were issued in October 2012, April 2020 and in July 2022.

Accrued interest is reported under other current liabilities.

51. Deferred taxes

Deferred taxes	30.09.2023	30.09.2022
EURm		
Deferred tax assets		
Employee-related provisions	-25.2	-22.9
Tax loss carryforwards	-6.8	-13.9
Investment depreciation	-15.2	-23.8
Property, plant and equipment	-8.5	-6.8
Provisions	-7.3	-11.4
Financial instruments	-8.7	-72.6
Other assets	-31.1	-3.8
Other liabilities	-8.4	-12.7
Deferred tax liabilities		
Property, plant and equipment	113.7	78.4
Intangible assets	1.9	2.1
Investments	697.1	1,130.0
Provisions	5.0	8.5
Financial instruments	18.6	8.2
Other assets	4.8	4.7
Other liabilities	5.0	7.2
Total	735.1	1,071.1
thereof deferred tax assets	-50.9	-55.6
thereof deferred tax liabilities	785.9	1,126.7

Deferred taxes developed as follows:

Changes in deferred taxes	2022/23	2021/22
EURm		
Deferred taxes on 01.10.	1,071.1	978.5
– Changes recognised directly in equity resulting from currency translation differences and other changes	-1.7	-0.3
– Changes in deferred taxes recognised through profit and loss	66.7	13.1
– Changes in deferred taxes recognised directly in equity from the valuation reserve	-401.0	79.8
Deferred taxes on 30.09.	735.1	1,071.1

Projected tax results will permit the utilisation over the coming years of losses for which deferred tax assets were previously recorded. Deferred tax assets of EUR 75.1m (previous year: EUR 73.9m) related to loss carryforwards were not recognised because they are not expected to be used within the foreseeable future. Of this total, EUR 8.6m will expire during the next five years (previous year: EUR 8.6m). The remaining loss carryforwards that were not capitalised can be carried forward for an indefinite period of time.

Deferred tax liabilities of EUR 110.1m (previous year: EUR 85.7m) on temporary differences of EUR 407.2m (previous year: EUR 325.5m) were not recognised because these differences will remain tax-free in the foreseeable future. These temporary differences arise from differences between the tax base of the participation interest and the proportional share of equity owned less retained earnings, respectively between the tax base of the participation interest and the carrying amount of the equity accounted investees (outside basis differences).

The changes recorded under other comprehensive income are primarily attributable to financial instruments (EUR –51.8m; previous year: EUR –119.6m), associates (EUR –343.2m; previous year: EUR 178.6m) and employee-related provisions (EUR –6.0m; previous year: EUR 20.9m).

52. Non-current provisions

Non-current provisions	30.09.2023	30.09.2022
EURm		
Provisions for pensions	177.0	172.0
Provisions for pension-related obligations	23.6	20.2
Provisions for severance payments	74.1	69.7
Other non-current provisions	93.1	74.3
Total	367.7	336.2

The calculation of provisions for pensions and similar obligations and provisions for severance payments is mainly based on the following calculation principles:

The discount rate for the measurement of the provision for pensions and pension-related obligations as well as provisions for severance payments was set at 4.3% as of 30 September 2023 (previous year: provision for pensions and pension-related obligations 3.7%; provisions for severance payments 3.6%).

The following parameters are applied:

- Austrian mortality tables AVÖ 2018-P – Rechnungsgrundlagen für die Pensionsversicherung
- Remuneration increases and pension increases for the following year 7.0% (previous year: 3.5%)
- Remuneration increases and pension increases for the year 2025 3.5% (previous year: 2.25%)
- Remuneration increases and pension increases for subsequent years 2.25% (previous year: 2.25%)

Reconciliation of provisions for pensions	2022/23	2021/22
EURm		
Present value of pension obligations (DBO) as of 01.10.	172.0	239.2
+ Service costs	-4.0	2.0
+ Interest costs	6.4	2.6
- Pension payments	-12.3	-12.5
+/- Actuarial loss/gain	14.9	-59.4
thereof		
Financial assumptions	-1.5	-53.1
Assumptions based on experience	16.4	-6.3
Present value of pension obligations (DBO) as of 30.09.	177.0	172.0

As of 30 September 2023, the weighted average remaining term equalled 11.0 years for the pension obligations (previous year: 11.1 years). Pension payments are expected to total EUR 12.3m in 2023/24 (previous year: EUR 12.6m).

Reconciliation of the provisions for pension-related obligations		
EURm	2022/23	2021/22
Present value of the provisions for pension-related obligations (DBO) as of 01.10.	20.2	28.1
+ Service costs	0.2	0.4
+ Interest costs	0.8	0.3
– Payments	–2.2	–1.2
+/- Actuarial loss/gain	4.6	–7.4
thereof		
Financial assumptions	–2.0	–9.2
Assumptions based on experience	6.6	1.7
Present value of the provisions for pension-related obligations (DBO) as of 30.09.	23.6	20.2

As of 30 September 2023, the weighted average remaining term equalled 13.6 years for the pension-related obligations (previous year: 14.4 years). The payments for pension-related obligations are expected to total EUR 2.0m in 2023/24 (previous year: EUR 1.3m).

Reconciliation of the provision for severance payments		
EURm	2022/23	2021/22
Present value of severance payment obligations (DBO) as of 01.10.	69.7	84.6
+ Service costs	2.4	3.1
+ Interest costs	2.5	0.8
– Severance payments	–8.5	–7.5
– Transfers	–0.1	–
+/- Actuarial loss/gain	8.1	–11.3
thereof		
Demographic assumptions	–	–0.1
Financial assumptions	–3.4	–13.2
Assumptions based on experience	11.5	2.0
Present value of severance payment obligations (DBO) as of 30.09.	74.1	69.7

As of 30 September 2023, the weighted average remaining term of the severance payment obligations equalled 5.8 years (previous year: 7.9 years). Severance payments are expected to total EUR 10.1m in 2022/23 (previous year: EUR 9.8m).

A change in the actuarial parameters (ceteris paribus) would have the following effect on the provisions for pensions, pension-related obligations and severance payments:

Sensitivity analysis for provision for pensions					
%		30.09.2023		30.09.2022	
	Change in assumption	Decrease in assumption/ change in DBO	Increase in assumption/ change in DBO	Decrease in assumption/ change in DBO	Increase in assumption/ change in DBO
Interest rate	0.50	5.69	–5.16	5.77	–5.22
Remuneration increases	1.00	–1.17	1.24	–1.74	1.88
Pension increases	1.00	–8.86	10.58	–8.94	10.67
Remaining life expectancy	1 year	–4.19	4.24	–4.44	4.48

Sensitivity analysis for provision for pension-related obligations

%	Change in assumption	30.09.2023		30.09.2022	
		Decrease in assumption/ change in DBO	Increase in assumption/ change in DBO	Decrease in assumption/ change in DBO	Increase in assumption/ change in DBO
Interest rate	0.50	7.07	-6.32	7.56	-6.73
Pension increases	1.00	-10.71	13.10	-5.83	6.46
Remaining life expectancy	1 year	-3.21	3.21	-3.42	3.41

Sensitivity analysis for provision for severance payments

%	Change in assumption	30.09.2023		30.09.2022	
		Decrease in assumption/ change in DBO	Increase in assumption/ change in DBO	Decrease in assumption/ change in DBO	Increase in assumption/ change in DBO
Interest rate	0.50	2.90	-2.75	3.91	-3.68
Remuneration increases	1.00	-5.61	6.12	-7.45	8.31

The sensitivity analysis was carried out separately for each key actuarial parameter. Only one parameter was changed at a time during the examination, while the other variables remained constant (*ceteris paribus*). The method used to calculate the changed obligation reflected the calculation of the actual obligation. The analytical capacity of this method is limited because the interdependencies between the individual actuarial parameters are not taken into account. With respect to the severance compensation obligations, a sensitivity analysis was not carried out for the remaining life expectancy because this parameter has only an immaterial effect on the liability.

Reconciliation of other non-current provisions

EURm

	Service anniversary bonuses	Rents for network access	Process costs and risks	Environmental and disposal risks	Other non-current provisions	Total
Carrying amount 01.10.2022	20.5	6.5	3.1	42.3	1.9	74.3
Interest expense	0.8	-	0.2	0.4	-	1.4
Use	-1.6	-	-0.2	-	-	-1.9
Release	-	-0.1	-2.0	-0.2	-0.2	-2.4
Additions	1.3	0.5	0.8	8.6	0.5	11.8
Reclassification	-	-0.1	0.4	5.8	2.2	8.2
Change in scope of consolidation	0.1	-	-	-	1.7	1.7
Carrying amount 30.09.2023	21.0	6.8	2.3	57.0	6.0	93.1

Rents for network access involve provisions for rents to gain access to third-party facilities in Bulgaria. Various legal proceedings and lawsuits, which for the most part arise from operating activities and are currently pending, are reported under process costs and risks. Environmental and disposal risks primarily encompass the estimated costs for demolition or disposal as well as provisions for environmental risks and risks related to contaminated sites. At the present time, the use of the provisions for environmental and disposal risks is expected within a timeframe of one to 19 years. Reclassifications consist chiefly of a transfer from the current to the non-current section due to the adjustment of estimates for the time required to meet renaturation obligations.

53. Deferred income from network subsidies

The investment subsidies are related primarily to heating plants, facilities operated by EVN Wasser, small hydropower plants and wind power plants operated by EVN Naturkraft and facilities operated by network companies.

Deferred income from network subsidies	Network subsidies (IFRS 15)	Baukostenzuschüsse (regulierter Bereich)	Investment subsidies	Total
EURm				
Carrying amount 01.10.2022	56.1	515.0	60.2	631.3
Additions	12.5	97.3	11.7	121.5
Reclassification	-6.5	-58.1	-5.0	-69.5
Carrying amount 30.09.2023	62.1	554.2	66.9	683.3

54. Other non-current liabilities

Other non-current liabilities	30.09.2023	30.09.2022
EURm		
Liabilities from derivative transactions	8.4	63.2
Leasing liabilities	71.3	55.4
Remaining other non-current liabilities	9.3	19.2
Total	89.1	137.8

The liabilities from derivative transactions include the negative fair values from contracts in the energy sector and from forward exchange transactions in connection with the international project business.

The remaining other non-current liabilities include accrued long-term electricity delivery obligations, accrued liabilities for contract costs incurred and long-term compensation payments received.

Term to maturity of other non-current liabilities

	Remaining term to maturity as of 30.09.2023			Remaining term to maturity as of 30.09.2022		
	<5 years	>5 years	Total	<5 years	>5 years	Total
Liabilities from derivative transactions	8.4	–	8.4	63.2	–	63.2
Leasing liabilities	22.4	48.9	71.3	18.4	36.9	55.4
Remaining other non-current liabilities	5.9	3.3	9.3	16.5	2.7	19.2
Total	36.8	52.3	89.1	98.1	39.7	137.8

Current liabilities

55. Current loans and borrowings

Bank overdrafts are included under cash and cash equivalents in the consolidated statement of cash flows.

Current loans and borrowings	30.09.2023	30.09.2022
EURm		
Bonds	77.8	–
Bank loans	215.4	122.4
Bank overdrafts and other current loans	50.0	255.1
Total	343.2	377.4

Bonds amounting to EUR 77.8m (previous year: EUR 0.0m) and loans amounting to EUR 293.2m (previous year: EUR 122.4m) were reclassified to current financial liabilities as they are due within the next twelve months.

56. Trade payables

Trade payables include obligations resulting from outstanding invoices amounting to EUR 149.0m (previous year: EUR 128.8m).

57. Current provisions

Reconciliation of current provisions

EURm	Personnel entitlements	Rents for network access	Process risks	Other current provisions	Total
Carrying amount 01.10.2022	83.1	2.7	2.2	47.5	135.5
Change in the scope of consolidation	–	–	–	9.3	9.3
Use	–12.5	–	–0.4	–13.5	–26.4
Release	–0.1	–	–	–11.6	–11.7
Additions	18.8	–	0.2	16.6	35.5
Reclassification	–2.2	0.1	–0.4	–5.4	–7.9
Carrying amount 30.09.2023	87.1	2.9	1.6	42.9	134.4

The provisions for personnel entitlements comprise special payments not yet due, outstanding leave and liabilities resulting from a voluntary early retirement programme for employees. The provisions for legally binding agreements totalled EUR 3.5m as of the balance sheet date (previous year: EUR 7.7m).

Provisions for contingent losses of EUR 24.2m (previous year: EUR 31.4m) were formed in connection with business activities in the context of the planning and construction of environmental infrastructure projects. The provisions result from contractual obligations.

58. Other current liabilities

Other current liabilities	30.09.2023	30.09.2022
EURm		
Financial liabilities		
Liabilities to investments in equity accounted investees	28.8	129.7
Liabilities to non-consolidated subsidiaries	12.4	7.3
Deferred interest expenses	14.5	12.1
Liabilities arising from derivative transactions	30.6	231.3
Leasing liabilities	8.8	6.4
Other financial liabilities	176.9	122.5
	272.2	509.3
Other liabilities		
Contract liabilities	29.2	39.5
Prepayments received	64.6	62.6
Deferred income from network subsidies	67.7	63.0
Liabilities relating to social security	13.6	16.5
Energy taxes	0.9	4.0
Value added tax	14.3	8.0
Other taxes and duties	34.7	17.7
	224.9	211.3
Total	497.1	720.7

The liabilities to investments in equity accounted investees consist primarily of cash pooling balances between EVN AG and these companies as well as amounts due to EnergieAllianz for the distribution and procurement of electricity.

Liabilities from derivative transactions include negative market values of derivatives in the energy sector, cross-currency swaps for hedging the JPY bond and forward exchange transactions for environmental infrastructure projects.

Other financial liabilities include, in particular, liabilities related to capitalised contract costs, energy deferrals, liabilities to employees and deposits received.

Contract liabilities mainly relate to advance payments received from customers from the international project business for which revenue was recognised over a certain period of time. The contract liabilities of EUR 38.7m reported in the previous year were recognized as revenue in the 2022/23 financial year.

Segment reporting

Segment reporting								
EURm	Energy		Generation		Networks		South East Europe	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
External revenue	1,015.9	750.6	132.8	159.5	564.5	517.3	1,499.7	2,002.4
Internal revenue (between segments)	19.3	13.4	349.2	264.5	73.4	63.4	1.6	1.6
Total revenue	1,035.2	764.1	481.9	424.0	637.9	580.7	1,501.2	2,003.9
Operating expenses	-859.9	-797.1	-224.2	-141.9	-402.6	-344.2	-1,261.8	-1,861.7
Share of results from equity accounted investees operational	-238.8	6.4	42.7	10.8	-	-	-	-
EBITDA	-63.6	-26.7	300.4	292.9	235.4	236.5	239.4	142.2
Depreciation and amortisation	-26.6	-28.0	-45.4	-32.6	-156.8	-177.7	-79.9	-94.3
thereof impairment losses	-5.8	-6.8	-1.1	-	-	-32.9	-	-16.7
thereof revaluation	1.6	-	-	9.6	-	-	-	-
Results from operating activities (EBIT)	-90.1	-54.7	255.0	260.3	78.6	58.8	159.5	48.0
EBIT margin (%)	-8.7	-7.2	52.9	61.4	12.3	10.1	10.6	2.4
Interest income	-	-	6.3	0.4	0.5	0.2	2.9	-
Interest expense	-4.3	-2.7	-4.5	-3.0	-22.4	-14.8	-12.4	-12.1
Financial results	-4.7	-2.7	2.3	-2.4	-21.8	-14.5	-10.0	-12.5
Result before income tax	-94.8	-57.3	257.3	257.9	56.8	44.4	149.6	35.4
Goodwill	-	-	1.2	1.2	1.8	1.8	-	-
Carrying value of investments in equity accounted investees	37.7	1,404.3	239.7	208.6	-	-	-	-
Total assets	674.0	1,914.1	1,193.3	990.9	2,562.7	2,313.3	1,402.7	1,388.6
Total liabilities	464.2	993.3	442.4	398.0	1,838.6	1,601.4	895.4	1,013.4
Investments ¹⁾	63.6	43.0	121.7	56.6	356.0	334.3	135.5	110.0

1) In intangible assets and property, plant and equipment

Segment reporting

EURm	Environment		All Other Segments		Consolidation ¹⁾		Total	
	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22	2022/23	2021/22
External revenue	531.4	611.8	24.5	20.6	–	–	3,768.7	4,062.2
Internal revenue (between segments)	0.7	0.5	83.9	75.7	–528.1	–419.0	–	–
Total revenue	532.2	612.3	108.4	96.3	–528.1	–419.0	3,768.7	4,062.2
Operating expenses	–488.4	–571.3	–120.1	–106.0	524.8	415.9	–2,832.1	–3,406.3
Share of results from equity accounted investees operational	18.3	15.6	110.2	66.2	–	–	–67.6	98.9
EBITDA	62.2	56.5	98.5	56.5	–3.4	–3.2	869.0	754.8
Depreciation and amortisation	–32.7	–91.4	–2.5	–2.4	3.4	3.2	–340.4	–423.2
thereof impairment losses	–0.3	–58.4	–	–	–	–	–7.1	–114.8
thereof revaluation	1.6	–	–	–	–	–	3.2	9.6
Results from operating activities (EBIT)	29.5	–34.9	96.0	54.0	–	–	528.5	331.6
EBIT margin (%)	5.5	–5.7	88.6	56.1	–	–	14.0	8.2
Interest income	2.6	1.3	47.7	24.8	–43.5	–21.3	16.5	5.4
Interest expense	–20.2	–8.1	–37.0	–18.3	43.5	21.2	–57.4	–37.9
Financial results	–20.9	–45.5	200.6	62.6	–17.9	–15.5	127.6	–30.5
Result before income tax	8.6	–80.3	296.6	116.6	–17.9	–15.5	656.2	301.2
Goodwill	–	–	–	–	–	–	3.0	3.0
Carrying value of investments in equity accounted investees	170.8	172.8	655.2	602.4	–	–	1,103.4	2,388.0
Total assets	1,072.0	1,150.9	6,195.2	6,575.2	–2,103.8	–1,902.4	10,996.0	12,430.5
Total liabilities	849.3	934.6	2,075.7	2,001.4	–2,033.9	–1,832.6	4,531.6	5,109.3
Investments ²⁾	22.9	21.4	1.8	2.1	–7.4	–3.5	694.1	564.0

1) Explained below in the notes to segment reporting

2) In intangible assets and property, plant and equipment

Segment information by product – revenue

EURm	2022/23	2021/22
Electricity	2,462.5	2,878.4
Natural gas	304.0	170.9
Heat	252.8	198.9
Environmental services	525.3	604.3
Others	224.1	209.7
Total	3,768.7	4,062.2

Segment information by country – revenue¹⁾

EURm	2022/23	2021/22
Austria	1,777.4	1,483.6
Germany	458.4	534.5
Bulgaria	934.9	1,320.6
North Macedonia	562.2	684.3
Others	35.7	39.2
Total	3,768.7	4,062.2

1) The allocation of segment information by countries is based on the location of the companies.

