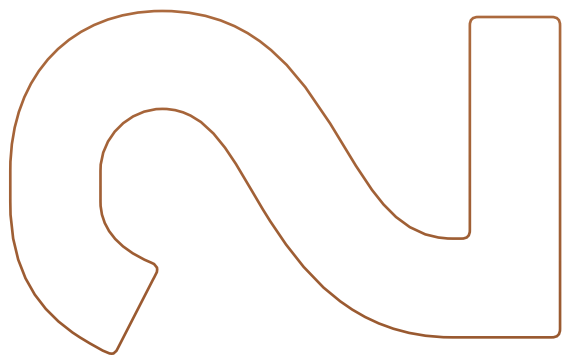
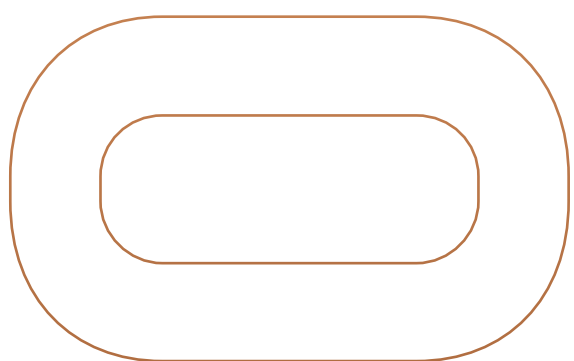
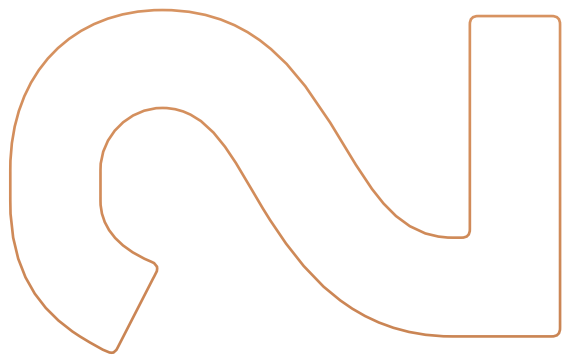
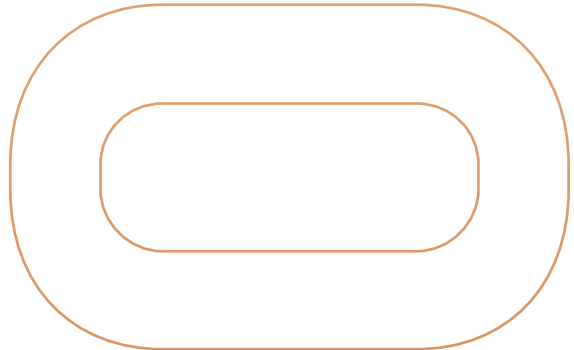




Watch out for this icon.
It marks links to additional
content in the form
of videos, webcams,
brochures etc..
* see Imprint



KEY FIGURES

BALANCE SHEET

in € millions	31/12/2015	31/12/2016	31/12/2017	31/12/2018	31/12/2019	31/12/2020
Fixed assets	4,522.6	5,200.8	6,488.0	7,430.9	8,546.2	9,903.4
Current assets	1,164.1	899.5	712.7	2,053.1	1,127.3	1,286.2
Total assets	5,686.7	6,100.3	7,200.7	9,484.0	9,673.5	11,189.6
Equity	2.0	2.0	2.0	2.0	2.0	2.0
Provisions	4,502.3	4,925.3	5,364.6	7,909.2	8,012.6	8,596.1
Liabilities ¹	1,178.1	1,169.6	1,834.1	1,572.8	1,658.9	2,581.3
Total liabilities	5,686.7	6,100.3	7,200.7	9,484.0	9,673.5	11,189.6

¹ Liabilities including deferred income

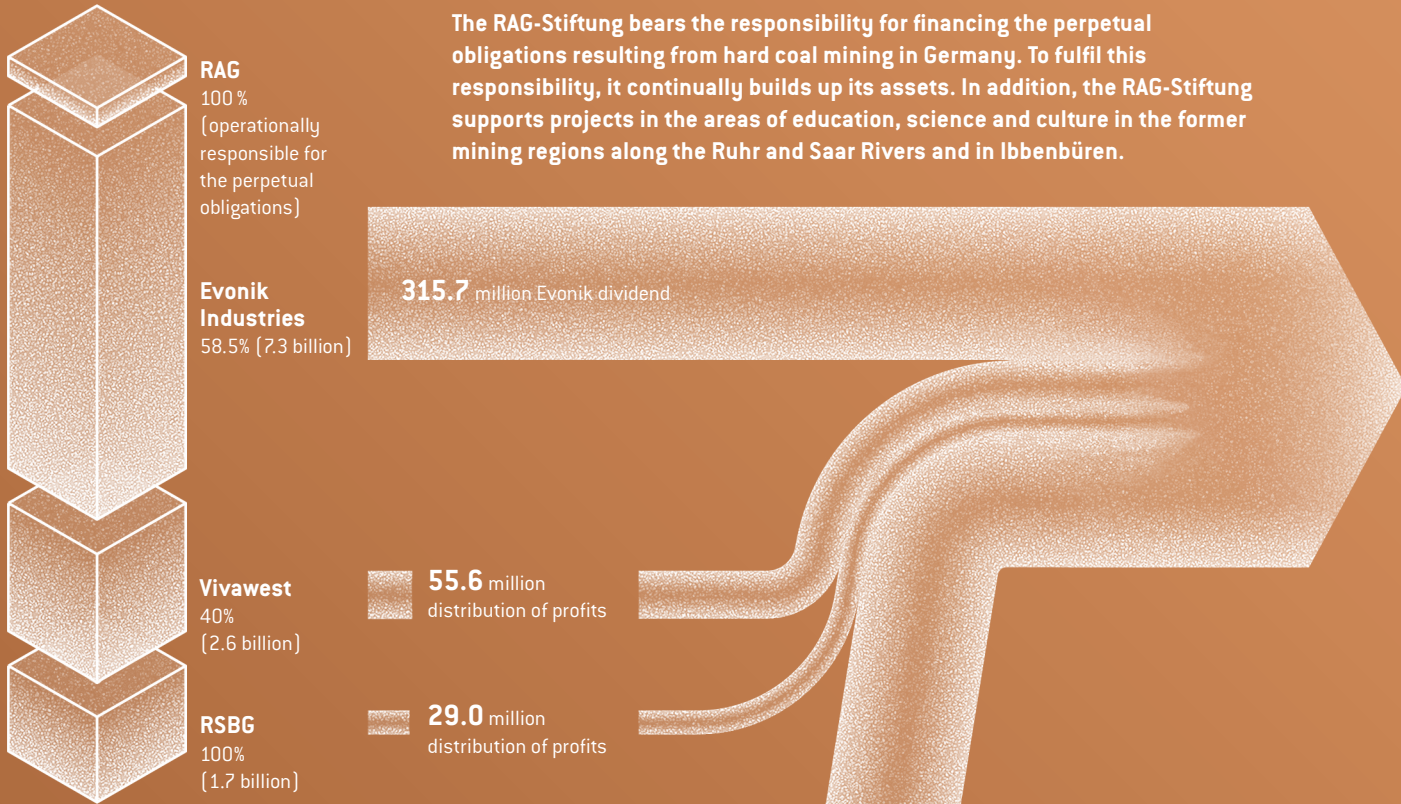
INCOME STATEMENT

in € millions	2015	2016	2017	2018	2019	2020
Annual profit (= allocated to the provision for perpetual obligations)	334.3	392.8	430.6	911.8	413.6	858.5

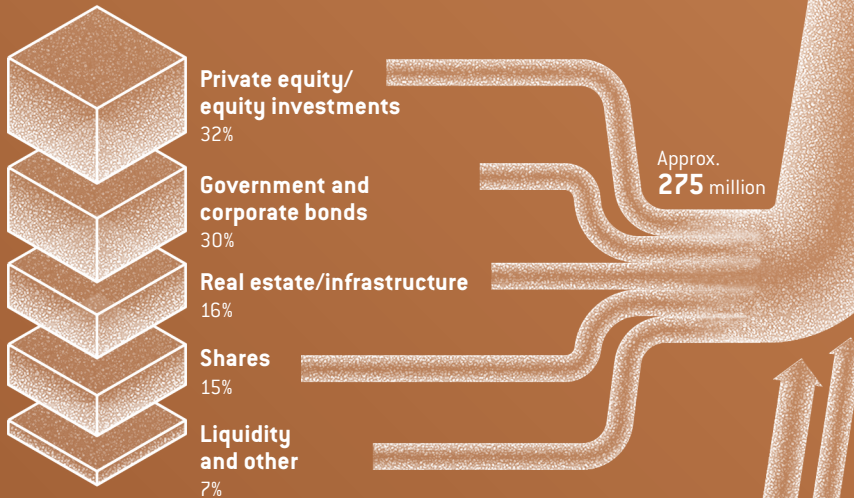
2020
STRATEGIC EQUITY INVESTMENTS

The RAG-Stiftung at a Glance

The RAG-Stiftung bears the responsibility for financing the perpetual obligations resulting from hard coal mining in Germany. To fulfil this responsibility, it continually builds up its assets. In addition, the RAG-Stiftung supports projects in the areas of education, science and culture in the former mining regions along the Ruhr and Saar Rivers and in Ibbenbüren.



INVESTMENTS, incl. RSBG 10.3 billion euros



CAPITAL MARKET

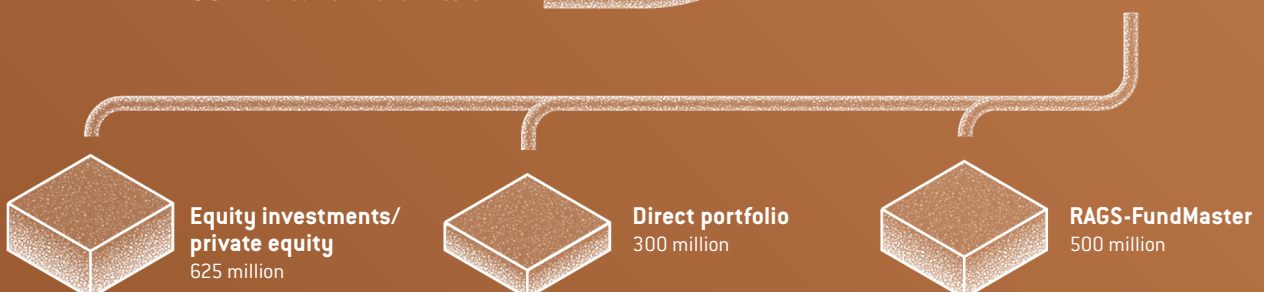


567.3 million sale of Evonik shares
86 million convertible bond issue

CAPITAL INFLOW IN 2020

In 2020 the RAG-Stiftung invested a net balance of 1,302 million euros in fixed assets. It provided 500 million euros for the RAGS-FundMaster special fund. Net capital injections to securities and companies through which the RAG-Stiftung owns real estate and investments in private equity, infrastructure and holdings in medium-sized enterprises accounted for 802 million euros. At the end of 2020, the assets of the RAG-Stiftung amounted to more than 20 billion euros.

