Sustainability report 21 | 22

AUSTRIA AG
Renewables and Gas

Sustainable energy solutions

Security of supply

Social responsibilities

Energy storage

Circular energy economy

Hydrogen

Raw materials

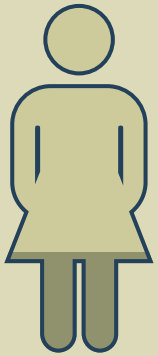

We are moving forward, showing
what is necessary and possible to realize
sector coupling and a reduction in
carbon dioxide emissions.

At a glance
RAG Austria AG in 2022

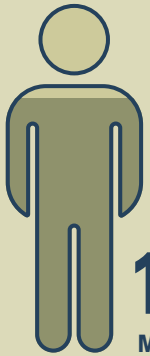
Total investments

35.36 Mio. EUR

Employees



62
Women



179
Men

Goods and services

85 %

Proportion of orders for goods and services placed in Austria

Energy savings

about 5,500 MWh

cumulative energy savings in operation during the period 2021 – 2022

Storage capacity

6.3 Mrd. m³

Research and development expenditure

7.5 Mio. EUR

Training costs

514,000 EUR

Welcome!

RAG Austria AG is pleased to present its third Sustainability Report, which looks at 2021 and 2022. The two years covered here were shaped by various different crises and major challenges, and were dominated by a global pandemic, the Russia-Ukraine war and the accelerating pace of climate change.

More than any other factor, the changing geopolitical situation has sparked a huge increase in public debate on the need for the energy transformation and rapidly ushered in a watershed in energy policy. Europe is now seeing for itself just how essential crisis-proof, climate-neutral energy supplies and predictable energy costs are.

Swift action safeguards natural gas supplies

We are one of Europe's leading energy storage facility operators, so when restrictions were imposed on natural gas deliveries, RAG assumed a systemically important and, in turn, highly responsible role in ensuring security of supply as part of the continent's critical infrastructure. Rapid action was the order of the day, and RAG Austria AG's outstanding capabilities were once again plain to see. With capacity of 2.9 billion cubic metres, Haidach – our largest, ultra-modern energy storage facility – was connected to the Austrian grid, in line with the statutory requirements to which RAG is subject in its role as the storage operator. The storage capacity freed up as a result was remarketed by our subsidiary RAG Energy Storage GmbH and parts of Austria's strategic gas reserves were injected into storage. We were able to safeguard routine operations and the high availability of our facilities, which enabled us – and still does – to supply customers and the people of Austria and Central Europe with energy whenever and wherever it is required. Our special thanks go to our highly motivated, highly qualified staff who ensure security of supply at all times, no matter how extraordinary and challenging the situations they face.

Focus on 'sustainable energy mining'

Against the backdrop of the massive increase in renewable generation, we have seen once again that energy supply security must not be overlooked; indeed, it must form the basis for all steps in this regard. We recognised at an early stage the need to treat our reservoirs as our most important natural resource – and this is why we developed 'sustainable energy mining'. Almost half of our

[GRI 2-22]

reservoirs have been converted into commercial energy storage facilities over the past two decades. This strategy for ensuring security of supply – which lies at the heart of our operations – and the related investments have benefited Central Europe, its economy and consumers in times of crisis. And they have confirmed that we are heading in the right direction with our sustainability roadmap, which is firmly embedded in our corporate strategy for the period to 2040. Alongside our goal of supplying climate-neutral services by developing our own PV systems and hydrogen-fuelled combined heat and power (CHP) plants, we want to use our technology solutions to highlight the path towards climate neutrality for our customers in Austria and Central Europe – and to accompany them along the way.

Renewables and gas – shaping the energy future

Climate protection and security of supply are at the heart of everything we do. We see ourselves as enablers who act as a link between renewables and security of supply. And we are already working proactively to shape the future of energy, in line with our commitment to promoting 'renewables and gas'. This is not only a major aspect of our social responsibilities and our obligations towards future generations; it is also central to our philosophy.

As a result, our commitment to developing green gas technologies is closely linked to the sustainable management of our natural gas pore reservoirs, where it will increasingly be possible to store hydrogen and green gas in the future. We will achieve this through the finely tuned interplay between green energy production, conversion, storage and consumption. Because we will only be able to realise the energy transformation if we can carry solar energy from summer over into the winter in the form of hydrogen, and use it to supply green electricity and heat, as well as transportation fuel, at times of the year when there is little sun and wind.

To reach our destination, it is essential that we leave sufficient scope for innovation, cross-sector partnerships, effective regulatory frameworks and technology neutrality. We need to adopt the most suitable, most eco-friendly and most economical solution for each area of application. We aim to set an example by working closely with well-known companies in Austria and abroad, and with higher education institutions such as the University of Leoben and the University of Natural Resources and Applied Life Sciences, Vienna (BOKU). We are in the process of implementing several groundbreaking projects focused on generating, storing and utilising green gas, and they will be central to our operations over the next few years. Further projects are already in the pipeline.

Sustainability is central to our day-to-day operations, and we are working hard to develop new solutions along the entire value chain. We are driving forward initiatives designed to bring the energy sector and related technologies closer to becoming carbon-neutral and to ensure affordable energy supplies. Our sustainability strategy is clearly aligned with our innovative capabilities and our responsible, forward-looking approaches.

A look back at what we have achieved so far clearly shows that we are heading in the right direction – towards a new energy future. With this in mind, we are working on additional projects connected with our material economic, social and environmental topics in order to achieve continuous improvements in our sustainability management processes.

This report shows you some of the steps we are taking in relation to sustainability and security of supply. We also take stock, present the specific measures we have introduced in order to meet even higher standards, and profile our groundbreaking demonstration projects.

RAG Austria AG Executive Board

Markus Mitteregger

Michael Längle

About this report

This report is intended to give our stakeholders an insight into our operations and provide details of the material sustainability-related topics that RAG Austria AG is focusing on. In 2022, we reviewed these topics to ensure that they were still relevant, in line with the Global Reporting Initiative (GRI) Oil and Gas Sector 2021 Standard. The associated management approaches show how we deal with potential and actual impacts of our activities, and the measures we have taken in order to continuously improve.

This is RAG Austria AG's third Sustainability Report, following on from the 2018 and 2020 editions. The contents relate to the company's locations in Austria and – as in the previous report – extend exclusively to RAG Austria AG including its major subsidiaries. The reporting period is the 2021 and 2022 financial years. The financial year lasts from 1st January to 31st December.

From the 2025 financial year onwards, RAG Austria AG will be obligated to integrate its sustainability reporting into its operating and financial review. This will require sound preparation, adjustments where necessary, and strict implementation of current sustainability processes. Consequently, from 2025 onwards we plan to publish subsequent reports within the legal framework that will come into effect for RAG at that time.

RAG is currently not obligated to prepare a sustainability report and have it audited by an external body, but sees the process as a valuable opportunity to use the auditor's findings for quality assurance purposes and to generate new impulses for achieving its sustainability-related goals. This report refers to the 2021 GRI Standards and was reviewed by Quality Austria. The report was approved by the members of the RAG Austria AG Executive Board, Markus Mitteregger and Michael Längle.

If you have any questions or suggestions, please do not hesitate to contact us at RAG Austria AG. We look forward to your feedback!

Up-to-date information on this topic can also be found on our website: ***sustainability.rag-austria.at***

Stefan Pestl
Head of Corporate Communications

Contact:
verantwortung@rag-austria.at

Online version of the Sustainability Report

[GRI 2-2, GRI 2-3, GRI 2-4, GRI 2-5, GRI 2-14]

ABOUT RAG AUSTRIA AG

We’re making security of supply happen. Our storage facilities are the key to the energy future.

About RAG Austria AG

Company profile

Headquartered in Vienna, RAG Austria AG is the country's largest energy storage company, and one of Europe's leading storage facility operators. The company also develops innovative energy technologies related to green gas and hydrogen that partner renewables.

RAG's primary focus is on the responsible storage, conversion and needs-based conditioning of energy in gaseous forms. This enables RAG to play a vital role in attaining Europe's climate goals and ensuring sustainable material and energy supplies in Austria. The company is committed to providing its customers with reliable, environmentally friendly and affordable energy and gas storage services over the long term.

RAG's innovation capabilities have enabled it to become a sustainable technology leader in the European energy storage and supply sector. With storage capacity of around 6.3 billion cubic metres of natural gas, the company operates about 6 % of total EU capacity. A large part of RAG's underground gas reservoirs have already been converted into storage facilities, which can rapidly discharge stored energy in large quantities on demand. In this way, RAG is delivering on its vision of 'sustainable energy mining' and decisively reinforcing security of supply in Austria and Central Europe. In future, sustainable, high-volume storage facilities will also increasingly be used for the seasonal storage of green gas and hydrogen, which can then be processed and made available whenever it is needed.

RAG has developed and now operates a total of eleven pore storage facilities in Salzburg and Upper Austria. They include the Puchkirchen/Haag, Haidach, Haidach 5 and Aigelsbrunn facilities, the 7Fields interconnected network, as well as the hydrogen storage facilities in Pilsbach and Rubensdorf. Besides providing storage capacity for gaseous energy forms, the company aims to ensure the efficient utilisation of reservoirs.

Our customers own the gas stored at our facilities, and they take decisions regarding sources of supply

[GRI 2-1, GRI 2-6]

as well as energy use and application. Storage levels are updated and published daily by the storage marketing companies through the AGSI+ transparency platform (agsi.gie.eu).

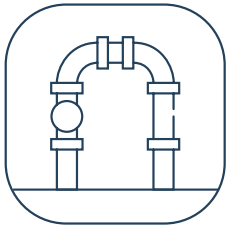
The company is working hard to develop innovative, groundbreaking energy technologies related to green gas and hydrogen that partner renewables – ranging from power-to-gas technology to methane electrolysis – and is also looking at uses for conventional natural gas. RAG is regarded as a pioneer in hydrogen production and storage thanks to its involvement in several research and demonstration projects, such as the water electrolysis plant in Pilsbach, Upper Austria, which has been in operation since 2015.

In terms of transport and mobility, the company uses and markets gas as a fuel (in the form of CNG and LNG). In the future, it will also be possible to use green or synthetic gas produced from renewables for transportation purposes, in addition to conventional natural gas – this is important because gas-fired power generation, one of the most common uses of these gases, is not the most efficient application. LNG technology, which has now reached the volume production stage, is a lower-emission alternative to diesel engines, especially in heavy goods vehicles. RAG's current research and development activities are opening up new horizons in this regard.

Around 240,000 tonnes of crude oil are stored at RAG's Krift tank farm (in Kremsmünster, Upper Austria), which has eco-friendly connections to the pipeline and rail transportation networks. The tanks are used to store oil produced by RAG subsidiary RAG Exploration und Production GmbH, and also to offer capacity to customers in its role as an approved stockholder, which in turn ensures compliance with the legal requirement for the short-term and long-term storage of minimum reserves (compulsory emergency reserves). This enhances security of supply in Austria by creating buffer stocks to safeguard supplies in an emergency.

Thanks to its decades of experience and valuable subsurface engineering expertise, RAG can support the implementation of geothermal projects as required. RAG subsidiary Silenos Energy successfully commissioned a geothermal plant with a water-cooling system for the first time in Garching an der Alz in Germany.

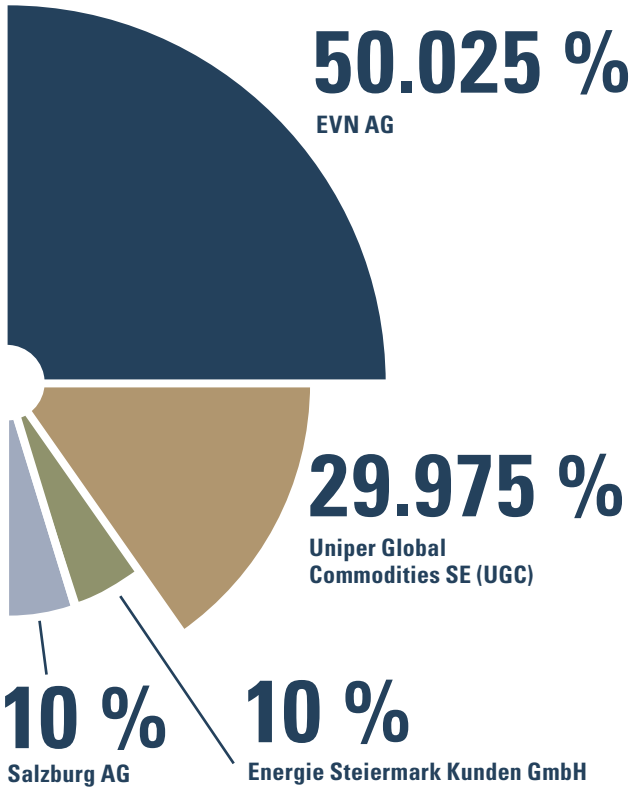
With operations in Upper Austria and Salzburg, RAG Exploration & Production GmbH specialises in the efficient, environmentally friendly production of mineral oil and natural gas – both of these valuable raw materials are used for high-quality processing in Austrian industry – and plays its part in reducing dependence on imports. Approximately 8 % of the natural gas required in Austria comes from domestic ground, of which RAG in turn produced an amount of approximately 78.5 million cubic meters of natural gas (from primary production) in 2022.



With about 50,300 tons of crude oil, RAG was able to provide the raw material for high-quality further processing in domestic industry with about 12 % of Austria's domestic production.

Shareholder structure and legal form

Shareholders of RAG Austria AG



Subsidiaries and shareholdings

100 % RAG Energy Storage GmbH

100 % RAG Exploration & Production GmbH

50 % Silenos Energy GmbH

Since March 2023, RAG Austria AG no longer holds a share in RAGSOL GmbH.

Partners / shareholdings

The Haidach natural gas storage facility was planned and constructed by RAG under its concession and project management. Since then, the company has been comprehensive technical storage operator. Due to legal changes in Germany, the share of Gazprom export of around 56 % of the Haidach storage facility was transferred to the German SEFE Group (Securing Energy for Europe). The capacities of the Haidach storage are marketed by astora and, since August 2022 by RAG Energy Storage.

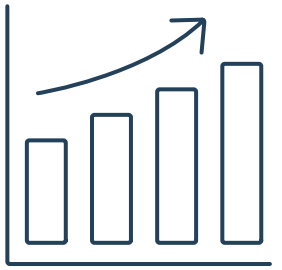
7Fields was also planned and built by RAG under its concession and project management. Since then, RAG has been comprehensive technical storage operator. The German Uniper Energy Storage holds a share of 50 % of 7Fields. Uniper and RAG Energy Storage market the capacity of the interconnected storage network 7Fields.

[GRI 2-1, GRI 2-4]

Key financial indicators – RAG Austria AG Group incl. subsidiaries

Consolidated financial indicators – in accordance with IFRS (EUR m)	Basis	2022	2021	2020
Total assets	EUR m	698.85	666.61	677.6
Equity	EUR m	287.96	265	258.5
Net debt/liquidity	EUR m	-16.19	27.93	71.2
Revenue*	EUR m	736.45	374.88	279.5
Earnings before interest and taxes (= EBIT)	EUR m	75.54	63.83	61.2
Profit after tax	EUR m	50.4	48.4	45.3
Cash flow from operating activities	EUR m	124.76	104.1	138.9
Total investment (cash flow from investment activities)	EUR m	35.36	14.39	37.3
Donations	EUR '000	70.2	16.0	32.5
Research and development expenditure	EUR m	7.5	5.1	4.3

*The substantial rise in revenue in 2022 was chiefly related to increased prices in connection with trading activities and plant operation.



736.45 EUR m

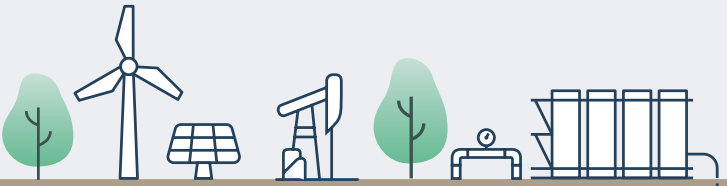
Revenue

Our Storage Facilities

[GRI 201-1, GRI 203-1, GRI 203-2]

Our present-day value chain

We condition and provide energy for our customers in gaseous form for electricity, heating, industry and mobility.



Producing and generating energy sources and raw materials

RAG uses advanced technology for the environmentally friendly generation and production of energy.

- ✓ Underground, climate-neutral production of natural gas and synthetic gas from green hydrogen and CO_2
- ✓ Production of green hydrogen using water electrolysis
- ✓ Production of the important and indispensable raw materials crude oil and natural gas for high-quality processing in the Austrian chemical industry

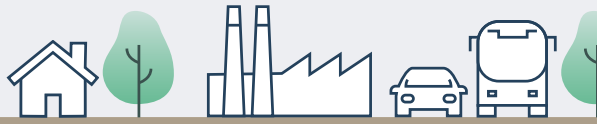
Seasonal energy storage

We store large volumes of gaseous energy (natural gas and hydrogen) for our customers in natural underground reservoirs. RAG markets storage capacity through its subsidiary RAG Energy Storage GmbH.

- ✓ Major contribution to security of supply in Austria and Central Europe thanks to storage capacity of about 6.3 bn cu m
- ✓ Reliable storage services – 24 hours a day, 365 days a year
- ✓ Strategic national gas reserves for crisis situations
- ✓ Gas processing after withdrawal from storage
- ✓ Compulsory emergency reserves: storage service for statutory minimum reserves under the Austrian Oil Stockholding and Reporting Act

Conditioning and supply of gaseous energy sources

We process our customers energy, a highly effective approach that enables us to provide large volumes of energy for power, heating and transportation on demand – around the clock, 365 days a year.



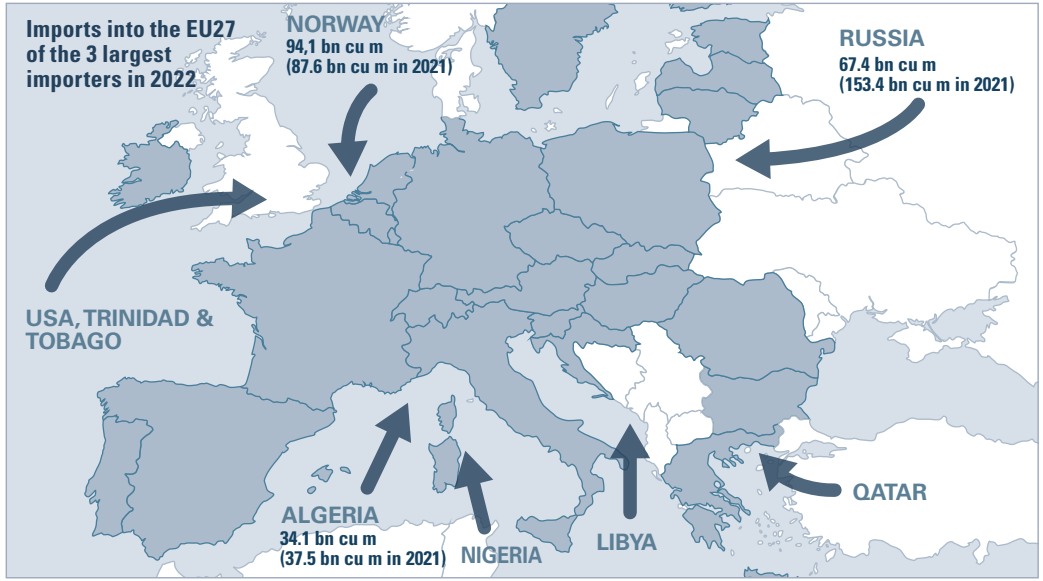
- ✓ Gas from domestic reserves is withdrawn from storage and processed before it is supplied flexibly and efficiently to energy providers and industrial customers
- ✓ Production and processing of eco-friendly CNG and LNG for private transport and heavy goods vehicles, sold at RAG's own filling stations
- ✓ Operation of decentralised cogeneration stations for efficient use of energy
- ✓ Mobile gas supply outside the grid, whenever and wherever required

[GRI 2-6]

Gas import routes to Central Europe

Imports of gaseous energy forms in Europe have been in a state of flux since the start of the war in Ukraine. European energy importers and governments have been taking steps to safeguard energy supplies by diversifying their imports. In the short term, neither increasing local production nor securing alternative supplies through new import routes are feasible options. LNG imports have increased over the past year. Europe's main sources of imports are Russia, Norway, Algeria, Qatar, the USA, Nigeria, Libya and Trinidad and Tobago.

Source: Bruegel.org | www.bruegel.org/dataset/european-natural-gas-imports
'Figure 1: EU27 Natural Gas Imports (by source)'

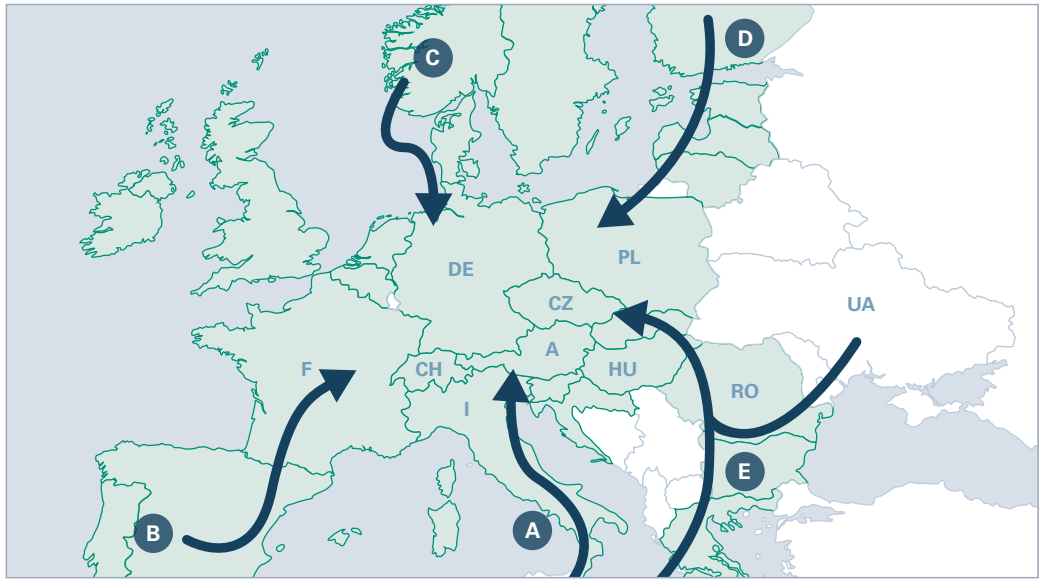


Future hydrogen import routes – Hydrogen Backbone

At present, more and more governments and businesses are taking strategic action aimed at increasing imports of hydrogen. A zero-carbon energy source, hydrogen will play a key part in achieving the essential reduction in CO_2 emissions. The picture on the right shows the various potential routes for hydrogen imports to Central Europe.

Corridor A: North Africa and Southern Europe
Corridor B: Southwestern Europe and North Africa
Corridor C: North Sea
Corridor D: Nordic and Baltic regions
Corridor E: Eastern and Southeastern Europe

Source: Hydrogen Backbone (www.ehb.eu)



We are already working today on the value chain of tomorrow

Storage

As Austria's biggest gas storage company – making it the country's biggest energy storage operator – RAG's natural pore reservoirs have the capability to provide large-volume, flexible and seasonal storage of conventional natural gas, green gas, biogas and hydrogen. These energy sources are ready to be called on in large volumes precisely when and where they are needed, allowing us to underpin security of supply for Austria and Europe.