Segment information by country – non-current assets¹⁾

EURm	30.09.2023		30.09.2022	
	Intangible assets	Property, plant and equipment	Intangible assets	Property, plant and equipment
Austria	181.9	3,270.1	163.9	2,941.7
Germany	0.7	9.9	0.8	11.5
Bulgaria	10.9	565.1	11.9	539.4
North Macedonia	12.8	385.4	14.3	353.9
Others	4.9	55.1	–	34.0
Total	211.2	4,285.7	190.9	3,880.4

1) The allocation of segment information by countries is based on the location of the companies.

59. Notes to segment reporting

The segments of business cover the following activities:

Business areas	Segments	Major activities
Energy business	Energy	<ul style="list-style-type: none"> → Marketing of electricity produced in the Generation Segment → Procurement of electricity, natural gas and primary energy carriers → Trading with and sale of electricity and natural gas to end customers and on wholesale markets → Production and sale of heat → 45.0% investment in EnergieAllianz¹⁾ → Investment as sole limited partner in EVN KG¹⁾
	Generation	<ul style="list-style-type: none"> → Generation of electricity from renewable energy and thermal production capacities for network stabilisation at Austrian and international locations → Operation of a thermal waste utilisation plant in Lower Austria → 13.0% investment in Verbund Innkraftwerke (Germany)¹⁾ → 49.99% investment in Ashta run-of-river power plant (Albania)¹⁾
	Networks	<ul style="list-style-type: none"> → Operation of distribution networks and network infrastructure for electricity and natural gas in Lower Austria → Cable TV and telecommunication services in Lower Austria and Burgenland
	South East Europe	<ul style="list-style-type: none"> → Operation of distribution networks and network infrastructure for electricity in Bulgaria and North Macedonia → Sale of electricity to end customers in Bulgaria and North Macedonia → Generation of electricity from hydropower and photovoltaics in North Macedonia → Generation, distribution and sale of heat in Bulgaria → Construction and operation of natural gas networks in Croatia → Energy trading for the entire region
Environmental services business	Environment	<ul style="list-style-type: none"> → Water supply and wastewater disposal in Lower Austria → International project business: planning, construction, financing and/or operation (depending on the project) of plants for drinking water supplies, wastewater treatment and thermal waste utilisation²⁾
Other business activities	All Other Segments	<ul style="list-style-type: none"> → 50.03% investment in RAG-Beteiligungs-Aktiengesellschaft, which holds 100% of the shares in RAG¹⁾ → 73.63% investment in Burgenland Holding, which holds a stake of 49.0% in Burgenland Energie¹⁾ → 12.63% investment in Verbund AG³⁾ → Corporate services

1) The earnings contribution represents the share of results from equity accounted investees with operational nature and is included in EBITDA.

2) A structured sales process was initiated for the international project business in September 2023.

3) Dividends are included under financial results.

Principle of segment allocation and transfer pricing

Subsidiaries are allocated directly to their respective segments. EVN AG is allocated to the segments on the basis of data from the cost accounting system.

The transfer prices for energy between the individual segments are based on comparable prices for special contract customers, and thus represent applicable market prices. For the remaining items, pricing is based on cost plus an appropriate mark-up.

Reconciliation of segment results at the Group level

Services performed between segments are eliminated in the consolidation column. The results in the total column reflect the amounts shown in the consolidated statement of operations.

Group disclosures

IFRS 8 requires additional segment information classified by products (external revenues broken down by products and services) and countries (external revenues and non-current assets broken down by countries) if this information is not already provided as part of the segment reporting.

Information on transactions with major external customers is required only if these transactions amount to 10.0% or more of a company's external revenues. EVN has no transactions with customers that meet this criterion because of its large number of customers and diverse business activities.

Other information

60. Consolidated statement of cash flows

The consolidated statement of cash flows shows the changes in cash and cash equivalents during the reporting year as a result of cash inflows and outflows. The consolidated statement of cash flows is presented in accordance with the indirect method. Non-cash expenses were added to and non-cash income was subtracted from profit before income tax.

Cash and cash equivalents	30.09.2023	30.09.2022
EURm		
Cash	70.2	292.0
thereof cash on hand	0.1	0.1
thereof cash at banks	70.1	291.9
Bank overdrafts	-50.0	-255.1
Total	20.2	36.9

As of 30 September 2023, EUR 27.7m (previous year: EUR 16.8m) were subject to disposal restrictions and were reclassified from cash and cash equivalents (also see notes **42. Securities and other financial investments** and **43. Assets and liabilities held for sale**).

Network subsidies from the regulated business are released to other operating income (see also note **26. Other operating income**), and those from the non-regulated business to revenue.

Reversal of network and investment subsidies	2022/23	2021/22
EURm		
Income from the reversal of network and investment subsidies (regulated business)	58.3	53.3
Revenue from the reversal of network subsidies (non-regulated business)	5.8	5.5
Total	64.1	58.8

The change in financial liabilities, which is primarily attributable to cash flow from financing activities, is shown in the following table:

Cash flow from financing activities				
2022/23 financial year	Current financial liabilities	Non-current financial liabilities	Leasing liabilities	Total
EURm				
Balance on 01.10.2022	377.4	1,150.8	61.8	1,590.0
Payments received	-	256.7	-	256.7
Payments made	-122.4	-1.3	-11.8	-135.5
Reclassification of liquid funds	-205.1	-	-	-205.1
Currency translation	-	-0.1	-	-0.1
Change in fair value	-	-9.9	-	-9.9
Change in costs for the procurement of funds	-	0.4	-	0.4
Other changes	-	-	30.2	30.2
Reclassifications	293.2	-293.2	-	-
Balance on 30.09.2023	343.2	1,103.5	80.2	1,526.8

Cash flow from financing activities**2021/22 financial year**

EURm	Current financial liabilities	Non-current financial liabilities	Leasing liabilities	Total
Balance on 01.10.2021	318.0	718.9	60.6	1,097.5
Payments received	–	562.0	–	562.0
Payments made	–317.8	–2.9	–6.9	–327.6
Reclassification of liquid funds	254.9	–	–	254.9
Currency translation	–	1.8	–	1.8
Change in fair value	–	–8.3	–	–8.3
Change in costs for the procurement of funds	–	1.6	–	1.6
Other changes	–	–	8.1	8.1
Reclassifications	122.4	–122.4	–	–
Balance on 30.09.2022	377.4	1,150.8	61.8	1,590.0

61. Risk management

Market risk represents the risk that the fair value or future cash flows of a financial instrument fluctuate as the result of market risk factors. Market risk is classified in the following three components: interest rate, foreign exchange and other market risks. The goal of risk management in the EVN Group is to reduce the market-based volatility of earnings on the consolidated statement of operations. To manage market risks, the Group acquires and sells derivatives and also enters into financial liabilities. Wherever possible, hedging transactions should be recognised in order to manage earnings volatility. Other relevant risks include credit or default risk and liquidity risk.

Interest rate risk

EVN defines interest rate risk as the risk that fluctuations in the fair value or future cash flows of a financial instrument due to changes in the market interest rate could adversely affect interest income and expense as well as equity. This risk is minimised through the regular monitoring of interest rate risk and compliance with limits as well as hedging strategies that include the use of derivative financial instruments (also see notes **9. Financial instruments** and **63. Reporting on financial instruments**).

EVN monitors interest rate risk through sensitivity analyses and, among others, with a daily value-at-risk (VaR) calculation. This procedure calculates the VaR with a confidence level of 99.0% for one day according to the variance-covariance method (delta-gamma approach). The interest VaR, including the hedging instruments used by EVN, equalled EUR 6.5m as of 30 September 2023 (previous year: EUR 10.7m). The decrease noted here is essentially due to slightly lower loans and bonds outstanding and the decreased volatility on the interest markets.

Foreign exchange risk

For EVN, the risk to profit or loss arising from fluctuations in foreign exchange rates arises from transactions carried out in currencies other than the euro. EVN is exposed to foreign exchange risk on receivables, liabilities, and cash and cash equivalents that are not held in the Group's functional currency (i. e. BGN, BHD, CZK, JPY, KWD, MKD, PLN, RUB). The major driver of foreign exchange risk for EVN is a bond issued in Japanese yen (JPY). Foreign exchange risk is managed by way of the central compilation, analysis and management of risk positions, and by hedging the bonds denominated in foreign currency (JPY 12bn) through cross-currency swaps (for a nominal value of JPY 10bn). Cross-currency swaps for a nominal value of JPY 2bn were terminated on 15 January 2019 based on the related settlement agreement concluded with a bank. This agreement gave both parties the right to early termination of the cross-currency swap in January 2019. Deposits totalling JPY 2bn were held with financial institutions as at the balance sheet date to hedge foreign exchange risk (see notes **9. Financial instruments** and **50. Non-current loans and borrowings**).

Another material driver for foreign exchange risk is the Umm Al Hayman wastewater treatment project in Kuwait. The EVN Group serves as the general contractor and, as such, is responsible for the planning and construction, above all, of a wastewater treatment plant (contract value: approximately EUR 600m, converted) and – together with partners – of a sewage network with pumping stations (contract value: approximately EUR 950m, converted). The Group is exposed to transactional foreign exchange risks to the extent that the currencies for settlement of the project transactions differ from the Group's functional currency. These transactions are carried out chiefly in euro (EUR), US dollar (USD) and Kuwaiti dinar (KWD). In accordance with the relevant Group guideline, foreign exchange risks from expected project transactions are hedged over the next twelve months. This practice can vary for large-scale projects, where hedging can also extend beyond the twelve-month period. Forward exchange transactions are used to hedge currency risk and formally designated in macro-cash flow accounting. These contracts are principally designated as cash flow hedges.

The EVN Group is expanding an existing sewage treatment plant in Bahrain and building a sewage sludge incineration plant. As with the project in Kuwait, the company is also exposed to currency risks in Bahrain. Forward exchange transactions were concluded to hedge the highly probable expected net cash flows. The transactions are carried out on the basis of euros (EUR) and Bahraini dinars (BHD).

In previous years, EVN used forward exchange contracts to hedge the exchange rate for the project, but measured these at fair value. In the 2022/23 financial year, EVN decided to implement a cash flow hedge as for the project in Kuwait. In this respect, newly concluded forward exchange contracts, which were concluded to hedge the highly probable net payments in BHD, were designated as hedging instruments.

The foreign exchange VaR, based on the major foreign currency risk drivers in the financial area amounted to EUR 0.2m as of 30 September 2023 (previous year: EUR 1.6m) after the inclusion of hedging instruments. The decrease is mainly due to the abovementioned use of forward exchange contracts as cash flow hedges in the Bahrain project.

Other market risks

EVN defines other market risks as the risk of price changes resulting from market fluctuations in primary energy, CO₂ emission certificates, electricity and securities.

In EVN's energy trading activities, energy trading contracts are entered into for the purpose of managing price risk. Price risks result from the procurement and sale of electricity, natural gas and CO₂ emission certificates.

EVN uses futures, forwards and swaps to hedge the prices of the primary energy carriers electricity, natural gas and CO₂ emission certificates in the energy business. These swaps are generally fulfilled. The contracts which cover expected procurement, sale or usage requirements are evaluated as own-use transactions (also see note **63. Reporting on financial instruments**). An increase or decrease of 5% in the price would have resulted in an aggregated commodity price risk of EUR 2.7m for EVN as of 30 September 2023 (previous year: EUR 3.0m).

The price risk for securities results from fluctuations on the capital markets. The most significant securities position held by EVN is its investment in Verbund AG. The price risk VaR for the Verbund AG shares held by EVN as of the balance sheet date was EUR 145.7m (previous year: EUR 272.0m), whereby the price would be influenced by the sale of a large block of Verbund shares by EVN. The decrease in VaR compared to the last balance sheet date is essentially due to the stable development of the stock market price of the shares of Verbund AG in the past financial year.

Liquidity risk

Liquidity risk represents the risk of not being able to raise the required financial resources to settle liabilities on their due date as well as the inability to raise the necessary liquidity at the expected terms and conditions. EVN minimises this risk by means of short-term and medium-term financial and liquidity planning. In concluding financing agreements, special attention is paid to managing the terms to maturity in order to achieve a balanced maturity profile and thus avoid the bundling of repayment dates. The EVN Group uses cash pooling to equalise liquidity balances.

The liquidity reserve as of 30 September 2023 comprised cash and cash equivalents of EUR 70.2m (previous year: EUR 292.0m), short-term time deposits of EUR 12.6m (previous year: EUR 14.4m) and current securities of EUR 216.8m (previous year: EUR 193.3m) which can be sold at any time. Moreover, EVN had EUR 400.0m in a contractually agreed and unused syndicated line of credit (previous year: EUR 400.0m) and EUR 286.0m (previous year: EUR 227.0m) of contractually agreed and unused bilateral lines of credit as of the balance sheet date. The liquidity risk was therefore extremely low. The gearing ratio equalled 21.1% as of the balance sheet date (previous year: 17.0%) and underscores EVN's sound capital structure.

Expected occurrence of cash flows of loans and borrowings and other liabilities

30.09.2023 EURm	Carrying amount	Total payment flows	Contractually stipulated payment flows		
			<1 year	1–5 years	>5 years
Bonds	547.3	719.0	93.7	58.6	566.7
Bank loans	927.1	980.2	234.7	259.1	486.4
Lease liabilities	80.2	96.6	9.4	27.8	59.4
Liabilities arising from derivative transactions ¹⁾	39.1	42.3	33.2	9.1	–
Liabilities from contract costs	15.5	15.5	15.5	–	–
Total	1,531.4	1,853.6	386.5	354.6	1,112.5

30.09.2022 EURm	Carrying amount	Total payment flows	Contractually stipulated payment flows		
			<1 year	1–5 years	>5 years
Bonds	556.7	736.6	15.9	141.9	578.7
Bank loans	716.4	812.0	136.0	279.3	396.8
Lease liabilities	61.8	69.7	7.0	20.8	41.9
Liabilities arising from derivative transactions ¹⁾	294.4	326.6	268.9	57.7	–
Liabilities from contract costs	20.6	20.6	14.1	6.5	–
Total	1,650.0	1,965.4	441.8	506.2	1,017.4

1) Forward exchange transactions (USD/KWD) are included in the carrying amount. Cash flows from forward exchange transactions, however, are shown in the tables on page 277 in the respective foreign currency.

All financial liabilities not shown in the table are current and the associated cash flows are therefore due within one year.

Credit and default risk

Credit and default risk represents the risk of a loss when business partners fail to meet their contractual obligations. This risk is inherent to all agreements with delayed payment terms or fulfilment at a later date. Default risk generally arises in connection with trade receivables and the debt instruments held as financial assets by the Group. The carrying amount of the financial assets and contractual assets represents the maximum default risk.

To limit default risk, the company evaluates the credit standing of its business partners. Internal and external ratings (including Standard & Poor's, Moody's, Fitch and KSV 1870) are used for this purpose, and the business volume is limited in accordance with the rating and the probability of default. Sufficient collateral is required before a transaction is entered into if the partner's credit rating is inadequate.