INVESTMENTS

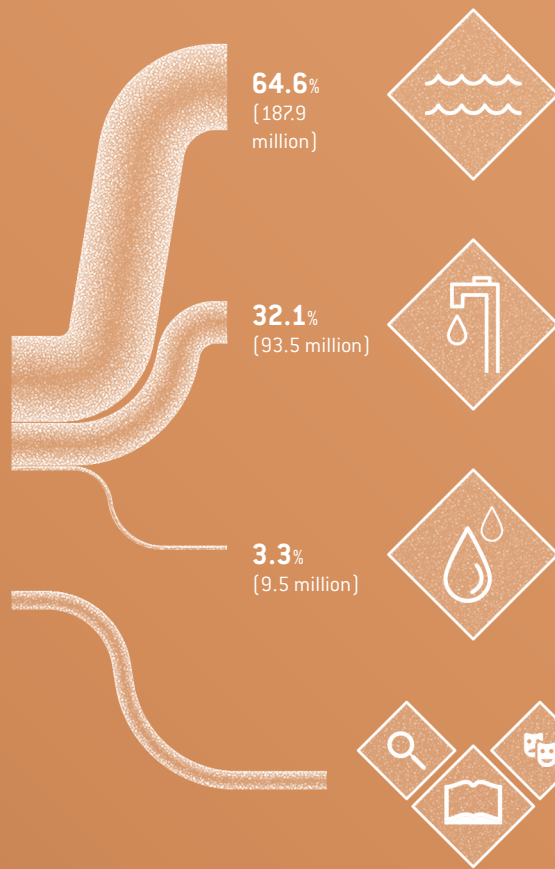


All figures in euros

PERPETUAL OBLIGATIONS
291* million

SUPPORT
27 million

* Plus the interest element for investments that RAG AG made in past years for the RAG-Stiftung



PIT WATER MANAGEMENT

Pumping up the pit water that has accumulated in the coal mines underground. The pit water is pumped up to the surface, in particular in order to protect deposits of drinking water.

POLDER MEASURES

Mining activities cause the surface to subside. Water would collect in these depressions if the water boards, in particular, didn't continuously pump the surface water away.

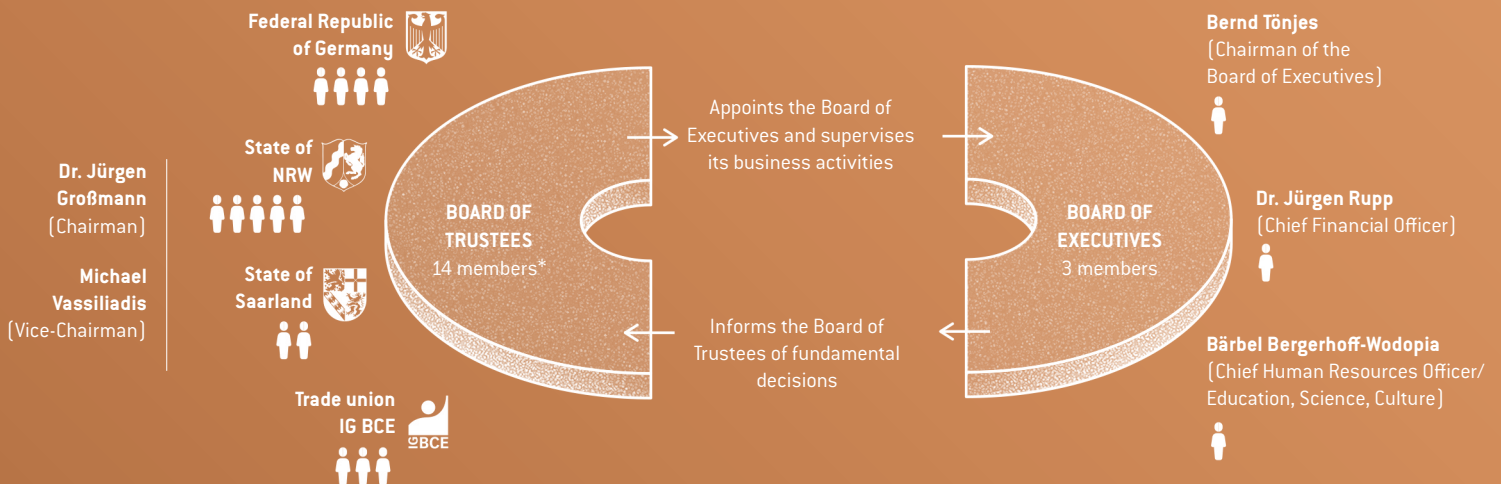
GROUNDWATER PURIFICATION

The purification of contaminated water on some sites of former related operations of the coal mining industry, in particular former coking plants.

SUPPORT FOR EDUCATION, SCIENCE AND CULTURE

Project funding is for mining-related activities in the Ruhr and Saar regions and in Ibbenbüren. The focus is on supporting children and young people with limited opportunities.

BODIES OF THE RAG-STIFTUNG



* 5 ex officio members
9 appointed members

THE FOUNDATION MODEL HAS PROVEN ITS WORTH

Reliability has always been one of the values of the hard coal mining industry. This means the RAG-Stiftung can also be relied on. Since 2019, the RAG-Stiftung has been wholly responsible for funding the perpetual obligations of the post-mining era. The foundation model has proven robust and crisis-proof even in the pandemic year of 2020, which confronted the world with extraordinary challenges.

The RAG-Stiftung finances the perpetual obligations resulting from hard coal mining in Germany by RAG Aktiengesellschaft: pit water management, polder measures and groundwater purification. In order to safeguard the long-term financing of these activities, the RAG-Stiftung is building up assets through a secure but profitable programme of capital investment. This programme is reliably providing us with the necessary returns.

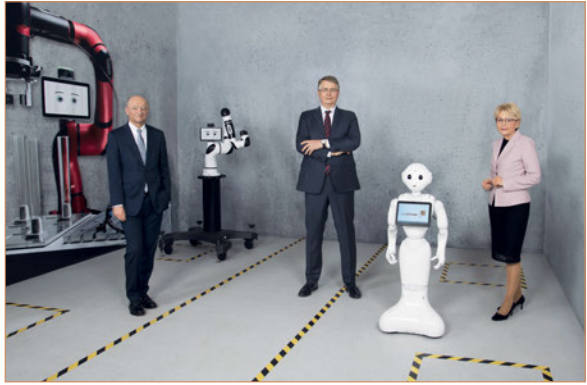
In addition, the RAG-Stiftung promotes projects in the areas of education, science and culture that are related to the hard coal mining industry in Germany. During the pandemic, the RAG Stiftung stands at the side of its funding recipients as a reliable partner. Through these projects the RAG-Stiftung is generating long-term momentum for the transformation of the regions along the Ruhr and Saar Rivers and in Ibbenbüren.



CONTENTS

8 THE RAG-STIFTUNG IS ALWAYS RELIABLE

In a joint interview, the members of the Board of Executives of the RAG-Stiftung—Bernd Tönjes, Bärbel Bergerhoff-Wodopia and Dr. Jürgen Rupp—talk about the challenges of the financial year 2020.



16 THE FOUNDATION MODEL WORKS, EVEN DURING A PANDEMIC

The capital investment strategy continued to safeguard the financing of the perpetual obligations during the coronavirus year 2020. The RAG-Stiftung has continued to stand steadfastly by its funding recipients in the fields of education, science and culture and generate crucial momentum for the transformation of the former hard coal mining regions.

22 SMOOTHING THE PATH TO THE FUTURE FOR YOUNG PEOPLE

Through its support for scholarship programmes, the RAG-Stiftung supports educational opportunities for children and young people from less privileged families.



24 NEW INSPECTION PROCESSES FOR THE POST-MINING ERA

With support from the RAG-Stiftung, the Fraunhofer IZFP and the TH Georg Agricola are studying new methods for assessing the condition of former mining facilities.



26 **A PROJECT AGAINST FORGETTING**

To mark the 75th anniversary of the liberation of Auschwitz-Birkenau, the RAG-Stiftung supported the exhibition “SURVIVORS. Faces of Life after the Holocaust”.



27 **CULTURE DEFIES THE CRISIS— HOW SOLIDARITY PROVIDES SUPPORT**

The solidarity between coal mining and art continued unbroken during the year of the coronavirus. One example was the foundation’s involvement in the Ruhrfestspiele Recklinghausen.



30 **A SOUND FINANCIAL BASE FOR THE FUTURE**

The strategic equity investments of the RAG-Stiftung: RAG AG, Evonik Industries AG, Vivawest GmbH and RSBG SE.



32 **CAPITAL INVESTMENTS SAFEGUARD THE PERPETUAL OBLIGATIONS**

Shares, private equity, real estate—the RAG-Stiftung makes investments all over the world in order to safeguard the perpetual obligations.



34 **HUMAN AND MACHINE—A CONSTRUCTIVE PARTNERSHIP**

Robot technologies are opening up market potential in the areas of caregiving, the retail trade and the hotel and hospitality sector—an example of financing for the SME sector.



36 **REPORT BY THE CHAIRMAN OF THE BOARD OF TRUSTEES**

Dr. Jürgen Großmann looks back on the reporting year 2020.

