

energie
BURGENLAND

ALLOCATION & IMPACT REPORT

April 2022



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1. Introduction

1.1. About this report

This report details Energie Burgenland AG's ("Energie Burgenland", "we") outstanding green debt financing instruments as well as the financed eligible green assets as of April 30, 2022.

We report on both the allocation of proceeds and, where feasible, the impact achieved through the relevant financing. We have engaged ISS ESG for an independent review of this report to provide an assessment as to whether the projects meet the use of proceeds criteria and the reporting commitments outlined in Energie Burgenland's Green Finance Framework.

1.2. About Energie Burgenland AG

Energie Burgenland AG ("Energie Burgenland") is one of the leading energy service companies in Austria with business activities such as generation of electricity and heat, sale and distribution of electricity, natural gas and heat, and the provision of energy-related services. The activities of the Energie Burgenland Group are focused on the province of Burgenland. An optimal supply of energy is a prerequisite for the sustainable positive economic development of a region. As a leading company in the region Energie Burgenland is an important employer and a significant player due to the demand for intermediary goods and services.

The declared goal of Energie Burgenland, as well as the Austrian energy industry as a whole, is to ensure a secure supply of energy in the future that is as environmentally friendly and cost-effective as possible.

Regardless of the energy source, Energie Burgenland supports its customers with a comprehensive range of services for the efficient use of energy.

1.3. Energie Burgenland's Sustainability Contribution

Climate change is one of the world's greatest challenges and energy service companies have the opportunity to make a major contribution to the goal set in the Paris Agreement¹ to limit global warming to well below 2, preferably to 1.5 degrees Celsius, compared to pre-industrial levels. Energie Burgenland's electricity generation is purely based on renewables. It is Austria's largest producer of wind energy reaching a total wind capacity of more than 600 MW after the finalization of its currently ongoing repowering program.

Energie Burgenland aims to not only remain Austria's largest producer of wind energy, but to also become the number 1 in photovoltaics as well as a leading green tech company.

To emphasize its commitment to sustainable development, Energie Burgenland has started the investment program "Programm Burgenland 2025". Over the next 5 years, a total investment of two billion euros is planned, split in four growth areas: renewable energy generation – wind and photovoltaics –, grid expansion, digitalization, and customer services.

The investment program will halve Burgenland's greenhouse gas emissions and is a major step towards making Burgenland to one of the world's first carbon-neutral regions.

Energie Burgenland supports and seeks to contribute to the United Nation's Sustainable Development Goals ("SDG") that are part of the Agenda 2030 mainly focusing on the two goals SDG 7 and SDG 13:



SDG 7 – Affordable and clean energy

By investing substantially in onshore wind power and in photovoltaics, we contribute to increase the share of renewable energy in the global energy mix (especially in Burgenland).



SDG 13 – Climate action

The expansion of renewable energy reduces emissions and strengthens resilience and adaptive capacity to climate related hazards and natural disasters.

¹ <https://unfccc.int/process-and-meetings/the-paris-agreement/the-paris-agreement>



2. Energie Burgenland's Green Finance Framework

As part of its broad commitment to sustainability, Energie Burgenland has established a Green Finance Framework, which has been developed in alignment with the ICMA Green Bond Principles 2018 ("GBP")² and the LMA Green Loan Principles ("GLP")³ and is based on the four recommended components of the GBP:

1 – Use of proceeds

Eligible green assets include investments in renewable energy assets:

Wind power:

- Onshore wind power plants
- Re-powering / refurbishment of existing wind assets

Solar Photovoltaics:

- Open space installations
- Roof-top installations
- Dedicated support infrastructure installations

2 – Process for asset valuation and selection

The selection of eligible projects/assets is made by a dedicated Green Finance Committee comprising senior representatives from Energie Burgenland's Finance, Marketing and Sustainability departments as well as one representative from its subsidiary Energie Burgenland Green Energy GmbH (entity dedicated to renewable energy assets).

² Green Bond Principles published in June 2018 are voluntary process guidelines for issuing green bonds established by the International Capital Markets Association (ICMA): <https://www.icmagroup.org/assets/documents/Regulatory/Green-Bonds/Green-Bonds-Principles-June-2018-270520.pdf>

³ The GLP build on and refer to the Green Bond Principles (GBP) of the International Capital Market Association, with a view to promoting consistency across financial markets: https://www.lma.eu.com/application/files/9115/4452/5458/741_LM_Green_Loan_Principles_Booklet_V8.pdf

3 – Management of proceeds

All Green Financing Instruments issued by Energie Burgenland are managed on a portfolio level. The established Green Asset Register is the basis for the impact reporting.

4 – Reporting

Energie Burgenland will publish a monitoring report on an annual basis until full allocation of proceeds from Green Financing Instruments. This report is expected to provide:

- The total amount of Green Financing Instruments
- The proceeds allocated/ yet unallocated
- The geographic distribution of Eligible Green Assets
- Examples of Eligible Green Assets (project name and location, as long as not of sensitive nature)
- Indicators of the projects' environmental impact



3. Energie Burgenland's Green Financing Instruments

As of April 30, 2022, Energie Burgenland has issued one Green Schuldscheindarlehen ("Green SSD") under its Green Finance Framework:

Instrument	Issue date	Maturity date	Volume	Type
Green SSD	23.06.2021	23.06.2031	EUR 50m	Senior unsecured



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Windpark Parndorf Repowering

Zustufen
Baubeginn: Juni 2020
Inbetriebnahme Mitte 2021

Neu
10 x Enercon E-110
Nennleistung: 3,1 MW
Hubhöhe: 102,20 m
Gesamterzeugnis:
142.100 MWh/a

Bestand
20 x Enercon E-80
Nennleistung: 1,5 MW
Gesamterzeugnis:
60.170 MWh/a

DORR

WP Parndorf Rep.
LOTSENPUNKT 1

ENERCON
ENERGIE-TECHNIK

SCHWENTENWEIN
SCHWENTENWEIN & SÖHN

LEYER + GRAF

4. Allocation and Impact Reporting

The full proceeds of this Green SSD (EUR 50m) have been allocated to the financing of the repowering of Energie Burgenland's wind park in Parndorf, which has a total investment volume of c. EUR 63m. Thus, there is no unallocated amount.

Windpark Parndorf

The existing 41 MW wind park in Parndorf is currently repowered to reach a new capacity of 53 MW and to more than double its expected annual energy output.

Location

Parndorf in the North of Burgenland, Austria

Final capacity

53 MW

Wind turbines

13 Enercon wind turbines with an installed capacity between 3 and 4.2 MW each

Total investments / thereof spent

EUR 63m / EUR 56m

Expected project life

25 years

Expected production

142,100,000 kWh / year

Expected GHG emissions saved⁴

107,193 tCO₂ / year

2,679,825 tCO₂ over the project life

⁴ Calculation based on a net CO₂ avoidance factor of 754.35 g/kWh per year as determined by the German Umweltbundesamt (Environmental Authority) for onshore wind assets in November 2021: https://www.umweltbundesamt.de/sites/default/files/medien/1410/publikationen/2021-12-13_climate-change_71-2021_emissionsbilanz_erneuerbarer_energien_2020_bf_korr-01-2022.pdf



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