EVN monitors credit risk and limits default risk for financial receivables and for derivatives and forward transactions which are concluded to hedge the risks connected with EVN's energy business or are related to end customers and other debtors.

In order to reduce credit risk, hedging transactions are entered into only with well-known banks that have good credit ratings. EVN also ensures that funds are deposited at banks with the best possible credit standing based on international ratings.

The default risk for customers is monitored separately at EVN and supported primarily by ratings and experience-based values. Default risk is also minimised with efficient receivables management and the continuous monitoring of customer payment behaviour.

The recognition of impairment losses to financial assets carried at amortised cost and to contractual assets in accordance with IFRS 15 has been based on the ECL model for expected credit losses since 1 October 2018. EVN measures the impairment losses for trade receivables without a significant financing component and for contractual assets at an amount equal to the expected lifetime credit losses. In contrast, the impairment losses

- for financial assets with a low default risk as of the balance sheet date and
- for bank deposits without a significant increase in the default risk since initial recognition are based on the expected twelve-month credit loss.

From the viewpoint of the EVN Group, a financial asset has a low default risk when its credit rating meets the “investment grade” definition. The Group sees this condition as met with an internal rating of 5a or higher or with an equivalent rating of BB– or higher from Standard and Poor’s (S&P).

EVN uses appropriate and reliable information which is relevant and available without undue expenditure of time and expense to determine whether the default risk of a financial asset has increased significantly since initial recognition and to estimate the expected credit losses. The default risk of a financial asset is assumed to have increased significantly when the related credit rating has declined to 5b on EVN’s internal rating scale, which represents the S&P equivalent of B+.

The EVN Group considers a financial asset to be in default when:

- the debtor is unlikely to meet his/her credit obligations in full without measures by the Group to realise collateral (if available), or
- the financial asset declines to 5c on EVN’s internal rating scale, which represents the S&P equivalent of CCC+, or
- payment on trade receivables has not been received after a second reminder or insolvency proceedings are opened over a company or private person.

Default probabilities and collection rates based on the applicable rating category are used to calculate the required impairment loss. The amount of the impairment loss equals the present value of the expected credit loss.

The following table includes information on the default risk and expected credit losses for financial instruments carried at amortised cost. It does not cover trade receivables, receivables from equity accounted investees, receivables from unconsolidated investments or amounts due from employees. The risk allowance for all financial instruments represents the expected twelve-month credit loss because the default risk is low. The amounts shown in the table include both current and non-current components.

Major financial instruments covered by the ECL model**2022/23 financial year**

EURm	Equivalent S&P	Default probability (%) ¹⁾	Loans receivable	Lease receivables	Bank deposits ^{2) 3)}	Calculated impairment ⁴⁾
EVN rating class 1	AAA	–	–	7.4	93.1	–
EVN rating class 2	Up to AA–	0.03	–	–	–	–
EVN rating class 3	Up to A–	0.05	19.4	4.9	–	–
EVN rating class 4	Up to BBB–	0.22	9.2	–	–	–
EVN rating class 5a	Up to BB–	0.91	–	–	–	–
EVN rating class 5b	Up to B–	5.53	–	–	–	–
EVN rating class 5c	Up to D	24.70	–	–	–	–
No rating	–	–	0.9	–	–	–
Total			29.5	12.3	93.1	–

1) Assumed loss ratio (60% for banks, 80% for corporates)

2) Due to the daily maturity, a one-day probability of default is applied to account balances; for money market deposits, the PoD of the average volume-weighted residual term is taken into account.

3) Bank balances also include restricted cash in the amount of EUR 22.9m.

4) The calculated impairments are not recognised in the balance sheet due to their minor magnitude.

Major financial instruments covered by the ECL model**2021/22 financial year**

EURm	Equivalent S&P	Default probability (%) ¹⁾	Loans receivable	Lease receivables	Bank deposits ^{2) 3)}	Calculated impairment ⁴⁾
EVN rating class 1	AAA	–	–	3.3	301.3	–
EVN rating class 2	Up to AA–	0.03	–	10.8	–	–
EVN rating class 3	Up to A–	0.06	17.2	–	–	–
EVN rating class 4	Up to BBB–	0.30	11.0	–	–	–
EVN rating class 5a	Up to BB–	1.45	–	–	–	–
EVN rating class 5b	Up to B–	7.47	–	–	–	–
EVN rating class 5c	Up to D	9.87	–	–	–	–
No rating	–	–	1.2	–	–	–
Total			29.4	14.1	301.3	–

1) Assumed loss ratio (60% for banks, 80% for corporates)

2) Due to the daily maturity, a one-day probability of default is applied to account balances; for money market deposits, the PoD of the average volume-weighted residual term is taken into account.

3) Bank balances also include restricted cash in the amount of EUR 9.3m.

4) The calculated impairments are not recognized in the balance sheet due to their minor magnitude.

EVN uses the practical expedient provided by IFRS 9.B5.5.35 for trade receivables and calculates the expected credit losses with a provision matrix. The input factors include analyses of default incidents in previous financial years based on different regional characteristics for the core markets. These factors form the basis for the development of a provision matrix with different time ranges.

In the current situation, it is particularly important to evaluate how the macroeconomic environment will influence the expected credit losses on trade receivables. The economic developments in recent years did not lead to a sharp rise in receivables defaults by customers, in particular because of numerous government support measures. However, this has currently been reflected in an increasing number of insolvencies in Europe, and we expect higher receivables defaults in the future. For this reason, the EVN Group recognised a EUR 5.0m (previous year: EUR 6.1m) higher impairment loss to trade receivables for the 2022/23 financial year via a forward-looking component.

The following tables include information on the default risk and expected credit losses for trade receivables, which were determined on the basis of a provision matrix for EVN's core markets:

Expected credit losses in Austria 2022/23

EURm

	Default probability range (%)	Default probability average (%)	Gross amount	Net amount	Cumulative impairment loss
Not overdue	0.0–0.1	–	98.6	98.6	–
Up to 89 days overdue	0.1–0.6	1.1	7.9	7.8	0.1
Up to 179 days overdue	4.6–19.7	13.6	1.9	1.6	0.3
Up to 359 days overdue	7.9–55.2	18.9	2.7	2.2	0.5
>360 days overdue	15.5–100.0	38.6	11.0	6.8	4.3
Total			122.2	117.0	5.2

Expected credit losses in Austria 2021/22

EURm

	Default probability range (%)	Default probability average (%)	Gross amount	Net amount	Cumulative impairment loss
Not overdue	0.0–1.2	–	44.2	44.2	–
Up to 89 days overdue	0.1–1.2	1.5	6.0	5.9	0.1
Up to 179 days overdue	5.5–56.0	29.4	2.2	1.5	0.6
Up to 359 days overdue	7.9–55.2	34.3	2.4	1.5	0.8
>360 days overdue	17.6–100	38.1	8.8	5.5	3.4
Total			63.5	58.6	4.9

Expected credit losses in Bulgaria 2022/23

EURm

	Default probability range (%)	Default probability average (%)	Gross amount	Net amount	Cumulative impairment loss
Not overdue	0.0–0.5	0.13	53.4	53.3	0.1
Up to 89 days overdue	3.0–42.3	8.23	5.9	5.3	0.5
Up to 179 days overdue	31.7–54.9	39.75	1.2	0.7	0.5
Up to 359 days overdue	63.6–98.1	88.96	1.7	0.2	1.5
>360 days overdue	100.0	100.00	13.6	–	13.6
Total			75.7	59.6	16.1

Expected credit losses in Bulgaria 2021/22

EURm

	Default probability range (%)	Default probability average (%)	Gross amount	Net amount	Cumulative impairment loss
Not overdue	0.1–1.0	0.22	51.6	51.5	0.1
Up to 89 days overdue	1.0–57.6	4.01	8.5	8.1	0.3
Up to 179 days overdue	59.3–77.7	65.14	0.8	0.3	0.5
Up to 359 days overdue	75.4–98.5	86.71	1.1	0.1	0.9
>360 days overdue	100.0	100.00	13.3	–	13.3
Total			75.2	60.1	15.1

Expected credit losses in North Macedonia 2022/23

EURm

	Default probability range (%)	Default probability average (%)	Gross amount	Net amount	Cumulative impairment loss
Not overdue	0.4–100.0	50.25	126.0	62.7	63.3
thereof instalment agreements	17.5–100.0	83.90	71.9	11.6	60.3
thereof without instalment agreements	0.4–36.6	5.51	54.1	51.1	3.0
Up to 89 days overdue	2.4–100.0	13.29	23.2	20.1	3.1
Up to 179 days overdue	42.3–100.0	81.39	6.6	1.2	5.4
Up to 359 days overdue	52.6–100.0	96.61	14.2	0.5	13.7
>360 days overdue	100.0	100.00	156.1	–	156.1
Total			326.2	84.5	241.7

Expected credit losses in North Macedonia 2021/22

EURm

	Default probability range (%)	Default probability average (%)	Gross amount	Net amount	Cumulative impairment loss
Not overdue	0.4–100	39.98	123.9	74.4	49.6
thereof instalment agreements	17.5–100.0	76.43	58.3	13.7	44.6
thereof without instalment agreements	0.4–36.6	7.60	65.6	60.6	5.0
Up to 89 days overdue	2.4–100.0	9.11	59.9	54.5	5.5
Up to 179 days overdue	42.3–100.0	88.93	10.9	1.2	9.7
Up to 359 days overdue	52.6–100.0	97.04	16.1	0.5	15.7
>360 days overdue	100.0	100.00	168.5	–	168.5
Total			379.4	130.5	248.9

The overview of expected credit losses in North Macedonia includes both current and non-current trade receivables. Following the conclusion of instalment agreements with customers in North Macedonia, existing trade receivables were reclassified as non-current. These receivables are not considered part of overdue receivables and, consequently, this category carries a higher average probability of default than the category “up to 89 days overdue”.

The remaining gross trade receivables of EUR 102.8m (previous year: EUR 84.4m) are related primarily to the international project business. Since the customers are mainly government-related entities, the probability of default was calculated on the basis of external ratings. Impairments totalling EUR 23.7m (previous year: EUR 18.1m) were recognised for receivables with a gross carrying amount of EUR 70.7m (previous year: EUR 59.6m) that fall into Level 3.

In financial year 2022/23, impairments of EUR 20.7m (previous year: EUR 38.0m) were recognised for trade receivables. The impairments mainly resulted from expected credit losses under consideration of a provision matrix. As in the previous year, no impairment of contract assets was necessary.

The following table shows the development of impairment losses to trade receivables in 2022/23:

Impairment losses – trade receivables	2022/23	2021/22
EURm		
Balance on 01.10.	287.1	255.0
Additions	20.7	38.0
Disposal	-21.1	-6.0
Balance on 30.09.	286.7	287.1

The Group's maximum default risk for the items reported on the consolidated statement of financial position as of 30 September 2023 and 30 September 2022 reflect the carrying amounts shown in notes **39. Other non-current assets**, **41. Trade and other receivables** and **42. Securities and other financial investments**, excluding financial guarantees.

The maximum default risk for derivative financial instruments equals the positive fair value (see note **63. Reporting on financial instruments**).

The maximum risk from financial guarantees is described in note **65. Other obligations and risks**.

62. Capital management

EVN's goal in the area of capital management is to maintain a solid capital structure in order to use the resulting financial strength for value-creating investments and an attractive dividend policy. EVN has defined an equity ratio of more than 40% and net debt coverage of more than 50% as its targets. As of 30 September 2023, the equity ratio equalled 58.8% (previous year: 58.9%). Net debt coverage, which represents the ratio of funds from operations to net debt, equalled 79.4% (previous year: 55.8%). Net debt is calculated as the total of current and non-current financial liabilities minus cash and cash equivalents, current and non-current securities and loans receivable, plus non-current personnel provisions.

Capital management	30.09.2023	30.09.2022
EURm		
Non-current loans and borrowings and leasing liabilities	1,174.8	1,206.1
Current loans and borrowings ¹⁾	302.0	128.8
Cash and cash equivalents	-20.2	-36.9
Non-current and current securities	-337.5	-285.6
Non-current and current loans receivable	-29.5	-29.4
Net financial debt	1,089.7	983.1
Non-current personnel provisions ²⁾	274.6	262.0
Net debt	1,364.3	1,245.1
Funds from operations	1,082.9	694.1
Equity	6,464.3	7,321.1
Gearing (%)	21.1	17.0
Net debt coverage (%)	79.4	55.8

1) Excluding bank overdrafts contained in cash and cash equivalents

2) Excluding provisions for service anniversary bonuses

The EVN Group uses cash pooling to manage liquidity and optimise interest rates. EVN AG and each of the participating Group subsidiaries have concluded a corresponding contract that defines the modalities for cash pooling.

63. Reporting on financial instruments

Fair value generally reflects the listed price on the balance sheet date. If this price is not available, fair value is calculated in accordance with financial methods, e. g. by discounting the expected cash flows at the prevailing market interest rate. The input factors required for the calculations are explained below.

The fair value of shares in unlisted subsidiaries and other investments is based on discounted expected cash flows or comparable transactions. For financial instruments listed on an active market, the trading price as of the balance sheet date represents fair value. Most of the receivables, cash and cash equivalents, and current financial liabilities have short terms to maturity. Therefore, the carrying value of these instruments as of the balance sheet date approximately corresponds to fair value. The fair value of bonds is calculated as the present value of the discounted future cash flows based on prevailing market interest rates.

The following table shows the financial instruments carried at fair value and their classification in the fair value hierarchy according to IFRS 13.

Level 1 input factors are observable parameters such as quoted prices for identical assets or liabilities. These prices are used for valuation purposes without modification. Level 2 input factors represent other observable parameters which must be adjusted to reflect the specific characteristics of the valuation object. Examples of the parameters used to measure the financial instruments classified under Level 2 are forward price curves derived from market prices, exchange rates, interest structure curves and the counterparty credit risk. Level 3 input factors are non-observable factors which reflect the assumptions that would be used by a market participant to determine an appropriate price. There were no reclassifications between the various levels during the reporting period.

Information on classes and categories of financial instruments

EURm

Classes	Measurement category	Fair value hierarchy (according to IFRS 13)	30.09.2023		30.09.2022	
			Carrying amount	Fair value	Carrying amount	Fair value
Non-current assets						
Other investments¹⁾						
Investments	FVOCI	Level 3	167.4	167.4	190.3	190.3
Miscellaneous investments	FVOCI	Level 1	3,381.1	3,381.1	3,837.5	3,837.5
Other non-current assets						
Securities	FVTPL	Level 1	71.0	71.0	68.8	68.8
Loans receivable	AC	Level 2	25.0	24.1	25.1	24.4
Lease receivables	AC	Level 2	10.1	9.6	12.7	12.1
Receivables arising from derivative transactions	FVTPL	Level 2	11.7	11.7	–	–
Trade and other receivables	AC		25.3	25.3	13.9	13.9
Current assets						
Current receivables and other current assets						
Trade and other receivables	AC		650.0	650.0	549.5	549.5
Receivables arising from derivative transactions	FVTPL	Level 2	69.1	69.1	27.0	27.0
Securities and other financial investments	FVTPL	Level 1	266.5	266.5	216.8	216.8
Cash and cash equivalents						
Cash on hand and cash at banks	AC		70.2	70.2	292.0	292.0
Non-current liabilities						
Non-current loans and borrowings						
Bonds	AC	Level 2	469.5	393.5	556.7	480.1
Bank loans	AC	Level 2	633.9	599.4	594.0	552.7
Other non-current liabilities						
Other liabilities	AC		9.3	9.3	19.2	19.2
Liabilities arising from derivative transactions	FVTPL	Level 2	8.2	8.2	63.2	63.2
Liabilities arising from derivative transactions	FVTPL	Level 3	0.3	0.3	–	–
Current liabilities						
Current loans and borrowings	AC		343.2	343.2	377.4	377.4
Trade payables	AC		463.2	463.2	436.7	436.7
Other current liabilities						
Other financial liabilities	AC		241.6	241.6	278.1	278.1
Liabilities arising from derivative transactions	FVTPL	Level 2	24.3	24.3	231.3	231.3
Liabilities arising from derivative transactions	FVTPL	Level 3	6.3	6.3	–	–
thereof aggregated to measurement categories						
Fair value through other comprehensive income	FVOCI		3,548.5	–	4,027.7	–
Financial assets designated at fair value through profit or loss	FVTPL		418.4	–	312.6	–
Financial assets and liabilities at amortised cost	AC		2,941.3	–	3,155.4	–
Financial liabilities designated at fair value through profit or loss	FVTPL		39.1	–	122.1	–

1) See note 10. Other investments

The above table with information on the classes and categories of financial instruments shows cash flow hedges (portfolio hedge – electricity) together with derivative financial instruments that are carried at fair value through profit or loss. A separate presentation is not possible due to the offsetting of derivative financial instruments based on conventional netting agreements in the energy business (see note **9. Financial instruments**). The valuation category FVTPL therefore includes positive fair values of EUR 71.5m (previous year: EUR 24.3m) and negative fair values of EUR –1.9m (previous year: EUR –151.2m) which were measured at fair value through other comprehensive income (FVOCI).