37 **MANAGEMENT REPORT**

Basic principles of the company	38
Economic report	43
Significant non-financial issues	64
Risks and opportunities report	64
Outlook report	73

75 **ANNUAL FINANCIAL STATEMENTS**

Balance sheet	76
Income statement	78
Notes	94
Auditors’ Certificate	110

THE RAG-STIFTUNG IS

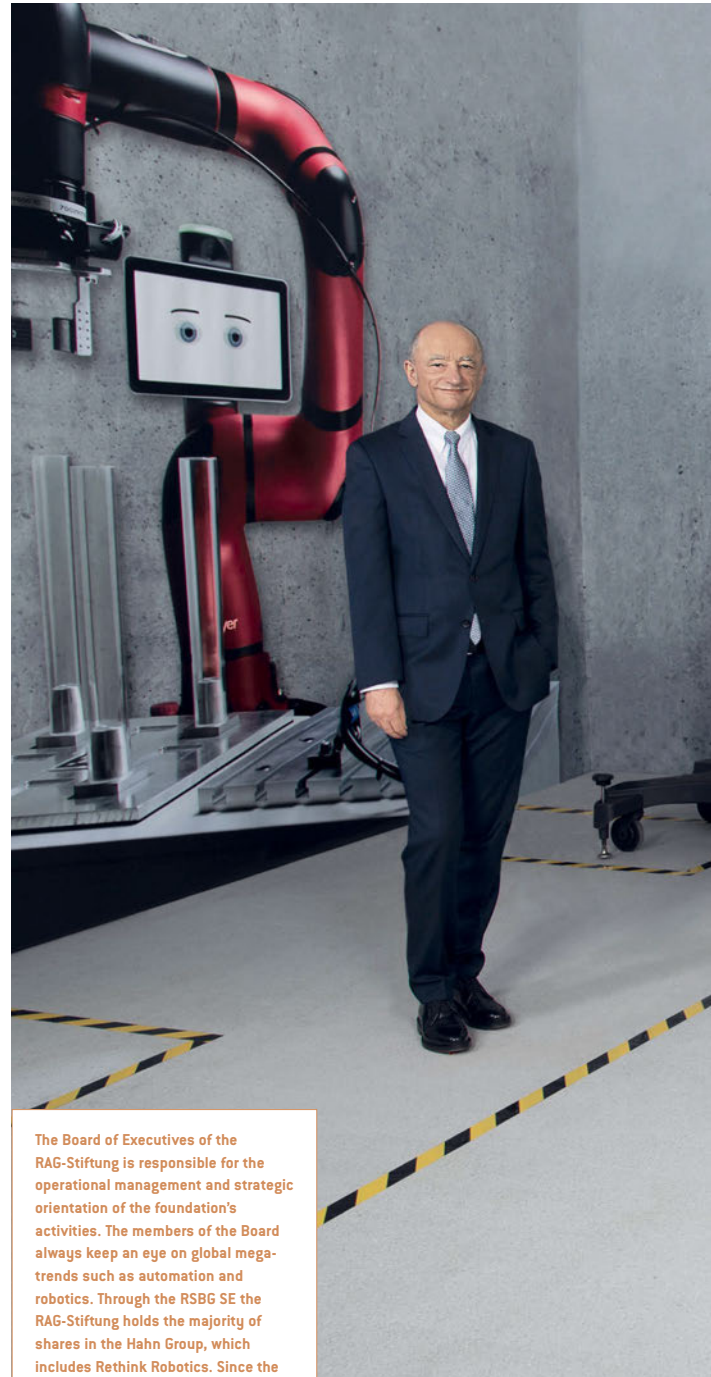
Ever since the discontinuation of hard coal mining in Germany in December 2018, the RAG-Stiftung has financed the perpetual obligations of the post-mining era. In 2020, the foundation model that had been created for this purpose faced an extraordinary test as a result of the coronavirus pandemic. During this time, the foundation focused on reliably continuing all of its activities and on infection prevention to safeguard the health of all employees. That's reason enough to draw up a balance. In a joint interview with the Board of Executives for the Annual Report, Board members Bernd Tönjes, Bärbel Bergerhoff-Wodopia and Dr. Jürgen Rupp talk about the past year.

Mr. Tönjes, the coronavirus crisis was an exceptional situation that impacted every area of life in 2020. It surely must have affected the RAG-Stiftung as well. What can you tell us about that?

Bernd Tönjes: The coronavirus pandemic is nothing less than the greatest challenge we've faced since the Second World War. Of course it also had effects on the RAG-Stiftung. However, its development has been manageable so far, and that is still the case. Here's our summary of the past financial year: the RAG-Stiftung's structure is robust and crisis-proof. The foundation model is proving its worth even under exceptionally difficult circumstances, and we've been able to fulfil our mandate in every respect. The RAG-Stiftung's financing of the perpetual obligations resulting from hard coal mining in Germany amounted to almost 291 million euros, somewhat less than the figure for the previous year. And we expect these costs to go on decreasing in the future. In any case, we will continue to ensure that the taxpayers are not bearing this burden. In addition, our support for our funding recipients will remain as reliable as ever.

Dr. Rupp, as you look back on a turbulent year, the foundation's bottom line becomes even more important. What kinds of financial success did the RAG-Stiftung achieve in the financial year 2020?

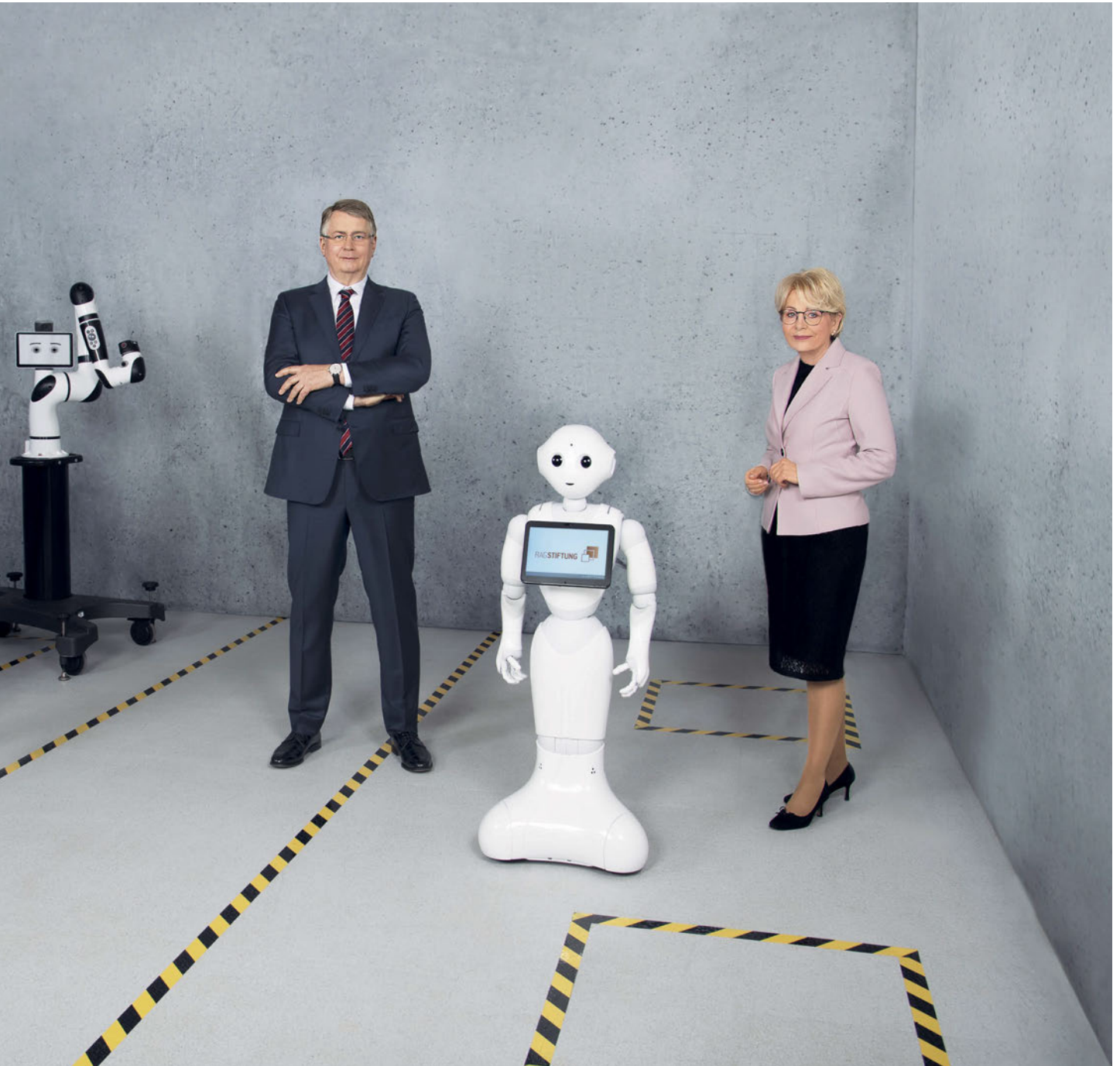
Dr. Jürgen Rupp: In spite of the pandemic, the RAG-Stiftung was able to achieve the goals specified in its articles of association: financing the perpetual obligations, increasing the foundation's assets and supporting education, science and culture in the former mining regions. In terms of numbers, this means we had an annual profit amounting to 858.5 million euros. The foundation's assets grew by 1.5 billion euros and passed the threshold of 20 billion euros for the first time.



The Board of Executives of the RAG-Stiftung is responsible for the operational management and strategic orientation of the foundation's activities. The members of the Board always keep an eye on global megatrends such as automation and robotics. Through the RSBG SE the RAG-Stiftung holds the majority of shares in the Hahn Group, which includes Rethink Robotics. Since the summer of 2020 this company has produced collaborative robot systems in Bochum, thus creating over 30 jobs for highly qualified workers.

DR. JÜRGEN RUPP
CHIEF FINANCIAL
OFFICER

ALWAYS RELIABLE



BERND TÖNJES
CHAIRMAN OF THE BOARD
OF EXECUTIVES

BÄRBEL BERGERHOFF-WODOPIA
CHIEF HUMAN RESOURCES OFFICER
EDUCATION, SCIENCE, CULTURE



“THE RAG-STIFTUNG’S STRUCTURE IS ROBUST AND CRISIS-PROOF. THE FOUNDATION MODEL IS PROVING ITS WORTH EVEN UNDER EXCEPTIONALLY DIFFICULT CIRCUMSTANCES.”

BERND TÖNJES

> Ms. Bergerhoff-Wodopia, as the foundation’s Chief Human Resources Officer, what operational measures did you implement in response to the coronavirus crisis?

Bärbel Bergerhoff-Wodopia: Our activities have been directed toward two goals: protecting the employees and safeguarding our ability to act in the commercial arena. We’ve been very successful in this respect so far, because we implemented wide-ranging measures to protect our employees from the very start. One component of these measures was a crisis team that was formed as a joint committee by RAG AG, RAG Montan Immobilien and the RAG-Stiftung. The crisis team’s good work, as well as the ongoing monitoring and adaptation of preventive measures, successfully averted the formation of chains of infection.