Conversion

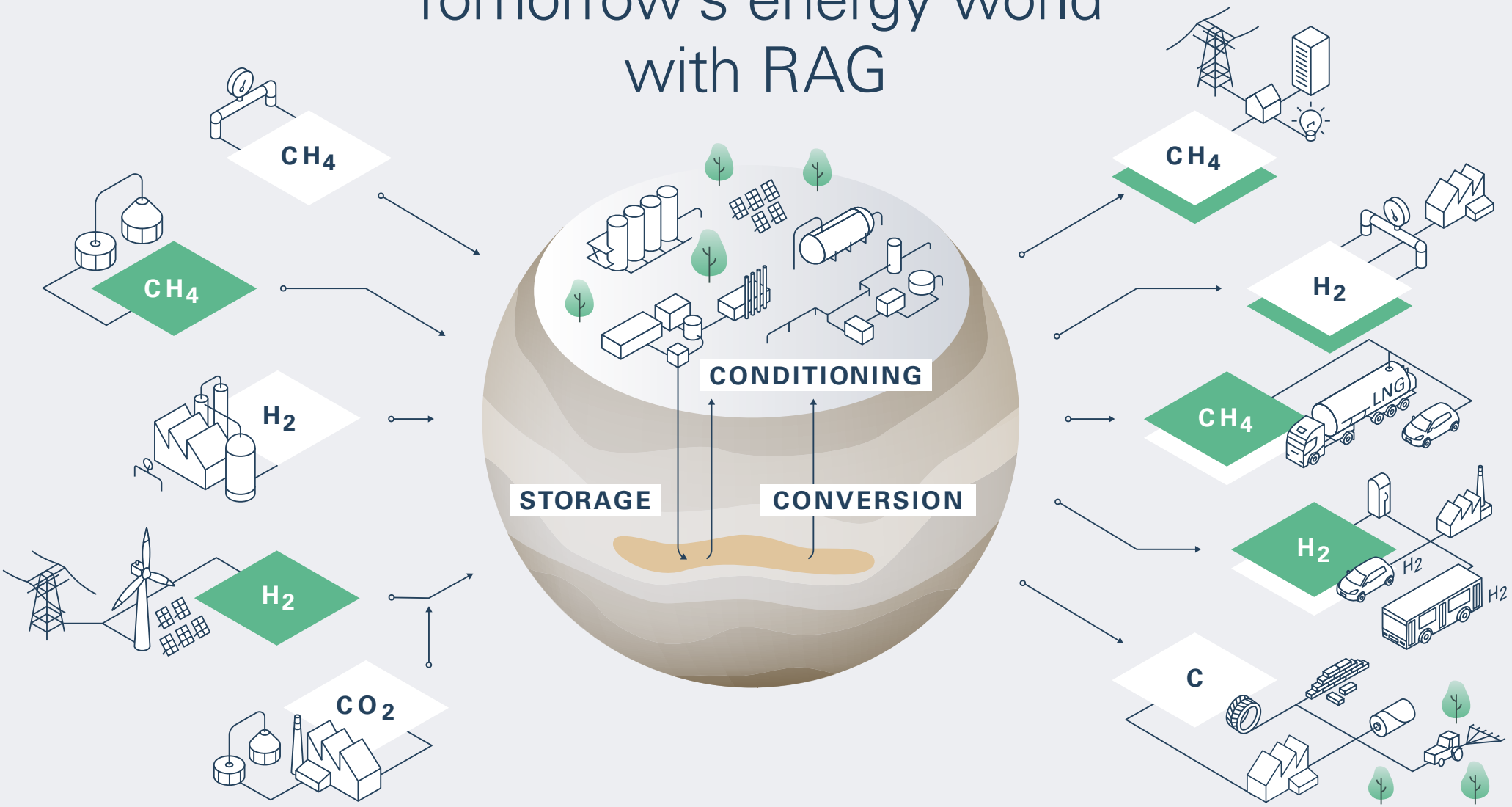
Renewable electricity from solar and wind energy is converted into hydrogen by means of carbon-neutral electrolysis. This makes it possible to store a portion of the summer energy harvest as gas in our pore reservoirs for use in winter, or to combine the hydrogen with carbon dioxide (produced from biomass or industrial operations) and convert it into synthetic natural gas, in underground gas reservoirs, by means of a natural microbiological process. This creates a sustainable carbon cycle, and the naturally produced green gas is carbon neutral. By conversion we also mean the synthesis of CO_2 and H_2 to CH_4 and the splitting of CH_4 to hydrogen and carbon.

Conditioning

Stored energy can be withdrawn and used at any time as required. This green energy can then be delivered via existing pipeline networks for efficient power and heat generation. Treatment of gas and provision of marketable products is key. This includes gas processing, hydrogen purification and processing of methane into transportation fuels such as CNG, LNG or e-fuels. In addition, methane electrolysis is set to produce carbon that can be used as a valuable basic material for batteries, insulation materials, tyres, construction materials and steel, or in agriculture as a soil conditioner. The process also produces carbon neutral, climate friendly hydrogen for use in energy generation or industrial processes.

We operate next-generation energy storage facilities.

Tomorrow's energy world with RAG



Gaseous Energy Sources:

- CH_4 CH_4 Natural Gas
- CH_4 Biogas / Bio-Methane
- H_2 Hydrogen from methane electrolysis
- H_2 Hydrogen from electrolysis
- CO_2 Carbon Dioxide from biomass or industrial process

Applications:

CH_4	CH_4	Use for electricity and heat
H_2	H_2	Hydrogen in transport network and industry
CH_4		Green Gas for mobility
H_2	H_2	Hydrogen for industry, mobility and heat
C		Carbon from methane electrolysis

Management

Management structure

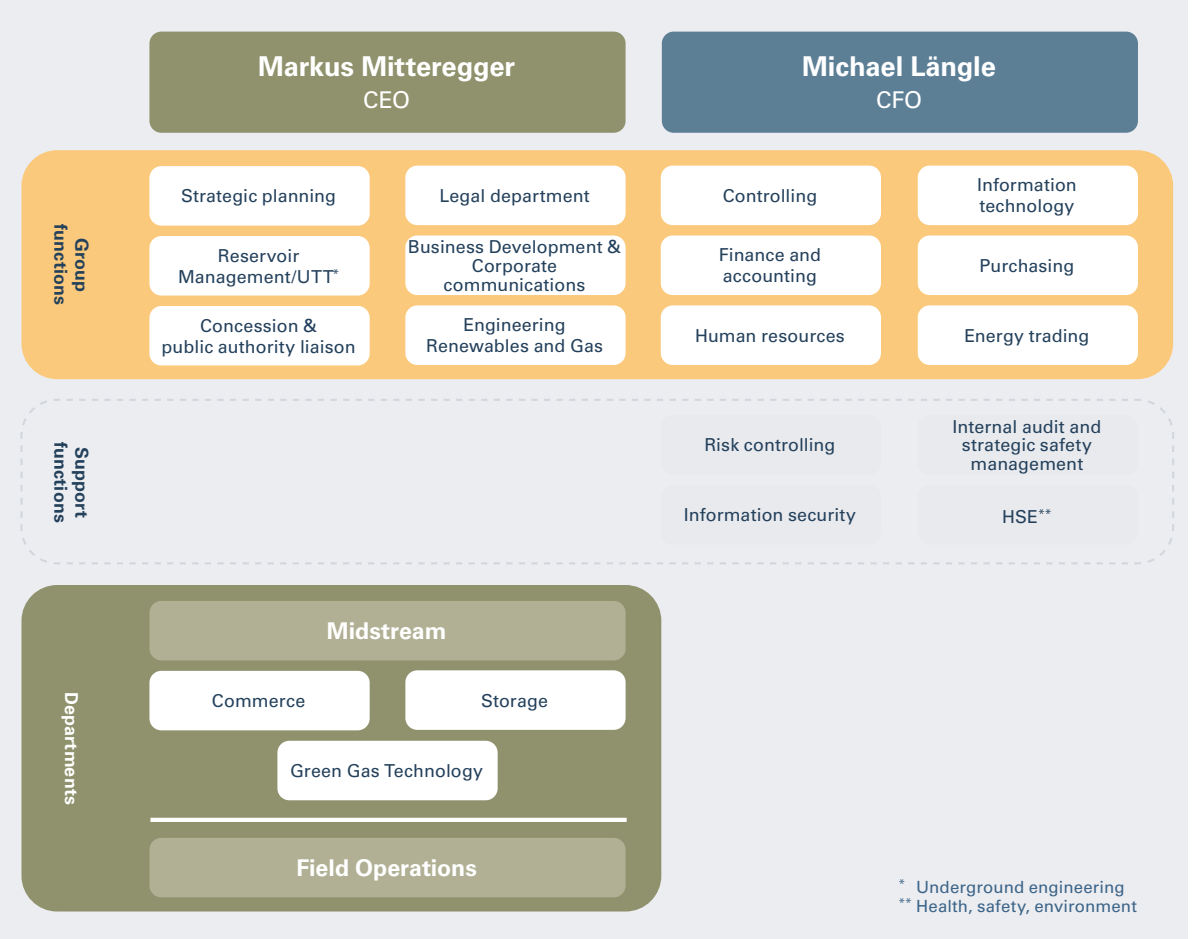
CEO Markus Mitteregger is responsible for the Midstream and Field Operations departments, as well as for the technical Group functions.

Commercial Group functions, energy trading and the support functions for information security, risk assessment, internal audit, strategic safety management and HSE are overseen by CFO Michael Längle.

Executive Board Members
- CEO Markus Mitteregger
- CFO Michael Längle

Authorized Representatives
- Peter Pichler
- Siegfried Kiss

Supervisory Board
- Stefan Szyszkowitz, Chairman
- Axel Wietfeld, Deputy Chairman
- Franz Mittermayer
- Martin Graf
- Johannes Pichelbauer (delegated by the Employee Staff Council)
- Anneliese Neubacher-Firmhofer (delegated by the Employee Staff Council)



[GRI 2-9]

Highest governance body

The Executive Board is the highest management body. The members are appointed by the Supervisory Board for three years on the basis of an open application process.

Markus Mitteregger joined the RAG Austria AG Executive Board in 2003. He was appointed CEO and Executive Board Chairman in 2008. Michael Längle took over as the Executive Board member responsible for finance and as Chief Financial Officer in 2011.

Managerial and supervisory responsibilities at key subsidiaries:

- Markus Mitteregger is Managing Director of RAG Exploration & Production GmbH.
- Markus Mitteregger and Michael Längle are representatives of the shareholders of RAG Energy Storage GmbH and RAG Exploration & Production GmbH.
- Michael Längle is a representative of the shareholders of Silenos Energy GmbH.
- Neither member of the Executive Board holds any supervisory board mandates in other companies.

The Supervisory Board members are appointed at the annual general meeting of shareholder representatives (personal mandate) or delegated by the works council.

The Supervisory Board approves transactions that require its consent (in accordance with the Executive Board's rules of procedure) and receives regular reports on and monitors business performance. Meetings of bodies such as the Audit Committee (which is mandatory under the Austrian Aktiengesetz [Companies Act]) are held at regular intervals, and those of other bodies, including the Working Committee and the HR Committee, take place as required.

The following processes are designed to ensure that conflicts of interest relating to Executive Board members are avoided:

- Four-eyes principle
- Power of attorney guidelines (memorandum of association)
- Secondary employment must be reported to the HR Department (staff guidelines on secondary employment)
- Board members' business-related memberships must be disclosed in the annual financial statements

Together we're plotting a course for a sustainable energy future.

[GRI 2-10, GRI 2-11, GRI 2-15]

Management structure and integration of sustainability

Key strategic decisions related to the company's strategic focus on sustainability, and to the development of, approval of and updates to the company's purpose, values and mission are taken by the Executive Board in consultation with senior executives, agreed with the Supervisory Board and recorded in the business plan. Annual strategy reviews are geared towards assessing whether measures aimed at achieving the strategic objectives set out in the business plan have had the desired results or whether the measures need to be adjusted. The Supervisory Board receives reports from the Audit Committee (which is a Supervisory Board committee) regarding compliance, the internal control system (ICS) and risk-related matters. The Supervisory Board also receives information on sustainability-related issues as appropriate in the course of its meetings, and approves the information where necessary.

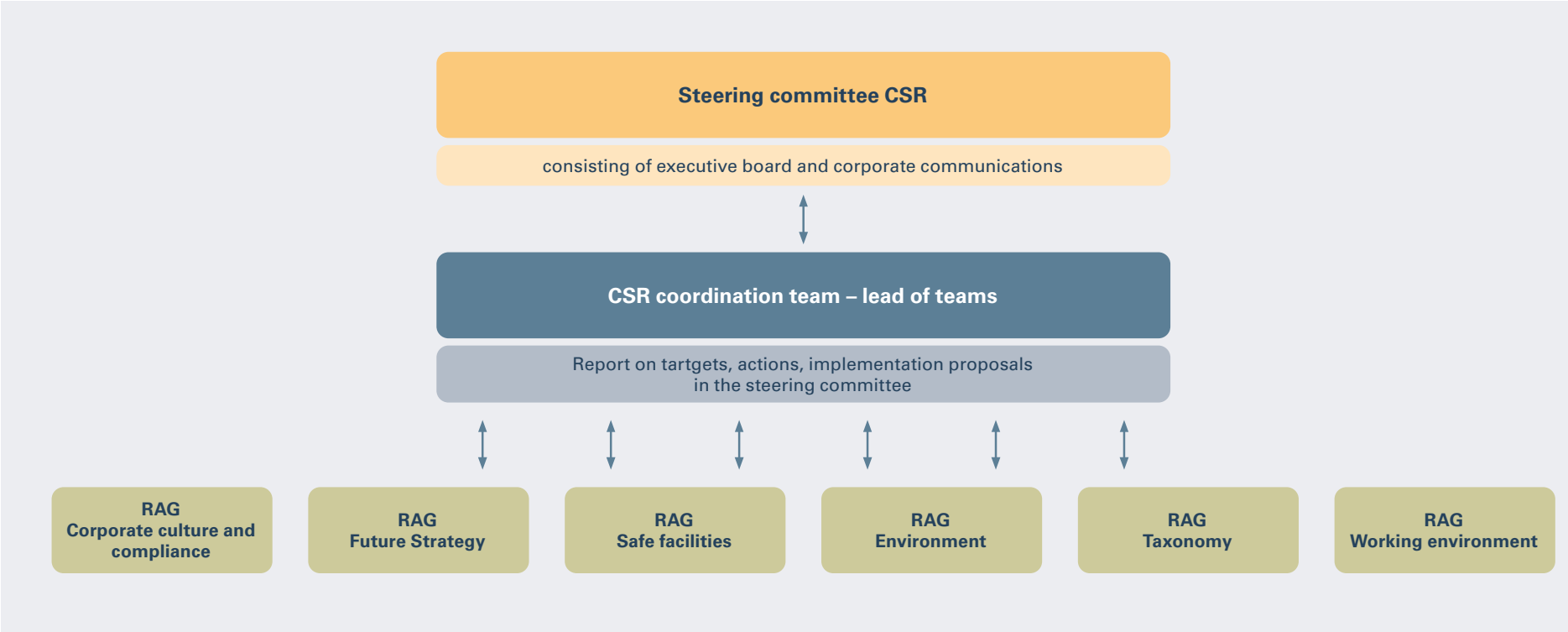
Topics related to sustainability are also discussed at regular weekly meetings between the Executive Board and top-level executives. Reports on recent developments, sometimes involving relevant internal experts, are provided in the course of Executive Board meetings, and the Board takes decisions as required. The Energy and Emissions Manager regularly reports on the potential for reductions in energy consumption and emissions, and on the measures required to achieve them.

The Executive Board is kept up to date on all relevant critical matters in the course of the aforementioned weekly staff meetings, at special regular meetings with selected senior executives, as well as by means of compliance reporting and reports on cases that have been submitted according to Hinweisgeberschutzgesetz (HSchG 2023).

At the yearly kickoff events, CFO Michael Längle addresses sustainability-related topics with a view to raising awareness among the company's employees. The focus is on the challenges facing RAG and the future opportunities that the company has identified as a result.

With regard to future challenges associated with sustainability reporting, the Executive Board has initiated an internal skills development process involving training courses and dialogue with experts, which is designed to put the company in a position to meet the mandatory reporting requirements over the coming years.

[GRI 2-12, GRI 2-13, GRI 2-16, GRI 2-17]



Institutionalisation

In our view, sustainability-related activities call for an integrative approach, so our various CSR task forces are made up of representatives from all the key areas of the company, including storage operations and energy facilities; health, safety and the environment; energy and emissions management; internal audit and strategic safety management; government agency and public authority liaison; purchasing; and human resource management. The aim is to systematically address the topic of sustainability in the company, in line with the changing legal situation, especially in view of future mandatory sustainability reporting requirements.

These sub-task forces are headed by experts who, due to their leadership function, are members of the coordination team. This team meets regularly to analyse CSR targets and initiatives in terms of their relevance, with the aim of achieving continuous improvements in the company's sustainability performance. At meetings of the steering committee, the Executive Board receives updates from the CSR Officer (the Head of Corporate Communications) – who is also the CSR coordination team leader – on the progress made on CSR activities.

The number of CSR task forces rose from four in 2020 to six in 2022. The task forces are assigned sustainability focus areas on the basis of their respective expertise.

RAG. Safe facilities

Lead: Chief Information Security Officer

Topics: Safe and resilient facilities

RAG. Environment

Lead: Head of integrity management

Topics: Environmental protection, resources, energy and emissions

RAG. Corporate culture & compliance

Lead: Head of Internal Audit and Strategic Safety

Topics: Corporate governance, compliance, stake-holder engagement and sustainable procurement

RAG. Working environment

Lead: Team lead HR operations

Topics: Working conditions, balancing work and individual needs, health & safety, diversity

RAG. Future strategy

Lead: Senior business planning analyst

Topics: Strategic focus on sustainability and sustainable energy solutions

RAG. Taxonomy & ESG Reporting

Lead: Head of finance and accounting

Topics: Legal framework with regard to sustainability

Materiality analysis

In 2020 RAG Austria AG carried out a comprehensive materiality analysis which included key external stakeholder groups for the first time.

For the purpose of preparing this report, the relevance of the material topics identified at that time was assessed by the experts from the CSR coordination team, taking into account the topics and impacts described in the GRI Oil and Gas Sector 2021 Standard.

At a workshop held with the coordination group, the topics from the sector standard were clustered into subject areas and assigned to the various task forces, which evaluated the relevance of the topics within their area of responsibility to identify whether RAG's operations have or can have an impact on the economy, the environment and people, and what those impacts are or can be.

After this, the experts from the coordination group took part in a workshop where they discussed and assessed the materiality of the task forces' conclusions, prioritised them and assigned them to the current material topics. In contrast to 2020, we have consolidated two previous material topics due to the high degree of overlap between them – the topics 'local links' and 'stakeholder engagement' have been combined to form a new topic, 'local communities'. The Executive Board approved these material topics.

The table below lists RAG Austria AG's material topics, with the related likely material topics from the GRI Oil and Gas Sector 2021 Standard on the right and the chapters of this report in which they are described on the left. The coordination team considers all of the other likely material topics from the sector standard which are not mentioned here to be immaterial for this report.

For the 2019/20 Sustainability Report we evaluated the economic, environmental and social impacts and presented them in tabular form. This report describes the impacts on the economy, the environment and people in the chapters on the various material topics.

Looking ahead to our next Sustainability Report, in 2023 and 2024 we plan to update the materiality analysis in accordance with the European Sustainability Reporting Standards (ESRS), with a view to taking an even more structured and systematic approach. Above all, this will involve incorporating the principle of double materiality.

[GRI 3-1]

Materiality analysis

Chapter	Material topics	GRI Oil and Gas Sector 2021 Standard likely material topics
Strategy – strong focus on sustainability	Strategic focus on sustainability	11.2 Climate adaptation, resilience, and transition
Responsible management	Transparency and compliance	11.14 Economic impacts 11.19 Anti-competitive behavior 11.20 Anti-corruption 11.21 Payments to governments
	Sustainable procurement	
	Local communities	11.15 Local communities
Safe facilities and work processes	Security of supply	
	Secure and resilient facilities	11.8 Asset integrity and critical incident management
	Occupational health and safety	11.9 Occupational health and safety
Sustainable energy solutions	Sustainable energy solutions	11.2 Climate adaptation, resilience, and transition
Climate and environmental protection	Climate protection	11.1 GHG emissions 11.3 Air emissions
	Environmental protection	11.4 Biodiversity 11.5 Waste 11.6 Water and effluents
Responsible employer	Responsible employer	11.10 Employment practices 11.11 Non-discrimination and equal opportunity

[GRI 3-2]

STRATEGY – STRONG FOCUS ON SUSTAINABILITY

Sustainability lies at the heart of our strategy.

Strategy – strong focus on sustainability

Strategic focus on sustainability

We firmly believe that our future energy landscape must offer security of supply, and be climate-friendly, technologically open and interlinked. As a company with a strong sense of responsibility, we aim to play an active part, bringing our know-how, practical experience and innovative capabilities to bear on the rapid realisation of a sustainable energy system.

RAG's main strength lies in its capacity to innovate and to act in a way that is both responsible and far-sighted. Because of this we were very quick to see which way the wind was blowing, and by pushing ahead with investments in our demonstration facilities we are now in a position to highlight some of the possibilities that the energy future will open up.

The future of energy will be all about clean, affordable energy for power, heat, industry and transportation, but at the same time we need to maximise security of supply.

We are already working proactively to shape the future of energy, in line with our commitment to promoting 'renewables and gas'. This is not only a major aspect of our social responsibilities and our obligations towards future generations; it is also central to our philosophy.

[GRI 3-3]

And supply security means providing solutions to the problems of energy poverty and supply shortfalls as part of Europe's energy transformation, as well as safeguarding supplies of intermittent solar and wind power.

We are committed to overcoming these challenges – to reconciling security of supply and sustainability – and we see this as an opportunity to make our business model fit for the future. This is how we have made the transition from a conventional oil and gas producer to a European player, becoming Austria's largest energy storage operator and a pioneer in green gas technologies.

Our core business is large-scale seasonal energy storage and supply. At the same time we are working flat-out to propel the energy sector and its technologies in the direction of carbon neutrality, and to cut greenhouse gas emissions.

As a result, sustainability is an integral part of our strategic focus. Our sustainability targets relate to both current and future products as well as the climate-neutral operation of our facilities. We have set milestones to measure our progress towards meeting these targets by 2040 and we are working systematically to achieve them.

Due to the substantial technology expenses and investments involved in hitting our targets, long-term planning and stable partnerships are extremely important. Our strategic focus and the achievement of related targets are assessed at regular strategy meetings, and adjustments are made where necessary.

We see ourselves as enablers who act as a link between renewables and security of supply.

Hand in hand: renewables and gas

The core questions for the energy future are: how can we carry renewable solar and wind energy over into the winter? How can we use these energy forms whenever we need them, regardless of the weather and the season? How can we make green gases and, above all, hydrogen widely available? And how can we make use of methane without generating emissions?

Our answer to these questions is an overarching sustainable energy concept consisting of sustainable energy solutions in combination with ‘renewables and gas‘, security of supply thanks to high-capacity energy storage facilities, and ‘sustainable energy mining‘. Combining conventional gas storage with renewables unlocks the problems of energy storage and creating a needs-based structure on an industrial scale. This allows us to provide solutions for a future of clean and reliable energy supplies.

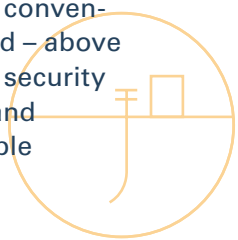
RAG has the necessary resources, the infrastructure and requisite know-how that allow it to drive forward the development and roll-out of innovative, groundbreaking, carbon-neutral energy solutions based on green gas technologies. Internationally registered patents and numerous research projects as well as demonstration facilities operated in collaboration with industrial and higher education partners, including Underground Sun Storage, underline RAG‘s expertise in this field. Every year we invest around EUR 7 million in research and development.

More information on our strategy for energy solutions can be found in the ‘Sustainable energy solutions‘ chapter.

Our operations are divided into four areas and form the basis of our strategy and commercial activities:

STORAGE

Increasing gas storage and the withdrawal capacity of our energy storage facilities: high-volume, seasonal storage of conventional natural gas, biomethane and – above all in future – hydrogen to bolster security of supply in Austria and Europe, and support the expansion of renewable energy sources.

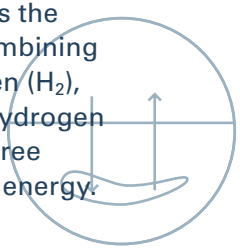


CONDITIONING

Treating the gas we produce in order to provide marketable products is a key activity. This includes gas conditioning, hydrogen purification, and processing of methane and hydrogen into transportation fuels such as CNG, LNG or e-fuels.