Net results by measurement category ¹⁾ EURm	2022/23		2021/22	
	Net result	Thereof impairment losses	Net result	Thereof impairment losses
Classes				
Fair value through other comprehensive income (FVOCI)	–	–	–	–
Financial assets at amortised cost (AC)	–24.9	–20.8	–79.7	–52.7
Financial assets and liabilities at fair value through profit or loss (FVTPL)	88.3	–	–7.4	–
Financial assets and liabilities (hedging)	–8.3	–	–6.8	–
Financial liabilities at amortised cost (AC)	9.7	–	8.1	–
Total	64.8	–20.8	–85.8	–52.7

1) The net results only involve changes to the consolidated statement of operations; interest expense/income and dividends are not included.

Derivative financial instruments and hedging transactions

Derivative financial instruments are used primarily to hedge the company's liquidity, exchange rate, price and interest rate risks. The operative goal is to ensure the long-term continuity of the Group's earnings. All derivative financial instruments are integrated in a risk management system as soon as the respective contracts are concluded. This allows for the preparation of a daily overview of all main risk indicators.

The nominal values represent the separate totals of the items classified as financial derivatives on the balance sheet date. These are reference values which do not provide a measure of the risk incurred by the company through the use of these financial instruments. In particular, potential risk factors include fluctuations in the underlying market parameters and the credit risk of the contracting parties. Derivative financial instruments are recognised at their fair value.

Derivative financial instruments comprise the following:

Derivative financial instruments	30.09.2023					30.09.2022				
	Nominal value ¹⁾		Fair values ²⁾			Nominal value ¹⁾		Fair values ²⁾		
	Purchases	Disposals	Positive	Negative	Net	Purchases	Disposals	Positive	Negative	Net
Forward exchange transactions										
KWD ³⁾	–	80.1	1.4	–12.3	–10.9	–	81.2	–	–25.6	–25.6
USD ³⁾	–	111.4	2.3	–3.4	–1.0	–	174.7	–	–19.5	–19.5
BHD ³⁾	–	8.4	–	–0.6	–0.6	–	–	–	–	–
USD	–	–	–	–	–	–	40.0	–	–0.1	–0.1
BHD	–	4.7	0.1	–	0.1	–	33.4	–	–1.5	–1.5
KWD	–	1.8	–	–	–	–	3.5	–	–0.2	–0.2
PLN	–	–	–	–	–	–	4.9	–	–	–
RON	–	2.0	–	–	–	–	–	–	–	–
Currency swaps										
JPYm (>5 years) ³⁾	10,000.0	–	–	–19.4	–19.4	10,000.0	–	–	–11.1	–11.1
Derivatives energy										
Swaps	–	–	–	–	–	36.0	–36.0	10.0	–8.4	1.6
Futures	1,257.6	2,347.7	12.7	–5.6	7.1	22.0	–	–	–0.4	–0.4
Forwards	436.9	411.2	16.4	–10.9	5.5	668.4	843.2	40.7	–92.6	–51.9
Futures ³⁾	–	556.0	13.7	–	13.7	–	–	–	–	–
Forwards ³⁾	19.9	365.4	57.8	–10.6	47.2	204.1	849.3	24.3	–183.0	–158.7
Recognition of offsetting clauses	–	–	–23.6	23.6	–	–	–	–48.1	48.1	–
Total after netting out	–	–	80.9	–39.1	41.2	–	–	27.0	–294.4	–267.4

1) In m nominal currency; energy related in GWh

2) In EURm

3) Designated as a hedge in accordance with IFRS 9

Positive fair values are recognised as receivables from derivative transactions under other non-current assets or receivables and other current assets, depending on their remaining term to maturity. Negative fair values are recognised as liabilities from derivative transactions under other non-current liabilities or other current liabilities, depending on their remaining term to maturity. For counterparties with a master agreement that includes an offsetting clause, the positive and negative fair values are presented as a net amount for specific periods because of the applicable net settlement procedure. A maturity analysis of the derivative financial liabilities is provided in the table on liquidity risk (see note **61. Risk management**).

EVN uses hedges to manage earnings volatility. The underlying transaction and the hedge are designed to ensure a match between the parameters relevant for measurement (critical terms match). In order to gauge the effectiveness, the underlying transactions are recorded in the treasury management system as hypothetical derivatives and evaluated to determine whether the relationship with the respective hedges was or will be effective. Possible sources of ineffectiveness are, for example, timing shifts or a change in the volume of an existing underlying transaction as well as adjustments for the credit risk of hedges and underlying transactions. All measures are based on internal guidelines.

The EVN Group applied the hedge accounting rules under IFRS 9 to hedge a bond issued in JPY (see note **50. Non-current loans and borrowings**) as well as for the hedging of the currency risk from the Umm Al Hayman wastewater treatment project. In addition, derivative financial instruments were used as part of cash flow hedge accounting to hedge the price risk from the planned future income from electricity sales at variable prices.

JPY bond

The hedge of the JPY bond primarily involves EUR/JPY cross-currency swaps. These cross-currency swaps (for a nominal value of JPY 12bn up to 15 January 2019 and for a nominal value of JPY 10bn since that date) represent a fair value hedge and are recorded and measured in the treasury management system, designated as a hedge and documented. The corresponding change in the bond liability from the hedge represents a contrary movement to the market value of the swaps. The results from the hedge of the JPY bond with cross-currency swaps totalled EUR 1.2m in 2022/23 (measurement of the bond EUR 9.5m and measurement of the swaps EUR –8.3m; previous year: earnings effect EUR 1.0m, including measurement of the bond EUR 7.8m and measurement of the swaps EUR –6.8m) and were recorded under other financial results. The market value was derived from the information available on the balance sheet date and based on the applicable bond price and exchange rate. A cross-currency swap for a nominal value of JPY 2bn was concluded to hedge the JPY bond through a settlement agreement with a bank. The related agreement entitled both parties to early termination in January 2019, and the cross-currency swap was terminated by the bank as of 15 January 2019. In connection with this termination, EVN dissolved the fair value hedge relationship and collected a settlement payment of EUR 0.6m. The interest rate-based fair value adjustment of the JPY bond related to the terminated EUR –1.2m swap will be released to profit or loss until the bond matures on 9 January 2024 (as of 30 September 2023: EUR –0.1m and as of 30 September 2022: EUR –0.3m).

Umm Al Hayman/Bahrain

EVN concluded forward exchange contracts to hedge the planned net foreign currency cash flows from the Umm Al Hayman project and, as of the 2022/23 financial year, also from the project in Bahrain. The expected payments are therefore fully hedged. A Group guideline requires the critical terms of these forward exchange contracts to reflect the hedged transaction as best as possible. The hedging does not result in any ineffectiveness if the expectations for the timing and amount remain unchanged.

EVN establishes the existence of an economic relationship between the hedging instrument and the hedged transaction based on the currency, amount and timing of the respective cash flows. The dollar-offset derivative method is used to evaluate whether the derivative designated in each hedge will presumably be, and was, effective in offsetting changes in the cash flows from the hedged transaction.

Portfolio hedge

EVN implements a portfolio hedge electricity to hedge the risk from the marketing of the Group's own electricity production. Under cash flow hedge accounting as defined by IFRS 9, derivative financial instruments (electricity forwards and electricity future contracts) used to hedge the price risk from planned future income from electricity sales are carried at variable prices. The underlying transaction represents the portfolio of future highly probable sales of electricity produced by the EVN Group in Austria.

Evaluating the effectiveness of the hedge involves demonstrating an economic relationship between the underlying transaction and the hedging instrument. In addition, the default risk may not have a dominant influence on the changes in value. The prospective effectiveness assessment principally takes place on a qualitative basis in accordance with the critical terms match method, which compares the key conditions of the hedging instrument with the underlying transaction. In order to minimise the risk of ineffectiveness from over-hedging, the hedges are not concluded for the total planned sales volumes. The major conditions between the hedging instruments and planned cash flows agree, and it is therefore assumed that the changes in the value of the hedging instruments will be offset in full by the changes in future cash flows. The hedged risks to which both the underlying transaction and hedging instrument are exposed therefore have an opposite influence on the value of the underlying transaction and hedging instrument.

For hedges of electricity deliveries to foreign markets, the change in the value of the hedging instruments may not always fully offset the change in the value of future cash flows. The higher liquidity on the German market has created a situation where increasingly futures are being concluded in this market. The electricity price in Austria consists of a German electricity price plus a DE/AT spread. The futures products concluded in Germany therefore represent a hedge for the price component included in the Austrian electricity prices.

If the hedge and the underlying transaction take place on the same market, complete coverage is principally ensured between the underlying transaction and the hedging instrument. If hedges are concluded on the German market due to a lack of sufficient liquidity, the risk component of the German price alone represents the underlying transaction for the hedging relationship – and in that way, achieves full coverage between the underlying transaction and the hedging instrument.

The ineffectiveness of hedges can lead to changes in the credit risk of the counterparty or to a reduction in the expected electricity delivery volume.

Fair value hedging instruments – 30.09.2023					
EURm	Carrying amount		Balance sheet position	Nominal amount	Change in fair value
Cross-currency swaps	-19.4	–	Other current liabilities	10,0 ¹⁾	-8.3

1) JPYbn

Fair value hedging instruments – 30.09.2022					
EURm	Carrying amount		Balance sheet position	Nominal amount	Change in fair value
Cross-currency swaps	-11.1	–	Other non-current liabilities	10.0 ¹⁾	-6.8

1) JPYbn

Fair value hedge – underlying transaction 30.09.2023					
EURm	Carrying amount		Balance sheet position	Nominal amount	Change in fair value
JPY-bond	-61.2	-1.9	Current financial liabilities	10.0 ¹⁾	9.7

1) JPYbn

Fair value hedge – underlying transaction 30.09.2022					
EURm	Carrying amount		Balance sheet position	Nominal amount	Change in fair value
JPY-bond	-70.9	-2.3	Non-current financial liabilities	10.0 ¹⁾	7.8

1) JPYbn

Cash flow hedging instruments – 30.09.2023					
EURm	Carrying amount		Balance sheet position	Nominal amount	Change in fair value
FX-forwards (KWD/EUR)	-10.9		Other current/non-current liabilities	80.1 ¹⁾	14.7
FX-forwards (USD/EUR)	-1.0		Other current/non-current liabilities	111.4 ²⁾	18.5
FX-forwards (BHD/EUR)	-0.6		Other current/non-current liabilities	8.4 ³⁾	-0.6
Portfolio hedge electricity	71.5		Other current/non-current receivables	908.2 GWh	47.2
Portfolio hedge electricity ⁴⁾	-10.6		Other current/non-current liabilities	33.0 GWh	172.4

1) Nominal amount in KWDm

2) Nominal amount in USDm

3) Nominal amount in BHDm

4) EUR 8.7m negative market value recognised in the consolidated statement of operations at the beginning of the hedging relationship

Cash flow hedging instruments – 30.09.2022				
EURm	Carrying amount	Balance sheet position	Nominal amount	Change in fair value
FX-forwards (KWD/EUR)	-25.6	Other current/non-current liabilities	81.2 ¹⁾	-14.4
FX-forwards (USD/EUR)	-19.5	Other current/non-current liabilities	174.7 ²⁾	-14.8
Portfolio hedge electricity	24.3	Other current/non-current liabilities	219.9 GWh	-20.6
Portfolio hedge electricity	-183.0 ³⁾	Other current/non-current liabilities	833.4 GWh	-96.6

1) Nominal amount in KWDm

2) Nominal amount in USDm

3) EUR 31.8m negative market value recognised in the consolidated statement of operations at the beginning of the hedging relationship

Cash flow hedges – underlying transactions 30.09.2023		
EURm	Change in fair value	Reserve for measurement of cash flow hedges
Payments in KWD (Firm commitment)	15.1	-22.4
Payments in USD (Firm commitment)	15.7	-18.1
Payments in BHD (Firm commitment)	-0.6	-0.2
Portfolio hedge electricity	47.2	71.5
Portfolio hedge electricity	142.6	-1.9

Cash flow hedges – underlying transactions 30.09.2022		
EURm	Change in fair value	Reserve for measurement of cash flow hedges
Proceeds from sales (Firm commitment)	-43.1	-43.8
Disbursements for procurements (Planning and firm commitment)	-	-
Proceeds from sales (Firm commitment)	-35.6	-35.8
Disbursements for procurements (Planning and firm commitment)	-	-
Portfolio hedge electricity	23.6	24.3
Portfolio hedge electricity	-170.6	-151.2

Effects on the statement of comprehensive income, statement of financial position and statement of operations 30.09.2023						
EURm	Hedge gains/ losses recognised in other comprehensive income	Ineffectiveness recognised to profit or loss	Positions for which ineffectiveness was recognised	Reclassification from OCI to statement of operations	Positions for which reclassification was recognised	Basis adjustment
DBO-project (KWD)	15.1	-	-	-6.3	Revenue	-
BOT-project (USD)	15.7	-	-	-2.0	Revenue	-
Project Tubli (BHD)	-0.6	-	-	-0.3	Revenue	-
Portfolio hedge electricity	189.7	-	-	-6.7	Revenue	-

Effects on the statement of comprehensive income, statement of financial position and statement of operations 30.09.2022

EURm	Hedge gains/ losses recognised in other comprehensive income	Ineffectiveness recognised to profit or loss	Positions for which ineffectiveness was recognised	Reclassification from OCI to statement of operations	Positions for which reclassification was recognised	Basis adjustment
DBO-project (KWD)	-43.1	-	-	-9.3	Revenue	-
BOT-project (USD)	-35.6	-	-	-4.1	Revenue	-
Disbursements for procurements (Planning and firm commitment)	-	-	-	-	-	3.4
Disbursements for procurements (Planning and firm commitment)	-	-	-	-	-	-1.8
Portfolio hedge electricity	-147.0	-	-	-29.7	Revenue	-

Expected occurrence of cash flows from forward exchange transactions 30.09.2023

Million foreign currency or exchange rate, GWh or EUR/MWh

	< 1 year	> 1 year
USD		
Nominal amount in USD	99.4	12.0
Average USD/EUR forward rate	1.0693	1.1733
KWD		
Nominal amount in KWD	40.9	39.2
Average KWD/EUR forward rate	0.3424	0.3481
BHD		
Nominal amount in BHD	7.2	1.2
Average BHD/EUR forward rate	2.4089	2.3756
Forwards/Futures		
Nominal value in GWh	700.9	200.7
Average hedge price EUR/MWh	202.47	180.23

Expected occurrence of cash flows from forward exchange transactions 30.09.2022

Million foreign currency or exchange rate, GWh or EUR/MWh

	< 1 year	> 1 year
USD		
Nominal amount in USD	93.7	81.0
Average USD/EUR forward rate	1.1703	1.0742
KWD		
Nominal amount in KWD	26.5	54.6
Average KWD/EUR forward rate	0.3363	0.3489
Forwards/futures		
Nominal value in GWh	376.8	268.4
Average hedge price EUR/MWh	66.60	245.83

64. Disclosures of interests in other entities

An overview of the companies included in the consolidated financial statements is provided beginning on page 287 under **EVN's investments**.

Information on the joint ventures and associates that were included in EVN's consolidated financial statements at equity in 2022/23 is provided below.

The share of results from equity accounted investees with operational nature is reported as part of the results from operating activities (EBIT).

The following table shows the equity accounted investees with operational nature:

Joint ventures that were included at equity in the consolidated financial statements as of 30.09.2023 in accordance with IFRS 11

Company

Bioenergie Steyr GmbH

Degremont WTE Wassertechnik Praha v.o.s.