The pandemic unexpectedly put the foundation model to the test. What’s your assessment so far?

Dr. Jürgen Rupp: The foundation was able to continue fulfilling its obligations in 2020, thanks to its diversified

capital investments. This shows that it’s worthwhile in itself for capital investment to be global, distributed across many asset categories, flexible and granular and to have different degrees of liquidity. These qualities, combined with regular investments in these asset categories and a policy guided by a risk budget, enabled us to safely steer the foundation through the crisis.

The coronavirus pandemic is posing unexpected challenges for the foundation, as well as our economy and society as a whole. But my biggest worry is the danger of the erosion of our social values. In a crisis of this magnitude, our democracy must rise to the challenge. The associated political decisions must carry the people along with them, in the best sense of the word—even though, contrary to many people’s expectations, there are no standard solutions here.

How has your portfolio developed? Which acquisitions would you single out?

Bernd Tönjes: At the beginning of the year, we made a very attractive investment by acquiring shares in TK Elevator (TKE), the elevator division of thyssenkrupp. The elevator business promises to yield sustainable returns, because it’s part of one of the megatrends of our era: the development of megacities and their infrastructure. This >

27

million euros
was the volume of funding for
education, science and culture in
the financial year 2020.

858.8

million euros
was the annual profit
of the RAG-Stiftung in 2020.

The foundation's assets increased by 1.5 billion
euros in the financial year 2020, thus passing
the threshold of

> 20

billion euros
for the first time.

291*

million euros
were spent in 2020 to fulfil
the perpetual obligations.
This figure continues to decrease.

*plus the interest element
for investments that RAG AG
made in past years for
the RAG-Stiftung

- > expectation has been reinforced by the coronavirus crisis. The elevator technology sector has developed much more positively than the market as a whole. As long-term investors and members of the consortium headed by Advent and Cinven, we are pursuing the goal of sustainably developing TKE and creating good prospects for it.

The RAG-Stiftung supports projects in the areas of education, science and culture in the former mining regions. How are you meeting the challenges posed by the coronavirus?

Bärbel Bergerhoff-Wodopia: Our funding recipients are facing huge challenges during the crisis. Right now it's especially important for us to be a reliable partner standing at their side. Our funding volume in 2020 totalled 27 million euros. The traditional focus has been on education projects for children and young people with limited opportunities, and we will maintain this focus in the future. Accordingly, we regularly analyse current publications on education policy and educational science. Our main emphasis is on promoting language skills and the STEM subjects. Our strategy is paying off. Today we have a top-quality funding portfolio that covers the entire education chain. Through its support for education, the RAG-Stiftung is a driving force in the region, and it has now initiated outstanding flagship projects at the national level.

Apropos education, a key aspect of the coronavirus year of 2020 was the closing of schools...

Bärbel Bergerhoff-Wodopia: It's mostly the children and young people with limited opportunities who are running the risk of being left behind. That's why we teamed up with the Rat für Bildung (Education Council) of the Diocese of Essen to initiate a tutoring project in Essen's northern district and provided about 100,000 euros in funding to 13 primary schools. We found that this funding has significantly improved the children's enjoyment of learning and their acquisition of academic skills. As a result, the RAG-Stiftung has decided to continue the project until the Easter holidays in 2022.

In addition, it's clear that the use of digital media and home schooling presents major challenges for many parents, teachers and schoolchildren. In 2018 we initiated a project called Teach First Germany that specifically addresses this problem. As part of the

project, "Digi-Fellows" help children use digital media at schools in socially disadvantaged areas in the Ruhr district. Last year the project was expanded to include digital instruction materials for teachers. Since early 2020, digital literacy has been taught as part of the training programme for all Digi-Fellows in Germany. We're proud to see that the experiences and findings from the Ruhr district serve as the basis of this teaching.

Education and digital literacy are important factors in a region's capacity for innovation. In 2020 you cooperated with the German Startups Association to publish the "Ruhr Innovation Report". What were the report's main conclusions?

Bernd Tönjes: Innovation is the crucial factor in a vital national economy. And during the coronavirus crisis it's even more important to safeguard the capacity for innovation. Parallel to the report's publication, we reacted to the ongoing development of the pandemic with a supplementary study titled "Innovation und die Corona-Krise" (Innovation and the Coronavirus Crisis). The study shows that Covid-19 has been a hard test for the startups, but also that thanks to their innovative power they are helping to combat the crisis. The Ruhr region is building on a strong basis. The density of our network of universities and research institutes is unequalled in the rest of Europe. Leading companies and teachers and trainers are a guarantee of innovations and future-oriented markets. We believe that the B2B sector and cybersecurity hold special potential. These are the areas where the Ruhr district can play a pioneering role. The RAG-Stiftung intends to do its part when it comes to shaping the future and taking the steps necessary for change, especially in the former mining regions.

Apropos cybersecurity, you cooperated with the Startups Association to once again take a closer look at this future-oriented field. Why?

Bernd Tönjes: This field has gained enormous significance as a result of digitalization. It's all about working securely from home, the digitalization of industrial production—the key word here is Industry 4.0—and also the protection of patients' data in the health system. The coronavirus crisis is turning a spotlight on our digital infrastructure and further accelerating the digitalization process. And that too reveals the importance of cybersecurity.

Speaking of "cyber", automation and robotics are also markets of the future. Do you think the region is also seeing an upswing in this area?

Dr. Jürgen Rupp: To my mind, terms such as "automation", "robotics" and "cybersecurity" are keywords related to the megatrend of digitalization, which we are following very closely, along with the trends of urbanization, global health and communications. As a foundation, we are interested in earning money from the global megatrends. Through the investment company RSBG SE, we hold the majority of shares in the



“THROUGH ITS SUPPORT FOR EDUCATION, THE RAG-STIFTUNG IS A DRIVING FORCE IN THE REGION, AND IT HAS NOW INITIATED OUTSTANDING FLAGSHIP PROJECTS AT THE NATIONAL LEVEL.”

BÄRBEL BERGERHOFF-WODOPIA

Hahn Group, which includes Rethink Robotics. This company produces collaborative robot systems and has already created 30 jobs for highly qualified workers. In the summer of 2020 Rethink Robotics moved into its new headquarters and production site in Bochum—where we’re conducting this interview. These premises are part of the new Hahn Group Technology Center. A further expansion is in the planning stages. We supported Rethink Robotics’ move to this location because we believe it will be an ideal environment for the company’s further growth. However, innovations can’t be planned or forced—they can only be made. In view of its purpose as defined by its articles of association, as well as business considerations, the RAG-Stiftung can only provide this region with a limited amount of support. Nonetheless, the region offers tremendous potential for independent development.

At the beginning of 2020 the RAG-Stiftung bought the former Colosseum Theater. Can you tell us something about your plans for it?

Bernd Tönjes: In addition to the profitability aspect, which is always central, we want to revitalize this listed property in Essen’s city centre. In this building we want to create a comprehensive network with international appeal. There, tenants from the areas of business, science, education and research will become an ecosystem for innovation and transformation that will also benefit small, modern and young medium-sized companies. This property fits in well with the rest of our portfolio, because it will help to diversify it further and thus safeguard our return. We are currently developing concepts for its conversion. In the meantime, the new ecosystem and its first tenants are already starting to operate in 2021—in a prominent location nearby.

The pandemic is not over, and it will continue to have an impact around the globe. What challenges will the foundation face in the medium and long terms?

Dr. Jürgen Rupp: The pandemic’s future course is uncertain, and its medium and long-term effects cannot yet be quantified. The risks it poses to the global economy are enormous. In addition, the low level of interest rates is facing us with considerable challenges. Currently about 27 per cent of investable bonds, as measured by the ICE BofA Global Broad Market Index, are yielding a negative return. This is income that we >



“IN SPITE OF THE PANDEMIC, THE RAG-STIFTUNG WAS ABLE TO ACHIEVE THE GOALS SPECIFIED IN ITS ARTICLES OF ASSOCIATION. THE FOUNDATION’S ASSETS PASSED THE THRESHOLD OF 20 BILLION EUROS FOR THE FIRST TIME.

DR. JÜRGEN RUPP

- > may miss out on over the long term. To put it another way, for quite a while now it has been impossible to make money through safe bonds. As a rule, shares and private equity are more profitable, but they also come with a higher risk. So the trick is to find the right mix of asset categories. Infrastructure investments fit in well with our foundation portfolio because of their payment profile. For these reasons, we reacted to the low-interest-rate environment early on, and in recent years we’ve successfully expanded our illiquid investments such as real estate, private equity and infrastructure. However, as a long-term investor we don’t chase after trends or cling to annual prognoses. Instead, our key strategy consists of long-term asset allocation with broad distribution.

Solidarity has always been a value of the mining community. Did you also feel this solidarity during the crisis year 2020?

Bärbel Bergerhoff-Wodopia: Yes, in impressive ways! One very good example is the initiative “Wir im Revier”.

The RAG-Stiftung contributed a crucial 300,000 euros to its funding. Other institutions also support this initiative. Its goal is to help people who have fallen into financial difficulties because of Covid-19 and are not receiving any assistance from governmental support programmes. In 2020 the initiative provided about 850 families and individuals, including many students, with unbureaucratic immediate assistance payments of up to 1,000 euros and vouchers for digital equipment. The initiative was continued this year.

Creative artists have been hit hard by the coronavirus crisis.

Did the RAG-Stiftung continue its involvement in this area?

Bärbel Bergerhoff-Wodopia: We will continue to support the cultural sector, which has been shaken by the crisis, because the projects we support are closely connected with the region and they offer people a diverse range of low-threshold cultural activities. Prominent examples include the renowned exhibitions of the Folkwang Museum. I’ve greatly enjoyed being a member of its Administrative Council since 2020. The Ruhrtriennale and the Ruhrfestspiele Recklinghausen theatre festival are also worth mentioning. For both of these projects, the RAG-Stiftung paid part of the costs that had already been incurred for the necessary advance planning. As a member of the Supervisory

Board of the Ruhrfestspiele, I also feel a close personal bond with the festival.

How strongly has the coronavirus pandemic affected the foundation's partners in the area of science funding, as compared with the social and cultural sector?

Bärbel Bergerhoff-Wodopia: The consequences were less drastic, but adjustments are needed in this area as well. The Technische Hochschule Georg Agricola (THGA) switched to digital instruction almost immediately. The German Mining Museum Bochum developed virtual museum tours at short notice. During the period when the museum was open, from May to November 2020, the "Pay what you want" model was created so that everyone could visit, no matter what their financial situation might be. The RAG-Stiftung made up the difference between these payments and the regular entrance fees.