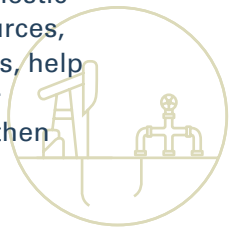
CONVERSION

Applying cutting-edge technology such as power-to-gas to produce hydrogen or green gas. Conversion also means the synthesis of methane (CH_4) by combining carbon dioxide (CO_2) and hydrogen (H_2), and cracking methane to obtain hydrogen and carbon. The focus is on CO_2-free utilisation of stored and captured energy.



PRODUCTION

RAG specialises in the production of natural gas and oil and their utilisation as valuable basic materials in domestic industry. By using domestic resources, we reduce dependence on imports, help to cut emissions thanks to shorter transportation routes, and strengthen domestic value creation.



Sustainable Development Goals

RAG Austria AG is committed to promoting the achievement of the United Nations Sustainable Development Goals (SDGs). We are committed to capitalising on our core competences and our strategic focus on sustainability in order to make a contribution to achieving the following SDGs:

SDG 7: Affordable and clean energy – ensure access to affordable, reliable, sustainable and modern energy for all

Our contribution: supplying affordable, clean energy is our core business. All of our efforts are geared towards ensuring secure, sustainable energy supplies to our customers as well as their customers in the future.

SDG 8: Decent work and economic growth – promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all

Our contribution: as a responsible employer, a customer to regional businesses and a research partner for universities and companies, we help to create added value in Austria and Central Europe, ensuring the development and retention of technical and scientific expertise and knowledge related to energy and decarbonisation technologies.

SDG 9: Industry, innovation and infrastructure – build resilient infrastructure, promote inclusive and sustainable industrialisation and foster innovation

Our contribution: our secure and resilient facilities safeguard security of supply for Austria and Central Europe. We also invest in infrastructure that is paving the way for the seasonal, year-round storage and supply of large volumes of renewable energy.

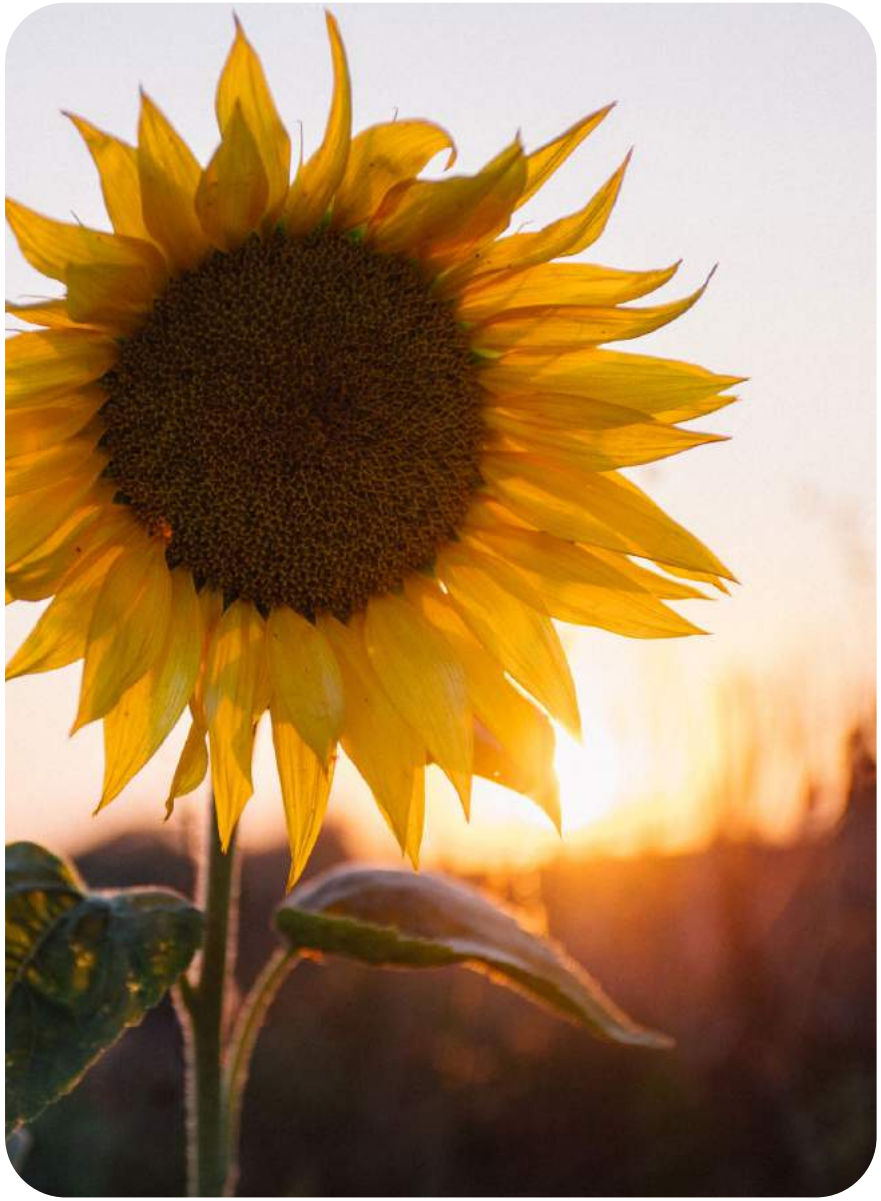
SDG 12: Responsible consumption and production – ensure sustainable consumption and production patterns

Our contribution: RAG makes every effort to ensure that resources are used as efficiently as possible, minimise environmental damage at its storage facilities, adopt a full-life-cycle perspective in product procurement, and raise awareness of aspects of sustainability in the supply chain.

By laying the groundwork for the storage of large quantities of hydrogen, we also promote the expansion and development of the hydrogen economy, as well as the year-round, eco-friendly use of hydrogen as a fuel and raw material.

SDG 13: Climate action – take urgent action to combat climate change and its impacts

Our contribution: we will live up to our commitment to protecting the climate through our research projects on renewable energy storage and conversion. In the long term, we aim to supply completely climate-neutral energy to our facilities by 2040.



RAG Austria AG's sustainability targets

Stable operating environment

For RAG and its owners, it is essential to ensure that the company's values are upheld in the long run, and that our results remain stable. This takes precedence over maximising annual profits and the resulting dividend distributions to shareholders in the short term. This is achieved by means of our financial sustainability goals, such as ensuring full plant availability and the fine-tuning of innovative and sustainable business models.

Shaping the future together

Our employees are proactively shaping the energy future. They play a significant part in safeguarding reliable energy supplies at our facilities, which translates into security of supply in Austria and Central Europe. This is why we want to create suitable conditions for RAG's experts so that they can apply their expertise in order to enhance energy solutions and help to implement our demonstration plants.

Climate and environmental protection and openness to new technologies

Reducing GHG emissions and achieving carbon-neutral or carbon-free energy supplies are essential when it comes to meeting Europe's climate goals. And the steps we are taking to convert our own energy supplies to climate-friendly sources, coupled with our innovative projects, will enable us and our customers to achieve these goals.

RAG Austria AG's sustainability targets

RAG 2040 FUTURE

RAG AUSTRIA AG
Renewables and Gas

Partnerships as a means to achieve targets

Compliance with binding commitments

Ensuring 100 % plant availability and security of supply

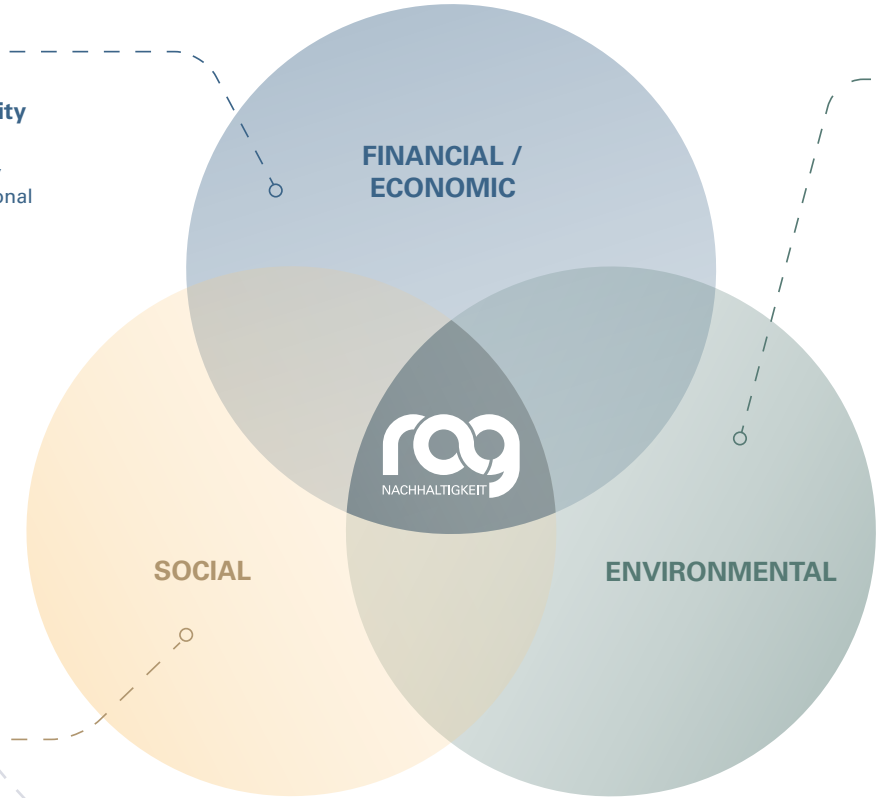
- Avoiding supply restrictions on customers by meeting the highest technical and organisational standards (incl. safety)

Continued development of innovative and sustainable business models

- Project developments towards commercial hydrogen pore storage facilities
- Fine-tuning green gas technologies and production (e.g. electrolysis plants)

Consistent results

- Long-term business continuity and stability of the company's results take precedence over maximising annual profits and dividend distributions



Supply with sustainable, carbon-neutral energy products and services

- Reliable operation of gas storage facilities and adaptation to hydrogen storage
- Carbon-neutral production of raw materials like crude oil and natural gas for non-energyrelated applications
- Sustainable energy mining – reuse of former production sites: PV, hydrogen storage facilities, geothermal projects
- LNG/LBG production of lower-emission fuels for heavy goods vehicles

Climate protection and energy efficiency

- Zero greenhouse gas emissions by 2040 at the latest
- Own supply of CO_2-neutral energy (PV plants and hydrogen-powered CHP station)
- Reduction in total energy use through proactive energy management and plant optimisation

Waste avoidance

- Targeted and economical use of non-renewable raw materials
- Reuse of equipment, etc. to safeguard the circular economy

Occupational health

- Preventive health promotion and measures to avoid work-related accidents

Equal treatment

- Ensuring equal opportunities for all stakeholders
- Sustainable recruitment of women for technical professions and increasing the proportion of female managers in the company
- Raise awareness of the importance of diversity and inclusion among all employees

Upholding RAG's high compliance standards

- Compliance with laws and data protection

High standards of business ethics and transparency

- Transparent management and open communication

RESPONSIBLE MANAGEMENT

Sustainable and responsible management helps to make us fit for the future and ensures our long-term success.

Responsible management

2021 | 2022

- Further aspects of sustainability integrated into the code of conduct
- Review of compliance and anti-corruption policies
- Internal audit on compliance management

2023 | 2024

- Updating our philosophy
- Introduction of annual CSR audits of suppliers

We are fully aware that our company has responsibilities not only to its owners and employees, but also to the public and industry – both inside and outside Austria. Our energy storage facilities are part of the critical infrastructure for a substantial proportion of Central Europe's energy supplies. As a responsible company, we make an important direct and indirect contribution to the Austrian economy and to the country's economic growth – in the form of taxes and levies paid to the Austrian government, our investments in research and development, and by procuring supplies from regional businesses wherever possible.

Our philosophy

Our corporate philosophy, and corporate governance, compliance and integrity regulations are at the heart of everything we do. Our responsibilities to our employees and other key stakeholder groups, as well as to society, and our stewardship of the environment and the climate are an integral part of our managerial decision-making processes.

The criteria for awarding contracts in connection with investment and spending decisions are not purely commercial; they also take specific account of social, environmental and safety aspects.

All of these considerations are embedded in our policies and underpin RAG's corporate culture.

Further information on our philosophy and values is available on our website.

Over the next two years, we plan to revise our philosophy so that it more clearly expresses our commitment to implementing responsible business practices. The next step will involve sharing this renewed commitment with all of our employees, ensuring that it is firmly embedded within the company, and making it accessible to external stakeholder groups.

Further information on our philosophy and values is available on our website.

[GRI 2-23]

Transparency and compliance

RAG Austria AG produces mineral oil and gas exclusively in Austria, based on an exploration, production and storage (EPS) agreement concluded with the Austrian government. This agreement sets out all of our rights and obligations related to hydrocarbon mining. The relevant mining authorities carry out regular inspections on a wide range of topics, as well as plant inspections.

Under the Mineralrohstoffgesetz (Mineral Resources Act) and the EPS agreement, the Austrian government bears a proportion of the costs of all activities, or receives compensation in the form of concession fees, royalties and storage fees, at defined rates.

As a predominantly state-owned company, RAG Austria AG is also subject to transparent oversight by the Austrian Court of Audit and has been the subject of one audit in the past. The financial statements are audited by an independent external auditor.

[GRI 3-3]

Corporate governance

In order to meet the requirements for proper corporate governance, RAG has implemented all of the elements necessary in accordance with a modern three lines of defence model* and integrated them into its operations.

These are mainly related to the groups of issues typically associated with compliance, risk management and the internal control system. Additional elements – such as an information security management system (ISMS) and a business continuity management system – are in place to help us fulfil our duties as an operator of critical infrastructure.

RAG's compliance management structures cover all principles, measures and activities aimed at ensuring that the company conforms to all applicable regulations. The head of Internal Audit also serves as the Compliance Officer, with responsibility for all core aspects related to compliance, and reports to the Executive Board.

These aspects include corruption prevention, the avoidance of conflicts of interest and the establishment of a mandatory whistleblower system.

Compliance with the policies and guidelines is reviewed in the course of internal compliance management audits, and internal audits are also planned in 2023.

Binding central corporate governance policies

- Corporate philosophy and code of conduct
- Management principles
- Guidelines on handling information (business secrets)
- Corruption prevention policy
- Financial and energy market regulation guidelines
- Risk management manual
- Compliance policy
- Procurement policy
- GDPR regulations

*Framework for a governance, risk and compliance management system

[GRI 2-24]

We conscientiously comply with all laws, guidelines and voluntary agreements. This is an integral part of our compliance frameworks as well as our corporate culture.

Technical legal compliance

A significant proportion of compliance-related matters – in particular those which are essential for the proper operation of technical facilities, including engineering and integrity management – are managed on-site on a decentralised basis by the various specialist departments, which ensure compliance with legislation, regulations and official notices, such as mining law regulations and legislation on employee protection.

Managers in particular have a key role to play in this regard, as they have a duty of care which obliges them to take appropriate steps to ensure regulatory compliance. Employees form the basis of the company's compliance structures, as they conscientiously comply with both internal and external regulations in the course of their everyday work. The various specialist departments serve as points of contact for queries on decentralised compliance-related matters connected with their operations.

Breaches of compliance policies can either be reported directly to the Executive Board by the manager concerned or reported through the whistleblower system. Investigation of such reports depends on the circumstances under which they were made. The confidentiality of reports submitted through the whistleblower system is guaranteed by law, and RAG has implemented appropriate structures in this respect. The Compliance Officer also prepares a comprehensive report for the Executive Board at least once a year.

Internal control system

Compliance with internal guidelines and processes is ensured using an internal control system. This is characterised by a functioning organisational structure, a four-eyes principle, separation of functions, and internal guidelines for business processes.

All business transactions concluded on RAG's behalf must be booked or documented in accordance with the applicable regulations, and must be verifiable. Under the process-oriented ICS, selected business processes are subject to systematic controls – the individual control steps are documented and checks are made to ensure they are carried out. Annual evaluations ensure that the ICS is kept up to date, and its effectiveness is continuously monitored by Internal Audit.

The ICS focuses primarily on financial reporting, but it also covers key operational aspects, such as tank farm inventories in order to ascertain stocks of crude oil held as compulsory emergency reserves, and reserve accounting for oil and gas.

Sustainability matters in risk assessment

In view of the importance of sustainability, an evaluation was carried out as part of our risk assessment procedures, and sustainability risks will be included in the annual assessment for the first time as part of the 2023 'risk run'. In the course of this process, risk owners received trained based on examples, with the goal of raising awareness of the financial and non-financial impacts of risks.

40.5 EUR m

Taxes and levies
paid to the Austrian government

Taxes and levies

As with adherence the entire legal framework, tax compliance is an integral part of our applied compliance systems at RAG. This applies to all of the company's tax obligations, and to recourse to tax relief and subsidies, such as research tax relief.

Although tax law permits the exercise of elective rights, RAG has not implemented a tax (or tax avoidance) strategy. All of our tax relations have a direct local connection to our operations, and we do not have any links whatsoever to tax havens.

Our long-term tax ratio corresponds with the corporation tax rate. The most recent audits by the tax authorities confirmed that the company is not exposed to any material tax risks.

Regular tax settlement takes place internally in accordance with the four-eyes principle. Our accountants provide support with specific activities, such as preparing tax returns. Reviews of the calculation of tax liabilities and the preparation of tax returns are part of the ICS.

The highest executive-level position responsible for tax-related matters is the CFO, Michael Längle, while Head of Finance Peter Fleischhacker is responsible for internal tax matters; both of them are qualified accountants.

As part of its involvement in representative bodies, RAG participates in the process of amending tax legislation and introducing new tax laws, especially in relation to future energy solutions – such as the tax treatment of hydrogen – with a view to playing its part in ensuring appropriate and workable tax settlement.

Besides conventional taxes and levies, RAG also makes payments to the mining authorities based on net production (royalties), the area of producing fields used (mining fees) and the average working gas volume (storage fees), in accordance with the EPS agreement.

Taxes and levies paid to the Austrian government

RAG Austria AG	Unit	2022	2021	2020
Concession fees	EUR m	26.446	16.677	14.208
Taxes	EUR m	14.067	13.560	11.995

[GRI 207-1, GRI 207-2, GRI 207-3, GRI 203-2]

Fairness and transparency

Long-term, stable business relationships with contractual partners and suppliers are particularly important to us, and we are well-known for the long-standing ties we forge. These relationships are characterised by fairness, trustworthiness, integrity and transparency. We take transparent decisions that we communicate clearly to our suppliers and customers. We are committed to upholding the principles of fair and honest competition, and complying with all statutory regulations designed to combat bribery and corruption.

Fair competition

RAG operates under varied and constantly changing social, political and economic conditions. We believe that society's interests are best served by the free market. We set out to compete fairly and responsibly, and in conformity with current competition law. RAG will not take any steps designed to stop companies competing against it. This is also embedded in our policies.

We do not conclude anti-competitive agreements and do not exploit our market position as a leading domestic energy storage company. We are committed to living up to our responsibility to reliably deliver energy to Central European energy suppliers and their customers, as this is the only way to secure the basis for cost-effective energy use by private households and industry.

Likewise – and irrespective of the various statutory regulations we are required to comply with – we reject practices such as bid rigging and price fixing as a matter of principle. The company trades energy either on publicly accessible exchanges or bilaterally on the basis of contracts.

In terms of mineral oil and natural gas production, long-term agreements with local suppliers and refineries ensure steady business relationships to the greatest possible extent.
For financial reasons, prices are tied to free market conditions, meaning that commercial developments are subject to price fluctuations on the oil and gas market, and are not within our control.

ENERGY STORAGE

We take steps to continuously expand our expertise on the topic of fair competition by comparing notes with experts at related events organised by the Austrian Federal Economic Chamber, as well as by reviewing specialist publications and announcements from organisations including Transparency International, and applying them internally where appropriate.

Unbundling RAG Energy Storage (RES)

The statutory unbundling of RAG – a natural gas producer and technical storage operator – and storage marketing business RAG Energy Storage (RES) has contributed substantially to the consolidation of fair competition on the Austrian energy market. Compliance with the ban on discrimination and the requirements for equal treatment in dealings with storage customers are monitored by the Anti-Discrimination Officer at RES. Relevant technical information for storage customers is reported and published in accordance with the applicable EU regulations, in particular the REMIT Regulation.

As part of an internal audit, in 2021 the Internal Audit Department carried out a review of the equal treatment of RES customers as set out in the unbundling regulations and found absolutely no evidence of discrimination.

The following specialist departments are primarily responsible for taking effective measures designed to prevent anti-competitive practices at RAG:

Procurement:

- Procurement Department

Sales:

- Gas storage – RES (marketing business for storage capacity)
- CNG, LNG – Midstream Department (filling station operator)
- Mineral oil tank farms – Midstream Department
- CHP plants – Midstream Department
- Gas trading – Energy Trading Department
- Services – Business Development
- Financial subsidies – respective specialist department, Controlling

Anti-corruption measures

Unethical practices are not consistent with our value system and, in any event, run contrary to the principles of economic and sustainable development. Our employees are forbidden from requesting or accepting preferential treatment or inducements, and from offering or providing such advantages to others. They are also obliged to avoid conflicts of interest between personal matters and their company-related duties. In order to prevent misconduct, all employees receive compulsory training on appropriate behaviour. The company also has

90 %

Proportion of salaried employees who have received anti-corruption training

internal anti-corruption reporting systems in place, and reports are prepared annually for the Executive Board and the Audit Committee. Employees who wish to report misconduct or breaches of the law can do so through our whistleblowing system, which is operated as an external platform. This enables us to prevent unethical behaviour at an early stage. Internal stakeholders can also raise their concerns with the works council, safety officers and data protection officers. During the period under review, no cases of misconduct or significant breaches of laws or regulations were reported.

Donations and sponsorship of third parties require the express permission of the Executive Board. All such activities are registered centrally and reported to the Executive Board and the Audit Committee once a year. The related documents are also disclosed to the auditor.

RAG Austria AG has no political affiliations and makes no financial contributions to political parties or organisations, or their representatives. We represent RAG's interests in dealings with public bodies with regard to matters that affect the company itself, its employees or customers, and representatives of the owners. This is done with the utmost transparency through memberships or involvement in working groups set up by various industrial associations and interest groups. These include P&G Wasserstoff-initiative Vorzeigeregion Austria Power & Gas (Hydrogen Initiative Flagship Region Austria Power & Gas, WIVA P&G), of which RAG is a founding member.

All of our facilities are located in Austria, where the risk of corruption is classified as not very high (CPI 2022: 71/100)*. RAG has no operations in countries which have high corruption index scores. Internal guidelines and training help to prevent corrupt behaviour, and an internal reporting system for gifts and inducements received and offered transparently records the instances concerned.

Corruption risk is assessed internally on an annual basis using a one-step model. Where necessary, Internal Audit can carry out targeted investigations.

Memberships

Disclosures: Compliance

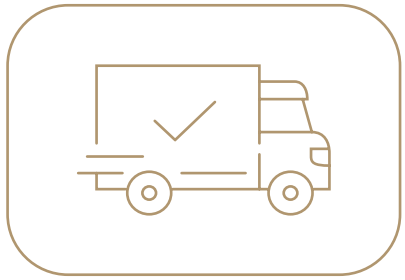
RAG Austria AG	Unit	2022	2021	2020
Operations assessed for risks related to corruption	%	90	50	n.s.
Proportion of salaried employees who have received anti-corruption training	%	> 90	> 90	> 90
Confirmed incidents of corruption and actions taken	Number	0	0	0
Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	Number	0	0	0

[GRI 2-26, GRI 2-27, GRI 2-28, GRI 205-1, GRI 205-2, GRI 205-3, GRI 206-1]

*Corruption Perception Index of Transparency International

Sustainable procurement

We are aware that our operations can have impacts on society and the environment in ways that are beyond our direct control.



Operating facilities, such as PV systems, storage facilities, production equipment, CHP plants and Underground Sun Storage, were designed and built by international suppliers within Europe – mainly in the German-speaking countries – and maintenance can only be carried out by them. In our industry, there are only a few suppliers of specialist equipment, and some activities, such as repairs to our facilities, can only be carried out in Europe by certain suppliers which have suitably trained employees.

This makes it all the more important that RAG maintains relationships with suppliers and partners who are also committed to responsible corporate governance approaches, and uses clear and transparent processes for procurement and the award of contracts.