EnergieAllianz

EVN KG

EVN-ECOWIND Sonnenstromerzeugungs GmbH

EVN-WE Wind KG

Fernwärme St. Pölten GmbH

Fernwärme Steyr GmbH

RAG

Ashta

Umm Al Hayman Wastewater Treatment Company KSPC

ZOV

Associates that were included at equity in the consolidated financial statements as of 30.09.2023 in accordance with IAS 28

Company

Burgenland Energie

Verbund Innkraftwerke

ZOV UIP

The following table provides summarised financial information on each individually material joint venture included in the consolidated financial statements:

Financial information of material joint ventures								
EURm								
Joint venture	30.09.2023				30.09.2022			
	EVN KG	RAG	ZOV	Energie-Allianz	EVN KG	RAG	ZOV	Energie-Allianz
Statement of financial position								
Non-current assets	0.5	537.2	134.6	118.5	160.8	527.7	160.5	77.9
Current assets	609.0	124.7	50.9	735.2	1,134.3	507.8	46.8	2,313.5
Non-current liabilities	18.6	216.3	–	37.3	2.1	261.1	–	432.6
Current liabilities	607.8	144.7	7.7	892.2	462.9	501.7	15.5	757.6
Reconciliation of the carrying amount of the share of EVN in the joint venture								
Net assets	–16.9	300.9	177.8	–75.8	830.2	272.7	191.8	1,201.3
Share of EVN in net assets (%)	100.00	100.00	48.50	45.00	100.00	100.00	48.50	45.00
Share of EVN in net assets	–16.9	300.9	86.2	–34.1	830.2	272.7	93.0	540.6
+/- Revaluations	16.9	138.5	0.3	34.1	–	138.8	5.9	–
Carrying amount of the share of EVN in the joint venture	–	439.4	86.6	–	830.2	411.4	99.0	540.6
Statement of operations								
Revenue	1,378.3	558.0	21.8	3,028.7	703.2	650.1	26.7	2,934.0
Scheduled depreciation and amortisation	–0.3	–38.5	–	–0.5	–0.6	–40.1	–	–0.6
Interest income	0.1	0.9	–	5.0	0.1	0.7	–	–
Interest expense	–11.2	–5.0	–	–1.5	–0.1	–1.9	–	–2.0
Income tax	–	–27.6	–3.0	–1.8	–	–17.4	–4.6	0.2
Result for the period	–240.3	79.5	13.8	3.5	7.2	51.9	21.1	–5.5
Other comprehensive income	–908.1	–1.2	–	–490.6	409.0	17.9	–0.3	1,165.0
Comprehensive income	–1,148.5	78.3	13.8	–487.2	416.2	69.8	20.8	1,159.5
Dividends received by EVN	5.5	50.0	21.8	–	76.2	48.0	14.6	–

The following table provides summarised financial information on the individually immaterial joint ventures included in the consolidated financial statements:

Financial information of individually immaterial joint ventures (EVN share)		
EURm		
	2022/23	2021/22
Carrying value of the joint ventures as of the balance sheet date	167.9	138.7
Result for the period	15.1	7.8
Other comprehensive income	6.6	23.9
Comprehensive income	21.7	31.7

The following table provides summarised financial information on each individually material associate included in the consolidated financial statements:

Financial information of material associates						
EURm						
Associate	30.09.2023			30.09.2022		
	Verbund IKW	ZOV UIP	Burgenland Energie	Verbund IKW	ZOV UIP	Burgenland Energie
Statement of financial position						
Non-current assets	1,244.4	0.6	998.4	1,250.9	0.5	842.5
Current assets	244.2	7.9	361.4	25.9	5.3	289.8
Non-current liabilities	135.9	–	179.5	76.3	–	178.2
Current liabilities	43.7	4.0	809.9	27.9	1.7	605.9
Reconciliation of the carrying amount of the share of EVN in the associate						
Net assets	1,309.0	4.5	370.4	1,172.6	4.1	348.4
Share of EVN in net assets (%)	13.00	31.00	49.00	13.00	31.00	49.00
Share of EVN in net assets	170.2	1.4	181.5	152.4	1.3	170.7
+/- Revaluations	22.2	–0.1	34.3	23.4	0.1	20.3
Carrying amount of the share of EVN in the associate	192.4	1.3	215.8	175.9	1.4	191.0
Statement of operations						
Revenue	391.2	19.7	920.8	152.9	23.7	528.2
Result for the period	231.0	4.5	33.0	72.3	5.1	23.9
Other comprehensive income	5.4	–	10.2	–6.2	–	2.4
Comprehensive income	236.4	4.5	43.2	66.1	5.1	26.3
Dividends received by EVN	13.0	1.5	11.2	1.3	1.2	10.3

The consolidated financial statements include no associates that are individually immaterial.

65. Other obligations and risks

The commitments entered into by EVN and the related risks are as follows:

Other obligations and risks		
EURm		
	30.09.2023	30.09.2022
Guarantees in connection with energy transactions	208.6	82.5
Guarantees in connection with projects in the Environment Segment	710.7	684.1
Guarantees related to the construction and operation of		
Energy networks	4.0	2.0
Power plants	84.2	87.6
Order obligations for investments in intangible assets and property, plant and equipment	266.3	218.5
Further obligations arising from guarantees or other contractual contingent liabilities	0.1	0.1
Total	1,273.9	1,074.8
thereof in connection with equity accounted investees	195.9	82.0

Neither provisions nor liabilities were recognised for the above-mentioned items because claims to the fulfilment of obligations or the actual occurrence of specific risks were not expected at the time these consolidated financial statements were prepared. The above-mentioned obligations were contrasted by corresponding recourse claims of EUR 72.1m (previous year: EUR 21.2m).

Other obligations and risks increased by EUR 199.1m to EUR 1,273.9m compared to 30 September 2022. This change mainly resulted from an increase in guarantees in connection with energy transactions, in guarantees for environmental projects as well as from an increase in scheduled orders for investments in intangible assets and property, plant and equipment. This was offset by a reduction in guarantees in connection with the construction and operation of power plants.

Contingent liabilities relating to guarantees in connection with energy transactions are recognised in the amount of the actual risk for EVN for those guarantees issued for the procurement or marketing of energy. This risk is measured by the changes between the stipulated price and the actual market price, whereby EVN is only exposed to procurement risks when market prices decline and to selling risks when market prices increase.

Accordingly, fluctuations in market prices may lead to a change in the risk exposure after the balance sheet date. The risk assessment resulted in a contingent liability of EUR 208.6m as of 30 September 2023. The nominal volume of the guarantees underlying this assessment was EUR 538.5m. As of 31 October 2023, the market price risk was EUR 164.1m based on an underlying nominal volume of EUR 544.9m.

Various legal proceedings and lawsuits related to operating activities are pending or claims may be filed against EVN in the future. The attendant risks were analysed in relation to their probability of occurrence. The evaluation of possible claims showed that the legal proceedings and lawsuits, individually and as a whole, would not have a material negative effect on EVN's business, liquidity, profit or loss or financial position.

Additional obligations arising from guarantees and other contractual contingent liabilities consisted chiefly of outstanding capital contributions to affiliates as well as liabilities for affiliates' loans.

66. Information on transactions with related parties

In accordance with IAS 24, transactions with related parties arise through direct or indirect control, significant influence or joint management. Related parties further include close family members of the respective natural persons. Key management personnel and their close family members are also considered to be related parties.

EVN's related parties include all companies in the scope of consolidation, other subsidiaries, joint ventures and associates that are not included in the consolidated financial statements, as well as people who are responsible for the planning, management and supervision of the Group's activities. In particular, related parties also include the members of the Executive Board and the Supervisory Board as well as their family members. A list of the Group companies can be found starting on page 287 under **EVN's investments**.

The province of Lower Austria holds 51.0% of the shares of EVN AG through NÖ Landes-Beteiligungsholding GmbH, St. Pölten. Therefore, the province of Lower Austria and companies under its control or significant influence are classified as related parties of the EVN Group. Since the province of Lower Austria is a government-related entity which has control over EVN AG due to its majority shareholding, EVN has elected to apply the exemption provided by IAS 24.25. This exemption releases EVN from the requirement to disclose business transactions and outstanding balances with related parties when the related party is a government-related entity. The business transactions with companies under the control or significant influence of NÖ Landes-Beteiligungsholding GmbH are related mainly to the provision of electricity, natural gas, network and telecommunications services.

NÖ Holding GmbH holds 100% of the shares in NÖ Landes-Beteiligungsholding GmbH, which prepares and publishes consolidated financial statements.

Wiener Stadtwerke GmbH acquired 51,000,000 EVN shares on 5 August 2020. The closing of this transaction made the company, which is wholly owned by the city of Vienna, the second largest shareholder of EVN AG with an investment of 28.4%. Since the city of Vienna is a government-related entity which, based on the majority shareholding, can exercise significant influence over EVN AG, the exemption provided by IAS 24.25 was applied. This exemption permits the non-disclosure of business transactions and outstanding balances with related parties when the related party is a government-related entity.

Transactions with related parties

Main shareholder

EVN is part of a joint venture with NÖ Landes-Beteiligungsholding GmbH as the main shareholder and Wiener Stadtwerke GmbH as the minority shareholder. A group and tax equalisation agreement was concluded to regulate the modalities. On the basis of this agreement, EVN has included further subsidiaries in this group of companies. This resulted in a current receivable of EUR 5.4m from NÖ Landes-Beteiligungsholding GmbH as of 30 September 2023 (previous year: current liability of EUR 28.9m). All business relationships with the main shareholder or companies attributable to the main shareholder are carried out at arm's length.

Wiener Stadtwerke GmbH

Based on a syndicate agreement, EVN and Wiener Stadtwerke GmbH together hold roughly 26% of the voting shares in Verbund AG through their direct and indirect investments (also see note **38. Other investments**).

Based on the group and tax equalisation agreement, there is a current liability to Wiener Stadtwerke GmbH of EUR 3.1m as of 30 September 2023 (previous year: EUR 8.8m).

EnergieAllianz is a joint energy distribution company comprising Burgenland Energie, EVN and Wien Energie GmbH, a wholly owned subsidiary of Wiener Stadtwerke GmbH. EVN holds 45% of the shares in EnergieAllianz, which is responsible for the trading and sale of electricity, natural gas and energy-related services for industrial, large-scale and business customers.

EVN and Wiener Stadtwerke GmbH jointly operate the project company EVN-Wien Energie Windparkentwicklungs- und Betriebs GmbH & Co KG through their respective subsidiaries, EVN Naturkraft and Wien Energie GmbH, each of which holds an investment of 50% as a limited partner. This company is responsible for the development, construction and operation of wind parks.

Further joint investments, which are immaterial in scope, exist between the EVN Group and/or subsidiaries controlled by Wiener Stadtwerke GmbH.

Investments in equity accounted investees

Within the context of its ordinary business operations, EVN has concluded supply and service contracts with numerous companies included at equity in its consolidated financial statements. Long-term agreements were concluded with EnergieAllianz for the sale and procurement of electricity and natural gas, and long-term procurement contracts were concluded with Verbund Innkraftwerke for electricity.

The value of services provided to the investments in equity accounted investees listed above is as follows:

Transactions with joint ventures included at equity		
EURm	2022/23	2021/22
Revenue	527.2	449.1
Cost of services received	-153.5	-144.5
Trade accounts receivable	61.2	50.6
Receivables from cash pooling	86.5	-
Trade accounts payable	28.8	120.1
Loans	7.4	11.5
Liabilities from cash pooling	-	8.2
Interest income from loans	0.4	0.4

Transactions with associates included at equity		
EURm	2022/23	2021/22
Cost of services received	-48.1	-16.2
Trade accounts payable	-	1.4

Transactions with related individuals

Executive Board and Supervisory Board

The payments to members of the Executive Board and the Supervisory Board consist primarily of salaries, severance payments, pensions and Supervisory Board remuneration.

The remuneration paid to the active members of the Executive Board in 2022/23 totalled TEUR 1,360.2 (including compensation in kind and contributions to pension funds; previous year: TEUR 1,253.5).

Remuneration of the active Executive Board						
TEUR	2022/23			2021/22		
	Fixed remuneration	Variable remuneration¹⁾	Compensation in kind	Fixed remuneration	Variable remuneration	Compensation in kind
Stefan Szyszkowitz	477.4	146.0	3.5	446.9	127.4	3.4
Franz Mittermayer	445.5	133.9	14.2	417.1	114.4	14.1

1) Corresponds to the amounts paid in the 2022/23 financial year; the variable remuneration depends on the achievement of targets. Details can be found in the remuneration report.

In addition, pension fund contributions made in 2022/23 equalled TEUR 72.6 for Stefan Szyszkowitz (previous year: TEUR 67.6) and TEUR 67.1 for Franz Mittermayer (previous year: TEUR 62.5).

In the 2022/23 financial year, the provision for pension obligations for Stefan Szyszkowitz resulted in an addition of TEUR 856.1 (of which TEUR 151.4 was interest expense and TEUR 568.3 was actuarial gains/losses). In the previous year, the change amounted to TEUR -2,313.9 (thereof TEUR 71.4 interest expense and TEUR -2,609.3 actuarial gains/losses). For Franz Mittermayer, there was an addition to the provision for pension obligations of TEUR 337.7 (of which TEUR 230.4 interest expense and TEUR 107.3 actuarial gains/losses). In the previous year, the change amounted to TEUR -1,707.4 (thereof TEUR 90.3 interest expense and TEUR -2,071.3 actuarial gains/losses).

The addition to the provision for severance compensation on behalf of Stefan Szyszkowitz equalled TEUR 57.2 (thereof TEUR 10.3 interest expense and TEUR 38.7 of actuarial gains/losses). The change in the previous year equalled TEUR – 20.9 (thereof TEUR 2.8 interest expense and TEUR –32.7 of actuarial gains/losses). The addition to the provision for severance compensation on behalf of Franz Mittermayer equalled TEUR 44.8 (thereof TEUR 11.8 interest expense and TEUR 33.0 of actuarial gains/losses). The addition in the previous year equalled TEUR 23.0 (thereof TEUR 2.8 interest expense and TEUR 9.7 actuarial gains/losses).

In 2022/23 contributions of TEUR 9.6 (previous year: TEUR 8.8) were made to an external employee fund on behalf of Stefan Szyszkowitz and TEUR 9.1 (previous year: TEUR 8.3) on behalf of Franz Mittermayer.

The year-on-year change in the remuneration of the active members of the Executive Board is attributable primarily to the change in performance-based components and the annual wage and salary increases mandated by collective bargaining agreements.

The members of the Executive Board are also entitled to a contractually agreed pension at retirement, whereby pension payments under the Austrian social security scheme and any payments from the VBV-Pensionskasse are credited against this amount.

The payments to former members of the Executive Board or their surviving dependents amounted to TEUR 1,034.4 in 2022/23 (previous year: TEUR 1,008.4).

The additions to the provisions for severance payments and pensions for active members of senior management totalled TEUR 545.5 (thereof TEUR 95.4 interest expense and TEUR 353.4 of actuarial gains/losses). The comparative amounts for the previous year included income of TEUR –1,006.6 (thereof TEUR 35.0 interest expense and TEUR –1,155.4 of actuarial gains/losses).

Contributions to the employee fund on behalf of active members of senior management totalled TEUR 19.9 in 2022/23 (previous year: TEUR 18.7) and pension fund contributions amounted to TEUR 337.8 (previous year: TEUR 412.8).

The above amounts include expenses recognised in accordance with national law, as required by the Austrian Corporate Governance Code. In accordance with IAS 19, actuarial gains and losses are recorded under other comprehensive income.

The Supervisory Board remuneration totalled TEUR 172.7 in 2022/23 (previous year: TEUR 156.7). The members of the Advisory Committee for Environmental and Social Responsibility received remuneration of TEUR 99.1 during the reporting year (previous year: TEUR 98.4).

The basic principles underlying the remuneration system are presented in the remuneration report, which is part of the corporate governance report.

Transactions with other related companies

The disclosure requirements for the notes do not cover information on intragroup transactions. Therefore, business transactions between EVN and its subsidiaries are not reported. Business transactions with non-consolidated subsidiaries and companies not included at equity are generally not reported because they are immaterial.

Related parties can also be direct customers of a company within the EVN Group, whereby these business relationships reflect prevailing market rates and conditions and are immaterial in relation to the total income recorded by the EVN Group in 2022/23. The resulting items outstanding as of 30 September 2023 are reported under trade accounts receivable.

67. Significant events after the balance sheet date

No significant events occurred between the balance sheet date of 30 September 2023 and the release for publication of the consolidated financial statements on 21 November 2023.

68. Information on management and staff

The corporate bodies of EVN AG are:

Executive Board

Stefan Szyszkowitz – Spokesman of the Executive Board

Franz Mittermayer – Member of the Executive Board

Supervisory Board

Chairman / Chairwoman

Reinhard Wolf (as of 19.06.2023)

Bettina Glatz-Kremsner (until 19.06.2023)

Vice-Chairmen

Jochen Danninger (as of 19.06.2023)

Norbert Griesmayr (until 19.06.2023)

Willi Stiowick

Members

Georg Bartmann

Gustav Dressler

Philipp Gruber

Maria Patek

Angela Stransky

Veronika Wüster (as of 19.06.2023)

Peter Weinelt

Friedrich Zibuschka (until 19.06.2023)

Employee representatives

Friedrich Bußlehner

Monika Fraißl

Paul Hofer

Uwe Mitter

Irene Pugi

69. Approval of the 2022/23 consolidated financial statements for publication

These consolidated financial statements were prepared by the Executive Board as of the date indicated below. The individual financial statements, which were also included in the consolidated financial statements after their adjustment to reflect International Financial Reporting Standards, and the consolidated financial statements of EVN will be submitted to the Supervisory Board on 13 December 2023 for examination, and the Supervisory Board will also be asked to approve the individual financial statements.

70. Audit fees

EVN's consolidated financial statements and annual financial statements for the 2022/23 financial year were audited by BDO Assurance GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna (previous year: BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna). The costs for BDO Assurance GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, respectively for BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft totalled EUR 0.4m (previous year: EUR 0.5m) and were distributed as follows: 71.1% for auditing services (previous year: 52.1%), 16.3% for audit-related services (previous year: 15.6%) and 12.6% for other consulting services (previous year: 32.3%). Auditing and consulting fees for the Group amounted to EUR 0.7m for the reporting year (previous year: EUR 0.8m), whereby 82.4% (previous year: 67.0%) are attributable to auditing, 10.6% (previous year: 14.0%) to audit-related services and 7.0% (previous year: 19.0%) to other consulting services.

