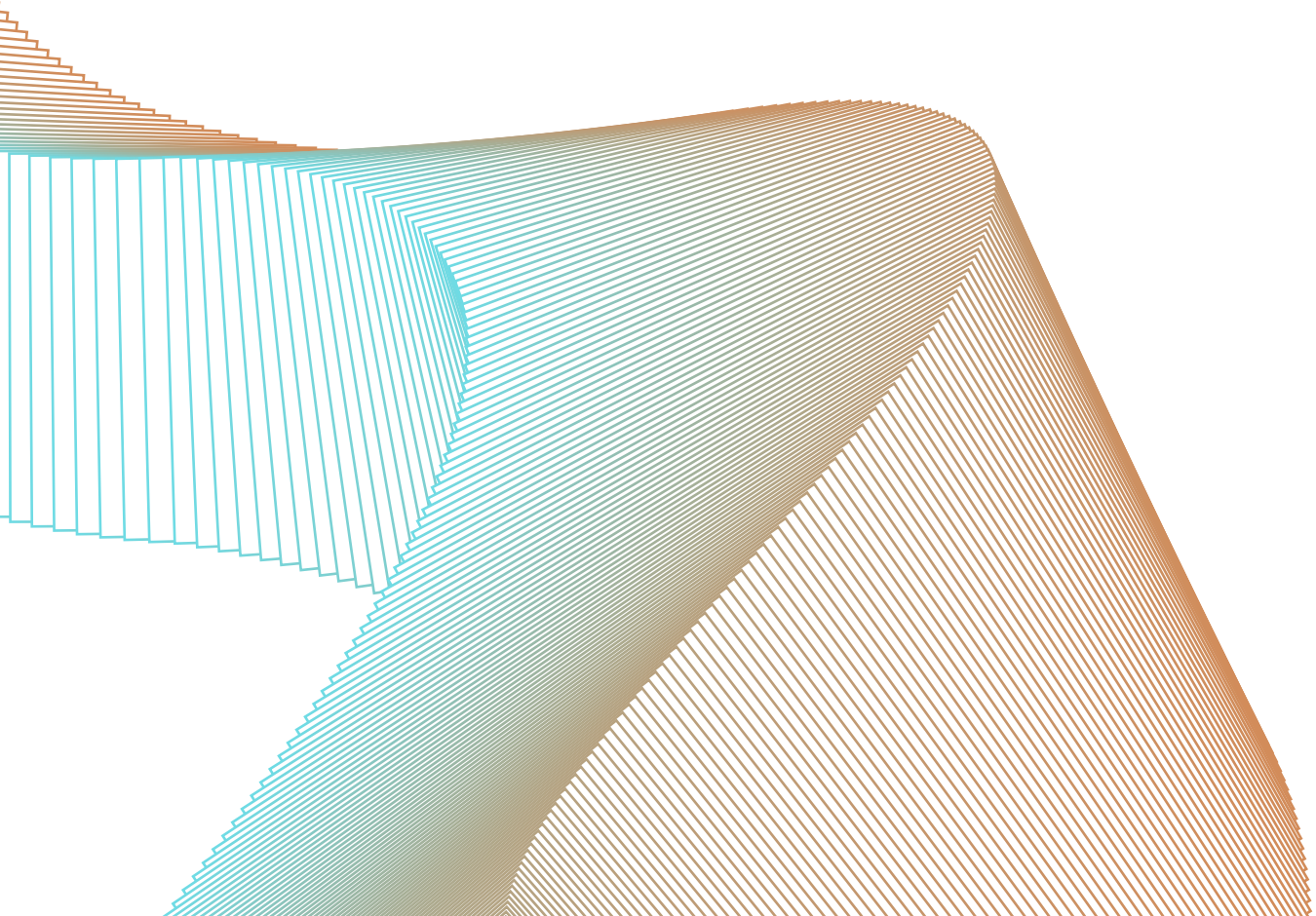


2023

Booklet



Dear Readers,

“Crisis mode” is the word of the year 2023 in Germany. The jury of the Gesellschaft für deutsche Sprache (German Language Society) justified its choice by saying that the state of emergency had become permanent. And indeed, the list of acute problems has grown longer worldwide. Russia’s war of aggression against Ukraine, the energy crisis and the ongoing struggle to combat climate change have been compounded by the issues: inflation and public debt. The Middle East conflict and the resilience of our democracies. A growing crisis in the education system and the declining attractiveness of Germany as a place to do business. All those are developments we also felt at the RAG-Stiftung in 2023.