Procurement policy

All purchases made by RAG with a net value of more than EUR 5,000 are subject to the Group-wide procurement policy, which covers CSR principles and the award of contracts for goods and services in accordance with competition law. Electronic award of contracts with a value of EUR 100,000 or more (instead of EUR 428,000) has been implemented with a view to enhancing the company's competitiveness. This also applies to master agreements.

The Head of Procurement is responsible for ensuring that the strictly regulated procurement processes comply with the procurement policy (Group policy no. 06: Procurement policy as amended). This is examined by Internal Audit at regular intervals.

Sustainability in the criteria for awarding contracts

When defining the criteria for contract awards, the company voluntarily takes into account specific environmental aspects, the use of low-emission technologies, sustainability and social aspects in the selection of particular goods and/or services.

In 2022, a risk assessment that mainly covered market, regulatory and supply risk was conducted for the company's top 100 suppliers. CSR and sustainability risks were also quantified. Guidelines that describe the potential risks to be prioritised and action to be taken in view of these risks will be developed in 2023.

The requirements for sustainable procurement of goods and services in a range of general product

[GRI 3-3]

85 %

Proportion of orders for goods and services placed in Austria

Disclosures: Procurement

85 %	78 %	78 %
2022	2021	2020

Percentage of orders for goods and services placed in Austria

If Germany, Austria and Switzerland (so-called DACH-region) were taken together as the basis for calculating the indicators, the figures would increase to 93 % for 2021 and 95 % for 2022.

groups are set out in the Austrian Action Plan for Sustainable Public Procurement (naBe). RAG voluntarily applies these requirements when defining sustainable criteria for the award of contracts. In addition, the amended Bundesvergabegesetz (Federal Public Procurement Act) 2023 will introduce further requirements related to sustainable procurement, which will then be applied in the procurement process as criteria for assessing suppliers' suitability and awarding contracts. RAG plans to carry out CSR supplier audits after the amended act is passed. The aim is to audit at least one supplier from almost every material group and to repeat the audit in 2024.

Supplier code of conduct

Our supplier code of conduct applies to all suppliers and contains provisions on human rights, social responsibility, environmental matters, as well as compliance and integrity. The code can be found on our website.

In 2022 we held discussions with eight top suppliers for the first time in order to shine a light on our objectives regarding the sustainability of our future energy solutions; these discussions were very well received by all those involved. Our aim is to continue these discussions, including with a focus on future European-level requirements on the duty of care in the supply chain, and work together to devise solutions.

Supplier code of conduct

Safety guidelines

Employees of external companies who carry out work at our sites must comply with our employee protection and safety guidelines. Designated RAG employees are responsible for checking whether these guidelines are understood and for monitoring compliance with them. External companies' employees must pass a compulsory test.

[GRI 2-23, GRI 204-1]

Local communities

Responsible, reliable and respectful cooperation is particularly important for the acceptance of our activities on site.

Our activities have a range of different impacts on the people living close to the locations where we operate. We have been operating in the Upper Austria and Salzburg region for decades now. We have strong roots in the area and RAG is a firmly established member of the various local communities. This means that a strong sense of responsibility, reliability and respectful collaboration are particularly important when it comes to ensuring acceptance of our activities among local communities.

The impact of our storage operations extends beyond Austria's borders. Which is why we believe that we are responsible for safeguarding security of supply not only in Austria, but across Central Europe.

Open and transparent communications

Interest in RAG Austria AG and its services has increased significantly over the past two years. Working constantly with the principle of open and transparent communications in mind, we have intensified dialogue at the local level, as well as with media representatives and political decision-makers at the federal and provincial levels. Our primary focus is on providing information on the complex topic of energy and raw material supplies, and the options for their future development.

This policy of open and transparent communications on topics such as security of supply, green gas and hydrogen technologies has enabled RAG to become firmly established as an energy expert for political administrative bodies and ministries, and among the general public.

[GRI 3-3]

Stakeholder engagement

Our responsibilities to stakeholders

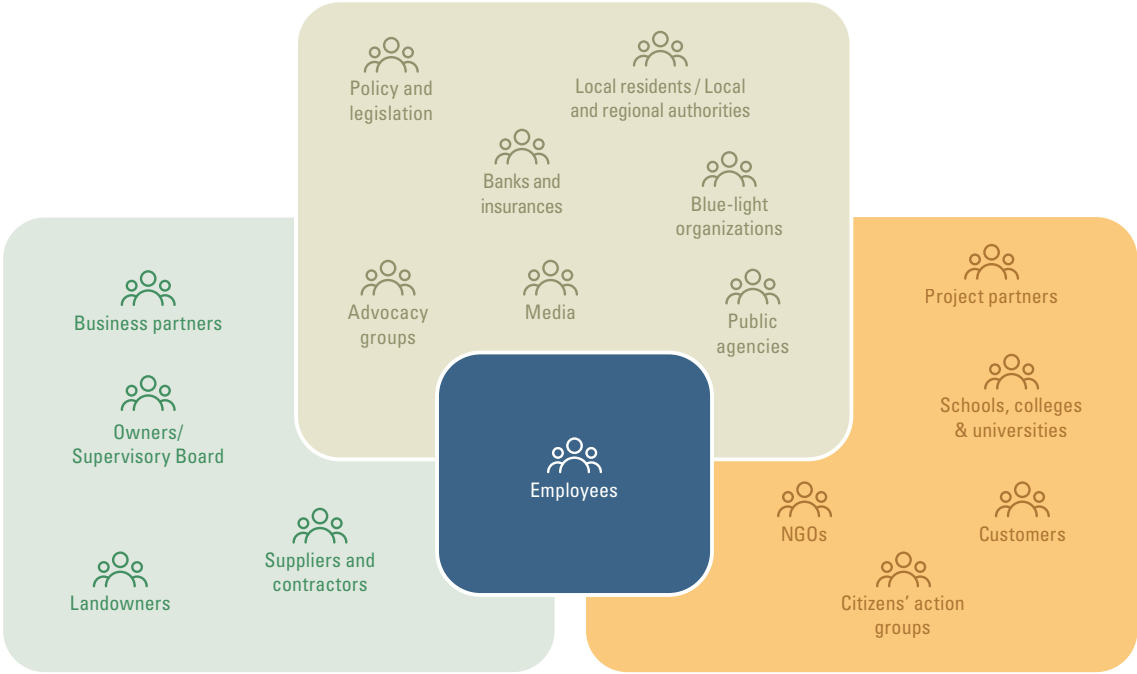
We live up to our responsibilities to local people, local authorities and local companies, who can be affected by our decisions and actions. We are committed to communicating proactively, openly and respectfully with all stakeholder groups, and taking their concerns into account to the greatest possible extent. Open, proactive communication is also essential for implementing responsible business practices.

Honest, meaningful dialogue enables us to

- retain the trust placed in our company
- implement our projects cost-effectively
- identify and resolve potential conflicts at an early stage, and
- facilitate a process of continuous improvement

Our main stakeholders

Our stakeholder groups were identified using a structured stakeholder analysis carried out by our CSR working group and this is regularly reviewed to ensure that it is up to date. The analysis was last updated in the process of preparing this report, in collaboration with the coordination team.



Forms of stakeholder engagement

We are committed to promoting open dialogue, including on key aspects of sustainability. In 2022, we held the first-ever discussions with our most important suppliers focusing on their approach to sustainability, the challenges that the industry will face in future, the changing legal framework and the core question of energy supply. These discussions were very positively received and highly appreciated by all those involved. There is strong interest in carrying on this dialogue and continuing to learn from one another in the future.

Forms of stakeholder engagement

[GRI 2-29]

Local links and project information

We listen to our stakeholders, provide comprehensive information and communicate regularly with the public, local authorities, public agencies and key local institutions. We believe this is crucial for building productive partnerships.

Our aim is to provide all participants in the various phases of our projects with transparent, clear and understandable information, and to involve them in official procedures in good time. Our communication guidelines for projects help us to take a structured approach to achieving these goals.

Further details of our engagement with local authorities can be found in the chapter on 'Environmental protection' in the section 'Biodiversity'.

As in previous years, in 2022 our CEO Markus Mitteregger held discussions with the mayors of the most important municipalities where our operating facilities are located, exchanging views with them on future focuses, security of supply, the roadmap for the transformation of energy supply, and the energy storage facilities of the future. After a hiatus due to the Covid-19 pandemic, we successfully resumed other established forms of dialogue, offering the public the opportunity to once again take part in events including guided tours of our facilities, the Long Night of Research and open days. Events for media representatives and special days for local residents are planned in 2023.

Complaints and enquiries from external stakeholders are forwarded to the company's central departments by reception, Corporate Communications, Regulatory Liaison and Business Environment Management, and Dispatching, and are processed, recorded and fully responded to as quickly as possible. Complaints mainly relate to noise, light and other emissions, while enquiries are usually for information about RAG's operations.

Engagement with local communities

Due to our close links with the regions where we operate – which go back decades in some cases – RAG sees itself as part of the communities that host its facilities. This is why we give preference to regional procurement, as well as creating and protecting jobs in the various regions. For the good of local communities, we also support vital regional organisations such as emergency services as well as social and charitable facilities, including the social supermarket in Strasswalchen, and local authority social funds, which provide anonymous donations to families in need, in order to avoid the stigma associated with such support. We also sponsor educational partners such as Vöcklabruck Technical College and the University of Leoben, as well as cultural facilities including the Austrian National Library.

Promoting science and technology literacy among young people from the local region is very important to us. Unfortunately, in 2021 and 2022 we were unable to cooperate as planned with additional schools in Braunau, Wels and Salzburg that have been awarded the MINT quality seal for science, technology, engineering and maths (STEM). However, these activities are scheduled to take place in 2023.

Further details of our engagement with local authorities

[GRI 2-25]

SAFE FACILITIES AND WORK PROCESSES

Security of supply is our mission, and we are fully committed to achieving it.

Safe facilities and work processes

2021 | 2022

- Focus on integrity management at facilities
- Measures to protect critical infrastructure

2023 | 2024

- Improvements in operational resilience at our facilities (operational redundancy, business continuity management, restart plans)
- Implementation of measures resulting from 2022 Netz- und Informationssystemsicherheitsgesetz (Network and Information Systems Security Act) audit
- Reduction in number and volume of substance leaks through enhancement of integrity management

Security of supply

Security of supply is the core issue for the energy sector, and of vital importance to society and the economy. We work responsibly to ensure uninterrupted, affordable and secure supplies of gas for power and heat generation, and for use in industry and transportation. It is our task to provide storage capacity on fair market terms, so that energy suppliers in Central Europe can provide their customers with dependable supplies. Refilling the storage facilities is the responsibility of the suppliers we work with; it is our responsibility to ensure that the storage and other technical facilities offer high availability, and to minimise risks in the operation of these facilities.

Current and future challenges

Reliable and flexible supplies of large volumes of energy sources for Austria and Central Europe are essential to maintain stability and safeguard the region's position as a business location.

Market distortions in the wake of war in Ukraine have shown the negative impact that dependence on individual exporting countries can have. The resulting necessary diversification of import flows has brought new challenges for RAG with regard to gas quality, which we have so far successfully overcome with the help of our experts.

Alongside storage of conventional natural gas, use of RAG's facilities to store green gas is set to grow. The necessary reductions in carbon dioxide emissions and the transformation of energy systems will only be possible if electricity generated by wind and solar power installations can be stored.

[GRI 3-3]

For this reason, RAG started work years ago to ready its storage facilities for use with alternative gaseous energy forms, such as hydrogen, in order to support security of supply. Alongside increased production of biogas and synthetic gas, hydrogen will be an important pillar in tomorrow's energy supplies.

What we do to ensure security of supply

- Integrity management (facility status monitoring, damage analysis)
- Assessment of IT systems according to criticality and installation of required redundancy
- Business continuity management (BCM): formulation of the business continuity strategy, measures to improve resilience and possible recovery options following critical incidents

Further details are provided under 'Safe and resilient facilities'

Responsible persons at RAG

- Facility manager (facility availability, electricity supply)
- Integrity manager (facility status and damage analysis reporting)
- IT Department (redundant IT systems and networks)
- Internal Audit & Strategic Security Management Department (BCM, IT risk analysis)

GAS STORAGE AVAILABILITY IN 2022

99.98 %

Diversifying our own energy supplies is another important step in protecting ourselves against potential energy blackouts. Development and expansion of photovoltaic (PV) installations at our sites, and the black start capability of key facilities both play an important role in ensuring secure gas supplies.

In fulfilling our role to ensure security of supply, we also use electric compressors, which may be more environmentally friendly but are not secure against blackouts. Gas compressors are therefore required in at least some of the necessary areas of application, which in future will ideally run on green gas, hydrogen or climate neutral energy.

Guaranteeing availability

RAG Energy Storage concludes contracts on gas storage availability individually with each customer. To guarantee this availability, our facilities are carefully planned and operated. Regular maintenance and inspections are carried out in line with the applicable regulatory requirements, and often go beyond them. Facilities are continually updated to reflect the state of the art. Our target is availability of 99.5 %, excluding planned maintenance. Gas storage availability as measured by customers exceeded this target in 2021 (99.97 %) and 2022 (99.98 %).

Safe and resilient facilities

Safety and security are our number one priority, and we are committed to maintaining them whatever the circumstances. RAG Austria AG meets the highest safety standards in order to ensure a safe working and living environment for all of our staff as well as local residents and municipalities. Safe facilities and work processes are paramount, and fundamental to our success as a business.

What we need to protect our facilities against

We secure our facilities by means of early warning systems and by avoiding breakdowns before damage occurs, as well as by reducing identified risks. These include technical breakdowns due to human error, threats to facilities due to climate change (e.g. flood, storm and lightning damage), fire, and sabotage due to criminal actions of third parties.

Emergency plans ensure that RAG personnel and the emergency services are able to respond quickly and appropriately in case of a critical incident; by doing so they minimise potential damage and negative impacts on the environment.

Injury to personnel and damage to local communities in relation to critical incidents are addressed in detail in the chapters ‘Occupational health and safety’ and ‘Climate and environmental protection’.

[GRI 3-3]

What we do to make our facilities secure

We have implemented various management systems designed to ensure safe operations and secure energy supplies. These inter-locking systems cover the following areas:

- Health, safety and the environment (HSE)
- Integrity of facilities, pipelines and wells
- Information security and physical security
- Critical incidents
- Purchasing equipment, carrying out training and emergency drills with local fire services

HSE management system

This management system is described in the chapter ‘Occupational health and safety’.

Integrity management

Our integrity management system covers three focus areas: above-ground facilities (facility integrity); gas, oil and storage pipelines (pipeline integrity); and casings and well fittings (well integrity). We use established risk assessment systems to evaluate facilities’ resilience in the face of disturbing influences and exceptional operating states. For example, steps can be taken to minimise the risk of an outage and to enhance system-recovery capability. These factors are highly significant for RAG in its role as part of Austria and Central Europe’s critical infrastructure, which is also assessed using black-out scenarios. A high-level integrity manager, who is a member of the Internal Audit & Strategic Security Management (IRS) Department, prepares a central report containing full information from the three focus areas in the integrity management system, and implements corresponding technical projects.

Our storage facilities have to keep functioning, come what may, and be ready to spring into action at any time. This is our day-to-day business, supported by a lot of high tech behind the scenes.

Management of critical incidents

Fast, coordinated action is decisive in emergency and crisis situations. Within its HSE management system, RAG has developed emergency management procedures that are triggered in the event of operational incidents or emergencies. These comprise emergency plans for our facilities to ensure an effective response to incidents, as well as the related documentation (gas alarm plan, fire protection plans, escalation chains, emergency contacts, pocket manual). Emergency management coordination by RAG Dispatching, and on-call facility managers guarantee a rapid response to any incident around the clock. We work closely with local emergency services such as the fire service and ambulance service when drawing up emergency procedures, and carry out regular drills and training. RAG has implemented a crisis management procedure to tackle company-wide crisis and beyond, in which the Executive Board works with an internal task force to coordinate measures across the company as well as crisis communications.

Information security management system (ISMS)

This system provides for structural risk analyses for IT risks, and includes structures designed to maintain information security in IT systems and raise awareness of security issues within the company. Measures derived from the ISMS reduce the risk of unauthorised manipulation of facility controls, failure of IT systems and successful cyberattacks. As an operator of critical infrastructure, we have a clear responsibility to safeguard our IT systems. The audit required in accordance with the Austrian Network and Information Systems Security Act was carried out at the end of 2022. Deficiencies identified in the audit report and any recommendations made by the administrative authority will be prioritised in our ISMS and solutions implemented within the required time frame.

Physical security of facilities

Structured, comprehensive planning and monitoring of the physical security of our facilities helps to prevent unauthorised entry, protecting against theft, unauthorised manipulation and sabotage. Based on RAG's corporate policy for physical security, security measures are determined in consultation with the facility manager according to relevance and the risks facing each facility, and implemented. These include technical installations such as fence systems, entry controls and surveillance systems, as well as organisational measures including security personnel and training.

Continuous improvement processes are embedded in each of the management systems listed above. Incident reporting and incident analysis giving rise to measures for improvements are defined in the HSE management system. Technical incidents are recorded in a damage catalogue as part of the integrity management system, so that improvements can be introduced.

The following departments and functions are responsible for the security of our facilities:

- HSE Department: HSE management
- Integrity Manager: well, facility and pipeline integrity
- Chief Information Security Officer (CISO): information security management and IT security
- Facility managers at each facility: emergency management, implementing physical security measures and cooperation with the fire service
- Strategic Security Management Department: crisis management

With supply chains that stretch across the globe, the Purchasing Department also plays an important role. This department must source the equipment and materials required for maintenance and servicing of our facilities, and maintain cost-efficient stocks so that we are able to fulfil our contracts with customers and ensure security of supply.

Clear responsibilities and communication channels, e.g. committee meetings and management reviews, are defined in the management systems. The Executive Board reports to the Supervisory Board on HSE activities and integrity matters, on a quarterly basis.

Depending on the significance of an incident, public authorities, project partners and owners are informed in accordance with the HSE management system.

In 2021 there were three incidents in which harmful substances were released. In October a plastic pipe ruptured during decommissioning of a pipeline, and a mixture of crude oil and water, estimated at less than five cubic metres in volume, contaminated the surrounding soil. 32 tonnes of contaminated soil was properly disposed of, so that living organisms would not be harmed and the surrounding environment would not be affected (water, soil). In December 2021, a leaking well at a storage facility released approximately 500 cubic metres of methane, and the same quantity of greenhouse gas emissions was released at the surface production facility of a natural gas production site, due to a leaking column. There were no incidents resulting in significant leaks in 2022.

[GRI 306-3]

Occupational health and safety

We have set ourselves the goal of achieving zero accidents in all our activities. This commitment not only reflects our duty to be a responsible employer, but also to ensure that our operations run smoothly. A dedicated management function within the internal HSE management system supports continuous improvement, with a view to strengthening executives', employees' and contractors' awareness of their direct responsibility for health and safety, ensuring the safety of our employees, and implementing a range of preventive measures designed to protect and promote their physical and mental health.

HSE management system

The HSE management system covers all areas of responsibility relating to health, safety and environmental protection, and forms a binding basis for work in every area of activity. The measures we have implemented go beyond compliance with legal regulations. RAG supports and facilitates a common understanding of health, safety and environmental protection among all employees and external contractors.

RAG's HSE management system defines the following: the company's HSE policy and HSE goals, clear responsibilities, safety structures, the risk assessment methods to be used, control measures, corrective actions and continuous improvement. The HSE management system is regularly updated and approved by the Executive Board.

Hazard identification, risk assessment, and incident investigation

By identifying and assessing potential hazards and risks, and investigating incidents, measures are implemented to avoid interruptions to operations due to work-related accidents, injuries, and mental or physical health problems resulting from excessive workload. Risks are assessed in line with statutory regulations (the Austrian ArbeitnehmerInnenschutzgesetz [Employee Protection Act]). Hazard assessment results are summarised in the corresponding health and safety protection documents.

Analysis of critical incidents, such as injuries to employees or near-misses with a high potential to cause injury, is also defined in the HSE management system.

The basis for the prevention and minimisation of accidents and negative health impacts comprises:

- A highly developed safety culture within the company
- Assessments in accordance with the Employee Protection Act
- Training and manuals for employees
- Inspections, audits and reporting of unsafe actions/ situations and near-misses

[GRI 3-3, GRI 403-1, GRI 403-2, GRI 403-9 d]

We are aware of our responsibility for the safety of our employees. This is the only way we can supply energy safely, reliably and without maintenance outages.

Occupational health services

In the course of regular visits to operations, our occupational health physicians assess work spaces and give the employer and employees specialist, detailed advice on all matters related to occupational health. They also carry out examinations of employees in accordance with the Employee Protection Act.

The physicians provide summaries of their activities to the Health Committee and the Occupational Health and Safety Committee, and are also involved in the evaluation process for approving working materials.

The occupational health service provider is the controller of personal data relating to health. RAG only receives necessary information in respect of suitability for carrying out duties, and the request for the next examination, in line with the intervals prescribed by law.

Employees have the opportunity to undergo voluntary examinations relevant to their duties, for example working with display screen equipment or carcinogenic substances.

Worker participation, consultation, and communication on occupational health and safety

The HSE management system defines the working parties for occupational health and safety, and the safety officers, as well as internal communication channels.

Employees may consult the HSE Department or occupational health and safety officers at any time, and not only during corresponding site visits. Every employee has access to the RAG intranet and the internet, and thereby to all relevant documentation and information, including the company's weekly HSE newsletter.

RAG has voluntarily established an Occupational Safety Committee, which meets twice a year to discuss all relevant matters as well as discuss and determine corresponding measures for improvements. HSE is also a fixed item on the agenda for weekly and monthly meetings at all facilities.

Training

All staff take part in regular training to ensure the development of their skills. Training activities are defined in each employee's job description and are discussed in annual staff appraisals. Training documentation and compulsory regular refresher courses are managed using the training database.

Promotion of worker health

The health of our employees is one of RAG'S highest priorities. Our internal health programme is aimed at creating incentives to participate in health promotion activities. Employees can select activities related to exercise, nutrition, revitalisation or medical consultation, with the thematic focus changing from year to year. Activities are evaluated by participants using feedback forms. Our aim is to support sustained improvements in health by offering low-threshold access to medical examinations, consultations and regular activities. The annual health promotion programme is drawn up based on staff surveys or direct suggestions as well as the recommendations of the RAG Health Committee, and in line with the year's thematic focus. The theme in 2021 was 'Listen to your gut', and in 2022 it was 'Strengthening the immune system with movement and nutrition'. In 2023 the theme of preventive health links all of the activities on offer.

[GRI 403-3, GRI 403-4, GRI 403-5, GRI 403-6]

The RAG Health and Sports Day has been held annually since 2021, and has proved very popular. Information on all activities and other services is provided in news articles on the RAG intranet and/or in e-mail newsletters.

Doctors and therapists who provide consultation only share (medical) results and reports with the participating employee.

Occupational mental health consultation and support

We place a special emphasis on the prevention of mental and psychosocial health issues. Based on an evaluation of psychological stress factors in the workplace, action areas have been identified under the following themes: posture; working environment; and work organisation and praise/ recognition from superiors.

With regard to posture, we are looking at ways to integrate changes of posture into daily work routines. In terms of the working environment, high temperatures in office buildings during summer were a focus. A centralised air conditioning project was initiated in 2021 and has already been completed.

Individual (occupational) psychological counselling for employees is also important to us. A mental health emergency plan was drawn up in 2022 to provide immediate support in acute situations as well as straightforward access to help in case of a mental health issue. Training of mental health first aiders was introduced in 2022 and will continue.

Employees can also obtain support from the Employee Assistance Programme (EAP). When needed, support from the occupational health service provider's occupational psychologists is also available.

RAG has been awarded the Austrian Health Ministry's quality seal for workplace health promotion since 2013; the seal for the 2022 – 2024 period was received in 2022.

Prevention and mitigation of occupational health and safety impacts directly linked by business relationships

Contractors working at our operations and supporting provision of services receive comprehensive information and instructions for carrying out their work at our facilities and in our buildings. Acceptance of and compliance with our Safety Regulations for Contractors is a mandatory part of the contract. After receiving instruction in the form of an abridged version of the Safety Regulations for External Contractors, each person carrying out work must demonstrate their understanding of the instructions in a written test prior to the commencement of work. Contractors who pass the test receive a safety sticker, valid for one year, as a visible indicator that they are familiar with the safety requirements. The completed questionnaire, including the sticker number, is archived electronically.