Maria Enzersdorf, 21 November 2023

EVN AG

The Executive Board



Stefan Szyszkowitz

Spokesman of the Executive Board



Franz Mittermayer

Member of the Executive Board

EVN's investments according to § 245a (1) in connection with § 265 (2) UGB

The following table lists EVN's investments classified by segment of business. The list of companies not included in the consolidated financial statements of EVN AG for materiality reasons is based on the companies' last available local annual financial statements as of the respective balance sheet date. The data from companies that report in a foreign currency is translated into euros at the exchange rate on the balance sheet date of EVN AG.

1. EVN's investments in the energy business $\geq 20.0\%$ as of 30 September 2023

1.1. Included in the consolidated financial statements of EVN

Company, registered office	Shareholder	Interest %	Balance sheet date	Method of consolidation 2022/23
Ashta Beteiligungsverwaltung GmbH ("Ashta"), Vienna	EVN Naturkraft	49.99	31.12.2022	E
Bioenergie Steyr GmbH, Behamberg	EVN Wärme	51.00	30.09.2023	E
Elektrorazpredelenie Yug EAD ("EP Yug"), Plovdiv, Bulgaria	BG SN Holding	100.00	31.12.2022	V
ENERGIEALLIANZ Austria GmbH ("EnergieAllianz"), Vienna	EVN ES	45.00	30.09.2023	E
EVN Bulgaria Elektrosnabdiavane EAD ("EVN Bulgaria EC"), Plovdiv, Bulgaria	BG SV Holding	100.00	31.12.2022	V
EVN Bulgaria EAD ("EVN Bulgaria"), Sofia, Bulgaria	EVN	100.00	31.12.2022	V
EVN Bulgaria Fernwärme Holding GmbH ("BG FW Holding"), Maria Enzersdorf	EVN	100.00	30.09.2023	V
EVN Bulgaria RES Holding GmbH ("EVN Bulgaria RES"), Maria Enzersdorf	EVN Naturkraft	100.00	30.09.2023	V
EVN Bulgaria Stromerzeugung Holding GmbH ("BG SE Holding"), Maria Enzersdorf	EVN Naturkraft	100.00	30.09.2023	V
EVN Bulgaria Stromnetz Holding GmbH ("BG SN Holding"), Maria Enzersdorf	EVN	100.00	30.09.2023	V
EVN Bulgaria Stromvertrieb Holding GmbH ("BG SV Holding"), Maria Enzersdorf	EVN	100.00	30.09.2023	V
EVN Bulgaria Toplofikatsia EAD ("TEZ Plovdiv"), Plovdiv, Bulgaria	BG FW Holding	100.00	31.12.2022	V
EVN Croatia Plin d.o.o ("EVN Croatia"), Zagreb, Croatia	Kroatien Holding	100.00	31.12.2022	V
ELEKTRODISTRIBUCIJA DOOEL, Skopje, North Macedonia	EVN Macedonia	100.00	31.12.2022	V
EVN Energieservices GmbH ("EVN ES"), Maria Enzersdorf	EVN	100.00	30.09.2023	V
EVN Energievertrieb GmbH & Co KG ("EVN KG"), Maria Enzersdorf	EVN ES	100.00	30.09.2023	E
EVN Geoinfo GmbH ("EVN Geoinfo"), Maria Enzersdorf	Utilitas	100.00	30.09.2023	V
EVN Home DOO, Skopje, North Macedonia	EVN Macedonia/ EVN Supply	100.00	31.12.2022	V
EVN Kavarna EOOD ("EVN Kavarna"), Plovdiv, Bulgaria	EVN Bulgaria RES	100.00	31.12.2022	V
EVN Kroatien Holding GmbH ("Kroatien Holding"), Maria Enzersdorf	EVN	100.00	30.09.2023	V
EVN Macedonia AD ("EVN Macedonia"), Skopje, North Macedonia	EVN Mazedonien	90.00	31.12.2022	V
EVN Macedonia Elektrani DOOEL, Skopje, North Macedonia	EVN Macedonia	100.00	31.12.2022	V
EVN Macedonia Elektrosnabduvanje DOOEL ("EVN Supply"), Skopje, North Macedonia	EVN Macedonia	100.00	31.12.2022	V
EVN Mazedonien GmbH ("EVN Mazedonien"), Maria Enzersdorf	EVN	100.00	30.09.2023	V
evn naturkraft Erzeugungsgesellschaft m.b.H. ("EVN Naturkraft"), Maria Enzersdorf	EVN	100.00	30.09.2023	V
EVN Service Centre EOOD, Plovdiv, Bulgaria	EVN Bulgaria	100.00	31.12.2022	V
EVN Trading DOOEL, Skopje, North Macedonia	EVN Trading SEE	100.00	31.12.2022	V
EVN Trading South East Europe EAD ("EVN Trading SEE"), Sofia, Bulgaria	EVN Bulgaria	100.00	31.12.2022	V
EVN Wärme GmbH ("EVN Wärme"), Maria Enzersdorf	EVN	100.00	30.09.2023	V
EVN Wärmekraftwerke GmbH ("EVN Wärmekraftwerke"), Maria Enzersdorf	EVN/EVN Bet. 52	100.00	30.09.2023	V

Method of consolidation:

V: Fully consolidated company (subsidiary)
NV: Non-consolidated subsidiary

JO: Company included as joint operation
NJO: Company not included as a joint operation

E: Company included at equity
NE: Company not included at equity

1.1. Included in the consolidated financial statements of EVN

Company, registered office	Shareholder	Interest %	Balance sheet date	Method of consolidation 2022/23
EVN-ECOWIND Sonnenstromerzeugungs GmbH, Maria Enzersdorf	EVN Naturkraft	50.00	30.09.2023	E
EVN-WIEN ENERGIE Windparkentwicklungs- und Betriebs GmbH & Co KG ("EVN-WE Wind KG"), Vienna	EVN Naturkraft	50.00	30.09.2023	E
Fernwärme St. Pölten GmbH, St. Pölten	EVN	49.00	31.12.2022	E
Fernwärme Steyr GmbH, Steyr	EVN Wärme	49.00	30.09.2023	E
Hydro Power Company Gorna Arda AD, Sofia, Bulgaria	BG SE Holding	76.00	31.12.2022	V
kabelplus GmbH ("kabelplus"), Maria Enzersdorf	Utilitas	100.00	30.09.2023	V
Netz Niederösterreich GmbH ("Netz Niederösterreich"), Maria Enzersdorf	EVN	100.00	30.09.2023	V
Verbund Innkraftwerke GmbH ("Verbund Innkraftwerke"), Töging, Germany ¹⁾	EVN Naturkraft	13.00	31.12.2022	E
Wasserkraftwerke Trieb und Krieglach GmbH ("WTK"), Maria Enzersdorf	EVN Naturkraft	70.00	30.09.2023	V

1) This company is included in the consolidated financial statements at equity and presented in the above table despite a participation interest $\leq 20.0\%$ because of special contractual arrangements that allow for the exercise of significant influence.

1.2. Not included in the consolidated financial statements of EVN due to immateriality

Company, registered office	Shareholder	Interest %	Shareholders' equity TEUR	Last year's profit/loss TEUR	Balance sheet date	Method of consolidation 2022/23
Bioenergie Wiener Neustadt GmbH, Wiener Neustadt	EVN Wärme	90.00	964 (807)	157 (135)	31.12.2022 (31.12.2021)	NV
Biowärme Amstetten-West GmbH, Amstetten	EVN Wärme	49.00	2,641 (2,311)	429 (544)	31.12.2022 (31.12.2021)	NE
cyberGRID Verwaltungs GmbH, Vienna	EVN	100.00	6 (5)	1 (-)	31.03.2023 (31.03.2022)	NV
cyberGRID GmbH & Co KG, Vienna	EVN	100.00	139 (565)	-426 (-137)	31.03.2023 (31.03.2022)	NV
Energie Zukunft Niederösterreich GmbH ("EZN"), Heiligenkreuz	EVN	50.00	660 (1,122)	-462 (-428)	31.12.2022 (31.12.2021)	NE
EVN Macedonia Holding DOOEL, Skopje, Nordmazedonien	EVN	100.00	403 (413)	-10 (-11)	31.12.2022 (31.12.2021)	NV
EVN-WIEN ENERGIE Windparkentwicklungs- und Betriebs GmbH ("EVN-WE Wind GmbH"), Vienna	EVN Naturkraft	50.00	39 (37)	1 (1)	30.09.2022 (30.09.2021)	NE
Fernwärme Mariazellerland GmbH, Mariazell	EVN Wärme	48.86	582 (286)	296 (152)	31.12.2022 (31.12.2021)	NE
Kraftwerk Nußdorf Errichtungs- und Betriebs GmbH, Vienna	EVN Naturkraft	33.33	41 (39)	3 (3)	31.12.2022 (31.12.2021)	NE
Kraftwerk Nußdorf Errichtungs- und Betriebs GmbH & Co KG, Vienna	EVN Naturkraft	33.33	10,337 (9,235)	1,500 (397)	31.12.2022 (31.12.2021)	NE
Netz Niederösterreich Beteiligung 31 GmbH ("Netz Bet. 31"), Maria Enzersdorf	Netz Niederösterreich	100.00	14,923 (14,923)	- (-2)	30.09.2023 (30.09.2022)	NV
Netz Niederösterreich Liegenschaftsbesitz 31 GmbH, Maria Enzersdorf	Netz Bet. 31	100.00	15,455 (15,427)	27 (187)	30.09.2023 (30.09.2022)	NV

2. EVN's investments in the environmental services business $\geq 20.0\%$ as of 30 September 2023

2.1. Included in the consolidated financial statements of EVN

Company, registered office	Shareholder	Interest %	Balance sheet date	Method of consolidation 2022/23
Cista Dolina – SHW Komunalno podjetje d.o.o., Kranjska Gora, Slovenia	WTE Betrieb	100.00	30.09.2023	V
Degremont WTE Wassertechnik Praha v.o.s., Prague, Czech Republic	WTE	35.00	31.12.2022	E
EVN Beteiligung 52 GmbH ("EVN Bet. 52"), Maria Enzersdorf	EVN	100.00	30.09.2023	V
EVN Umwelt Beteiligungs und Service GmbH ("EVN UBS"), Maria Enzersdorf	EVN Umwelt	100.00	30.09.2023	V
EVN Umweltholding und Betriebs-GmbH ("EVN Umwelt"), Maria Enzersdorf	EVN	100.00	30.09.2023	V
EVN Wasser GmbH ("EVN Wasser"), Maria Enzersdorf	EVN/Utilitas	100.00	30.09.2023	V
OOO EVN Umwelt Service, Moscow, Russia	EVN UBS	100.00	31.12.2022	V
OOO EVN Umwelt, Moscow, Russia	EVN UBS	100.00	31.12.2022	V
sludge2energy GmbH ("sludge2energy"), Berching, Germany	WTE	100.00	31.12.2022	V
Storitveno podjetje Laško d.o.o., Laško, Slovenia	WTE	100.00	30.09.2023	V
Umm Al Hayman Holding Company WLL, Kuwait City, Kuwait	WTE	50.00	31.12.2022	E
WTE Abwicklungsgesellschaft Kuwait mbH, Essen, Germany ¹⁾	International	100.00	30.09.2023	V
WTE Betriebsgesellschaft mbH ("WTE Betrieb"), Hecklingen, Germany ¹⁾	WTE	100.00	30.09.2023	V
WTE International GmbH ("International"), Essen, Germany	WTE	100.00	30.09.2023	V
WTE O&M Kuwait Sewerage Treatment O.P.C., Kuwait City, Kuwait	International	100.00	30.09.2023	V
WTE otpadne vode Budva DOO, Podgorica, Montenegro	WTE	100.00	31.12.2022	V
WTE Projektentwicklung GmbH, Maria Enzersdorf	WTE	100.00	30.09.2023	V
WTE Projektna družba Bled d.o.o., Bled, Slovenia	WTE	100.00	30.09.2023	V
WTE Wassertechnik GmbH ("WTE"), Essen, Germany	EVN Bet. 52	100.00	30.09.2023	V
WTE Wassertechnik (Polska) Sp.z.o.o., Warsaw, Poland	WTE	100.00	30.09.2023	V
Zagrebačke otpadne vode d.o.o. ("ZOV"), Zagreb, Croatia	WTE	48.50	31.12.2022	E
Zagrebačke otpadne vode – upravljanje i pogon d.o.o. ("ZOV UIP"), Zagreb, Croatia	WTE	29.00	31.12.2022	E

1) The relief options of § 264 (3) of the German Commercial Code (dHGB) are used.

2.2. Not included in the consolidated financial statements of EVN due to immateriality

Company, registered office	Shareholder	Interest %	Shareholders' equity TEUR	Last year's profit/loss TEUR	Balance sheet date	Method of consolidation 2022/23
Abwasserbeseitigung Kötschach-Mauthen Errichtungs- und Betriebsgesellschaft mbH, Kötschach-Mauthen	EVN Umwelt	26.00	301 (260)	41 (190)	31.12.2022 (31.12.2021)	NE
EVN Projektgesellschaft Müllverbrennungsanlage Nr. 1 mbH in Liqu. ("EVN MVA1"), Essen, Germany	WTE	100.00	0 (-)	-742 (-1,006)	30.04.2022 (30.09.2021)	NV
JV WTE Tecton Azmeel W.L.L, Al Seef (Manama), Bahrain	WTE	50.00	-617 (87)	-704 (41)	30.09.2022 (30.09.2021)	NE
SHW/RWE Umwelt Aqua Vodogradnja d.o.o., Zagreb, Croatia	WTE	50.00	483 (493)	-10 (-12)	31.12.2022 (31.12.2021)	NE
Wasserver- und Abwasserentsorgungsgesellschaft Märkische Schweiz mbh, Buckow, Germany	WTE	49.00	566 (563)	3 (3)	31.12.2022 (31.12.2021)	NE
Wiental-Sammelkanal Gesellschaft m.b.H, Untertullnerbach	EVN Wasser	50.00	866 (866)	0 (0)	31.12.2022 (31.12.2021)	NE
WTE Baltic UAB, Kaunas, Litauen	WTE	100.00	262 (256)	6 (53)	30.09.2023 (30.09.2022)	NV
WTE desalinizacija morske vode d.o.o., Budva, Montenegro	WTE Betrieb	100.00	-689 (-646)	-25 (-13)	31.12.2022 (31.12.2021)	NV
WTE Projektgesellschaft Natriumhypochlorit mbH, Essen, Germany	International	100.00	24 (24)	-1 (-1)	30.09.2023 (30.09.2022)	NV

3. EVN's investments in other business activities $\geq 20.0\%$ as of 30 September 2023

3.1. Included in the consolidated financial statements of EVN

Company, registered office	Shareholder	Interest %	Balance sheet date	Method of consolidation 2022/23
Burgenland Holding Aktiengesellschaft ("Burgenland Holding" bzw. "BUHO"), Eisenstadt	EVN	73.63	30.09.2023	V
Burgenland Energie AG ("Burgenland Energie"), Eisenstadt	BUHO	49.00	30.09.2023	E
EVN Business Service GmbH ("EVN Business"), Maria Enzersdorf	Utilitas	100.00	30.09.2023	V
R138-Fonds, Wien	EVN/Netz Niederösterreich/ EVN Wasser	100.00	30.09.2023	V
RAG-Beteiligungs-Aktiengesellschaft ("RBG"), Maria Enzersdorf	EVN	50.03	31.03.2023	V
RAG Austria AG ("RAG"), Vienna	RBG	100.00	31.12.2022	E
UTILITAS Dienstleistungs- und Beteiligungs-Gesellschaft m.b.H ("Utilitas"), Maria Enzersdorf	EVN	100.00	30.09.2023	V

3.2. Not included in the consolidated financial statements of EVN due to immateriality

Company, registered office	Shareholder	Interest %	Shareholders' equity TEUR	Last year's profit/loss TEUR	Balance sheet date	Method of consolidation 2022/23
e&i EDV Dienstleistungsgesellschaft m.b.H., Vienna	EVN	50.00	261 (276)	65 (62)	30.09.2023 (30.09.2022)	NE

Auditors' report

Report on the Consolidated Financial Statements

Audit Opinion

We have audited the **consolidated financial statements** of

**EVN AG,
Maria Enzersdorf,**

and of its subsidiaries (the Group) comprising the consolidated statement of financial position as of 30 September, 2023, the consolidated statement of operations, the consolidated statement of comprehensive income, the consolidated statement of changes in equity and the consolidated statement of cash flows for the fiscal year then ended and the notes to the consolidated financial statements.

Based on our audit the accompanying consolidated financial statements were prepared in accordance with the legal regulations and present fairly, in all material respects, the assets and the financial position of the Group as of 30 September, 2023 and its financial performance for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU and with requirements stated in § 245a UGB.