In this environment, it has once again been shown that the best precaution against volatile markets and economic fluctuations lies in broad diversification. The RAG-Stiftung’s assets are spread across a large number of different regions, markets and asset classes. As a result, we were able to more than offset losses from individual investments with gains elsewhere. Consequently, the RAG-Stiftung posted earnings of almost EUR 400 million – well in excess of the target of EUR 287 million – for the full year 2023.

This success is important on three counts: It helps us to reliably fulfil our core mission of financing the perpetual obligations of the German hard coal mining industry. It creates added value in support for education, science and culture in the former hard coal mining regions. And it is an indicator that the model of a private-law foundation can prove its worth even under the most difficult circumstances.

Even if we would all like to see a rapid return to normality after grappling with multiple challenges and unresolved conflicts, a bit of patience is certainly still needed. In the meantime, the word of the year for our foundation is “crisis-proof.”

In this spirit: stay confident!

BERND TÖNJES
Chairman of the Board of Executives of the RAG-Stiftung

Ladies and Gentlemen,

The Board of Trustees of the RAG-Stiftung duly performed the duties incumbent upon it under the articles of association with great commitment in the 2023 financial year.

The 13 members of the Board of Trustees discussed the situation and the concerns of the foundation in its in-person meetings on 3 May and 27 November 2023 in depth. They included resolutions on the consolidated and annual financial statements for 2022, and approval of the economic plan for 2024 and of the budget for education, science and culture for the financial years 2025 through 2027.

Resolutions were also adopted on the reappointment of one member of the Board of Executives, the discharge of the Board of Executives, achievement of the objectives for 2022, and the agreement of goals for the members of the Board of Executives for 2024. In addition, the granting of general commercial power of representation to two foundation employees was approved. An additional budget for RAG-Stiftung to issue what is now the seventh exchangeable bond on Evonik shares was also approved as part of a circular resolution.

The Board of Executives of the foundation informed the Board of Trustees in detail about all current and relevant developments at the RAG-Stiftung during the meetings as well as via quarterly reports. One focus of the reporting was again the diversified investments and the continued progress of the assets, as well as the strategic holdings Evonik Industries AG, RAG Aktiengesellschaft, Vivawest GmbH and RSBG SE. The Board of Trustees also received reports on the real estate investments, in particular that relating to Signa. Additionally, the Board of Executives presented the record of success of the support projects in the areas of education, science and culture. A focus of that was on the special lighthouse projects along the entire education chain as well as post-mining research in the field of science.

The Board of Executives also provided information on fundamental issues related to corporate governance and compliance structures in the Foundation Group. There were no changes on the Board of Trustees over the course of the year.

ARMIN LASCHET

Chairman of the Board of Trustees of the RAG-Stiftung



Key figures

BALANCE SHEET

In EUR million

	31 Decem- ber 2018	31 Decem- ber 2019	31 Decem- ber 2020	31 Decem- ber 2021	31 Decem- ber 2022	31 December 2023
Fixed assets	7,430.9	8,546.2	9,903.4	10,754.8	11,675.5	11,687.2
Current assets	2,053.1	1,127.3	1,286.2	718.0	724.2	735.5
Total assets	9,484.0	9,673.5	11,189.6	11,472.8	12,399.7	12,422.7
Equity	2.0	2.0	2.0	2.0	2.0	2.0
Provisions	7,909.2	8,012.6	8,596.1	9,019.1	9,140.1	9,199.6
Liabilities ¹	1,572.8	1,658.9	2,591.5	2,451.7	3,257.6	3,221.1
Total equity and liabilities	9,484.0	9,673.5	11,189.6	11,472.8	12,399.7	12,422.7

¹ Liabilities including deferred income.