In addition to the health and safety measures designed to protect our own workforce, we also integrate contractors closely into our safety activities. For example, we make sure that everyone involved in a project has a common understanding of safety issues in a kick-off meeting before the project starts. Immediately before work starts, we insist that all those involved perform a last minute risk analysis, to ensure they are aware of risks and take appropriate precautions for their own and others' safety.

The current shortage of qualified staff also represents a safety issue, confronting RAG and its contractors with new challenges. As a result we are paying even closer attention to strict observation of all safety measures, by means of more frequent supervision and inspection of construction sites, and regularly reminding employees to report safety risks in the internal reporting system or to HSE staff.

Last-Minute-risk analysis

[GRI 403-7]

Disclosures: Occupational health and safety

Disclosures include all employees.

RAG Austria AG		2022			2021			2020		
Disclosures	**Basis**	**Own employees**	**Contractors' employees**	**Total**	**Own employees**	**Contractors' employees**	**Total**	**Own employees**	**Contractors' employees**	**Total**
Work-related fatalities	Number	0	0	0	0	0	0	0	0	0
Work-related fatalities	per million hours worked	0	0	0	0	0	0	0	0	0
High-consequence work-related injury	Number	0	2	2	0	1	1	0	0	0
High-consequence work-related injury rate	per million hours worked	0	6.15	6.15	0	3.10	3,12	0	0	0
Total accidents (TRI)	Number	0	6	6	0	2	2	0	2	2
Total recordable injury frequency (TRIF)	per million hours worked	0	18.75	18.75	0	6.3	6.3	0.00	6.29	2.86
Near misses (BU)	Number	26	19	45	12	5	17	32	5	37
Lost workdays	Number	0	162	162	0	270	270	0	62	62
Hours worked	Number	375,000	325,000	700,000	378,000	322,000	700,000	382,000	318,000	700,000
Lost time incidents (LTIs)*	Number	0	6	6	0	1	1	0	2	2
Lost time incident frequency (LTIF)**	per million hours worked	0	18.75	8.57	0	3.1	1.43	0,00	6.29	2.86
Severity of injury	Lost workdays/LTI	0	27	27	0	270	270	0,00	31.00	31.00

* The standard for recording incidents is defined in the HSE management system. An LTI is already counted at RAG from the first lost workday. If an incident occurs in 2022, the recovery period is still ongoing. The days in 2022 are given in this report, the further duration will be considered in the next report.

** LTIF: Lost time injury frequency

In 2021, a contractor seriously injured his leg when a trench collapsed; the stability of the soil had been misjudged and the soil had been weakened by heavy rain. In 2022, a RED employee sustained a very serious injury to his finger with tubing pliers. In both cases, appropriate accident analyses were carried out and technical measures were discussed in order to prevent similar serious incidents.

[GRI 403-9]

SUSTAINABLE ENERGY SOLUTIONS

Innovation and technical success is what drives us – it’s in our DNA.

Sustainable energy solutions

For many years now, RAG has been working tirelessly to develop new technologies that will make it possible to store and utilise large volumes of renewable energy efficiently. Our goal is to maximise security of supply to the fullest extent possible through energy storage and sustainable energy solutions.

As energy generation from erratic renewables such as solar, wind and hydro increases, so does the need for storage facilities that can be used to balance out the seasonal swings from energy surplus (excess solar energy in summer) to deficit (increased demand due to low temperatures and weak sunlight in winter). This is the only way of uncoupling renewable generation and its short-term consumption, which in turn makes it possible to safeguard security of supply all year round and create a needs-based structure on an industrial scale, while at the same time protecting the climate and the environment for future generations. To do this, we aim to make use of existing gas infrastructure, comprising storage, pipelines and wells – this will form the basis of a climate-friendly and affordable renewable energy system in the future.

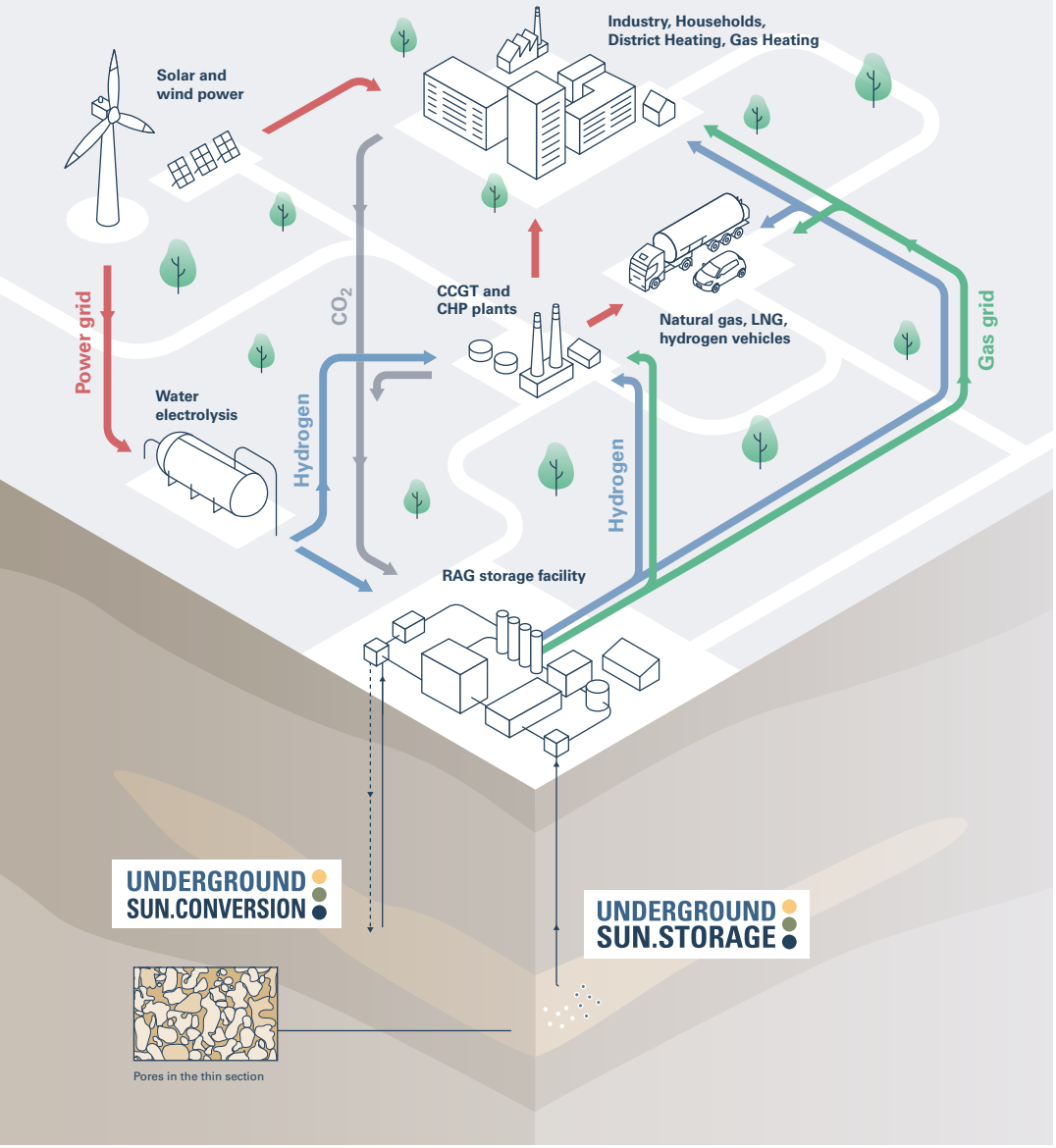
Making renewable energy storable

Our facilities, such as Underground Sun Storage, have shown that it is possible to make renewables storable, while at the same time also safeguarding supplies of these energy sources by converting them into hydrogen – an essential component of the energy future that we have already put into practice. Increased use of solar and wind power, and their conversion and subsequent storage in the form of hydrogen, will also require further spending on technology development and significant investment in storage technologies over the coming years. This will involve expanding hydrogen production in Austria and Europe, as well as the development and extension of high-capacity hydrogen storage facilities.

RAG's innovative research projects, including USS 2030, USC Flex Store and Carbon-Cycle Economy Demonstration (C-CED), are aligned with Austria's climate and energy strategies, as well as with the EU-wide climate protection initiatives and the energy market steering measures required to implement them. As part of its long-term strategy, RAG has introduced a wide-ranging investment programme aimed at significantly reducing its own emissions and converting the company's operations to sustainable renewable energy supply, as well as enabling the company to play a decisive part in Europe's energy transformation by way of pioneering power-to-gas and decarbonisation projects.

Building on our resources, infrastructure and know-how, we are working on sustainable energy solutions that will drive the energy system of the future.

[GRI 3-3]



Underground Sun Storage

With ‘Underground Sun Storage‘, the world‘s first pure hydrogen storage facility in an underground porous reservoir, RAG Austria AG and its project partners of the Austrian energy community are setting new international standards. This project builds on findings from predecessor projects, in which it was demonstrated that a hydrogen content of up to 20 % can be stored in natural gas reservoirs in a well-tolerated manner. In this unique cross-sector demonstration facility recently constructed in Gampern, Upper Austria, solar energy is converted into green hydrogen by water electrolysis and stored in pure form in an underground natural gas reservoir.

The scale of the storage corresponds to the summer surplus of about 1,000 photovoltaic systems on family homes. In summer, this surplus energy is stored and in winter the green energy can be provided again in the form of electricity and heat. We bring 4.2 million kWh (4.2 GWh) of summer electricity in the form of hydrogen into the winter and thus secure the supply of renewable energies.

Underground Sun Storage

- Project start: march 2021
- Commissioning of the plant: April 2023
- Evaluation phase until 2025 - experience with production, gas processing and hydrogen purification
- Findings can be expected on an ongoing basis from the first withdrawal phase in winter 2023/24. From then on, the hydrogen will be used for the company‘s own energy consumption and to reduce its own emissions.

Strategy for the sustainable use of former production sites

Our reservoirs are valuable and sustainable resources

‘Sustainable energy mining‘

RAG is pursuing a strategy for the sustainable after-use of former production sites. Under the banner of ‘sustainable energy mining‘, it centres on the use of natural reservoirs in porous sandstone strata (which are called pore reservoirs). Each of our reservoirs is evaluated to assess its long-term suitability for energy storage, green gas or geothermal projects.

A large proportion of our underground natural gas reservoirs have already been converted into storage facilities for natural gas and other energy forms. The reservoirs are valuable and sustainable resources which ensure security of supply for Austria and Central Europe, and are a key component of a sustainable energy future. They enable significant volumes of conventional natural gas to be stored, and in future they will form the basis for seasonal storage of green gas and hydrogen, which can then be supplied in large quantities whenever they are needed. This is security of supply in action.

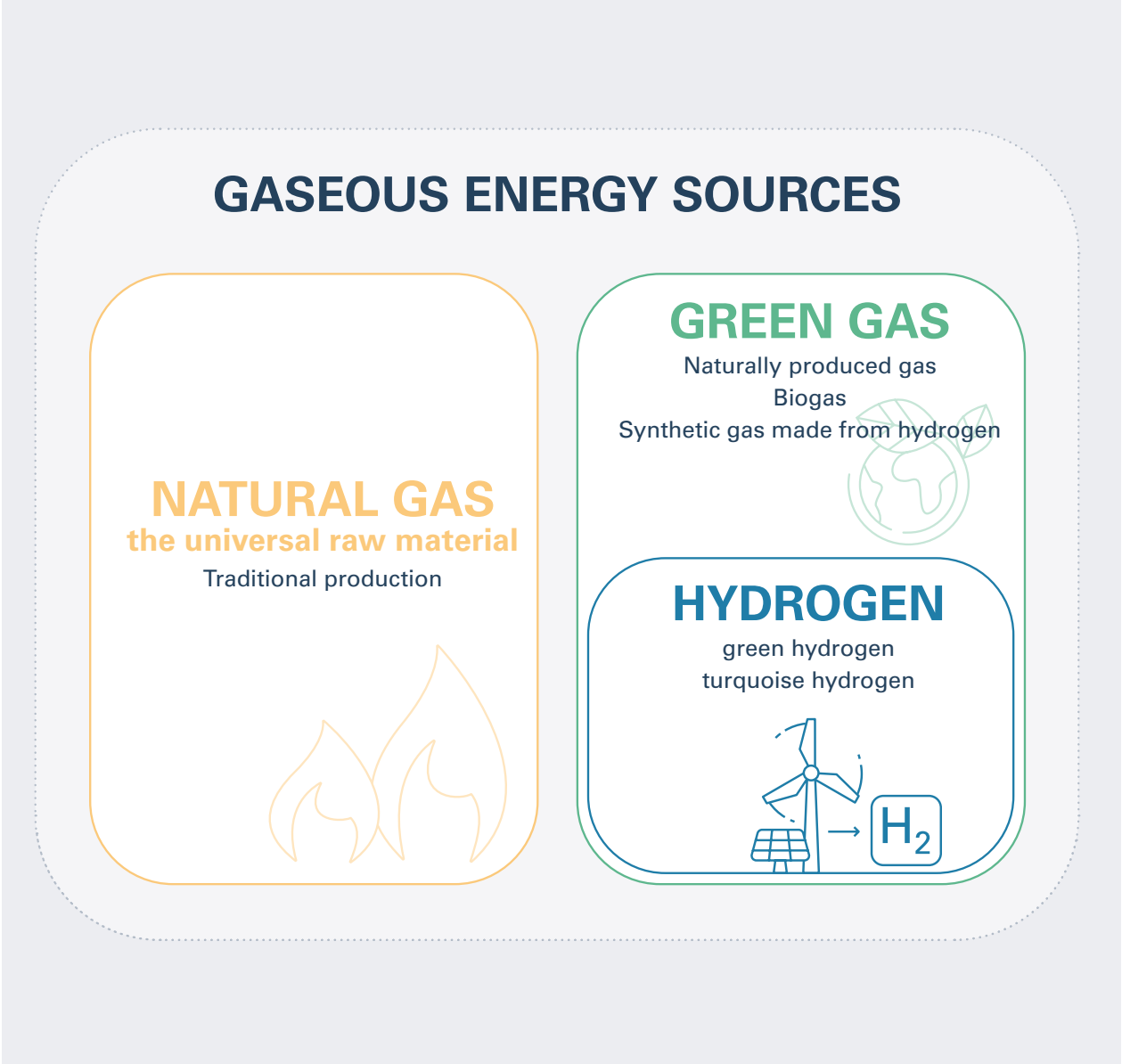
RAG’s ‘sustainable energy mining‘ concept also means that existing production infrastructure – pore reservoirs, above-ground facilities and pipeline systems – can be put to efficient use as sustainable regional energy centres, and expanded. At the same time, operations will be climate-neutral.

Renewables and gas – the future is gas

Switching to gas, not phasing it out: because it is sustainable, storable and provides large volumes of energy, green gas – like hydrogen – is paving the way for the climate-neutral energy supplies of tomorrow. In future, green gas and clean hydrogen will play a dominant role in ensuring supplies of electricity and heat, and as a transportation fuel. Whether in the shape of hydrogen produced by means of water or methane electrolysis, biomethane, synthetic natural gas or naturally produced green gas from our Underground Sun Conversion project – gaseous energy sources are the future.

The term ‘green gas’ refers to all gaseous energy forms that enable carbon-free, low-carbon or carbon-neutral production and consumption: this is why RAG is concentrating on combining the gas storage business with renewable energy forms – what we call ‘renewables and gas‘. In the future, we will use natural gas as a raw material for CO_2-free hydrogen production and high-value carbon, which can be used as a base material for batteries, insulation, tyres, construction materials and steel, or in agriculture as a soil conditioner.

Building on our resources, infrastructure and know-how, we are driving forward the development and roll-out of innovative, groundbreaking, carbon-neutral energy solutions based on green gas technologies.



A precious raw material: rethinking oil and gas

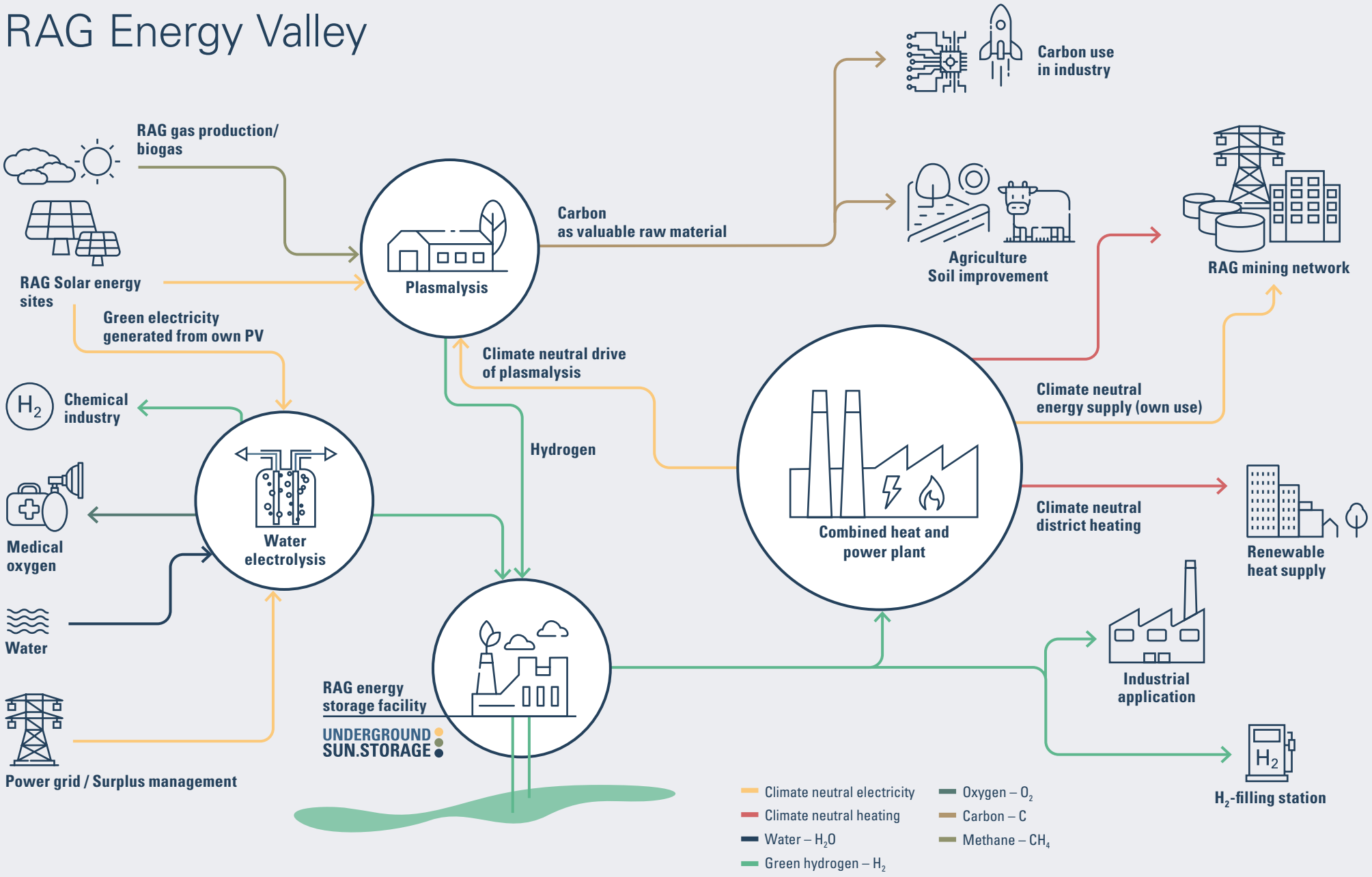
In the current energy and geopolitical situation, with insecurity surrounding imports of primary products, domestic production of oil and gas has again become a key issue. It is our responsibility to extract and exploit local mineral resources in an eco-friendly way. In addition, oil and gas are major and indispensable raw materials for the chemical industry, and play an important part in economic and industrial policy. Above all, durable products such as bitumen sheeting, varnishes, paints, oils and lubricants – which, among other things, are used for sustainable energy production (e.g. wind turbines) and e-vehicles – are derived from valuable domestic crude oil and are also essential for non-energy-related applications. What's more, they help to secure jobs in Austria and create added value. According to the terms of its national concessions, RAG is both entitled and obliged to produce raw materials efficiently and in an environmentally sound manner from the discovered resources in place. The Austrian Federal Government's Master Plan Raw Materials 2030 (published in October 2021) explicitly provides for raw materials at existing fields to be extracted as fully as possible.

RAG Energy Valley

Combining climate protection with security of supply and carbon-neutral energy supplies for rural districts and built-up areas under one roof is the focal point of the RAG Energy Valley project in Krift near Kremsmünster. This will be made possible by the finely tuned coordination of generation, conversion, storage and use of green energy and key raw materials. Summer solar energy will be made storable by converting it into hydrogen, for use in winter to provide power and heat for industry and households, and as transport fuel. This will create a hub for a carbon-neutral energy future in Upper Austria, which can also provide secure, year-round and green energy supplies for large urban centres such as Vienna, Graz and Linz. Another advantage of the RAG Energy Valley project in Krift is that value added remains in the region, and its standing as a business location is strengthened.

We believe the future of oil and gas lies in their use as raw materials instead of as heating or transportation fuels. Because for those we'll have green gas and hydrogen!

RAG Energy Valley



Sustainable gas-powered mobility

When it comes to transportation and mobility, the transition to a climate-neutral future will only be possible – be it directly or indirectly – if we harness gaseous energy sources. Because totally green mobility requires vehicles that run on hydrogen, biogas or electricity – and climate-neutral gaseous energy sources are the only way to ensure stable supplies of all these fuels.

We are already working on solutions geared towards creating the energy future. Since 2017 the company has been employing ultra low temperature compression (ULTC) technology to manufacture low-emission liquefied natural gas (LNG) fuel, which is marketed highly successfully at three filling stations: two in Upper Austria (Ennshafen/RAG and Ort im Innkreis) and one in Styria (Graz), in cooperation with filling station operator Leitner.

LNG is ideal for long-haul routes, and hence for HGVs. Trucks powered by LNG (as well as bio-LNG or, in the future, hydrogen) can cover more than 1,500 kilometres with a 40-tonne load on one tank of fuel. They are more environmentally friendly than diesel vehicles, as their emissions are significantly lower.

Opting for liquefied biogas (LBG) means that truck operation is carbon-neutral, as the gas is renewable and is also locally produced in Austria. RAG has a long track record as a pioneer in the use of LNG technology in transportation.

Methane electrolysis

World wide's most modern facility for efficient carbon and hydrogen production is currently under construction in the RAG Energy Valley. CO_2-free production of hydrogen by splitting methane into hydrogen (H2) and carbon (C) requires only a quarter of the renewable energy needed for water electrolysis.

This revolutionary plant will be commissioned in 2023 and will then be able to supply our local facilities – and the wider region – with zero-carbon electricity and heat from the on-site hydrogen-powered CHP station all year round.

C-CED

Launched in 2021 and scheduled to run until 2025, the C-CED project – a follow-up project at the Underground Sun Conversion site in Pilsbach, Upper Austria – will carry out trials aimed at establishing a sustainable, closed carbon cycle, paving the way for the use of CO_2 as a raw material and its storage in the form of methane.

C-CED combines various CO_2 capture and recycling technologies. A pilot facility will extract CO_2 from various sources, including the air, flue gases from the steel industry, and biogas, and then convert it into valuable, renewable methane (which is known as geo-methanation), thereby enabling it to be stored.

H2 EU Store

H2 cross border

H2EU+Store and H2 cross border

The focus of the H2EU+Store project is ramping up and accelerating production of green hydrogen for use in Europe, as part of the climate-neutral energy future. Against this backdrop, the project will involve creating the required capacity for renewable energy and hydrogen production in Ukraine, as well as expanding storage capacity in Austria and Germany and making adaptations to gas transmission to Central Europe to allow for imports of significant volumes of hydrogen.