Basis for Opinion

We conducted our audit in accordance with the regulation (EU) no. 537/2014 (in the following "EU regulation") and in accordance with Austrian Standards on Auditing. Those standards require that we comply with International Standards on Auditing (ISAs). Our responsibilities under those regulations and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Group in accordance with the Austrian Generally Accepted Accounting Principles and professional requirements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of this auditor's report is sufficient and appropriate to provide a basis for our opinion by this date.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the fiscal year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Below are the key audit matters, from our viewpoint

- Accounting of the large-scale project Umm Al Hayman in the international project business
- Impairment of intangible assets, property, plant and equipment and investments in equity accounted investees

Accounting of the large-scale project Umm Al Hayman in the international project business

Facts and references to further information

With a contract volume of more than EUR 1.2 bn attributable to the Group, the Umm Al Hayman project is currently the largest construction project in EVN's international project division. The subject of this project is the design and construction of a sewage treatment plant or respectively a sewer network with pumping stations in Kuwait. Contract costs have been capitalised and will be amortised based on the project progress.

Revenue is recognised over the period in which the term of the service was rendered, with the stage of completion being measured based on the cost incurred in relation to the expected total cost. As payments are denominated mainly in Kuwaiti dinar and US dollar, derivative financial instruments are used to hedge against exchange rate risks. IFRS 9 hedge accounting is applied, therefore, the cumulative gain or loss on the hedging instruments are recognised in other comprehensive income. The Covid 19 pandemic, delays in supply chains as well as project modifications made at the customer's request resulted in moderate delays, which need to be assessed and accounted for. Overall, the project is classified as significant in terms of value for the consolidated financial statements and requires the application of complex accounting methods.

The risk for the consolidated financial statements lies in the uncertainty of the assumptions and estimates needed to account for this large-scale project. These may result in misstatements in the consolidated statement of financial position or the consolidated statement of operations.

Auditing procedure

During our audit, we have obtained an understanding of the relevant processes and have tested the effectiveness of selected internal controls. Additionally, we have analysed the accounting instructions and files (accounting template) and have assessed them based on the underlying contracts. We have examined the application of the relevant accounting standards (in particular IFRS 15 – Revenue from contracts with customers and IFRS 9 – Financial instruments regarding hedge accounting). The recorded costs (third party and own work) have been critically reviewed and a detailed document examination on a sample basis was performed. We have inspected the cost and project reports and questioned the commercial and technical project managers on the current construction process. Finally, we also reconciled the cost element reports with the general ledger and the bookings were matched to the accounting templates.

Reference to further information

The principles of revenue recognition for construction projects are disclosed in the notes to the consolidated financial statements in section 20 (Revenue recognition) of the Accounting and valuation policies. Further information to this project can be found in section 23 Accounting estimates and forward-looking statements, in section 39 Other non-current assets regarding costs for obtaining contracts and in section 61 Risk management regarding foreign exchange risk.

Impairment of intangible assets, property, plant and equipment and investments in equity accounted investees

Facts and reference to further information

Intangible assets, property, plant and equipment (PPE) and investments in equity accounted investees with a total carrying amount of EUR 5,600.3 mn account for 51% of total assets of the group as of 30 September, 2023.

Accounting standards require an assessment to be made at each reporting date, whether there is any indication that the recoverable amount has decreased significantly. For those items of intangible assets, PPE and equity accounted investees, for which impairment losses were recognised in prior periods, the Group assesses whether the impairment loss no longer exists and therefore needs to be reversed.

Intangible assets and property, plant and equipment for which no separate future cash flows can be identified are tested for impairment at the level of the cash-generating units. By determining the value in use or, if necessary, the value less costs to sell, estimates must be made regarding the development of revenues and expenses and the resulting cash surpluses, as well as assumptions for determining the discount rate used.

The result of the valuation is therefore subject to estimation uncertainties. A change in the macroeconomic, industry or corporate situation in the future may lead to a reduction in cashflows and thus to impairment losses. For the consolidated financial statements, there is a risk of incorrect valuation of intangible assets, property, plant and equipment, and investments in equity accounted investees.

Auditing procedure

During our audit, we have obtained an understanding of how the Group monitors impairment triggers. In doing so, we critically assessed the processes implemented to determine whether they are suitable for the valuation of intangible assets, property, plant and equipment, and investments in equity accounted investees. We also assessed the related key internal controls and evaluated their form and implementation. We critically assessed the triggers for impairments and reversals and have compared them with our own estimates.

We have critically discussed and evaluated the underlying forecasts and assumptions for the valuation and assessed their appropriateness based on current and expected developments and other evidence. In consultation with our valuation specialists, we assessed the measurement technique model, planning assumptions and measurement parameter for selected issues, on which the discount rate is based. We assessed the appropriateness of planning estimates by comparing actual cash flows with prior period estimated cash flows on a sample basis and discussing deviations with staff responsible for planning. We agreed that the respective results of the valuations were properly accounted for.

Reference to further information

The procedures and effects of impairment tests are described in section 22 of the notes to the consolidated financial statements. Further information can be found in section 23 Accounting estimates and forward-looking statements. The effects of impairment tests are presented in section 31 (Depreciation and amortisation and effects from impairment tests) and in sections 35 (Intangible assets), 36 (Property, plant and equipment) and 37 (Investments in equity accounted investees) of the notes to the consolidated statement of financial position.

Other information

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated financial statements, the Group's management report and the auditor's report thereon.

We received the consolidated non-financial report and the consolidated corporate governance report before the date of the auditor's report, and we expect to receive the remaining parts of the annual report after that date.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, to consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and of the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation of the consolidated financial statements in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU and with requirements stated in § 245a UGB, for them to present a true and fair view of the assets, the financial position and the financial performance of the Group and for such internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The Audit Committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the EU regulation and in accordance with Austrian Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with the EU regulation and in accordance with Austrian Standards on Auditing, which require the application of ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Comments on the Group Management Report

Pursuant to Austrian Generally Accepted Accounting Principles, the Group management report is to be audited as to whether it is consistent with the consolidated financial statements and as to whether it was prepared in accordance with the applicable legal regulations.

Management is responsible for the preparation of the Group's management report in accordance with Austrian Generally Accepted Accounting Principles

We conducted our audit in accordance with Austrian Standards on Auditing for the audit of the Group's management report.

Opinion

In our opinion, the management report for the Group was prepared in accordance with the valid legal requirements, comprising the details in accordance with § 243a UGB (Austrian Company Code) and is consistent with the consolidated financial statements.

Statement

Based on the findings during the audit of the consolidated financial statements and due to the thus obtained understanding concerning the Group and its circumstances no material misstatements in the Group's management report came to our attention.

Additional information in accordance with Article 10 of the EU Regulation

We were elected as auditor by the ordinary General Meeting on 2 February, 2023. We were appointed by the Supervisory Board on 3 February, 2023. We have been appointed to audit the consolidated financial statements without interruption since the 2020/21 financial year.

We confirm that the audit opinion in the section "Report on the consolidated financial statements" is consistent with the additional report to the Audit Committee referred to in article 11 of the EU regulation.

We declare that no prohibited non-audit services (article 5 par. 1 of the EU regulation) were provided by us and that we remained independent of the audited company in conducting the audit.

Responsible austrian certified public accountant

The engagement partner on the audit resulting in this independent auditor's report is Mr. Gerhard Posautz, Certified Public Accountant.

Vienna, 21 November 2023

BDO Assurance GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

Gerhard Posautz
Certified Auditor

Johannes Waltersam
Certified Auditor

This report is a translation of the original report in German, which is solely valid.

GRI content index

The GRI content index forms the underlying structure for EVN's Full Report 2022/23 (reporting period: 1 October 2022 – 30 September 2023). It shows – **in accordance** with the requirements of the GRI Standards 2021 issued by the Global Reporting Initiative (GRI) – the placement of general disclosures and topic-specific disclosures regarding material topics in this report based on **materiality criteria**. The GRI content index also includes additional company-specific indicators which were labelled accordingly.

GRI standard	Disclosure	Location (page number in the report or website link)	Omission (reason respectively explanation)
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GRI 1: Foundation 2021

GRI 2: General Disclosures 2021

1. The organization and its reporting practices

2-1	Organizational details	a. EVN AG as the parent company of the EVN Group (EVN) b. 37f; Legal form: listed stock corporation c. 2344 Maria Enzersdorf, Austria d. 7; The company's main countries of operation are Austria, Bulgaria and North Macedonia.	
2-2	Entities included in the organization's sustainability reporting	203f (Notes) The non-financial report covers the fully consolidated companies included in EVN's scope of consolidation, which required reporting as of 30 September 2023 based on the consolidation principles. Any deviations from this presentation for materiality reasons are documented at the respective indicator.	
2-3	Reporting period, frequency and contact point	a., b. The reporting period covers the financial year from 1 October 2022 to 30 September 2023. Reporting takes place annually. c. 14 December 2023 d. Investor Relations: investor.relations@evn.at Sustainability: nachhaltigkeit@evn.at	
2-4	Restatements of information	Any changes in the indicators or values from the previous financial year are labelled accordingly under the respective position.	
2-5	External assurance	147ff Independent review of the non-financial report by BDO Assurance GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft	

2. Activities and workers

2-6	Activities, value chain and other business relationships	6, 8f, 35f	
2-7	Employees	93, 94, 95	
2-8	Workers who are not employees	95	

GRI standard	Disclosure	Location (page number in the report or website link)	Omission (reason respectively explanation)
3. Governance			
2-9	Governance structure and composition	153ff (Corporate governance report)	
2-10	Nomination and selection of the highest governance body	154ff (Corporate governance report)	
2-11	Chair of the highest governance body		Not applicable
2-12	Role of the highest governance body in overseeing the management of impacts	16f, 21f, 28ff, 41ff 177ff (Risk management report)	
2-13	Delegation of responsibility for managing impacts	16ff, 21f, 28ff, 41ff	
2-14	Role of the highest governance body in sustainability reporting	a. The non-financial report is part of EVN's Full Report, which is approved in its entirety by the Supervisory Board prior to publication.	
2-15	Conflicts of interest	153ff (Corporate governance report)	
2-16	Communication of critical concerns	a. 177ff (Risk management report) b. No critical concern.	
2-17	Collective knowledge of the highest governance body	20	
2-18	Evaluation of the performance of the highest governance body	158 (Corporate governance report) The members of the Supervisory Board are released from liability for their activities in each financial year through a resolution which is passed by the company's Annual General Meeting.	
2-19	Remuneration policies	www.evn.at/remuneration-policy	
2-20	Process to determine remuneration	a., b. 158f (Corporate governance report); www.evn.at/remuneration-policy b. www.evn.at/Annual-General-Meeting	
2-21	Annual total compensation ratio	93	
4. Strategy, policies and practices			
2-22	Statement on sustainable development strategy	16ff, 21f	
2-23	Policy commitments	28ff www.evn.at/Code-of-Conduct www.evn.at/human-rights-policy	
2-24	Embedding policy commitments	16ff, 20, 21f, 28ff, 41ff, 93ff An extensive set of internal rules comprising business instructions and guidelines defines the handling and management of key issues in our activities and business relations.	
2-25	Processes to remediate negative impacts	31, 79, 81ff, 85ff	
2-26	Mechanisms for seeking advice and raising concerns	31	
2-27	Compliance with laws and regulations		No relevant incidents
2-28	Membership associations	37ff www.evn.at/memberships	

GRI standard	Disclosure	Location (page number in the report or website link)	Omission (reason respectively explanation)
5. Stakeholder engagement			
2-29	Approach to stakeholder engagement	16ff, 130ff	
2-30	Collective bargaining agreements	a. 108	b. Will be collected during the 2023/24 financial year

Material Topics

GRI 3: Material Topics 2021

3-1	Process to determine material topics	16ff	
3-2	List of material topics	17	

Sustainable increase in corporate value

3-3	Management of material topics	26ff	
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GRI 201: Economic Performance 2016

201-1	Direct economic value generated and distributed	40	
201-3	Defined benefit plan obligations and other retirement plans	109, 251f (Notes) b. i., ii., iii. Not applicable: As a supplement to entitlements arising from statutory pension insurance, EVN employees can participate in an umbrella pension fund which is independent of the EVN Group.	

GRI 202: Market Presence 2016

202-1	Ratios of standard entry level wage by gender compared to local minimum wage	93f, 108 Not applicable: The salary scheme for more than 90% of our employees is based on the collective agreements applicable to the main operating locations (Austria, Bulgaria and North Macedonia).	
202-2	Proportion of senior management hired from the local community	95 Austria, Bulgaria and North Macedonia are the main locations of the EVN Group. Employees from these countries are designated as "local". Management: All members of the management of fully consolidated companies (Executive Board and managing directors).	

GRI 204: Procurement Practices 2016

204-1	Proportion of spending on local suppliers	35 a. 90.5% b. Supplier located in the same country as purchasing entity c. Significant locations of operation are Austria, Bulgaria and North Macedonia	
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GRI standard	Disclosure	Location (page number in the report or website link)	Omission (reason respectively explanation)
GRI 205: Anti-corruption 2016			
205-1	Operations assessed for risks related to corruption	29f b. 100% of the operating locations were evaluated as part of the Group-wide risk inventory.	
205-2	Communication and training about anti-corruption policies and procedures	31f There is no further breakdown of salaried employees by category because this information is not relevant for EVN's management and human resources development policies.	
205-3	Confirmed incidents of corruption and actions taken	31	
GRI 206: Anti-competitive Behavior 2016			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		No relevant incidents
GRI 207: Tax 2019			
207-1	Approach to tax	33	
207-2	Tax governance, control, and risk management	33 a. The head of the accounting department is responsible for compliance with the tax strategy.	
207-3	Stakeholder engagement and management of concerns related to tax	33	
207-4	Country-by-country reporting	221f (Notes)	
GRI 308: Supplier Environmental Assessment 2016			
308-1	New suppliers that were screened using environmental criteria	34.6% of the new suppliers were evaluated on the basis of environmental criteria. The analysis covers suppliers at our main business locations in Austria, Bulgaria and North Macedonia.	
308-2	Negative environmental impacts in the supply chain and actions taken	a. 4,197 b. 9 c. Scope 1 – Direct GHG emissions d. 0% e. 0% The analysis covers suppliers at our main business locations in Austria, Bulgaria and North Macedonia.	

GRI standard	Disclosure	Location (page number in the report or website link)	Omission (reason respectively explanation)
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GRI 410: Security Practices 2016

410-1	Security personnel trained in human rights policies or procedures		Not applicable: Security personnel are generally employed by third-party firms. These firms are required by contract to comply with the EVN integrity clause and to attend compliance training, in particular, on human rights. Reporting on the training conducted is provided in written form. Internal security personnel receive training (including the observance of human rights) as part of their introduction to compliance issues.
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GRI 414: Supplier Social Assessment 2016

414-1	New suppliers that were screened using social criteria	34.6% of the new suppliers were evaluated on the basis of social criteria. The analysis covers suppliers at our main business locations in Austria, Bulgaria and North Macedonia.	
414-2	Negative social impacts in the supply chain and actions taken	a. 4,197 b. 4 c. Cybersecurity d. 0% e. 0% The analysis covers suppliers at our main business locations in Austria, Bulgaria and North Macedonia.	

GRI 415: Public Policy 2016

415-1	Political contributions	Internal guidelines prohibit contributions to political parties and related organisations.	
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Supply security

3-3	Management of material topics	60ff	
	Share of renewable energy in the total energy generation mix ¹⁾	64	
	Average non-availability of power plants ¹⁾	72	

1) Additional company-specific indicator

GRI standard	Disclosure	Location (page number in the report or website link)	Omission (reason respectively explanation)
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Customer satisfaction

3-3	Management of material topics	74ff	
GRI 416: Customer Health and Safety 2016			
416-1	Assessment of the health and safety impacts of product and service categories	84 100% of all locations are locked, coded and equipped with access controls.	
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		No relevant incidents
GRI 417: Marketing and Labeling 2016			
417-1	Requirements for product and service information and labeling	84	
417-2	Incidents of non-compliance concerning product and service information and labeling		No relevant incidents
417-3	Incidents of non-compliance concerning marketing communications		No relevant incidents
GRI 418: Customer Privacy 2016			
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		No relevant incidents

Innovation and digitalisation

3-3	Management of material topics	85ff	
	Expenses for research, innovation and digitalisation projects ¹⁾	176 (Management report)	
	Research, innovation and digitalisation projects ¹⁾	85ff	

1) Additional company-specific indicator

GRI standard	Disclosure	Location (page number in the report or website link)	Omission (reason respectively explanation)
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Attractive employer

3-3	Management of material topics	90ff	
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GRI 401: Employment 2016

401-1	New employee hires and employee turnover	100, 102	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	109 a. In many of our Group companies, employees are offered additional voluntary benefits independent of their age, gender and scope of employment. b. The company's main operating locations are Austria, Bulgaria and North Macedonia.	
401-3	Parental leave	100f	

GRI 402: Labor/Management Relations 2016

402-1	Minimum notice periods regarding operational changes	108f There are no minimum notice periods under Austrian law or company agreements.	
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GRI 403: Occupational Health and Safety 2018

403-1	Occupational health and safety management system	103ff	
403-2	Hazard identification, risk assessment, and incident investigation	103ff	
403-3	Occupational health services	103ff, 107	
403-4	Worker participation, consultation, and communication on occupational health and safety	103ff, 107	
403-5	Worker training on occupational health and safety	103ff, 107	
403-6	Promotion of worker health	103ff, 107	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		Not applicable: No safety or health risks are directly linked to business relationships with EVN.
403-8	Workers covered by an occupational health and safety management system	103ff	
403-9	Work-related injuries	106	
403-10	Work-related ill health	106	b. Not applicable: Leased personnel are included in the statistics on occupational safety and health protection, but they do not represent a significant part of the total workforce (1.1%); a separate analysis is therefore not provided.