INCOME STATEMENT

In EUR million

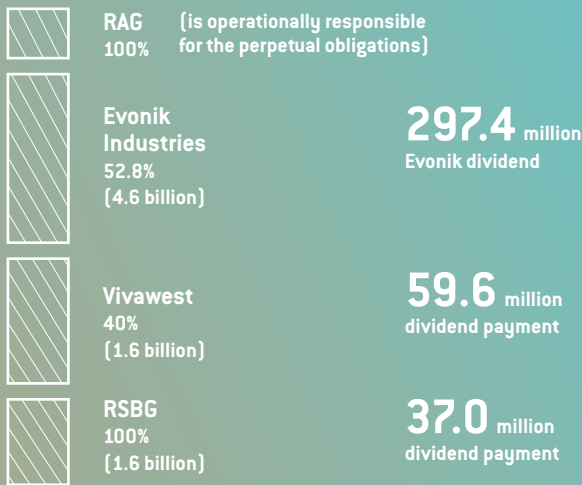
	31 Decem- ber 2018	31 Decem- ber 2019	31 Decem- ber 2020	31 Decem- ber 2021	31 Decem- ber 2022	31 December 2023
Net annual profit (= allocation to the provisions for perpetual obligations)	911.8	413.6	858.5	665.0	346.8	393.7

The RAG-Stiftung at a glance

The RAG-Stiftung is responsible for financing the perpetual obligations of the German hard coal mining industry and, to this end, continuously expands its assets. In addition, the RAG-Stiftung funds projects in the fields of education, science and culture in the former mining regions along the Ruhr and Saar rivers as well as in Ibbenbüren.

2023

STRATEGIC HOLDINGS



INVESTMENTS incl. RSBG: EUR 11.4 billion

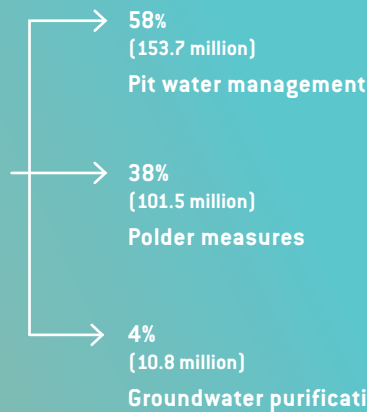


CAPITAL MARKET



PERPETUAL OBLIGATIONS

266.0* million



* Including the interest element for investments which RAG AG carried out for the RAG-Stiftung in past years



NET INVESTMENTS



All currency figures in euros

The year 2023 – a review

2023

March

Milestone in renaturation of the Emscher river achieved

As part of its pit water concept, RAG Aktiengesellschaft decommissioned the Amalie water management site – the last of what used to be four locations – for discharging pit water into the Emscher in March. For the first time in over 100 years, the river is free of pit water again. Renaturation of the Emscher river is a once-in-a-century European project.



Haus Aden: RAG completes new pit water pipeline

As part of optimisation of pit water management in the Ruhr region, the six remaining sites are to be converted and equipped with state-of-the-art submersible pumps. At Haus Aden, the central lifting site in the east of the Ruhr region, RAG Aktiengesellschaft achieved an important milestone in August: completion of the two new media channels below the Datteln-Hamm canal. Based on a contract and expert report from the state government of North Rhine-Westphalia, it submitted an application to increase the planned rise in pit water from the original –600 metres to –380 metres. According to the expert report, the pollutants in the water can be reduced even further as a result.



June

August



Excellent mining music

A great honour for the coal mining industry's musical tradition: The Bergkapelle Saar, which is supported by the RAG-Stiftung, won first prize at the European Championship for Wind Orchestras at the Philharmonie Luxembourg in June 2023. Shortly afterwards, singing of the traditional miners' hymn "Das Steigerlied" was included in the National List of Intangible Cultural Heritage. Finally, mining music from Saarland was included in the State List of Intangible Cultural Heritage.

Ruhr teacher training scholarships help ensure greater educational equity

Under a letter of intent signed in September, a broad alliance of foundations, universities and the state of North Rhine-Westphalia agreed to make pinpointed efforts to encourage students on teacher training programmes to work at schools in challenging locations in the Ruhr region. The RAG-Stiftung will provide more than EUR 1.5 million to support 140 students with EUR 300 a month for up to three years. Support for the first students will commence in the summer semester 2024.



BRYCK starts cooperation with Universitätsallianz Ruhr

Initiated by the RAG-Stiftung, BRYCK and the Universitätsallianz Ruhr (Ruhr University Alliance) are joining forces to facilitate student start-ups. The cooperation strengthens the transfer of knowledge and innovations between Ruhr University Bochum, the University of Duisburg-Essen, the Technical University of Dortmund and the start-up ecosystem. Around 120,000 students at the universities in the Ruhr region will thus gain access to BRYCK's programmes and network.

September

The Board of Executives reported on the past financial year 2022 at the annual press conference on 6 June and provided information on ongoing developments (from left to right): Bärbel Bergerhoff-Wodopia, Bernd Tönjes (Chairman) and Dr. Jürgen Rupp.