The H2 cross border initiative will model the entire value chain – from production and storage to cross-border transportation to consumers. RAG Austria AG has been producing hydrogen in Pilsbach, Upper Austria, since 2015 as part of its research into seasonal energy storage; the hydrogen produced there has been certified as green hydrogen by TÜV Süd. As the next step, RAG Austria registered its hydrogen production facility in the Austrian biomethane register. The German project partners are working on logistics, transportation and distribution. Under the project, a customer in Bavaria will also receive cross-border deliveries of green hydrogen for the first time, turning the vision of a supply chain that extends to final consumers into reality.

For further information, visit
www.h2euplusstore.com/en

CLIMATE AND ENVIRONMENTAL PROTECTION

Resource conservation and climate protection start on our own doorstep. And that is what we are working on.

Climate and environmental protection

2021 | 2022

- Implementation of an emission management system
- Conversion of additional well sites to solar energy plants

2023 | 2024

- Continuation of a reduction programme for methane emissions
- Exchange of natural gas-fuelled CHP units for hydrogen-ready equivalents
- Installation of additional solar arrays
- Introduction of e-vehicles to the company fleet

Climate protection

Protecting the climate is a core focus of a sustainable energy system.

We want to make a significant contribution to the success of the European Union's Green Deal initiative and the decarbonisation of Europe by developing and implementing projects related to environmentally friendly energy storage.

We are aware that GHGs and airborne emissions are currently generated through the operation of our plants, extraction and storage of oil and gas, and by the subsequent use of these raw materials in the regional supply of electricity, heat and transportation fuels. Our aim is to reduce such emissions and we are working to do so in all of the areas that we are able to influence. Climate protection and ensuring security of supply at the same time present us with major challenges; the aim is to cut our greenhouse gas emissions to zero by 2040 at the latest, while our airborne emissions also need to be cut significantly during this period.

The EU continues to see natural gas as a bridging technology in the transition to renewable forms of energy. In terms of the European taxonomy, too, there is now recognition that natural gas will also have to be used for energy generation in the medium term, especially in cold seasons. RAG is making a significant contribution to Austria's energy supply independence through the provision of locally-produced, domestic natural gas that does not involve lengthy transportation routes from abroad. This likewise applies to Austrian crude oil production, where crude oil is taken by rail for high-quality processing or refining in the refinery by the shortest route. As a basic material for the chemical and petrochemical industry, crude oil remains an indispensable component in the supply chain. The multitude of complex, naturally occurring chemical compounds found in crude oil are indispensable for organic chemistry producers' operations. Production, storage and transportation are all carried out in strict compliance with the most stringent safety standards to help protect people and the environment.

[GRI 3-3]

Greenhouse gas emissions

Since 2020, the company strategy and business plan have formulated targets for reducing GHG emissions. Following approval by the Supervisory Board these are backed by a substantial budget each year. The company's long-term objectives are also constantly updated and fine-tuned as part of the annual definition of its goals. To help implement the measures needed to achieve our strategic emissions targets, a central energy and emissions management office was implemented in February 2021. Its manager – whose responsibilities include ongoing energy monitoring as well as analysis of consumption (electricity, gas, heat, etc.) and the evaluation and implementation of potential energy-saving measures – reports directly to the Executive Board.

The company has been conducting measurement campaigns using state-of-the-art measuring equipment to facilitate internal monitoring and inspection of the operating facilities for several years now. This process allows us to take specific measures to help reduce our methane emissions.

We are also trying to cut greenhouse gas emissions at our plants by planning our maintenance and monitoring activities as effectively as possible. The recovery and recirculation of gas is being promoted through expansion in low-pressure systems and extraction techniques.

In terms of investment projects that generate emissions as part of ongoing operations, the most important Scope 1 emissions of the relevant greenhouse gases are already taken into account during the approval process for project applications. Preference is given to low-GHG or GHG-free investments despite the higher investment costs. Already on hand to provide consulting support in the planning phase, the emissions manager is also responsible for assessing emissions as part of the approval process.

We are reducing transport-related emissions through the use of vehicles with alternative drive systems, such as electric cars and a natural gas-powered fleet of cars with CNG or LNG for heavy goods transport. We are supporting these measures by rolling out the necessary refuelling infrastructure (RAG'S own charging points, and CNG and LNG filling stations) and the steadily increasing use of biomethane. This move also has the potential to cut fine particulate emissions significantly compared to conventional fuel types.

RAG is actively involved in various national and international committees concerned with establishing regulations for limiting methane emissions in the EU. In Austria, we are participating in national projects to determine emission factors in the natural gas sector while also playing a role in the Austrian Association for Gas and Water's (ÖVGW) technical working group for the reduction of methane emissions.

In 2022, we substituted the natural gas-powered units needed for energy production at the combined heat and power plant in Voitsdorf with hydrogen-ready equivalents. The design phase for the replacement of the storage compressor drives at the Puchkirchen site will start in mid-2023. The switch from gas turbines to electric propulsion is expected to begin in 2025. Virtually 100 % inert gas utilisation and recycling was achieved in the CHP plant in Puchkirchen.

Airborne emissions

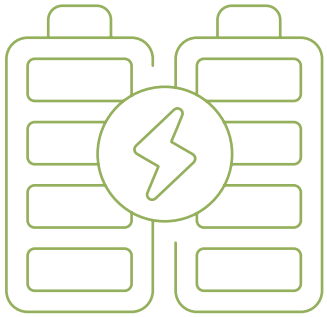
All of our facilities operate within the officially mandated framework. We continuously demonstrate compliance with the applicable limits, with evidence provided by independent testing institutes. In addition, to further minimise emissions, continuous emission monitoring is now being installed at critical points. Here, too, the aim is to achieve seamless monitoring and accounting of atmospheric emissions. In parallel, alternative technologies to reduce airborne emissions are being examined and, if possible and feasible, installed at our plants. Due to the use to date of natural gas as a fuel, which is chemically very precisely defined, RAG only generates very limited categories of other airborne emissions. The fine particulate emissions from using gas, for example, are negligible. Even so, the company is also pursuing the goal of reducing or completely avoiding airborne emissions, specifically with a view to enhancing climate protection. Ongoing energy efficiency gains help us to avoid using additional quantities of natural gas, which itself brings about a significant reduction in emissions. Information on ongoing projects to cut energy consumption and enhance energy efficiency is published in the annual energy report, while key figures and performance indicators are used for control and continuous improvement purposes.

Own energy demand

We already produce the energy required to operate our facilities ourselves wherever we can, and use it efficiently. The facilities currently in operation produce about 20-30 % of our company's total average electricity demand.

We want all of the energy demand at our plants to be covered by renewable sources by 2040 at the latest. This will involve the gradual changeover of well sites into solar energy plants (known in the company as 'Sonnenplätze') equipped with photovoltaic systems.

In autumn 2021, a 309 kWp plant was commissioned in Sierning. And in 2022, various similar projects were launched, such as the photovoltaic system at the company premises and car park in Gampern (approx. output 260 kWp). In the first half of 2023, construction will start on a large-scale plant in Voitsdorf with a planned output of around 1,000 kWp. More projects will follow over the coming years.



44 MWh/m Nm³

Energy intensity of storage facilities

Disclosures: Climate protection

2022 started with high withdrawal rates leading to low storage levels. In response, the quantity in storage was restored to high levels in preparation for the winter of 2022/23 in light of political uncertainties. Both of these operations require large amounts of energy which, in turn, translates into a higher energy intensity.

In 2020, comparatively little energy was required at storage facilities due to exceptionally low volume movement and the resulting reduced compressor operating hours.

Energy and emissions	Basis	2022	2021	2020	2019	2018
Total energy consumption within the organisation	GWh	453.1	379.2	257.0	385.6	426.2
Fuel consumption within the organisation[1]	GWh	331.3	324.1	218.0	264.5	300.8
Electricity consumption[2]	GWh	162.5	103.9	78.2	157.0	166.8
Energy intensity of storage facilities[3]	MWh/m Nm³	44	33	33	57	41
GHG (direct, Scope 1)[4]	'000 t CO_2-equivalent	71.0	74.7	54.3	64,0	72.1
GHG (direct, Scope 2)[5]	'000 t CO_2-equivalent	50.0	31.3	23.7	66.5	57.7

Energy demand is met almost exclusively by natural gas and electricity. The majority of the required electricity is either procured externally or generated by the company's own facilities. Surplus electricity and heat are supplied to other users (for a fee).

1 Includes total fuel consumption at the facilities which is heavily dependent on use by the plants, as well as consumption for electricity and heat generation at power plants.

2 Only includes externally procured and consumed electricity; own generation is included under fuel consumption.

3 Energy intensity of the storage facilities refers to the use of energy specifically for injection of gas into and withdrawal from storage facilities. As a result, this value is also an indicator of the efficiency of gas storage facilities.
Energy intensity fluctuates in line with annual storage use (nomination, max./min. TOV) and therefore does not necessarily reflect the continuous efficiency gains.

4 Scope 1: based on the global warming potential set out in the IPCC Fourth Assessment Report (AR4 – 100 years, GWP 25); the Environment Agency Austria factor of 2.025 is used to calculate direct carbon dioxide emissions from the combustion of methane.

5 Scope 2: Determined according to the product mix stated on the invoices of external electricity suppliers..

[GRI 302-1, GRI 302-3, GRI 305-1, GRI 305-2]

Environmental protection

Together with safety, environmental protection and responsible stewardship of Austria's natural resources are paramount in all of our activities and work processes.

Our goal is to minimise the impact of our operations on the environment, and to embed climate protection measures in all of our operational processes.

In order to underpin a systematic approach and continuous improvement, a responsible attitude to the environment is a core element of our HSE management system.

Risk analysis

Environmental protection is built into the planning process for all plant construction projects. A combination of technical and organisational countermeasures are taken to guard against potential risks. Our facilities are monitored using intelligent systems that immediately spot deviations from normal operational status, and trigger automated responses that are followed up with prompt action by our well-trained staff. RAG uses state-of-the-art maintenance and management systems to monitor preventive environmental protection activities (see 'Safe plants and work processes' for further details).

On a basic level, RAG's HSE Department is responsible for the HSE management system. When planning and implementing projects, the project managers must take the related environmental issues into account, in consultation with the Regulatory Liaison and Business Environment Management Department. In some areas, we draft in external support – the appointment of an external waste officer as a waste management consultant being a case in point.

Biodiversity

Preserving biodiversity and natural ecosystems is an important part of the fight against climate change, as well as playing an essential role in food security and the wealth and economic prosperity of our society.

We recognise that our activities have an impact on the landscape, on habitats and on the use of natural resources. To keep this to an absolute minimum, protecting nature (natural/social environment) is taken into account for each project in the course of the environmental analysis. Before a gas field development can go ahead, the site is carefully selected so as to minimise the amount of land used, as well as emissions, land clearance and intrusion into the landscape.

[GRI 3-3]

The findings of the environmental analysis are then used to shape the actual plan, after which a suitable solution is identified before appropriate measures are taken in consultation with all of the landowners and communities concerned, as well as with local authorities, nature conservation experts and planners. We also aim to steadily extend our cooperation with stakeholders to take account of their varying requirements and interests from an early stage.

Every activity requires official authorisation, with mining activities in particular falling under the Mineral Resources Act. At this stage, the prerequisites for a case-by-case assessment for the performance of an environmental impact assessment according to the Umweltverträglichkeitsprüfungsgesetz (Environmental Impact Assessment Act) 2000 are reviewed for each mining installation and the results included in the submission dossier. In addition, depending on the project and the respective location, permits are also required under the terms of various Austrian laws including the Natur- und Landschaftsschutzgesetz (Nature and Landscape Conservation Act), the Wasserrechtsgesetz (Water Rights Act) and the Forstgesetz (Forestry Act). The legal areas involved are examined very closely in the course of the environmental analysis for each individual project with a view to keeping the impact of any activities as low as possible. Depending on the scale of the project, calculations of emissions such as noise and air pollution are carried out and these issues are added to the procedures if it is deemed necessary.

It goes without saying that we always adhere to the strict legal regulations and voluntarily go beyond them. At RAG, the overarching aim is to prevent any intrusion into the natural environment to the fullest extent possible, to avoid activities located in or adjacent to protected and biodiverse areas, and to do our utmost to protect areas of high biodiversity.

If land clearing measures are required for a project, they are only approved for the area or areas where it is absolutely unavoidable. Areas temporarily affected by clearing are reforested with suitable species once construction activities are completed. For permanent clearance, compensatory measures are carried out to offset the loss of forested land and to safeguard the natural effects of the forest. This can take the form of offsetting forestation on another plot of land and bearing all the associated costs relating to protection, improvement and maintenance measures, or payment of compensation to fund forestation projects elsewhere in accordance with the Forestry Act.

Depending on the size of the project, mitigation measures are already taken into account while the conservation procedure is still in the planning stage. These can be compensatory measures such as groups of shrubs or hedges planted directly on site, or compensatory payments to conservation projects on land in nature conservation areas (such as moorland regeneration schemes).

To prevent the introduction of neophytes, areas such as depressions and humus storage areas – which arise to varying degrees around mining facilities due to the topographical conditions – are professionally rewilded.

[GRI 304-2, GRI 413-1, GRI 413-2]

Operating locations

The presence of certain geological structures has a direct bearing on the siting of mining facilities. This means that mining facilities – unlike other types of facility – can or must only be built where the corresponding rock structures occur below ground and can be reached and used. Even so, RAG's overarching priority in this respect is not to build its own, or rented and managed operating sites in – or next to – protected areas and land with high biodiversity. This also applies in particular to habitats and areas that are home to protected species.

Only one of RAG's operational buildings is located on the fringes of a groundwater protection area: the plant at the Oberkling underground gas storage facility in the Lachforst groundwater protection area.

All measures requiring notification or approval under the applicable Protected Area Order were evaluated in detail before the necessary procedures were implemented in line with the statutory water rights provisions.

Restored habitats

Under the structured 'greenfield to greenfield' process – which tracks the history of a field development from the first intervention in the virgin site – every single production system is tracked throughout every step of its operational life through to its abandonment and restoration as reflected in the administrative records and rights of way.

When a production system is no longer needed, official, and in particular mining law procedures, must be complied with to restore and abandon the site. After dismantling the technical installations and removing all foreign materials from the soil, the land is completely remediated and returned to its original greenfield state.

When constructing permanent facilities such as those for gas storage, we are committed to creating environmental compensation areas.

Remediation 'greenfield to greenfield'

2022	0* m²
2021	14,119* m²
2020	40,680 m²

*relates to facilities for which abandonment has already been officially reviewed. Mining facilities where dismantling has already been completed but which will not be subject to official review until 2023 will be included in the next sustainability report. In addition, the change in total dismantling area reflects the sustainable use of mining sites, which is an integral part of the corporate strategy, such as the conversion of well sites into photovoltaic sites ('Sonnenplätze').

[GRI 304-1, GRI 304-3, GRI 304-4]

Waste

We are committed to efficient and careful use of resources. The useful life of equipment, targeted and careful use of non-renewable resources, and reusing or recycling devices and products to support a sustainable circular economy are all priorities.

Waste management

We generate large quantities of waste depending on the project in question – this is particularly the case when dismantling mining facilities that are no longer needed. We are legally obliged to restore the original landscape. RAG Austria AG conducts this decommissioning and restoration work very thoroughly and extremely conscientiously. If any contamination is identified during the process, it is completely removed under expert supervision before being properly disposed of. An expert opinion is subsequently obtained to confirm that the ground is free of contaminants.

Plant construction and operation is conducted in accordance with the state of the art and on the basis of our long-standing experience. If leaks occur in plant components and pipelines, and liquids such as crude oil or formation water that could potentially contaminate the site escape, then the soil is collected by licenced companies for proper disposal after being assessed by a qualified expert.

While waste management is built into the HSE management system, additional measures are also incorporated in the integrity management system to prevent leaks and releases of hazardous substances.

The quantity of waste generated in the office buildings and plants is low compared to our mining-related projects. Still, we want to continue to focus on awareness-raising measures among our employees and cleaning staff going forward with regard to cutting resource consumption and promoting appropriate waste separation.

Waste generation

The total amount of waste has been significantly reduced over the last few years: from over 32,000 tonnes in 2018, to just under 16,500 tonnes in 2021 and around 13,900 tonnes in 2022.

In numerical terms, the most significant quantities of non-hazardous waste are attributable to the ‘excavated soil‘ category. In the reporting period this chiefly related to the construction of pipeline connections for two storage wells in Oberkling and Pfaffstätt. Surface water originating from well cellars and collection tanks was also partially disposed of (contents of sand traps).

3,701 tonnes of soil were contaminated with crude oil in 2021 in the course of work undertaken in relation to the abandonment of mining facilities that are no longer needed (well V-008) and reconstruction activities at stations (Pfaffstätt 2). The figure dropped to just under one third of this amount in the following year.

In waste management, our main priorities include resource conservation and waste avoidance. Both topics are also taken into account during the procurement process and discussed with suppliers, including measures such as reusing containers after cleaning instead of disposing of them.

[GRI 306-2]

17.5 %

of the total waste was sent for recycling or recovery

Unavoidable waste should be recycled – to the extent that it is technically possible and economically viable – and only where this is not an option should it be disposed of properly.

Waste may only be collected by authorised waste disposal companies (via the Electronic Data Management platform at www.edm.gv.at). All RAG-audited and approved waste disposal companies are listed under 'GLN waste disposal companies' on the company intranet.

Legal framework – internal management

RAG is subject to a large number of waste management regulations laid out under the Abfallwirtschaftsgesetz (Waste Management Act). These include preparing and updating a waste management concept for non-mining waste (which was updated at the end of 2021), appointing waste, hazardous goods and landfill management officers, and a raft of recording, reporting and chain-of-custody certification obligations.

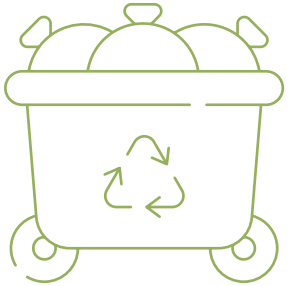
Mining waste is subject to the provisions of the Mineral Resources Act, meaning that RAG is required to submit a mining waste management plan, which was revised at the end of 2020. RAG is a waste producer, but not a waste collector or waste handler.

Possible adverse effects from leaks of harmful liquid substances and gaseous emissions are kept to a minimum by actively working on the processes involved as part of the company's integrity management and environmental and waste management systems, and the ongoing development and implementation of optimisation measures.

As part of our preparations for reporting, in 2022 we asked our disposal companies to assist us in documenting whether our waste is diverted from or destined for disposal. Going forward, it should be possible for waste disposal companies to give us access to this information through a dedicated platform.

Social component of recycling

IT equipment is donated to the 'SOCIUS-Bündnis gegen Armut' charity, which refurbishes them as part of a social labour project before passing them on to disadvantaged families. Used toners are also given to the 'Rote Nasen' clowndoctors organization for recycling.



13,849
tons
Total waste

2,430
tons
diverted from disposal

2,251
tons
non-hazardous

179
tons
hazardous

1,932
tons
Recycling

319
tons
Recovery

94
tons
Recycling

85
tons
Recovery

[GRI 306-1]

Disclosures: Waste

RAG Austria AG	2022	2021	2020
Tonnes			
Total waste	**13,849**	**16,497**	**21,600**
Non-hazardous waste	**11,338**	**11,259**	**15,697**
Excavated soil[1]	4,365	4,709	10,351
Drilling fluid and cuttings, oil-free[2]	3,465	3,506	
Sand trap contents[3]	1,383	1,294	
Concrete rubble[4]	1,648	818	
Other non-hazardous waste	477	932	5,346
Hazardous waste	**2,511**	**5,238**	**5,903**
Soil contaminated by crude oil, excavated and demolition material[1]	1,113	3,701	5,634
Drilling fluid and cuttings contaminated with crude oil[2]	763	646	
Fire debris or construction waste with harmful contaminants[3]	0	582	
Other residues contaminated with crude oil from production4	271	46	
Other non-hazardous waste	364	263	269

[1, 2, 3, 4] In 2020, all four waste categories were reported together for both hazardous and non-hazardous waste.

RAG Austria AG	2022	2021
Tonnes		
Total waste	**13,849**	**16,497**
Diverted from disposal	**2,430**	**1,314**
non-hazardous	**2,251**	**1,161**
Recycling	1,932	1,071
Recovery	319	90
hazardous	**179**	**153**
Recycling	94	0
Recovery	85	153
Diverted to disposal	**11,419**	**15,183**
non-hazardous	**9,087**	**10,098**
Incineration (with energy recovery)	34	19
Incineration (without energy recovery)	0	**3**
Landfill	4,204	4,925
Other disposal method	4,849	5,152
hazardous	**2,332**	**5,085**
Incineration (with energy recovery)	5	4
Incineration (without energy recovery)	10	9
Landfill	0	3,522
Other disposal method	2,317	1,550

No data were collected for these categories in 2020.

[GRI 306-3, GRI 306-4, GRI 306-5, GRI 2-4]

Water and effluents

Water is a vital resource, contamination of which can have serious impacts on human and animal habitats and ecosystems. Although none of the regions where our production sites are located are currently experiencing water stress*, we still maintain a close focus on efficient and careful use of this natural resource.

Different types of water are produced in RAG's various activities.

Produced water

During the extraction of oil and gas, formation water, which has a similar salt content to seawater, is also produced. Rather than being fed into the natural water cycle, this water is returned to the reservoirs during normal operations to maintain the pressure required there. This water and its recirculation to the reservoir is a significant element of commercial oil production.

To prevent it from contaminating the soil and groundwater, the reservoir water is collected in a closed system in separate tanks before being injected back into the reservoirs at pressure.

The surface water (rainwater) that accumulates at wells and stations is collected by licensed water treatment service providers.

Process water

Freshwater is also needed for certain work and processes in our operations. It is used as a drilling fluid and for cooling and pressure checks at our facilities. We ensure that our facilities are operated properly, efficiently and in an environmentally sound manner, and prevent the contamination of surface and groundwater or soils through the consistent implementation of preventive maintenance and servicing activities, which are supported by our internal environmental and integrity management systems.

Use of suitable drilling fluids

Our drilling activities and special treatments also bring us into contact with deep-lying freshwater strata. Potentially important in future, we make sure that these water resources are not contaminated by using chemical-free drilling fluids. In addition, the same drilling fluids are used in multiple wells – if technically possible – to optimise the use of water and additives.

The restroom facilities in office and operational buildings are supplied with water from the public mains or wells located on site. Wastewater is diverted into municipal wastewater treatment plants, or, if no connection is available, collected by an authorised wastewater treatment company. The amount of freshwater used at all sites corresponds to around 2.3 % of total water use;

*Ability, or lack thereof, to meet the human and ecological demand for water.

[GRI 303-1, GRI 303-2]

the majority (approx. 97.7 %) is attributable to produced formation water.

Project-related cleaning work in the course of the abandonment of mining facilities (e.g. pipelines) led to exceptional annual consumption of about 1,100 m^3 of freshwater during the reporting period. For the year 2023 we expect project-related quantities of approx. 150 – 200 m^3 of water, which corresponds to a consumption of only about 3 households.

Water use for future energy sources

We have been working with water electrolysis to advance the use of hydrogen as an emission-free energy form since 2015. However, producing green hydrogen also requires access to sufficient quantities of pure water. In this regard, it will be important to regularly evaluate water stress at the regional level when producing hydrogen in the future.

Methane electrolysis is another innovative solution for the production of hydrogen. Using this method, renewable electricity can be generated emission-free from methane (CH_4) instead of using precious pure water (for more details, see the chapter ‘Sustainable energy solutions‘).

Where we want to improve

Water is one of humanity’s most important and fundamental resources. As a result, the careful handling, efficient use and protection of existing – and future – water reservoirs is crucial.

Due to the insufficient quality of the data, we do not have adequate information on our water consumption in recent years. Evaluation of the data currently available confirms that there is still room for improvement when it comes to recording and documenting use in this area. In response, we started setting up a system in 2022 that will permit the structured and efficient recording, documentation and analysis of the amount of water we consume and recirculate, which will help us to better understand our water cycles in the future while facilitating the continuous improvement of our water management systems.

We also aim to continuously improve our environmental and integrity management systems with a view to providing further safeguards against leaks at our facilities.