Another example is the Leibniz Institute for New Materials, whose research into lithium successfully attracted attention all over Germany to this future-oriented field. Together with the Research Institute of Post-Mining of the THGA and the Fraunhofer Institute for Nondestructive Testing, we could also produce research results concerning the statics of mining installations, which will directly flow into the long-term and cost-optimized preservation of mining locations. Even—and especially—during this difficult time, these results impressively demonstrate that our supported projects are sustainably strengthening the science centres along the Ruhr and Saar Rivers.

Dr. Rupp, you've been working for the foundation for just over two years. What's your assessment so far?

Dr. Jürgen Rupp: I joined a well-positioned team whose members complement one another perfectly in spite of their diverse personalities. They all work together with a sense of purpose and on a basis of mutual trust, and they made it easy for me to become part of the team. The years 2019 and 2020 were very successful in financial terms, but here too a quip of Eugen Schmalenbach, the forefather of the science of business management, still applies: A merchant won't pay you anything for your past success.

What goals do you aim to pursue in the years ahead?

Dr. Jürgen Rupp: We're setting our sights on the future.

In addition to fulfilling our perpetual obligations and promoting education, science and culture, we will continue to increase our asset base. Our goal must be to make all of our capital investments so broadly diversified that neither macroeconomic crises nor crises in individual industrial sectors or global regions can prevent us from carrying out our mandate as a foundation. That will only be possible if we steadfastly adhere to our investment strategy and continue to increase our assets.

Mr. Tönjes, we have conducted today's interview with the Board of Executives members at the Rethink Robotics headquarters in Bochum. It's a place that exemplifies the region's successful transformation and its future. During these extraordinary times, what are your expectations about the future?

Bernd Tönjes: I'm convinced that we will overcome the pandemic and that we will also emerge from it strengthened. There's no question about it: the reason why the coronavirus crisis has been, and still is, so challenging is that it is also accelerating developments that are already happening. In Germany we're already poised on the brink of radical changes—economic, social, technological and, in some cases, epoch-making upheavals. Under these circumstances, we need adaptability, creativity and courage. As a foundation, we are deeply rooted in the former hard coal mining regions. And those who have deep roots are not blown over easily. But in order to shape the future you must be determined to think and act sustainably today. The RAG-Stiftung already carries the triad of sustainability in its articles of association, which unites economic, environmental and social aspects in equal measure. All of this makes me very confident. The RAG-Stiftung will continue to reliably fulfil its obligations in the future and to play an important role in the transformation of the former hard coal mining regions.

THE FOUNDATION MODEL HAS PROVEN ITS WORTH EVEN DURING THE PANDEMIC

With its broadly diversified capital investments, the RAG-Stiftung also safeguarded the financing of the perpetual obligations of pit water management, polder measures and groundwater purification during the pandemic year of 2020. At the same time, the foundation is a reliable partner of the recipients of its support in the fields of education, science and culture. It is also strongly boosting the innovative spirit and the transformation of the former hard coal mining regions.

As the year of the coronavirus, 2020 created global challenges of historic proportions in social as in economic respects. The foundation model was also put to the test. However, it fully proved its effectiveness even under the difficult conditions of the pandemic. The RAG-Stiftung continued to fulfil all of its obligations and live up to its responsibility towards the former hard coal mining regions. For example, it safeguarded and increased its stock of capital for financing the perpetual obligations—which RAG Aktiengesellschaft reliably implemented at the operational level—and not only continued its support of education, science and culture without any interruptions, but also initiated new projects and solutions that set benchmarks in this challenging time.

The RAG-Stiftung's investment strategy once again guaranteed the proper functioning of the foundation model. As a result, the foundation's assets grew by around 1.5 billion euros in spite of the pandemic. This caused it to surpass the 20-billion-euro mark for the first time. The foundation has broadly diversified its portfolio and has direct and indirect equity investments in companies all over the world. The diversification of its shareholdings paid off during the pandemic. Temporary declines of the share prices in some segments were offset, among other things, by successful investments in crisis-proof sectors such as those involving megatrends such as digitalization, medical technology and infrastructure. For example, the investments in the RAGS-FundMaster special fund had developed positively in almost all asset classes by the end of 2020. Moreover, the strategic equity investments of the RAG-Stiftung proved to be robust. For example, Evonik Industries AG generated an adjusted EBITDA of 1.91 billion euros in 2020. One reason for the comparatively good >



Overview of the Ruhr region: in 2020, the RAG-Stiftung once again increased its capital stock for financing the perpetual obligations resulting from Germany's hard coal mining industry.

The perpetual obligations of the post-mining era

After the end of hard coal mining, three obligations must be fulfilled for an indefinite period. All of them are related to the management and control of water. The RAG-Stiftung finances these activities.



PIT WATER MANAGEMENT

RAG Aktiengesellschaft is responsible for pit water management in the former hard coal mining regions. Here, at the bottom of a former mineshaft hundreds of metres under the surface, the pit water is collected and transported to the surface by powerful pumps and pipes, then channelled into watercourses. The pumping system is designed redundantly. In the event of a malfunction, each pump can be quickly replaced by another. The pit water concept of RAG for the post-mining era will in the medium term require only six central pit water management stations in the Ruhr region.



POLDER MEASURES

Centuries of mining operations have also changed the local landscape. Entire regions have subsided, in extreme cases by as much as 25 metres. The surface water at these locations must be actively regulated now and in the future in order to prevent the accumulation of water in these hollows. Special pumping facilities must be operated and maintained and bodies of water must be deepened or barricaded with dykes to ensure that the water is drained off.



GROUNDWATER PURIFICATION

In some of the former mining regions, especially on the grounds of former coking plants, there are contaminated areas that must be cleaned up. After the contaminated groundwater has been located, it is drained off and purified in order to prevent contaminated water from mixing with clean water and spreading. The effectiveness of these measures is regularly monitored.



COSTS

The total annual costs of the three perpetual obligations resulting from hard coal mining are expected to amount to about 300 million euros in the first few years and to subsequently taper off. The pit water management alone will account for around two thirds of these costs because of the uninterrupted operation of the high-powered pumps. The RAG-Stiftung is dedicated to permanently financing these perpetual obligations in order to reduce the costs for the public sector, and thus for the taxpayers.



The listed Colosseum Theater in Essen: through the investment in this 120-year-old property, the RAG-Stiftung is actively contributing to the transformation of the Ruhr region.

- > result was that the corporate strategy had been refocused on high-margin and less cyclical specialty chemicals transactions. In the 2020 financial year, Vivawest GmbH also continued to build on the successful development of the previous years. The fact that Vivawest began to pursue a digitalization strategy early on proved to be beneficial in this respect because it enabled the implementation of key projects during the pandemic.

At the beginning of 2020, the RAG-Stiftung took an important step in the further diversification of its equity investments. The RAG-Stiftung together with two partners and other institutional investors acquired the elevator unit of thyssenkrupp as an investment in the megatrend towards the growth of megacities and their associated infrastructure. The unit in question, TK Elevator (TKE), has sustained growth potential and is also considered to be crisis-proof, due to its service business.

INVESTMENT IN THE REGION

A good example of the foundation's involvement in the real estate sector was the acquisition of the listed Colosseum Theater in Essen in 2020. The foundation also made this investment with respect to its profitability. However, the investment also actively supports the transformation process in the Ruhr region. RAG-Stiftung Innovation GmbH (RSI) was created in late 2019 as a subsidiary for the pooling of the foundation's innovation-supporting activities and it invests in rapidly growing companies. Under its leadership, a business incubator is being created in the 120-year-old brick theatre building. Here, startups, scientists and well-established companies will come together under one roof to implement new ideas. On the new platform, representatives from business, education and research will work together and reinforce one another in an ecosystem



Focusing on the startup sector: in cooperation with the Bundesverband deutsche Startups, the RAG-Stiftung has published the "Innovationsreport Ruhr" and the study "Cybersecurity an der Ruhr".



Support in a time of pandemic: the RAG-Stiftung teamed up with the Rat für Bildung (Education Council) of the Catholic Diocese of Essen to initiate a tutoring project for disadvantaged primary school children in northern Essen.

for innovation and transformation. This network will begin operating in mid-2021 at a location adjacent to the former Colosseum Theater.

STUDIES REVEAL NEW OPPORTUNITIES

In order to increase the transparency of the Ruhr region's innovative capabilities and identify investment opportunities, the RAG-Stiftung teamed up with the Bundesverband Deutsche Startups in 2020 to conduct three studies regarding the ability of the Ruhr region to thrive in the future. One of these studies, the "Innovationsreport Ruhr", was published in April. It reveals huge opportunities for startups and innovative business models in Germany's largest conurbation. According to the study, the region has potential, offered by the good market opportunities for startups in the B2B segment, for example, and its diverse range of universities. New opportunities are also opened up by the development of sector-specific clusters at the interfaces between universities, well-established businesses and startups. The pandemic's effects on the momentum of innovation in the Ruhr region were the subject of the survey "Innovation & die Coronakrise", which was published in April as a supplement to the innovation report. One key finding of the study was that startups are becoming even more important because the demand for innovative solutions in areas such as digitalization is continuing to increase during the pandemic. It is also important to invest in promising areas in order to boost the region's future viability. One example of best practice in this area is provided by the cybersecurity sector, as illustrated by the "Cybersecurity-Report", which the RAG-Stiftung published in November 2020. According to the study, the further enhancement of this cluster is essential for the development and international visibility of the Ruhr region as a place of innovation.

UNINTERRUPTED LEARNING DURING THE CRISIS

In times of crisis, a special focus has to be on the weakest members of society. During the coronavirus year 2020, the RAG-Stiftung's measures for supporting education therefore concentrated particularly on disadvantaged children and teenagers. The consequences of the pandemic, such as shortened school hours, the closure of extracurricular venues, and remote learning have had particularly serious effects on these young people and often lead to gaps in education that are difficult to remedy without assistance. To prevent this from hampering educational transitions at a later date, it is essential that support be provided early on.

For this reason, the RAG-Stiftung teamed up with the Rat für Bildung (Education Council) of the Catholic Diocese of Essen to initiate a tutoring project for disadvantaged primary school children in northern Essen, who cannot benefit from the federal government's education and participation package but who nevertheless require extensive support. Last year, around 100,000 euros flowed into this successful pilot project, which was launched at four primary schools during the summer holidays and expanded during the autumn holidays to 13 schools in northern Essen. Due to the children's significant and demonstrable educational success and continued need for support, the RAG-Stiftung decided to continue the project until the Easter holidays of 2022.