Contribution to the SDGs documented

As part of the further development of its sustainability strategy, the RAG-Stiftung systematically documented its concrete contributions to the Sustainable Development Goals (SDGs) in 2023. The multi-stage process comprised a large number of expert discussions and workshops in the RAG-Stiftung's immediate sphere of influence, including its strategic holdings, risk management of liquid capital investments and support partners. As part of that, the RAG-Stiftung also organised an expert day in September, at which representatives from all strategic holdings shared information about methodological approaches, ESG topics and lighthouse projects within the foundation network.



RAG-Stiftung places new exchangeable bond

At the end of November, the RAG-Stiftung announced the successful placement of an exchangeable bond of EUR 500 million which can be exchanged for shares in Evonik Industries AG. The RAG-Stiftung intends to use the net proceeds to finance the buyback of the old bonds and also to expand its investment portfolio.



November



Transformation centre for geo-resources and ecology

The RAG-Stiftung goals supports further development of the Forschungszentrum Nachbergbau (Research Centre of Post-Mining/FZN) into a transformation centre for geo-resources and ecology. After the Strukturstärkungsrat NRW (North-Rhine Westphalian Council on Structural Strengthening) assessed the application as worthy of funding and recommended giving it access to funding of EUR 44 million euros, a letter of intent for the establishment of the centre was signed in December 2023: The transformation centre is to be located in the Funkenbergquartier neighbourhood in Herne.

December

2024

The perpetual obligations of post-mining

Following the end of hard coal mining, there are three tasks that must be carried out over an unlimited period of time, and all three have to do with the management and control of water. The RAG-Stiftung is responsible for financing them.



Pit water management

In the former mine workings, many hundreds of meters below ground, the water level continuously rises due to the influx and seepage of rainwater and surface water. To prevent the pit water, which contains salts and iron, from coming into contact with our drinking water, it is collected at central points and pumped away. RAG Aktiengesellschaft performs this task on behalf of the RAG-Stiftung. Continuous optimisation and further refining of the pit water concept ensures that this process is as energy-efficient, climate-friendly and cost-conscious as possible.



Polder measures

200 years of industrial hard coal mining history have changed the topography of the land. Entire areas have subsided, in extreme cases by as much as 25 metres. In order to protect such depressions against flooding, the way in which the surface water is drained off must be permanently regulated at the locations in question. This is ensured by pumping stations, by deepening water bodies, or through dyke measures: from planning, through implementation and ongoing operation, to constant maintenance.



Groundwater purification

Comprehensive remediation of the areas around some former coking plants is required to prevent pollutants from seeping into the drinking water. That includes reliably identifying potential and actual risks, eliminating them through appropriate measures and regularly reviewing their effectiveness. Where contamination occurs, the water flows in question are intercepted and purified.

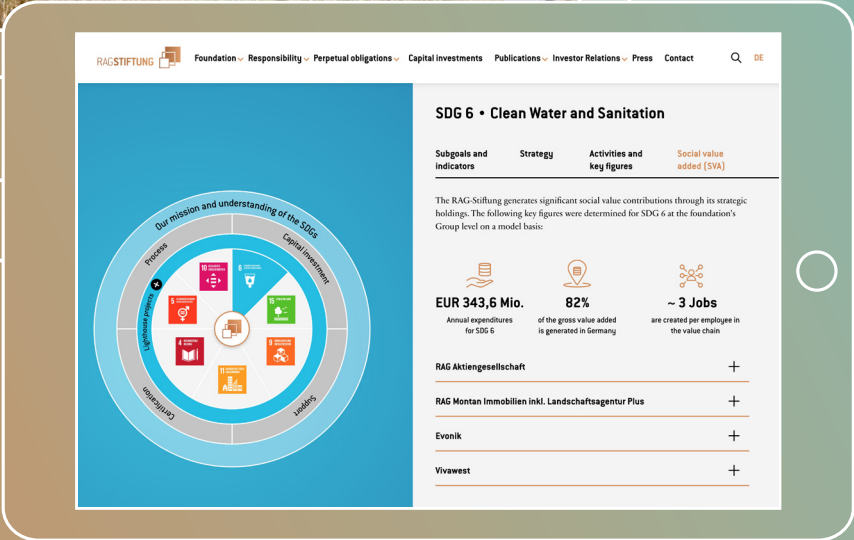
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Annual financial statements
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SDG contributions of the RAG-Stiftung
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