Disclosures: Water and effluents

RAG Austria AG	2022	2021
Megalitres		
Water withdrawal	**20.7**	**19.2**
groundwater		
freshwater (≤ 1,000 mg/l filtrate dry residue [TDS])	10.2	10.0
surface water		
freshwater (≤ 1,000 mg/l filtrate dry residue [TDS])	3.5	4.6
water from public systems		
freshwater (≤ 1,000 mg/l filtrate dry residue [TDS])	6.9	4.6
Water recirculation	**5.8**	**6.9**
into groundwater		
freshwater (≤ 1,000 mg/l filtrate dry residue [TDS])	1.8	1.9
into surface water		
freshwater (≤ 1,000 mg/l filtrate dry residue [TDS])	0	0
in water from third parties	**4.0**	**5.0**
Water consumption	**21.9**	**17.9**
Produced water		
Produced water, generated	574.8	612.1
Produced water, injected	567.8	606.5
Produced water, recirculated	0	0

There are no valid indicators for water and wastewater for 2020; indicators for these metrics are published in this report for the first time.

[GRI 303-3, GRI 303-4, GRI 303-5]

RESPONSIBLE EMPLOYER

Know-how, diversity and equal opportunities are the driving force behind our innovations and success.

Responsible employer

2021 | 2022

- Training focus on project management and self-management
- Enabling mobile working*
- Diversity Charter signed

2023 | 2024

- Austrian Labour Ministry ‘equalitA‘ seal of quality for the promotion of women within the organisation
- berufundfamilie certification (promotion of a better work-life balance and creation of family-friendly workplaces)
- Increasing the proportion of women employed by the company to 30 % by the end of 2024
- Inclusion of a mandatory sustainability target as part of annual target agreements for all employees

We are committed to providing our employees with excellent, flexible and safe working conditions, and with an environment that supports them in making the best use of their abilities, expertise and experience, and promotes their development.

RAG as an employer

As a regional employer, we see it as our responsibility to create and protect jobs in the communities in which we operate.

In the labour market, we are competing for the brightest minds. Thanks to a motivated and satisfied workforce, our company has consistently low employee churn as well as an above-average retention period of ten years – both factors in our ability to keep technical and scientific know-how at RAG. As an attractive employer, we want to inspire even more women to enter technical professions going forward and motivate them to take on leadership roles at RAG. For us, diversity in the workforce means that different points of view are heard, allowing new solutions to emerge more readily as a result.

Flexible working time models have become increasingly important for employees and job seekers in recent years. When offering company benefits, we make every effort to ensure that full-time and part-time employees are treated equally. Inevitably, not all of our work is performed by our own employees. Specific activities and services are outsourced to suppliers and, as such they may be covered by other collective agreements which sometimes provide for less favourable company benefits than those extended to RAG Austria employees.

All of the jointly developed values and guiding principles that RAG employees and RAG managers stand for can be found on our website.

* ‘Mobile working‘ includes home office as well as working from another location.

[GRI 3-3]

Key values and principles that define our corporate culture

- Corporate values
- Management principles
- Code of Conduct (also for suppliers)
- Guidelines and policies

The core values and behaviours that underline our approach to our work include mutually appreciative and respectful interaction as well as constructive cooperation. We actively encourage all of our employees and managers to take responsibility and make important decisions.

Responsible for staff matters, the HR Department maintains an appreciative and constructive relationship with employees and employee representatives alike. Cooperation between the works council and management has always worked very well at RAG, and is characterised by open communication that stems from a sense of trust. In addition to the quarterly discussions with the Executive Board, there are regular meetings between the works council and the HR Department to liaise and share information. These meetings provide all concerned with an opportunity to exchange views on current personnel and organisational matters, as well as discuss any changes that may be required in the rules and regulations. HR and the works council also cooperate very closely when it comes to staff events (such as sporting or cultural events).

Great Place to Work

In 2022, RAG Austria AG became an official Certified by Great Place to Work® company, ranking fourth overall among the best employers in Austria. For us, achieving 'Best Workplace' status is an especially important accolade as it shows that RAG Austria is perceived and valued by its employees as a reliable and attractive employer.

At 85 %, the participation rate in the survey was extremely high. As a positive factor, the very well-balanced ratio of women to men and full-time to part-time employees identified among the respondents warrants particular mention. The highest level of consensus in the statements related to the topic of the working environment. This area covers pay, employee benefits, profit sharing, work-life balance, workplace design, and workplace health and safety.

Relatively speaking, the lowest approval ratings related to areas including communication, delegation, team spirit and celebrating special events. It bears reiterating that these values were all above average, but even so, we want to continue to improve in these areas. In response, we will increasingly be

Staff development and training are essential elements of our HR strategy.

focusing on the topics of communication, team spirit and cooperation over the next two years. The Effective Communication and Feedback & Feedforward courses, as well as an increased range of options for team away days are already setting the tone.

By offering numerous additional perks, we want to meet the individual needs of our employees by offering benefits and amenities that are aligned to their place of work and position. Examples include an annual company bonus, company pension fund contributions, insurance allowances, contributions to employee benefit funds, meal allowances, and a free health and sports programme involving a full range of activities

Staff training and development

Staff development and training are essential elements of our HR strategy, with personal development interviews forming an integral part of the staff appraisals. Besides reviewing existing professional skills, strengths and weaknesses, development measures are discussed and documented during this process. The employees' own development goals are incorporated into the subsequent HR business meetings, which also cover strategic HR and succession planning, development and training plans, as well as remuneration.

Values and guiding principles

Under the company's strategic human resources and succession planning activities, building on leadership skills is a priority, with junior managers regularly nominated for inclusion in leadership development programmes. Six employees took part in these courses in both 2021 and 2022.

In conjunction with selected institutes and professional trainers, we offer our employees a wide range of one-off training events and courses, certifications, and staff and management development programmes. We see the training and individual development opportunities that we offer all of our employees as one of the key factors behind their overall satisfaction and decision to stay at RAG over the longer term. In light of this, the amount of time and money earmarked for staff development measures has increased in recent years in spite of the Covid-19 pandemic.

Junior managers are regularly nominated for inclusion in leadership development programmes.

[GRI 404-2]

RAGkademie

The RAGkademie has been a cornerstone of RAG's staff development activities for many years. While specific training and development courses are organised directly in the specialist departments, the overarching RAGkademie provides a suitable framework for all of the HR Department's centrally organised internal and external training schemes.

Internal training led by experts from RAG helps promote cooperation while also improving both interdepartmental knowledge transfer and ensuring company-related experience is shared with new employees. External training courses are also offered in various areas that are specific to the company's operations to ensure that it is fit for the future. Technical, communication and leadership-specific training is offered as part of the RAGkademie. In 2021 and 2022, activities centred on the change process triggered by the switch to Microsoft 365 in September 2021. The significant impact this has had in terms of work processes, as well as the emergence of new communication and cooperation possibilities are bringing about a fundamental shift in RAG's culture. The Covid-19 pandemic has further increased the demands for digital working solutions and hybrid leadership and collaboration systems. In response, we have devoted a lot of time, financial resources and attention to this issue. The wide range of training opportunities were available to all RAG employees during the reporting period, and with an average participation rate of over 70 % they were very well received.

Diversity, non-discrimination and equal opportunities

We value diversity, create equal opportunities and do not tolerate discrimination under any circumstances. Where our staff come from is not relevant, nor is their wider educational background, their age or any special needs that they might have.

We respect each person's unique personality and want to benefit from the different individuals at RAG and their personal experiences, and see every one of them as a driver of growth and innovation. The diverse range of cultural backgrounds and languages spoken by our people have played a significant role in opening up new growth opportunities in international markets and helping to shape them.

The different approaches, values and levels of experience found in often mixed-age teams at the company allow us to overcome various challenges thanks to the divergent insights of the individuals involved. We currently employ people from eleven different nations and four continents. In addition, four of RAG's employees have certificates of disability. Fully integrated at the company, they are deployed according to their abilities and the opportunities at hand.

charta der vielfalt
Für Diversity in der Arbeitswelt

Gütesiegel Betriebliche Gesundheitsförderung
BGF
2020 – 2022

Charta der Vielfalt (Diversity Charter)

We became a signatory to the Diversity Charter in December 2021. Signing the charter is a public, voluntary statement recognising that diversity is a defining characteristic of Europe – both in terms of its history and its society. The charter identifies and underlines the value of the advantages and opportunities brought about by this diversity. Adding our signature to it and making a public undertaking to implement specific measures at our company was among the key objectives laid out in RAG's 2020/21 Sustainability Report.

This also helps to underline the culture we already live by at our organisation, one that is based on creating an appreciative working environment for all employees – regardless of age, ethnic origin and nationality, gender and gender identity, physical and mental abilities, religion and world view, sexual orientation and social background. Recognising and capturing the potential of diversity creates commercial benefits for our organisation. And we want to use this approach to establish a climate that is characterised by mutual respect and trust.

In 2021, an internal diversity officer was appointed at the company as a central point of contact for stakeholders, ensuring that equal opportunities and anti-discrimination measures are embedded in all recruitment and HR development processes.

Balancing work and individual needs

In order to strike the best possible balance between work and individual needs, we offer our employees a wide range of options when it comes to organising their working hours. In addition to flexible part-time working models and a compressed four-day working week, they can also take sabbaticals. Besides a month off for fathers, we offer paternity and maternity leave as well as targeted support to help set up part-time parental working options. Thanks to our flexible models, we are in a position to offer the majority of employees highly individualised arrangements and optimal flexibility in terms of working hours and place of work.

We help our older employees to make a flexible and smooth transition into the next phase of their lives through various pre-retirement part-time working schemes. These are just some examples of how we are attempting as an organisation to respond to the individual needs of our employees in the different phases of their lives. Currently, around 8 % of employees have taken up our alternative working time models (beyond the existing part-time working models).

Media brand freundin and rating platform kununu created a joint ranking of the most family-friendly companies in Germany and Austria in 2022. We are very pleased that RAG Austria AG was cited among the top performers of the year in Austria.

Over the years to come, our goal is to continue to build on the company's, especially for the female target group. To help us achieve this, we plan to apply for the equalitA seal of approval in 2023 and berufundfamilie certification in 2024. In addition to these measures we will be participating in the Vienna Daughters' Day for the first time in spring 2024, a scheme under which young women between the ages of 11 and 16 can find out more about technical and scientific professions.

Employee Assistance Programme (EAP) and reintegration

As a responsible employer, promoting and maintaining the health of our employees is particularly important to us (see also 'Occupational health and safety').

And as part of this we promote part-time reintegration working models and personalised reintegration programmes for our staff. Our managers not only received training related to the introduction of workplace reintegration; another focus was personal and attentive management of integration and inclusion of the employees affected in the team.

The EAP offers people in challenging personal situations systematic support to help restore their full capacity to work. Our employees and their families all have access to psychotherapists, psychologists, lawyers, mediators, management consultants, qualified life coaches and social counsellors free of charge.

In emergency situations, our employees can turn to the company and expect help. We offer quick and uncomplicated solutions, both in terms of material support (such as emergency loans of up to EUR 10,000) and organisational assistance (e.g. reducing or restructuring working hours, etc.). Through these measures, we provide all employees with a flexible framework that gives them the security which comes with knowing that they are an important and valued member of our organisation.

Disclosures: A responsible employer

RAG Austria AG	31.12.2022		31.12.2021		31.12.2020	
	Abs.	%	Abs.	%	Abs.	%
Total head count	**224**		**217**		**220**	
Total employees (inc. agency workers)	**241**		**233**		**234**	
Male	179	74.3 %	172	73.8 %	170	72.6 %
Female	62	25.7 %	61	26.2 %	64	27.4 %
White collar workers	241	100.0 %	233	100.0 %	234	100.0 %
Blue collar workers	0	0.0 %	0	0.0 %	0	0.0 %
Aged under 30	7	2.9 %	5	2.1 %	7	3.0 %
Aged 30 – 50	164	68.0 %	175	75.1 %	177	75.6 %
Aged over 50	70	29.0 %	53	22.7 %	50	21.4 %
Total full time	**198**	**82.2 %**	**186**	**79.8 %**	**191**	**112.4 %**
Male	165	83.3 %	156	83.9 %	155	81.2 %
Female	33	16.7 %	32	17.2 %	36	18.8 %
Total part time	**43**	**17.8 %**	**52**	**22.3 %**	**43**	**18.4 %**
Male	14	32.6 %	21	40.4 %	15	8.8 %
Female	29	67.4 %	31	59.6 %	28	65.1 %
Total alternative part-time arrangements	**15**	**6.2 %**	**20**	**8.6 %**	**18**	**7.7 %**
Male	15	100.0 %	17	85.0 %	17	94.4 %
Female	0	0.0 %	3	17.6 %	1	5.9 %
Total parental part-time working	**17**	**7.1 %**	**17**	**7.3 %**	**17**	**7.3 %**
Male	5	29.4 %	5	29.4 %	5	29.4 %
Female	12	70.6 %	12	70.6 %	12	70.6 %
Maternity leave	2	0.8 %	3	1.3 %	5	2.1 %
Paternity leave	3	1.2 %	3	1.3 %	6	2.6 %
Persons with disabilities	4		5		5	
International employees	12	5.0 %	12	5.2 %	11	4.7 %

RAG Austria AG	31.12.2022		31.12.2021		31.12.2020	
	Abs.	%	Abs.	%	Abs.	%
Total executives	**45**	**18.7 %**	**44**	**18.9 %**	**47**	**20.1 %**
Male	42	93.3 %	42	95.5 %	45	95.7 %
Female	3	6.7 %	2	4.5 %	2	4.3 %
Proportion of senior executives recruited from the local community		100 %		100 %		100 %
Average years of service	9.5		9.5		11	
Total new employees	**16**	**6.6 %**	**13**	**5.6 %**	**8**	**3.0 %**
Male	13	81.3 %	10	76.9 %	6	75.0 %
Female	3	18.8 %	3	23.1 %	2	25.0 %
Aged under 30	3	18.8 %	2	15.4%	0	0.0 %
Aged 30 – 50	13	81.3 %	11	84.6 %	8	100.0 %
Aged over 50	1	7.7 %	0	0.0 %	0	0.0 %
Leavers incl. retirees	8	3.3 %	8	3.4 %	19	8.1 %
Leavers	5	2.1 %	8	3.4 %	16	
Incidents of discrimination	0		0		0	
Sick leave days						
Sick leave days per employee	6.9		4		4.02	
Sick leave days (inc. long-term sick leave) per employee	7.9		5.2		5.2	
Number of employees on long-term sick leave	4		2		3	
Total training costs	**514.000**		**505.000**		**522.000**	
Training costs per employee	2.133		2.167		2.231	
Benefits provided to full-time employees that are not provided to temporary or part-time employees	no differences		no differences		no differences	
Percentage of salaried employees covered by collective bargaining		100 %		100 %		100 %

* Alternative part-time arrangements: pre-retirement part time, four-day week, sabbaticals
** Executives are defined as employees with disciplinary leadership responsibilities.

[GRI 2-7, GRI 2-30, GRI 202-2, GRI 401-1, GRI 401-2, GRI 401-3, GRI 405-1, GRI 406-1]

APPENDIX

Our targets and measures

Goals	Measures	Status	Target year
Responsible management			
Strategic focus on sustainability			
Combining conventional energy storage with CO_2-neutral energy	Assuring suitability of (existing) commercial facilities for future requirements of renewable energy systems	●	2023 f.
	Strategic partnerships with other industrial companies and universities (MUL, BOKU, etc.)	●	2023 f.
	Feasibility study (2021) on adaptation of existing storage facilities to reflect higher hydrogen content (hydrogen tolerance up to 10 %)	●	2021
Security of supply	Connection of the Haidach storage facility to the Eastern market area	●	2022
Stable earnings in all years of operations	Strategic focus on long-term business continuity and stability of the company's results	●	2023 f.
Transparency and compliance			
Improving internal transparency	Continuation of compliance training courses focusing on transparency, anti-corruption and avoidance of conflicts of interest	●	2023 f.
Upholding compliance standards by implementing measures to raise awareness among employees	Review of compliance and anti-corruption policies	●	2023 f.
	Training of employees on revised guidelines	●	2023 f.
Transparent communication with RAG stakeholders	Publication of 2021 sustainability report with first-time validation by external auditors	●	2021
Statutory sustainability reporting according to the European Sustainability Reporting Standards (ESRS) / Corporate Sustainability Reporting Directive (CSRD)	Ongoing development of existing reporting system and collection of the necessary data points. Development of expertise within the company and necessary adaptation of the organisational structure	●	2025
Formulation of a declaration of commitment to responsible business practices	Revising our philosophy	●	2023
Integration of sustainability into the risk management system	Impact of sustainability risks on individual business areas and presentation of them in the risk report	●	2022
Upholding high Business ethics standards by implementing suitable measures to raise awareness among employees	Reviewing the internal code of conduct – assessment of whether sustainability aspects should be added	●	2023
	Internal communication and explanation of management principles. These should be seen as a guideline for management tasks	●	2021/22

● New | ● Completed: measures initiated have been brought to completion | Ongoing: measures are implemented regularly | Ongoing: measures will be continued in subsequent years
● Postponed | Partially implemented | Not implemented/on hold

Goals	Measures	Status	Target year
Sustainable procurement			
Sustainability in the supply chain	Introduction of annual CSR audits of suppliers		2023/24
Increasing awareness of the topic of sustainability	Stakeholder dialogue with three to five suppliers on the topic of sustainability		2021/22
Prioritization of the procurement of products that are able of circulation	Analysis during procurement of products for • Ability of circulation and dismantling (facilities and facility components) • Material health (with regard to hazardous ingredients) • Where possible: Acquisition of the carbon footprint		2023 f.
Local communities			
Increased/deeper involvement of key stakeholders	Hosting an open day for local residents		2023 f.
	Dialogue with internal and external stakeholder groups		2023 f.
Engagement with communities: open and transparent communication with public authorities, residents and local authorities	Proactive engagement with our stakeholder groups (ongoing contact with local authorities and landowners)		2023 f.
Strengthen good relationships through regular engagement at all levels	Conducting dialogue with officials and mayors and providing local residents with information about the future of energy storage		2023 f.
Increasing awareness of the topic of energy storage	Hosting an open day for local residents: Haidach.		2023 f.
	Opening of hydrogen storage facility: local residents day		2023
	Participation in the Long Night of Research		2022
Sharing information with local residents and local authorities, passers-by at the facilities and the general public	Information on RAG's activities: reports in local newspapers, info displays at facilities for temporary projects and existing facilities		2023 f.
Community investment	Targeted assistance for key local organisations in host communities, such as fire departments and social welfare associations		2023 f.
Continuing fulfilment of responsibilities as part of the community	Updating of sponsorship strategy		2021
	Donations to social funds for disadvantaged families in RAG communities		2023 f.
Promotion of science and technology literacy among young people from the local region	Partnerships with schools in Vöcklabruck, Braunau, Wels and Salzburg that have received the MINT quality seal (see also 'Responsible employer')		2023 f.

Goals	Measures	Status	Target year
Safe facilities and work processes			
Security of supply			
Interruption-free provision of energy	Own electricity supply from hydrogen CHP for production in Kremsmünster, incl. waste heat utilisation, and photovoltaic plant in Krift as backup in the event of a power outage	●	2023
	Increasing energy storage capacity in line with market demand – 2022-2023: additional storage wells at the Puchkirchen underground gas storage (UGS) facility; evaluation of suitability of reservoirs for hydrogen storage, further storage wells for the Nussdorf UGS facility under evaluation	●	2023
	Restoration/renewal of microwave radio links in Upper Austria for data traffic and voice radio to achieve independence from leased data lines	●	2023
Protecting RAG Austria AG as an operator of critical infrastructure to ensure >99.5 % availability for our customers Note: RAG Austria AG was assigned 'critical infrastructure' status, in accordance with the Ministry of the Interior definition, in January 2018	Implementation of measures and successive upgrades aimed at enhancing property protection (physical security plan)	●	2023
	Additional preparations for the transposition of the NIS2* and RCE** directives	●	2023 f.
	Seveso-III Directive: ongoing improvements and risk assessment	●	2025
>99.5 % availability of gas storage facilities (based on customer restrictions): secure, interruption-free energy supply aligned to demand	Continuation of work arising from the integrity report to underpin strategic availability of facilities (control, network and plant management technology), rectification of any weaknesses identified in the report	●	2021/22
	Monitoring gas quality for early identification of issues and undertaking the necessary measures (e.g. plant adaptations to minimise effects)	●	2021/22
Safe and resilient facilities			
Improving the HSE management system	Further development of integrity management, based on analysis of incidents for future prevention of substance leaks	●	2023 f.
	Improving recording and documentation of incidents	●	2023 f.
Crisis management	Training and emergency drills for the new crisis task force	●	2023 f.
Site security	Implementation of improvements to property protection following 2023 physical security test in consultation with operations	●	2023
Security of facilities	Introduction of an OT*** monitoring system at Puchkirchen storage facility in 2022, in Haidach in 2023 and 7Fields in 2024	●	2023

* NIS2 - Network and Information Security
** RKE - Resilience of critical entities
*** OT - Operational Technology

● New | ● Completed: measures initiated have been brought to completion | Ongoing: measures are implemented regularly | Ongoing: measures will be continued in subsequent years
● Postponed | Partially implemented | Not implemented/on hold

Goals	Measures	Status	Target year
Occupational health and safety			
Keeping employees fit	'Prevention – my check up': preventive measures as part of a six-pillar programme: healthy eating, awareness, exercise, relaxation, work and environment, medical care	●	2022 f.
Enhancing awareness of direct employee protection and safety responsibilities (executives and non-executive employees and contractors)	Training and education; customised training for operational supervisors and all new staff	●	2023 f.
	Promoting transfer of knowledge from experienced colleagues	●	2023 f.
Prevention of incidents/accidents **Primary goal: zero accidents** **Safety: 50 % reduction in accident/LTIF rates for RAG employees and contractors by 2025**	Systematic and consistent assessment of incidents and accidents, and communication using case studies	●	2023 f.
	Focus on hand injuries, lifting and outdoor work	●	2022
	Driving safety training and awareness-raising among employees to increase road safety	●	2023 f.
Climate and environmental protection			
Climate protection			
Ongoing reductions in emissions	Deployment of electric vehicles at suitable locations and on suitable routes (shorter distances)	●	2023/24
Reducing indirect CO_2 emissions at RAG's own plants to close to 0 by 2022 (aqua certificates)	Purchase of third-party green electricity: 7Fields and own storage	●	2022
>25 % share of energy use accounted for by renewables by 2025	Increasing own supply of CO_2-neutral energy by 2025 through the construction of solar energy sites on existing RAG mining sites (partly also through the conversion of well sites into photovoltaic solar energy sites)	●	2025
	Evaluation of further measures in all areas of the company	●	2025
Reduction of methane emissions attributable to technical reasons through the use of innovative technologies – 50 % reduction by 2025	The main focus is on avoidance at the company's own facilities through optimal planning of maintenance and consolidation of assessments	●	2025
	Additional construction measures designed to reduce emissions	●	2025
Environmental protection			
Raising awareness of environmental protection	Raising employees' awareness of sustainability issues during the annual field office meetings	●	2021/22
Nature conservation	Sensitive project planning and decision-making in the light of environmental analyses	●	2023 f.

Goals	Measures	Status	Target year
Careful consideration of flora and fauna in our projects and at our locations	Regular consultation and collaboration with the BOKU, environment agency, hunters and local authorities	●	2023 f.
Proper disposal and waste avoidance	Regular exchange between operation and waste management officers on waste avoidance, waste disposal and recycling	●	2023 f.
Ensuring/improving the proper handling of waste	Implementation of targeted measures to raise awareness, and introduction/provision of tools to improve documentation	●	2023 f.
Ongoing reductions in waste	Optimisation of project and work processes to reduce waste quantities and use of materials	●	2023 f.
Process optimisation for processing waste-related data	Adjustment of billing procedures for construction projects through separate invoicing	●	2023 f.
Targeted and economical use of non-renewable resources, reuse of equipment, giving preference to renewable alternatives, and circular economy	Digitale Konferenzen und Besprechungen beibehalten	●	2021/22
	Continuation of digital conferences and meetings	●	2021/22
	Establishment of a continuous improvement process for energy-saving measures	●	2021/22
More efficient use of water	Improve data collection to help define measures following more in-depth analysis	●	2023 f.