EDUCATION SCIENCE CULTURE

SMOOTHING THE PATH TO THE FUTURE FOR YOUNG PEOPLE

In Germany, the educational success of children and young people still depends to a very large extent on their social origins. The unequal distribution of educational opportunities is especially pronounced in the Ruhr region, and the effects of this unequal distribution have been especially visible during the coronavirus pandemic. Without external support, opportunities for successful progress in the educational system, followed by a self-determined life, simply vanish.

The discontinuation of hard coal mining caused the disappearance of many education and training opportunities that formerly offered good prospects for disadvantaged children and young people. The RAG-Stiftung believes that it shares the responsibility to at least partially offset this disappearance. That's why it supports projects along the entire education chain. These projects aim to identify young people's potential, avoid gaps at the transition points of their educational pathway, and equip them with the tools they need for a successful life. "We can't afford to let talent go to waste," says Bärbel Bergerhoff-Wodopia, a member of the Board of Executives of the RAG-Stiftung.

The three scholarship programmes RuhrTalente, Studienkompass and the Deutsches Schülerstipendium are examples of how children and young people benefit from this support.

"WE CAN'T AFFORD TO LET TALENT GO TO WASTE."

BÄRBEL BERGERHOFF-WODOPIA, MEMBER OF THE RAG-STIFTUNG'S BOARD OF EXECUTIVES



At the last in-person admission ceremony of the RuhrTalente scholarship programme in 2019, scholarship certificates were presented to recipients from about 140 different schools by the RAG-Stiftung Board of Executives member Bärbel Bergerhoff-Wodopia (centre); Prof. Bernd Kriegesmann, President of the Westfälische Hochschule (right); and NRW Secretary of State Mathias Richter (third from right).



RUHRTALENTE

RuhrTalente, which awards more than 1,000 scholarships, is the biggest school scholarship programme in the federal state of North Rhine-Westphalia. It was developed cooperatively in 2016 by Westfälische Hochschule (Westphalian University of Applied Sciences) and the RAG-Stiftung, which has been the programme's anchor foundation ever since. The NRW Centre for Talent Promotion is responsible for its implementation. Because of the programme's great success, the NRW state government decided to make it permanent within the framework of the Ruhr Conference. This school scholarship programme supports disadvantaged young people in the Ruhr region who are in year nine or above. Within the context of their social background, the recipients' school performance is better than average and they demonstrate social commitment. RuhrTalente supports the participants by means of workshops and seminars, regular counselling, promotion of their individual talents, and technical equipment until they finish school. Since 2019 the scholarships have been supplemented by an alumni programme that accompanies the participants as they transition to university study or an apprenticeship. In 2020 the RAG-Stiftung increased its commitment so as to double the number of school scholarships during the coronavirus pandemic, thus helping even more young people during difficult times.

Ever since it was founded, the RAG-Stiftung has striven to improve the educational opportunities of children and young people from less privileged families. The three scholarship programmes RuhrTalente, Studienkompass and the Deutsches Schülerstipendium are examples of the foundation's social commitment.



DEUTSCHES SCHÜLERSTIPENDIUM

This programme of the Roland Berger Foundation was launched in 2009. Thanks to support from the RAG-Stiftung, children from the former coal mining towns in the Saarland region have also been able to apply for the scholarships since 2014. The RAG-Stiftung is the biggest source of funding in the region. The Deutsches Schülerstipendium programme is based on the belief that a child's course should be set early on. It supports talented children from families with low incomes and few opportunities, from primary school all the way to the end of their schooling. The fact that the programme supports these children and young people over such a long period of time and guides them at all the important transition points of their educational pathway makes it unique among Germany's scholarship programmes. To support the recipients effectively in line with their respective ages, the programme provides customized support plans, individual coaching and summer schools, personal assistance through mentors and an alumni network. The programme has already reached more than 200 children and young people in the Saarland region.



Especially valuable during the pandemic: the Deutsches Schülerstipendium programme supports its recipients from primary school until they finish secondary school.



The Studienkompass support programme has existed since 2007. This photograph was made before the coronavirus pandemic.



STUDIENKOMPASS

This programme helps schoolchildren from families without an academic background to become aware of their own strengths and embark on the educational pathway that suits them best. To this end, they can make use of a comprehensive and up-to-date range of offers such as group coaching, digital learning formats and a smartphone app for individual orientation regarding study programmes and careers. The three years of support begin two years before the recipients graduate from secondary school and end after their first year of university study or an apprenticeship. The support measures are accompanied by a mentoring programme. About 3,200 young people all over Germany have already successfully completed the programme. Thanks to funding from the RAG-Stiftung, the programme is being implemented in the Ruhr region for the first time in 2021.

NEW INSPECTION PROCESSES

For centuries, coal mining was synonymous with innovation and cutting-edge technology. This hasn't changed, even though hard coal mining has been discontinued in Germany. The RAG-Stiftung's funding of scientific institutions supports pioneering projects for the post-mining era. These include projects for the renovation and preservation of selected industrial structures. Two scientific projects funded by the RAG-Stiftung use artificial intelligence (AI) to simplify assessing the condition of such structures at a very early stage.

The German hard coal mining industry in the Ruhr and Saar regions and in Ibbenbüren constructed high-performance production facilities featuring many technical and scientific innovations. Former coal mining facilities impressively document these innovations. Age has caused changes to the fabric of many of these historical facilities. The visual inspection processes that have been used to date are mainly capable of registering superficial damage. Reliable statements about deeper-lying changes require specifically developed inspection methods.

With the support of the RAG-Stiftung, the Fraunhofer-Institut für Zerstörungsfreie Prüfverfahren (Fraunhofer Institute for Nondestructive Testing/IZFP) is conducting a multi-stage project to carry out research into new methods and solutions in the Saar region. The research into material analysis with a focus on the static stability of steel structures is being conducted in close cooperation with the Forschungszentrum Nachbergbau (Research Center of Post-Mining/FZN) at the Technische Hochschule Georg Agricola (THGA) in Bochum. The RAG-Stiftung created the research centre in 2014 and has funded it ever since.

In 2019 the project partners completed the first part, which involved the development of an innovative monitoring system for steel structures. In the financial year 2020 the focus was on the development of an assessment and analysis process for static stability. This process was to build on the project results of the first phase.

To this end, the Fraunhofer IZFP tested the methods at the former Camphausen open-pit mine in Saarland, which is also an important water management location for RAG Aktiengesellschaft. The findings can be transferred to all mining locations and steel structures worldwide and flow directly into the long-term, cost-optimized maintenance of the facilities. In this way, the findings greatly simplify the restoration measures for the preservation and maintenance of historical mining sites.

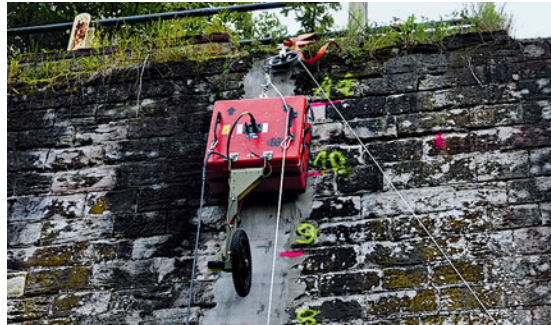
This research is directed by Professor Hans-Georg Herrmann (Fraunhofer IZFP) and Professor Christian Melchers (THGA). Among other things, they investigated a massive, 286-metre-long and 11-metre-tall supporting wall in Camphausen in order to determine how defects can be detected in deeper-lying layers. "This enabled us to develop a possible solution that combines cost-efficient infrared systems with AI techniques to significantly improve the evaluation of deep-penetrating heat flows," explains Herrmann. At the winding tower, the scientists used a drone to help them employ conventional ultrasound. This technique is also meant to fundamentally improve safety, because the structural parts are located over 40 metres up on the winding tower, and falling parts could have fatal consequences. "This method is without parallel to date. The combination



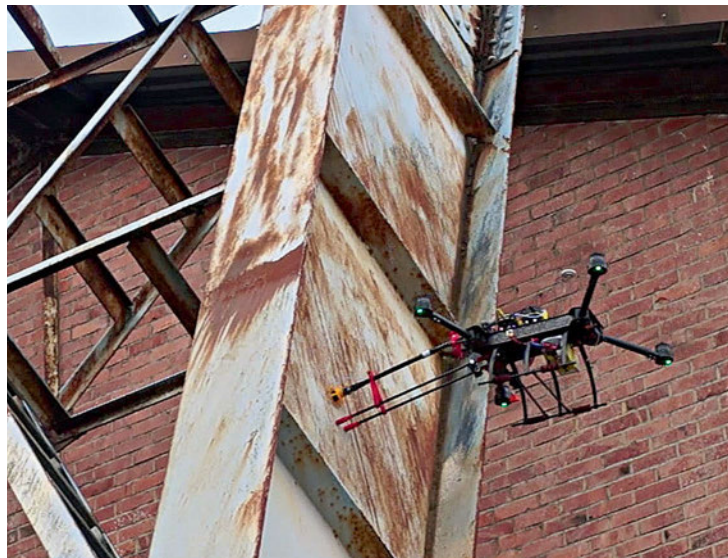
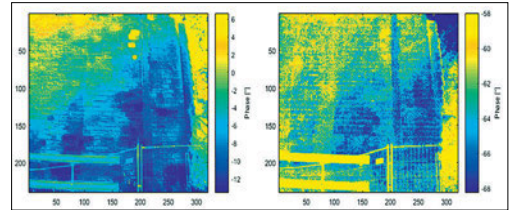
of measurements makes new insights possible. The non-destructive and contact-free techniques also help to preserve the structure's substance and to access areas that are less easy to reach," says Melchers.

Every structure is unique when it comes to its requirements and the stresses it undergoes, so the methods

FOR THE POST-MINING ERA



In their investigations, the scientists used non-destructive and contact-free techniques such as georadar (left) and thermographic measurements (below).



At a massive, 286-metre-long and 11-metre-tall supporting wall in Camphausen, the scientists investigated how defects can be detected in deeper-lying layers.

At the winding tower of the former Camphausen mine, the scientists used a drone to help them employ conventional ultrasound.

always have to be adapted to new circumstances. The post-mining era presents complex tasks in this respect. “The challenge was to take theoretical approaches to solutions from the field of thermal imaging, adapt them to the specific applications of the post-mining period, and prepare tried and tested analysis techniques such as drone inspections for the post-mining issues,” explains Herrmann. The techniques that were developed have

a wide range of potential uses. Conventional testing organisations could also be trained in the use of the new methods, explains Melchers: “The results can basically be transferred to any building, as well as to comparable inspections in Germany, Europe and, ultimately anywhere in the world.”