GRI standard	Disclosure	Location (page number in the report or website link)	Omission (reason respectively explanation)
GRI 404: Training and Education 2016			
404-1	Average hours of training per year per employee	102	
404-2	Programs for upgrading employee skills and transition assistance programs	101ff	b. EVN does not have an established programme for transition assistance at the present time.
404-3	Percentage of employees receiving regular performance and career development reviews	101, 103f	
GRI 405: Diversity and Equal Opportunity 2016			
405-1	Diversity of governance bodies and employees	161f (Corporate governance report) a. ii. Age distribution of the Executive and Supervisory Boards: < 30 years: 0.0% 30–50 years: 29.4% > 50 years: 70.6%,	a. and b., iii. Not applicable: No further diversity characteristics b. Not applicable: There is no further breakdown of salaried employees by category because this information is not relevant for EVN's management and human resources development policies.
405-2	Ratio of basic salary and remuneration of women to men	93 b. The company's main operating locations are Austria, Bulgaria and North Macedonia.	Not applicable: There is no further breakdown of salaried employees by category because this information is not relevant for EVN's management and human resources development policies.
GRI 406: Non-discrimination 2016			
406-1	Incidents of discrimination and corrective actions taken	31	No discrimination incidents (definition as per International Labour Organization (ILO) involving discrimination based on ethnic origin, skin colour, gender, religion, political opinion or other national or social origin as well as other relevant forms of discrimination)
GRI 407: Freedom of Association and Collective Bargaining 2016			
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	For EVN and its subsidiaries at all locations, the right to the freedom of association and collective bargaining represents a central aspect in the implementation of the Universal Declaration of Human Rights and the core labour standards of the International Labour Organization (ILO).	

GRI standard	Disclosure	Location (page number in the report or website link)	Omission (reason respectively explanation)
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Climate protection

3-3	Management of material topics	110ff	
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GRI 302: Energy 2016

302-1	Energy consumption within the organization	120	c. iv.: Not applicable: No steam purchases g.: Not applicable: Basis data from meters in MWh
302-2	Energy consumption outside of the organization	120 b. Data obtained from meters c. Conversion of gas purchases to lower heating value based on GSNE-VO	
302-3	Energy intensity	119	
302-4	Reduction of energy consumption	119	
302-5	Reductions in energy requirements of products and services	119	

GRI 305: Emissions 2016

305-1	Direct (Scope 1) GHG emissions	122ff e. Natural gas and heating oil – current national greenhouse gas inventory by the respective country with primary energy consumption (Austria, Bulgaria) and oxidation factor based on EU-ETS; fuel (diesel, gasoline, natural gas) – Federal Environmental Agency GWP = Global Warming Potential: IPCC AR5 g. GHG Protocol	
305-2	Energy indirect (Scope 2) GHG emissions	122ff e. ecoinvent factors, or Association of Issuing Bodies /European Residual Mixes g. GHG-Protocol	
305-3	Other indirect (Scope 3) GHG emissions	122ff. Natural gas – current national greenhouse gas inventory by the respective country with primary energy consumption (Austria, Bulgaria) and oxidation factor based on EU-ETS; fuel (diesel, gasoline, natural gas) – Federal Environmental Agency, Global Warming Potential: non-fossil methane AR6 100y	
305-4	GHG emissions intensity	124	
305-5	Reduction of GHG emissions	114, 125 e. Calculation method: CO ₂ savings [t CO ₂ e p. a.] = assumed annual generation volume [GWh] x CO ₂ emission factor per GWh of fossil primary energy carrier (country-specific)	
305-6	Emissions of ozone-depleting substances (ODS)		Not applicable: All EVN plants are closed units.

GRI standard	Disclosure	Location (page number in the report or website link)	Omission (reason respectively explanation)
305-7	Nitrogen oxides (NO _x), sulfur oxides (SO _x), and other significant air emissions	125 b. Use of national emission factors c. Emission volumes as recorded in EVN's plant measurement systems; continuous measurement of freight in accordance with emission measurement directive and regular individual measurements based on applicable laws and directives, freight calculations via flue gas volumes	a. No relevant emissions of persistent organic pollutants (POP), volatile organic compounds (VOC), hazardous air pollutants (HAP); no other relevant categories

Environmental protection

3-3	Management of material topics	110ff	
GRI 301: Materials 2016			
301-1	Materials used by weight or volume	123	
301-2	Recycled input materials used	119 a. Due to availability and quality requirements only a limited amount of recycling material is used. EVN supports, however, the use of recycled building materials.	
301-3	Reclaimed products and their packaging materials		Not applicable: Not relevant due to the company's business activities
GRI 303: Water and Effluents 2018			
303-1	Interactions with water as a shared resource	127f	
303-2	Management of water discharge-related impacts	127f	
303-3	Water withdrawal	126	
303-4	Water discharge	126	
303-5	Water consumption	126	
GRI 304: Biodiversity 2016			
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	129	
304-3	Habitats protected or restored	128f a. A detailed analysis and the development of measures in 2023/24 is currently in process	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	129	

GRI standard	Disclosure	Location (page number in the report or website link)	Omission (reason respectively explanation)
GRI 306: Waste 2020			
306-1	Waste generation and significant waste-related impacts	125f www.evn.at/waste-management	
306-2	Management of significant waste-related impacts	125f www.evn.at/waste-management	
306-3	Waste generated	126	
306-4	Waste diverted from disposal	126	
306-5	Waste directed to disposal	126	
GRI 306: Effluents and Waste 2016			
306-3	Significant spills		No relevant incidents

Stakeholder involvement

3-3	Management of material topics	130ff	
GRI 203: Indirect Economic Impacts 2016			
203-1	Infrastructure investments and services supported	60ff 135 (Investments in social facilities and healthcare centres) 174f (Management report; all infrastructure investments are commercial in nature)	
203-2	Significant indirect economic impacts	79f, 135	
GRI 413: Local Communities 2016			
413-1	Operations with local community engagement, impact assessments, and development programs	102, 130ff a. vi. 100% of projects with relevance for the general public or neighbouring residents are covered by a project-related stakeholder dialogue. a. viii. There is no formal grievance process for local communities. Direct contact with the responsible project manager (dialog@evn.at) or over the EVN service telephone or via email (info@evn.at) is possible for all projects.	a. i. There are no formal social impact assessments. Social aspects are regularly included in project development as part of our project-related stakeholder dialogue. a. iv. There is no formal programme to support community development.

Glossary

To improve readability in this report, Group companies are partly referred to using abbreviated names. The full company names are given in EVN's investments starting on page 287.

AIB

The Association of Issuing Bodies develops, uses and supports a European, harmonised and standardised system for the energy certification of all energy carriers: the European Energy Certificate System – "EECS".

Austrian Sustainability and Diversity Improvement Act

An Austrian law which implements EU Directive 2014/95/EU on non-financial reporting.

Biomass

Organic material (dead organisms, organic metabolic products and residual materials); certain parts can be used as fuel in combined heat and power plants to generate electricity and heat or cooling.

Capital employed

Equity plus interest-bearing loans or assets minus non-interest-bearing liabilities.

Cash-generating Unit (CGU)

The smallest identifiable group of assets that generates cash inflows that are largely independent of the cash inflows from other assets or groups of assets. The present value of future cash flows can be used to value a CGU.

CO₂ (carbon dioxide)

Chemical name for carbon dioxide, which is largely created by the combustion of fossil fuels.

CO₂e

The unit CO₂e or CO₂-equivalent indicates the relative greenhouse gas potential. 1 t CO₂e equals the quantity of a material with the same mean heating effect on the atmosphere as one tonne of CO₂.

CO₂ emission certificate/ EU emission rights trading

The EU emission trading system is an instrument in the EU climate policy that is designed to reduce greenhouse gas emissions. The operators of registered equipment must present a valid certificate

for each tonne of emitted CO₂. Part of the certificates are allocated to the equipment operators (e.g. industry, heat producers) free of charge based on a benchmark, the remainder is auctioned. Any additional certificates that are required must be purchased on the market.

Combined cycle heat and power/co-generation

Simultaneous generation of electricity and heat in a single facility. Combined production allows the plant to reach a high efficiency and, in this way, optimally use the primary energy.

Control area

A control area represents a geographically distinct group of high voltage and extra-high voltage networks, whose stability is guaranteed by a responsible transmission network operator.

Corporate governance code

Behavioural code for companies which defines the principles of good management and control; this is not a set of legal regulations, but a guideline that invites voluntary compliance.

Coverage ratio

Ratio of the volume of electricity produced in EVN's own power generating facilities and the Group's total sales volume of electricity.

CSRD (Corporate Sustainability Reporting Directive)

An EU directive with substantially more comprehensive standards and requirements for non-financial reporting. Application by EVN is mandatory beginning with the 2024/25 financial year.

Dividend yield

Ratio of the distributed dividend to the share price.

Due diligence audit

This type of audit is designed to analyse the strengths and weaknesses as well as the related risks of a project, property or company, and thereby plays an important role in its valuation.

Earnings per share

Group net result divided by the average number of shares outstanding for the period.

EBIT (Earnings before Interest and Taxes)

Also referred to as results from operating activities.

EBITDA

(Earnings before Interest, Taxes, Depreciation and Amortisation)

Earnings before interest, taxes, depreciation and amortisation of property, plant and equipment and intangible assets, or operating results before depreciation and amortisation of property, plant and equipment and intangible assets; is also used as a simple cash flow parameter.

ecoinvent

International and worldwide recognised source of environmental performance data. ecoinvent data are used, for example, for carbon footprints or environmental certifications.

Economic Value Added (EVA®)

Difference between the yield spread (ROCE less WACC) multiplied by average capital employed; benchmark for the shareholder value created in a company.

E-Control

Energie-Control Austria is the regulatory authority responsible for the electricity and gas industry in Austria.

EEX

(European Energy Exchange)

The largest energy marketplace in continental Europe, headquartered in Leipzig.

Efficiency

The efficiency of a plant represents the ratio of input to output (i.e. the quantity of electrical energy generated in relation to the primary energy employed).

EMAS

European Union directive for environmental management systems.

Energy units

Energy (Wh) = output × time
Kilowatt hour kWh:
1 Watt hour (Wh) × 10³
Megawatt hour MWh: 1 Wh × 10⁶
Gigawatt hour GWh: 1 Wh × 10⁹
Natural gas energy content: 1 Nm³
1 m³ natural gas = 11.07 kWh

Equity ratio

Equity as a per cent of total capital.

Ex-dividend day

The day on which shares are traded without an entitlement to dividends. On this day the dividend is deducted from the price of the respective share.

Fair value

The price based on all relevant factors in an efficient market; it forms the basis for transactions between willing and independent partners.

Forward market

In contrast to the spot market, the forward or futures market is characterised by a contractually stipulated time lag between the conclusion of a transaction and actual delivery. At the time a contract is concluded, the buyer is not required to have the necessary liquid funds, nor is the seller required to have the purchased goods. The price of the goods is determined at the time the contract is concluded.

Funds from Operations (FFO)

Net cash flow from operating activities minus interest expense.

Gearing

Ratio of net debt to equity.

Global Reporting Initiative (GRI)

Initiative aimed at developing globally applicable guidelines for sustainability reporting to ensure the standardised presentation of companies from an economic, ecological and social point of view.

Greenhouse Gas Protocol (GHG)

Frequently used standard for the preparation of greenhouse gas analyses and the related reporting.

Heating degree total

Parameter showing the temperature-related energy requirements for heating purposes.

Hedge

An instrument used to manage or limit financial risk or to avoid or limit losses resulting from negative changes in the market value of interest-, currency- or share-related transactions. A company aiming to “hedge” a particular transaction concludes another transaction linked to the underlying business.

Interest cover

Ratio of FFO (funds from operations) to interest expense.

International Financial Reporting Interpretation Committee/Standard Interpretation Committee (IFRIC, formerly SIC)

This committee is responsible for interpreting and providing more precise information on the IFRS issued by the International Accounting Standards Board (IASB).

International Financial Reporting Standards/ International Accounting Standards (IFRS, formerly IAS)

The designation IAS was changed to IFRS in 2001; the IASs issued prior to that year are still published under the earlier designation. IFRSs/IASs are issued by the International Accounting Standards Board (IASB).

ISO norms

Internationally recognised quality and form requirements for various management systems (e.g. the environment or occupational safety).

Management approach

Presentation of the management and controlling aspects of a company.

Net debt

Net total of interest-bearing assets and liabilities (issued bonds, liabilities to credit institutions and non-current employee-related provisions less loans, securities and cash and cash equivalents).

Net debt coverage

Ratio of FFO (funds from operations) to interest-bearing net debt.

Net Operating Profit after Tax (NOPAT)

Net profit before the deduction of financing costs.

Network loss

The difference between the electrical current fed into an electricity network and the electrical energy that is actually delivered. Network losses generally arise due to the physical characteristics of the transmission lines.

Other comprehensive income

The total of all income not recognised through profit or loss minus expenses for the reporting period that are not recognised through profit or loss.

PAS 2060

Internationally recognised specification to demonstrate carbon neutrality.

PPP project

Public private partnership projects involve the construction and financing of plants for public customers; after a predefined period of time, the plant becomes the property of the customer.

Primary energy

Energy obtained from natural sources. In addition to fossil fuels such as natural gas, petroleum, hard and brown coal, primary energy sources also include nuclear fuels like uranium and renewable energy sources like water, sun and wind.

Regulatory Asset Base

The interest-bearing capital base equals intangible assets plus property, plant and equipment minus recognised fees for network access and operational readiness (network subsidies) and any goodwill arising from balance sheet items. Adjustments are made to account for the standardisation of depreciation periods and the release of network subsidies.

Renewable electricity

Electricity that is generated solely from renewable sources (e.g. water, sun, wind, biomass, geothermal and renewable gas).

Renewable Energy Expansion Act

An Austrian law that regulates the subsidy mechanisms for the construction of new renewable generation plants.

Renewable gas

A mixture comprised largely of methane and carbon dioxide which is created during the oxygen-free digestion of organic material (renewable raw materials, slurry or organic residues from the foodstuffs industry).

Results from operating activities
See EBIT.**ROCE****(Return on Capital Employed)**

This ratio shows the return on the capital used in a company. For the calculation, net profit for the period and interest expense less tax effects are compared with average capital employed. In order to consistently show the development of the value contribution, operating ROCE (OpROCE) is adjusted for impairment losses, one-off effects and the market value of the investment in Verbund AG.

ROE (Return on Equity)

Return on equity is used to evaluate the creation of value by a company on the basis of equity. For calculation purposes, net profit for the period is compared with average equity.

Science Based Targets initiative (SBTi)

International initiative which enables 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.

Smart meter

An electricity meter with an additional function, that is installed or subsequently added, that allows the utility company to read the meter offsite with an online system.

Spot market/spot trading

General designation for markets in which delivery, acceptance of the goods and payment (clearing) are carried out immediately after the conclusion of the business transaction.

Thermal waste utilisation

The controlled industrial burning of waste at temperatures exceeding 1,000 °C, which leads to the destruction or reduction of harmful substances. At the same time, the energy contained in the waste materials is released and used for electricity generation or district heating.

Total shareholder return

Benchmark for measuring the value development of a stock over a certain period of time; includes dividends and the increase in the share price.

UN Global Compact

An initiative launched by the United Nations to support ecological and economic interests in the areas of human rights, work, the environment and corruption.

Value at Risk (VaR)

Process to calculate the potential loss arising from changes in the price of a specific trading position based on a certain assumed level of probability.

WACC (Weighted Average Cost of Capital)

This indicator has two components – the cost of debt and the cost of equity – which are weighted according to their share in total capital. The cost of debt equals the actual, average credit interest adjusted for tax effects, while the cost of equity equals the return on a risk-free investment plus a risk mark-up that is calculated individually for every company.

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Information on the internet

www.evn.at
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 www.evn.at/sustainability

Financial calendar 2024¹⁾

Record date Annual General Meeting ²⁾	22.01.2024	Results Q. 1 2023/24	29.02.2024
95 th Annual General Meeting ²⁾	01.02.2024	Results HY. 1 2023/24	29.05.2024
Ex-dividend day ²⁾	06.02.2024	Results Q. 1–3 2023/24	29.08.2024
Record date dividend ²⁾	07.02.2024	Annual results 2023/24	12.12.2024
Dividend payment day ²⁾	09.02.2024		

1) Subject to change

2) Subject to the appropriate legal framework

Basic information

Share capital	EUR 330,000,000.00
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