Sustainable energy solutions

Weiterentwicklung von umweltschonender Energieversorgung und Energiespeicherung	Admixture of green gas	●	-
	Launch and expansion of LNG production in Austria Roll-out of LNG logistics to supply filling stations	●	-
Development of innovative technologies to shape the market and drive energy market transformation in the direction of sustainable, regenerative products	Conclusion of the Underground Sun Conversion Project (final report)	●	2021
	Conclusion of the Underground Sun Conversion – Flexible Storage (USC-FlexStore) project; 2020 – 2023: development and establishment of the USC process	●	2023
	Coordination (as consortium leader) and technical support for the methane splitting project at the University of Leoben; examining options for constructing a pilot plant in Austria under the operational management of RAG. Medium term: creating a prototype methane splitting plant	●	2023
	USS 2030: development of project for construction of a hydrogen storage facility by 2025 (Rubensdorf hydrogen storage facility)	●	2025
	Methane electrolysis pilot plant for the production of hydrogen and carbon as valuable raw materials, commissioning of the plant in Krift in 2023	●	2023

● New | ● Completed: measures initiated have been brought to completion | Ongoing: measures are implemented regularly | Ongoing: measures will be continued in subsequent years
● Postponed | Partially implemented | Not implemented/on hold

Goals	Measures	Status	Target year
	CHP hydrogen turbine for green electricity and heat – as part of the regional supply in the RAG Energy Valley in Krift (Kremsmünster)	●	2022/23
	Examination of additional reservoirs as part of planning for commercial hydrogen storage construction projects	●	2026
	Carbon-Cycle Economy Demonstration (C-CED): funding project to establish a sustainable carbon cycle	●	2025
	H2EU+Store – international industry partnership to accelerate the market ramp-up for green hydrogen in Central Europe	●	2050
	SERVARE-project: seasonal storage in an optimal regulatory framework by assessing various opportunities: policy recommendations for regulatory frameworks for long-term energy storage	●	2023
	H2 cross border: Energy partnership for cross-border hydrogen use	●	2023
Sustainable energy mining: reuse of production facilities, sites and reservoirs once production ends	Drawing up a technical plan for the future supply of the company's own needs from renewable PV production (energy storage and transportation plan)	●	2021
	Ongoing evaluation of the expansion of PV arrays on remediated sites, open spaces and rooftops	●	2023 f.
	Construction and commissioning of the first 'Sonnenplatz' solar energy site (SIER-006-PV-A)	●	2021
	Implementation of the 'PV-Sonnenplätze' solar energy plants project starting in 2021 to ensure all production sites are supplied with carbon-neutral energy	●	2023 f
Own generation	Commissioning Schwarzmoos PV system – construction of a rooftop system and solar carports including charging infrastructure for e-vehicles	●	2023
	Commissioning Krift PV system – PV distributed over two ground level systems and one rooftop array. Installation of charging infrastructure at the new e-vehicle car park	●	2023
Sustainable supply of energy to transport sector in the form of LNG	Technological development and conversion of ULTC to liquefaction of biogas (with regard to forthcoming admix requirement for renewable LNG/LBG) in collaboration with development partner: cooperation with Hitachi Zosen	●	2023 f.
	Construction of a new LNG filling station in Upper Austria in collaboration with marketing partner	●	2022

Responsible employer

Goals	Measures	Status	Target year
Equal opportunities and no discrimination when it comes to recruitment and career opportunities	Signing, providing information on and bringing to life the Diversity Charter. Internal appointment of diversity officer	●	2021/22
Promotion of basic scientific and technical literacy among schoolchildren	Partnerships with schools in Vöcklabruck, Braunau, Wels and Salzburg that have received the MINT quality seal (see also 'Local links')	●	2023/24
Retain and build on expertise and capacity for innovation at the company	Implementation of the RAGkademie programme with internal and external trainers, HR business meetings	●	2023 f.
	RAGkademie – internal: training and knowledge transfer: project management, Personal Efficiency Programme (PEP)	●	2021/22
	Participation in Great Place to Work programme	●	2021
Inform prospective employees about the opportunities on offer at RAG Austria AG	Reaching out to schoolchildren and students: Appearance at trade fairs such as Teconomy 2022	●	2022
Digitalisation of HR processes	Mobile use of SAP applications (EAP8 renewal), and optimisation of the travel expense reimbursement process	●	2023
Mobile working – lessons from the coronavirus crisis	More flexible mobile working models for certain employees based on what the company has learned from the coronavirus crisis	●	2021/22
The proportion of female employees at RAG is to be increased to 30 % by the end of 2025, and sustainably and continuously increased from there	Increase employer attractiveness specifically for the female target group: application for equalitA seal of quality in 2023, focus for advertisements (e.g. 'Karrierestandard' in Der Standard newspaper), participation in the Daughters' Day in April 2024. Application for berufundfamilie seal of quality 2024	●	2025
The proportion of female managers is to be increased from 7 % to 20 % by the end of 2026	Increase employer attractiveness specifically for the female target group: application for the equalitA seal of quality in 2023, specific and target group-oriented advertisements and articles (e.g. women in technology), focus for advertisements (e.g. 'Karrierestandard' in Der Standard newspaper), participation in Daughter's Day in April 2024. Application for berufundfamilie quality seal in 2024	●	2026
Sustainable mobility offering for employees to be made more accessible and more attractive	Use of e-bikes at all RAG locations; introduction of company bike scheme and evaluation of additional attractive sustainable mobility benefits for employees, e.g. Klimaticket rail passes, Wiener Linien public transportation season tickets, company car leasing options for electric vehicles	●	2025
Raise awareness among all employees of sustainability and promote individual contributions	Inclusion of a mandatory sustainability target as part of the annual target agreements for all	●	2024

● New | ● Completed: measures initiated have been brought to completion | Ongoing: measures are implemented regularly | Ongoing: measures will be continued in subsequent years
● Postponed | Partially implemented | Not implemented/on hold

APPENDIX

GRI-Index

Statement of use: RAG AUSTRIA AG has reported the information cited in this GRI content index for the period 01.01.2021 to 31.12.2022 with reference to the GRI Standards.

GRI 1 used: GRI 1: Foundation 2021 | Applicable GRI Sector Standard: GRI 11: Oil and Gas Sector 2021

GRI	Description	Comments / Explanations	Page
GRI 2	**General Disclosures 2021**		
	The organization and its reporting practices		
2-1	Organizational details		10, 12
2-2	Entities included in the organization's sustainability reporting		8
2-3	Reporting period, frequency and contact point		8
2-4	Restatements of information		8, 12, 79
2-5	External assurance		8
	Activities and workers		
2-6	Activities, value chain and other business relationships		10 f., 14
2-7	Employees		90
2-8	Workers who are not employees	Part of the work at RAG is performed by other employees. These include: temporary workers, freelancers, interns and employees of contracting companies. In 2022, around 960 people and in 2021 around 800 people worked at our sites.	
	Governance		
2-9	Governance structure and composition		18
2-10	Nomination and selection of the highest governance body		19
2-11	Chair of the highest governance body		19
2-12	"Role of the highest governance body in overseeing the management of impacts"		20 f.
2-13	Delegation of responsibility for managing impacts		20 ff.
2-14	Role of the highest governance body in sustainability reporting		8
2-15	Conflicts of interest		19
2-16	Communication of critical concerns		20
2-17	Collective knowledge of the highest governance body		20
2-18	Evaluation of the performance of the highest governance body	The performance of the Executive Board with regard to the implementation of sustainability goals that are in line with the company's objectives is evaluated by the Supervisory Board as part of the strategy process as well as the evaluation of the achievement of personal goals, which are also relevant for the variable remuneration of the Executive Board.	

GRI	Description	Comments / Explanations	Page
2-19	Remuneration policies	(2-19-a-i) The remuneration of the Executive Board as well as of the senior executives of the first management level consists of fixed and variable components. (2-19-a-ii) Employment bonuses or payments as recruitment incentives are not applied. (2-19-a-iii) In the event of the departure of a member of the Executive Board or a senior executive of the first management level, no severance payments are made that exceed the statutory framework. (2-19-a-iv) There is no provision for clawback/repayment of previously received remuneration in the event of non-achievement of targets. (2-19-a-v) No differences in pension schemes (2-19-b) Linkage between management objectives and the organisation's impactz hh<on the economy, environment and people: see 2-18	
2-20	Process to determine remuneration	(2-20-a) The remuneration of the Executive Board as well as the senior executives of the first management level consists of fixed and variable components. The variable remuneration takes into account both individually agreed annual targets and criteria related to the performance of the company. (2-20-a-i) The performance of the company is determined, evaluated and approved by the Supervisory Board using a performance factor based on the development of EBITaC in a 3-year corridor within the framework of the Remuneration Committee. If the performance criteria and individually agreed targets are achieved, the variable remuneration component is paid out in the form of an annual bonus. (2-20-a-ii) Not applicable, as not a listed on any stock exchange (2-20-a-iii) An independent remuneration consulting firm was involved in the conceptualisation and determination of the remuneration process. (2-20-b) Not applicable	
2-21	Annual total compensation ratio	The ratio between the best-earning person and the average is 5.5 for 2022 and 5.2 for 2021	
	Strategy, policies and practices		
2-22	Statement on sustainable development strategy		6 f.
2-23	Policy commitments		34, 43
2-24	Embedding policy commitments		36
2-25	Processes to remediate negative impacts		46
2-26	Mechanisms for seeking advice and raising concerns		41
2-27	Compliance with laws and regulations	ad 2-27 b: RAG does not track detailed documentation of non-substantial fines in current and prior reporting periods that would correspond to this sub-item.	41
2-28	Membership associations		41
	Stakeholder engagement		
2-29	Approach to stakeholder engagement		45
2-30	Collective bargaining agreements	100 % of the employees are covered by the 'Collective agreement for employees in the gas and heat supply industry'	90

GRI	Description	Page	Comments / Explanations	Branchenstandard Ref. Nr.
GRI 3	**Material Topics 2021**			
GRI 3-1	Process to determine material topics	23		
GRI 3-2	List of material topics	24		
Material topic: Strategic focus on sustainability				
GRI 3	**Material Topics 2021**			
GRI 3-3	Management of material topics	26 ff.		11.2.1 Climate adaptation, resilience, and transition
Material topic Transparency and compliance				
GRI 3	**Material Topics 2021**			
GRI 3-3	Management of material topics	35 ff.		11.19.1 Anti-competitive behavior 11.20.1 Anti-corruption 11.21.1 Payments to governments 11.14.1 Economic impacts
GRI 205	**Anti-corruption 2016**			
205-1	Operations assessed for risks related to corruption	41		11.20.2
205-2	Communication and training about anti-corruption policies and procedures	41		11.20.3
205-3	Confirmed incidents of corruption and actions taken	41		11.20.4
GRI 206	**Anti-competitive Behavior 2016**			
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	41		11.19.2.
GRI 201	**Economic Performance 2016**			
201-1	Direct economic value generated and distributed	13		11.14.2. 11.21.2
201-4	Financial assistance received from government		No information: Funding is given for the entire duration of projects and not for individual years; it cannot be separated.	11.21.3
GRI 207	**Tax 2019**			
207-1	Approach to tax	38		11..21.4
207-2	Tax governance, control, and risk management	38		11.21.5
207-3	Stakeholder engagement and management of concerns related to tax	38		11.21.6

GRI	Description	Page	Comments / Explanations	Branchenstandard Ref. Nr.
207-4	Country-by-Country Reporting		Not relevant, as RAG is only resident for tax purposes in Austria and with a minor permanent establishment in Germany.	11.21.7
GRI 203	**Indirect Economic Impacts 2016**			
203-1	Infrastructure investments and services supported	13		11.14.4.
203-2	Significant indirect economic impacts	13, 38		11.14.5.
Material topic: Sustainable procurement				
GRI 3	**Material Topics 2021**			
GRI 3-3	Management of material topics	42 f.		
GRI 204	**Procurement Practices 2016**			
204-1	Proportion of spending on local suppliers	43		11.14.6.
GRI 414	**Supplier Social Assessment 2016**			
414-1	New suppliers that were screened using social criteria		This information cannot yet be reported, as social criteria have not been used as evaluation criteria to date.	11.10.8.
414-2	Negative social impacts in the supply chain and actions taken		This figure cannot yet be reported, as social negative impacts in the supply chain have not been recorded to date.	11.10.9.
Material topic: Local communities				
GRI 3	**Material Topics 2021**			
GRI 3-3	Management of material topics	44 ff.		11.15.1 Local communities
GRI 413	**Local Communities 2016**			
413-1	Operations with local community engagement, impact assessments, and development programs	75		11.15.2
413-2	Operations with local community engagement, impact assessments, and development programs	75		11.15.3
Material topic: Security of supply				
GRI 3	**Material Topics 2021**			
GRI 3-3	Management of material topics	48 ff.		
Material topic: Secure and resilient facilities				
GRI 3	**Material Topics 2021**			
GRI 3-3	Management of material topics	51 ff.		11.8.1 Asset integrity and critical incident management

GRI	Description	Page	Comments / Explanations	Branchenstandard Ref. Nr.
GRI 306	**Effluents and Waste 2016**			
306-3	Significant spills	54		11.8.2.
Material topic: Occupational health and safety				
GRI 3	**Material Topics 2021**			
GRI 3-3	Management of material topics	55 ff.		11.9.1 Occupational health and safety
GRI 403	**Occupational Health and Safety 2018**			
403-1	Occupational health and safety management system	55		11.9.2.
403-2	Hazard identification, risk assessment, and incident investigation	55		11.9.3.
403-3	Occupational health services	55, 56		11.9.4.
403-4	Worker participation, consultation, and communication on occupational health and safety	56		11.9.5.
403-5	Worker training on occupational health and safety	56		11.9.6.
403-6	Promotion of worker health	56		11.9.7.
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	57		11.9.8.
403-8	Workers covered by an occupational health and safety management system		All employees are covered by the occupational health and safety management system.	11.9.9.
403-9	Work-related injuries	58		11.9.10.
403-10	Work-related ill health		There are no work-related illnesses at RAG, neither documented by occupational physicians nor reported to the health insurance fund.	11.9.11.
Material topic: Sustainable energy solutions				
GRI 3	**Material Topics 2021**			
GRI 3-3	Management of material topics	60 ff.		11.2.1 Climate adaptation, resilience, and transition
GRI 201	**Economic Performance 2016**			
201-2	Financial implications and other risks and opportunities due to climate change		In the course of risk controlling, risks and opportunities related to climate change are addressed and, as far as possible, a monetary assessment is recorded.	11.2.2.

GRI	Description	Page	Comments / Explanations	Branchenstandard Ref. Nr.
GRI 305	**Emissions 2016**			
305-5	Reduction of GHG emissions		Data collection is currently under construction, validated data will be published after completion and final verification.	11.2.3.
Material topic: Climate protection				
GRI 3	**Material Topics 2021**			
GRI 3-3	Management of material topics	70 ff.		11.1.1 GHG emissions 11.3.1 Air emissions
GRI 302	**Energy 2016**			
302-1	Energy consumption within the organization	73		11.1.2.
302-2	Energy consumption outside of the organization		Data collection is currently under construction, validated data will be published after completion and final verification.	11.1.3.
302-3	Energy intensity	73		11.1.4.
GRI 305	**Emissions 2016**			
305-1	Direct (Scope 1) GHG emissions	73		11.1.5.
305-2	Energy indirect (Scope 2) GHG emissions	73		11.1.6.
305-3	Other indirect (Scope 3) GHG emissions		Data collection is currently under construction, validated data will be published after completion and final verification.	11.1.7.
305-4	GHG emissions intensity		Data collection is currently under construction, validated data will be published after completion and final verification.	11.1.8.
305-7	Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions		Nitrogen oxides (NO_x), sulphur oxides (SO_x) and other significant air emissions - limit values are complied with during operation according to official notices. This is verified by external tests.	11.3.1.
GRI 416	**Customer Health and Safety 2016**			
416-1	Assessment of the health and safety impacts of product and service categories		No health and safety impacts of our services have been reviewed for potential improvement.	11.3.2.
Material topic: Environmental protection				
GRI 3	**Material Topics 2021**			
GRI 3-3	Management of material topics	74 ff.		11.4.1 Biodiversity 11.5.1 Waste 11.6.1 Water and effluents

GRI	Description	Page	Comments / Explanations	Branchenstandard Ref. Nr.
GRI 303	**Water and Effluents 2018**			
303-1	Interactions with water as a shared resource	80		11.6.2.
302-2	Management of water discharge-related impacts	80		11.6.3.
302-3	Water withdrawal	82		11.6.4.
303-4	Water discharge	82		11.6.5.
303-5	Water consumption	82		11.6.6.
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	76		11.4.2.
304-2	Significant impacts of activities, products, and services on biodiversity	75		11.4.3.
304-3	Habitats protected or restored	76		11.4.4.
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations	76		11.4.5.
GRI 306	**Waste 2020**			
306-1	Waste generation and significant waste-related impacts	78		11.5.2.
306-2	Management of significant waste-related impacts	77 f.		11.5.3.
306-3	Waste generated	79		11.5.4.
306-4	Waste diverted from disposal	79		11.5.5.
306-5	Waste directed to disposal	79		11.5.6.
Material topic: Responsible employer				
GRI 3	**Material Topics 2021**			
GRI 3-3	Management of material topics	84 ff.		11.10.1 Employment practices 11.11.1 Non-discrimination and equal opportunity
GRI 202	**Market presence 2016**			
202-2	Proportion of senior management hired from the local	90	100 percent of the recruited senior managers are from Austria.	11.11.2. 11.14.3.
GRI 401	**Employment 2016**			
401-1	New employee hires and employee turnover	90		11.10.2.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	90		11.10.3.

GRI	Description	Page	Comments / Explanations	Branchenstandard Ref. Nr.
401-3	Parental leave	90		11.10.4. 11.11.3.
GRI 402	**Labor/Management Relations 2016**			
402-1	Minimum notice periods regarding operational changes		We ensure compliance with all applicable information and notification deadlines and implement projects with far-reaching effects on the organisation in consultation with the employee representatives. In regular quarterly meetings between management and the works council as well as between HR and the works council, the council is involved and informed about significant developments and planned changes.	11.10.5.
GRI 404	**Training and Education 2016**			
404-1	Average hours of training per year per employee		Not possible to report at present, as data is not available in the desired form or would require great effort.	11.10.6. 11.11.4.
404-2	Programs for upgrading employee skills and transition assistance programs	86 f.		11.10.7.
GRI 405	**Diversity and Equal Opportunity 2016**			
405-1	Diversity of governance bodies and employees	90		11.11.5.
405-2	Ratio of basic salary and remuneration		RAG regularly prepares an income report, which is sent to the central works council for publication. The income report includes all relevant information proving the ratio of men's and women's remuneration in the respective employment groups. In addition, the HR department regularly informs the works council about the individual salary data and is in close exchange with it on a quarterly basis in order to continue to ensure equal treatment of remuneration between women and men.	11.11.6.
GRI 406	**Non-discrimination 2016**			
406-1	Incidents of discrimination and corrective actions taken	90		11.11.7.

GRI	Description	Comments / Explanations	Branchenstandard Ref. Nr.
Topics in the applicable GRI Sector Standards determined as not material			
	GRI 11: Oil and Gas Sector 2021		
	Topic	**Explanation**	
	Closure and rehabilitation	As there were no closures of operating sites during the reporting period, there was no impact on jobs and the local community. Mining facilities that are no longer needed must be dismantled in accordance with mining law procedures. This topic is described in detail under the essential topic of environmental protection (biodiversity, waste).	11.7.
	Forced labor and modern slavery	No relevance in direct relation to the employees of RAG and its personnel service providers. 85 % of the purchase-relevant order volume for supplies and services comes from Austria; 95 % from the DACH region.	11.12.
	Freedom of association and collective bargaining	No relevance for RAG employees and temporary workers due to operations in Austria and the labour law, collective agreements and social partnership applicable here. Since 85 % of our suppliers come from Austria and even 95 % from the DACH region, the likelihood that the right to freedom of association and collective bargaining could be threatened is low.	11.13.
	Land and resource rights	Although there may be a right of expropriation for projects in the high public interest, in practice there are no expropriations or resettlements.	11.16.
	Rights of indigenous peoples	The rights of indigenous peoples are not affected by our business activities, as there are no legally recognised indigenous peoples where we are operating. Our economic activities are mainly located in Austria, mainly in Upper Austria and Salzburg.	11.17.
	Conflict and security	RAG does not operate any sites in conflict areas, so the issue is relevant.	11.18.
	Public policy	The company has no political affiliations, and makes no financial contributions to political parties organisations, or their representatives. (see also Key Topic Transparency & Complaince)	11.22.

The annual figures in the description of the GRI index relate to the GRI standards as amended at the time of going to print.

Quality Austria auditor’s certificate

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Erfolg mit Qualität

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21. Juni 2023

Betreff: **Prüfbescheinigung** Validierung des Nachhaltigkeitsberichtes der Firma RAG Austria AG für die Jahre 2021-2022

Sehr geehrter Herr Mag. Stefan Pestl,

die Quality Austria GmbH hat im Auftrag der Organisation RAG Austria AG die Validierung des Berichts für die Jahre 2021-2022 durchgeführt. Normative Grundlage der Validierung sind GRI Standards 2021.

Die Quality Austria – Trainings, Zertifizierungs und Begutachtungs GmbH ist nach ÖVE/ÖNORM EN ISO/IEC 17021 für zahlreiche Managementsystemstandards, die auch die Auditierung der externen Kommunikation fordern, akkreditiert und wird jährlich überprüft.

Folgender Übereinstimmung mit den internationalen Richtlinien für Nachhaltigkeitsberichte der Global Reporting Initiative (GRI) 2021 wurde vereinbart:
In Übereinstimmung mit
unter Bezugnahme auf

Der **Anwendungsbereich** der Bilanzierung umfasst: die Standorte in Österreich, wesentliche Prozesse und Produkte gem. Gewerbeübersicht.

Die auftraggebende Organisation ist alleinig verantwortlich für den Bericht inkl. der Datenerhebung und -bewertung unter Berücksichtigung rechtlicher Anforderungen. Die auftraggebende Organisation zeichnet auch verantwortlich für die interne Qualitätskontrolle der Datenerhebung und der Verfahren.

Die Quality Austria wahrt in ihrem Validierungsprozess ihre **Unparteilichkeit, Unabhängigkeit, Objektivität** und sichert **Vertraulichkeit**. Alle Informationen werden in der Validierung kritisch reflektiert.

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qualityaustria
Erfolg mit Qualität

Die Quality Austria hatte Zugang zu den Standorten Wien sowie Puchkirchen und Rubensdorf, zu Interviewpartner*innen und Nachweisdokumenten und konnte ausreichend Daten und Informationen sammeln, um eine angemessene und ausreichende Beweissicherung für die Validierung des Berichts erlangen. Dementsprechend wurde bei der Validierung Einsicht in Unterlagen, Prozessdokumentation, Daten und Kennzahlen und ähnliche Nachweise genommen, um hinreichende Evidenz hinsichtlich **Genauigkeit, Ausgewogenheit, Verständlichkeit, Vergleichbarkeit, Vollständigkeit, Nachhaltigkeitskontext, Aktualität und Prüfbarkeit** zu erhalten.

Dabei wurde die Verankerung des Nachhaltigkeitsprozesses im Unternehmen durch Interviews mit einzelnen Verantwortungsträgern geprüft. Mengengerüste, Berechnungen und verwendete Umrechnungs- und Emissionsfaktoren wurde durch Stichproben auf Nachvollziehbarkeit und Rückverfolgbarkeit . Wesentliche Erkenntnisse wurden im **quality**austria Bericht dokumentiert und der Führung kommuniziert.

Schlussfolgerung: Die Prüfer*innen bestätigen hiermit, dass der Nachhaltigkeitsbericht der Firma RAG Austria AG mit Sitz in 1015 Wien die Validierung des Berichts für die Jahre 2021-2022 sämtlichen Anforderungen der GRI-Standards 2021 „mit Bezugnahme auf“ entspricht.

Datum und Unterschrift

Wien am 06.06.2023

DI Andreas Advent, BSc
Lead-Prüfer*in


We live up to our responsibilities and
are already working proactively to shape
the sustainable future of energy.

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