A PROJECT AGAINST FORGETTING

To commemorate the 75th anniversary of the liberation of Auschwitz-Birkenau, the RAG-Stiftung funded the exhibition “SURVIVORS. Faces of Life after the Holocaust”. At the UNESCO World Heritage Site Zollverein, the Ruhr Museum exhibited portraits of 75 Holocaust survivors who had been photographed by the artist Martin Schoeller in Israel.

On 21 January 2020, German Chancellor Dr. Angela Merkel and NRW State Premier Armin Laschet opened the exhibition “SURVIVORS. Faces of Life after the Holocaust” in the former mixing unit of the coking plant at the UNESCO World Heritage Site Zollverein. The exhibition presented large-format portraits of 75 survivors of Auschwitz-Birkenau, made by Martin Schoeller, a German photographer based in New York. Schoeller planned and realized the remembrance project in collaboration with the Holocaust memorial centre Yad Vashem in Jerusalem, its German support group and the Foundation for Art and Culture in Bonn. His larger-than-life close-ups convey one message above all: dignity and humanity do not lose their importance even under inhumane conditions. “We commemorate all of these individuals for their own sake and in order to draw lessons for all of us from their life histories,” said the Chancellor.

The RAG-Stiftung supported the project with a strong sense of commitment. The foundation believes it has a duty to preserve the memory of the victims of the Holocaust here in the Ruhr region and to draw the attention of young people in particular to this subject again and again. Through contemporary-witness discussions between the Holocaust survivor Herbert Rubinstein and school classes from the region, the project ensured an incomparable confrontation with this dark phase of Germany’s history.

In order to convey his subjects’ personalities, Schoeller not only photographed their faces but also listened to their stories. “I grew up with this incredible sense of guilt and shock, which lead me to question my own identity. Now more than ever, I feel a great responsibility to fight anti-Semitism whenever I see it,” Schoeller emphasized.

The portraits of the last living contemporary witnesses of the Holocaust are impressive documents of the individual and collective history of the human race. Naftali Fürst, one of the portrait subjects who attended the opening of the exhibition, had an emphatic message: “Whoever is still capable of telling their story should continue to do so. It is our obligation, in the name of the men, women and children who were murdered, to keep telling our stories.”

After being extended twice, the exhibition ended in September 2020 and moved on to Toronto. Approximately 40,000 visitors came to the Zollverein site to view the remembrance project, which was hailed by international



A confrontation with German history: the exhibition presents close-ups of survivors of the Auschwitz-Birkenau concentration camp.



German Chancellor Dr. Angela Merkel (centre) and NRW State Premier Armin Laschet (fifth from right) at the opening of the exhibition on 21 January 2020. The guests included the RAG-Stiftung Board of Executives members Bernd Tönjes (fourth from left) and Bärbel Bergerhoff-Wodopia (second from right).

media. The exhibition will remain accessible to the public after its end: on the Internet, Schoeller leads visitors on a 360-degree tour of the virtual version, which includes testimonies by the last living contemporary witnesses as well as additional films and informational materials. “We don’t know these people, but we can thank the artist who portrayed them. He recognized what is special about them and visualized it for us so that we can enter into a dialogue—both with them and with ourselves,” wrote the former German president Joachim Gauck in his foreword to the book of photographs that was published parallel to the exhibition. The book contains all 75 portraits and the accompanying biographies.

CULTURE DEFIES THE CRISIS—HOW SOLIDARITY PROVIDES SUPPORT

The coronavirus pandemic imposed sweeping restrictions on the cultural sector. Especially during this difficult period, the RAG-Stiftung is a reliable partner standing at the side of its funding recipients. One example of that is the Ruhrfestspiele Recklinghausen theatre festival, which is celebrating its 75th anniversary this year.

The history of the Ruhrfestspiele, which is one of Europe's most significant theatre festivals, is closely connected with coal mining. Under the motto "Art for Coal", theatre professionals from Hamburg staged performances in the Ruhr region during the summer of 1947 to express their gratitude to the miners from the König Ludwig 4/5 mine in Recklinghausen, who had supplied them with coal to heat their theatres during the harsh winter of the previous postwar year. This trade-off marked the beginning of a success story. Three quarters of a century later, tens of thousands of visitors attend the festival every year. Performances by stars such as Ethan Hawke, Kevin Spacey and Cate Blanchett testify to its international renown.

Because of the coronavirus pandemic, the festival was cancelled in 2020 for the first time. Nonetheless, the solidarity between mining and art continues uninterrupted. For example, the RAG-Stiftung supported the Ruhrfestspiele by taking on part of its planning costs and enabling unspent funds to be used for the 2021 festival.

In order to partially compensate for the cancellation in 2020, the Ruhrfestspiele sent out a special message that filled the gap: the "Inside Out Project" of the French photo artist JR decorated the glass façade of the Ruhrfestspiele theatre, through which the building's empty interior could be seen, with more than 800 large-format portraits of hosts, visitors and artists. Thus the Ruhrfestspiele symbolically brought people together and sent an impressive message of togetherness defying isolation.

As it celebrates its 75th anniversary, the Ruhrfestspiele aims to revitalize the region's cultural scene. The programme, which runs from 1 May to 19 June 2021, has been extended by one week. In addition to new productions, there will be updated versions of plays originally planned for 2020. The festival is reacting to the challenges of the pandemic with flexible and functional concepts, including digital performances to ensure that the programme can be presented.



The "Inside Out Project" of the French photo artist JR: more than 800 portraits decorated the façade of the Ruhrfestspiele theatre.

The festival's artistic director, Olaf Kröck, says, "We have taken every conceivable measure to ensure that the Ruhrfestspiele theatre festival can be held even under coronavirus pandemic conditions. Funding by the RAG-Stiftung is playing a major role in our efforts." The festival is also being supported by other institutions, including the booster association Freunde der Ruhrfestspiele, which contributes the fees paid by its members. The association's chairperson is Bärbel Bergerhoff-Wodopia, a member of the Board of Executives of the RAG-Stiftung. She has also been a member of the Supervisory Board of the Ruhrfestspiele since November 2020.



FINANCES

A SOUND FINANCIAL BASE FOR THE FUTURE

RAG AKTIENGESELLSCHAFT

RESPONSIBILITY FOR THE HARD COAL MINING REGIONS



In 2020 RAG Aktiengesellschaft received the approval of the closure operations plan for the former Lohberg mine.

RAG Aktiengesellschaft is responsible for the fulfilment of the perpetual obligations at the operational level. For the optimization of pit water management, this wholly owned subsidiary of the RAG-Stiftung recently reached several important milestones, including the approval of the closure operations plan for the former Lohberg mine. As a result, RAG Aktiengesellschaft has come a crucial step closer to completely withdrawing from underground areas and thus to the implementation of the pit water concept for the Ruhr region. RAG Aktiengesellschaft also fulfils the non-perpetual obligations. These include the renovation of old shafts, the dismantling of the operating equipment, the pension obligations and the regulation of mining-related damage. At the end of 2020, RAG Aktiengesellschaft had almost 1,240 employees. The number was around 80,000 in 1997, ten years before the political decision was taken to discontinue hard coal mining in Germany. The personnel adjustment was made in a socially acceptable manner: about 40,000 employees went into early retirement, and RAG organized other work for around 40,000 other employees. The coronavirus pandemic created new challenges for the company. In line with long-established mining tradition, the sense of solidarity had to be fostered more strongly than ever during this time. No matter whether people worked at the facilities or from home, during the pandemic everyone made a significant contribution to enable RAG Aktiengesellschaft to continue living up to its responsibility for the hard coal mining regions. All of the work was done reliably and as planned, from the pumping of the pit water to the filling up of the shafts.

EVONIK INDUSTRIES AG

SPECIALTY CHEMICALS FOCUSING ON SUSTAINABILITY



Evonik invested in the production of lipids for mRNA-based vaccines, which are making a valuable contribution during the pandemic.

Evonik's dividend payments to the RAG-Stiftung make a key contribution to the foundation's financing of the perpetual obligations. The Evonik Group, a leading global specialty chemicals company, has more than 33,000 employees and operates in over 100 countries. After selling approximately 5.4 per cent of its shares in Evonik in January 2020, the RAG-Stiftung still holds around 59 per cent of the shares in this listed company. In 2020 Evonik generated sales of 12.2 billion euros and adjusted EBITDA of 1.91 billion euros. The dividend payments to the RAG-Stiftung totalled 315 million euros. Evonik pursues the goal of becoming the best specialty chemicals company in the world, with a focus on strong market positions, a pronounced culture of innovation and sustainable operations. To this end, the Group aims to concentrate its portfolio on high-margin businesses that are less affected by cyclical fluctuations in the global markets. In 2020 Evonik strengthened its businesses with environmentally friendly disinfection solutions and catalysts, acquiring the US companies Peroxychem and Porocel. At the beginning of the year, Evonik quickly invested in the production of lipids for mRNA-based vaccines. Evonik plans to manufacture commercially relevant amounts as early as the second half of 2021. Thus it will help to safeguard the supply of the mRNA vaccine from Pfizer and BioNTech against Covid-19.

Since the end of hard coal mining in Germany, RAG-Stiftung has borne the costs of the perpetual obligations: pit water management, polder measures and groundwater purification. For this purpose, it generates considerable income from its strategic equity investments in Evonik Industries AG, Vivawest GmbH and RSBG SE. RAG Aktiengesellschaft is responsible for addressing the perpetual post-mining obligations at the operational level.



In 2020 Vivawest acquired an ultramodern new neighbourhood centre: the Cranachhöfe in Essen-Holsterhausen.

VIVAWEST GMBH

GOOD LIVING CONDITIONS EVEN DURING THE PANDEMIC

The RAG-Stiftung has a stake of 58 per cent of Vivawest GmbH, including the shares held by RAG Aktiengesellschaft. Vivawest is one of the leading providers of residential housing in North Rhine-Westphalia, with around 117,700 residential units for 300,000 people. The Vivawest Group's services companies provide all of the key housing-related services and thus ensure high-quality housing conditions. In view of the economic consequences of the coronavirus pandemic, Vivawest offered affected tenants support in the form of rent payment deferrals and instalment plans even before the legal regulations went into effect. In March the company temporarily revoked rent increases that had taken place only shortly before. The Vivawest Stiftung received one million euros in additional funds. In 2020 Vivawest completed nearly 2,000 new residential units. From 2021 to 2025, the company plans to build another 6,500 new residential units. In the financial year 2020, Vivawest employed around 2,300 people and generated sales of 834 million euros and an adjusted EBITDA of 384 million euros.

RSBG SE

A RELIABLE PARTNER OF THE SME SECTOR

RSBG SE, a wholly owned subsidiary of the RAG-Stiftung, regards itself as a long-term partner of successful medium-sized companies. In this role, the company pursues a buy-and-build strategy. Since 2014, it has invested around one billion euros. In its holding structure, RSBG SE divides its investment portfolio into four industrial segments: Automation & Robotics, Information & Communication, Advanced Manufacturing and Infrastructure. In its holding companies, it focusses on special competencies in areas such as digitalization, Industry 4.0, cloud computing, cybersecurity and big data management. The products and services of these companies are of great importance during global transformations and are thus less strongly impacted by the consequences of economic and political crises. The latest developments in the Automation & Robotics holding are enabling RSBG SE to contribute to the transformation of the Ruhr region, in cooperation with the Hahn Group and the United Robotics Group.



TV studio of the 24/7 news broadcaster Asharq News in Dubai: a project of the Qvest Group, in which RSBG SE has a majority holding.

CAPITAL INVESTMENTS BACK LONG-TERM MANDATE

Since the financial year 2019, the RAG-Stiftung has financed the perpetual obligations resulting from the German hard coal mining activities of RAG Aktiengesellschaft. In order to safeguard the long-term financing of these obligations, the private-law foundation builds up assets through a secure but profitable programme of capital investment that provides the foundation with the necessary income.

At the end of 2007, the year in which the foundation was established, the assets of the RAG-Stiftung primarily consisted of a single investment: the complete ownership of Evonik Industries AG. Today the RAG-Stiftung directly and indirectly owns equity investments in a wide variety of companies all over the world. The RAG-Stiftung also remains a significant shareholder of Evonik, even though it reduced its holding there from 64.3 per cent to 58.5 per cent in January 2020. The resulting increase in free float boosts the liquidity of the Evonik share and is intended to have a positive effect on the development of the speciality chemical company's share price. This transaction also enabled the RAG-Stiftung to further diversify its equity investment portfolio.

The RAG-Stiftung's investment strategy always pursues the goals defined in its articles of association, which oblige it to ensure the long-term financing of the perpetual obligations of the German hard coal mining industry: pit water management, polder measures and groundwater purification. The RAG-Stiftung's General Investment Guidelines specify how much of the foundation's assets may be invested in each asset class.



Property in an outstanding location: in the midst of Munich, the RAG-Stiftung has acquired a stake in two interconnected office complexes at Lenbachgärten.

EQUITY INVESTMENT PRINCIPLES

Global diversification: we invest in a variety of asset classes worldwide in order to exploit all types of risk premiums.

Allocation and risk budget-based management: we stay within strategically defined maximums that take the risk budget into account.

Granularity: many small, uncorrelated investments reduce risk. Different levels of liquidity aim to ensure we are still able to act even in times when capital markets are difficult.

Flexibility: the investment strategy is reviewed and enhanced each year

Continuity: investments are made continually

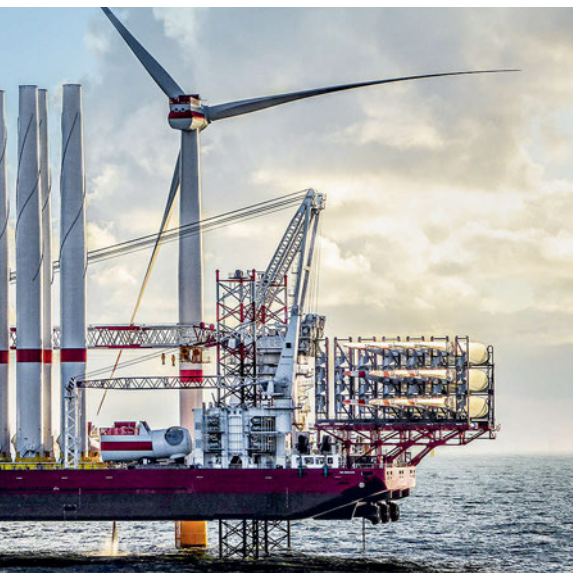
Duration: because the investments are basically intended to be permanent, the foundation can also collect non-liquidity premiums.





A highly secure investment: this office building at a prominent location in Espoo/Helsinki was recently completed. The Finnish Fiskars Group has leased the complex for twelve years.

Sustainable capital investment: the RAG-Stiftung is investing in Veja Mate, one of the world's biggest offshore wind farms.



LENBACHGÄRTEN OFFICE COMPLEX

The RAG-Stiftung acquired a minority interest in the Lenbachgärten building group in the centrally located Maxvorstadt neighbourhood of Munich. The two interconnected office complexes have a total rental area of 30,124 square metres and 229 parking spaces. Around 97 percent of the facility is currently occupied. The biggest tenants of the facility, which was completed in 2007, include Apple Inc. and several notable law firms. For the RAG-Stiftung, this occupancy and the outstanding location of the property indicate that this investment has good long-term prospects.

OFFICE BUILDING IN ESPOO/HELSINKI

As part of its global real estate investments in the financial year 2020, the RAG-Stiftung also acquired an office building at a prominent location in Espoo/Helsinki. The building is still under construction but will be completed late in 2021. It has a total rental area of 9,231 square metres and 141 parking spaces. The Finnish Fiskars Group has leased the entire building complex for twelve years in order to use it as its headquarters. Fiskars has a broad range of capital goods and consumables which are sold worldwide. In addition, Finland's capital Helsinki and its surrounding area account for almost 40 per cent of the country's GDP. This combination makes the building a high-yield and crisis-proof investment for the RAG-Stiftung.

VEJA MATE OFFSHORE WIND FARM

In the financial year 2020, the RAG-Stiftung made an environmentally friendly long-term infrastructure investment by obtaining a stake in the German offshore wind farm Veja Mate. The wind farm, which went into operation in December 2017, is located in Germany's exclusive economic zone in the North Sea. It is situated around 95 kilometres northwest of Borkum, in an area where wind speeds are above ten metres per second on average. Boasting a capacity of 402 megawatts, Veja Mate is one of the world's ten biggest offshore wind farms and can supply environmentally friendly electricity to as many as 1.75 million people. The more than 1,000 wind turbines at Veja Mate reduce CO₂ emissions by about 900,000 tonnes each year.

HUMAN AND MACHINE—A CONSTRUCTIVE PARTNERSHIP

RSBG SE, a wholly owned subsidiary of the RAG-Stiftung, is a long-term investment partner of successful medium-sized companies. It particularly focuses on future-oriented topics in areas such as digitalization, Industry 4.0, cloud computing, cybersecurity and big data management. RSBG SE is concentrating the latest developments at its Automation & Robotics industrial holding in the new United Robotics business unit, which not only operates in a strong growth segment but is also enabling the company to contribute to the transformation of the Ruhr region.

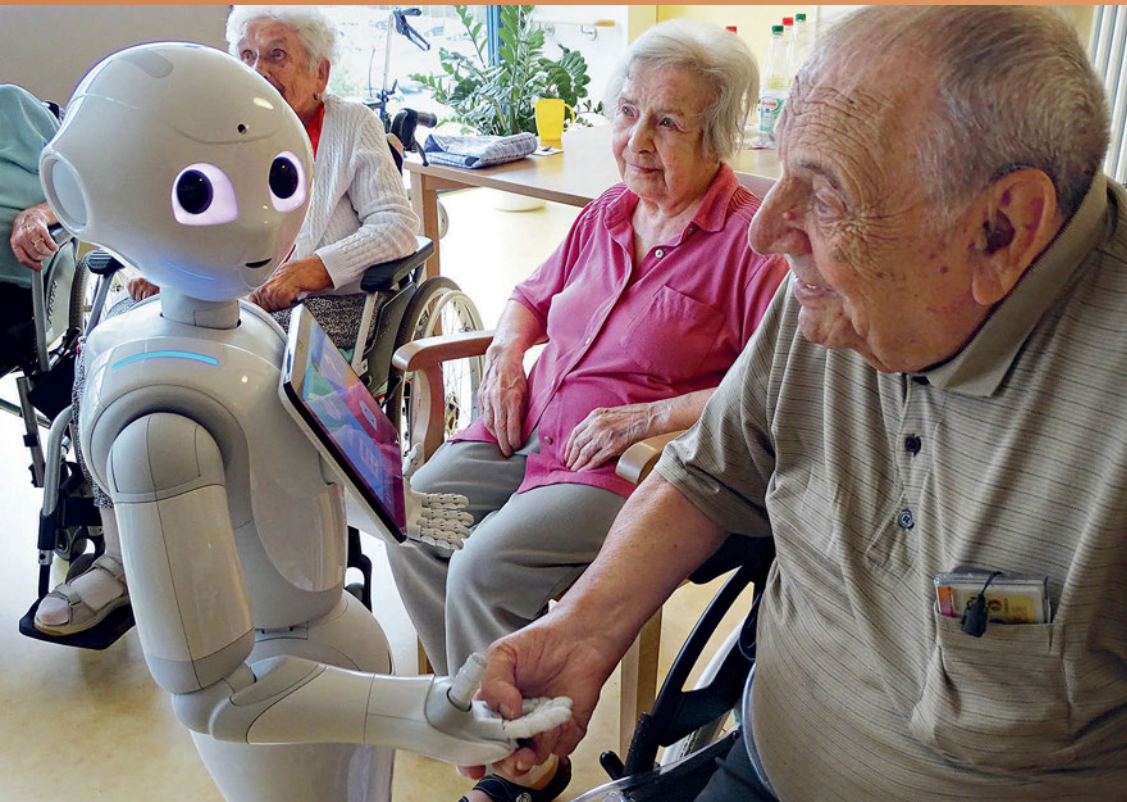


Since 2014, the globally operating company Hahn Group has been one of the key majority holdings of RSBG SE. Its business activities focus on technologies and competencies in the areas of automation, robotics and digitalization for the four major industrial segments: automotive, electronics, medical technology and consumer goods. With its digitally networked, fully automated production lines for medical technology and diagnostic products, the Hahn Group is also helping to combat the coronavirus pandemic. In the financial year 2020, the Hahn Group's 1,600 employees in 14 countries increased incoming orders by approximately 20 per cent compared to the prior year. At the same time, the group continued to increase its competencies in the area of collaborative robot technology in order to exploit this future-oriented potential early on.

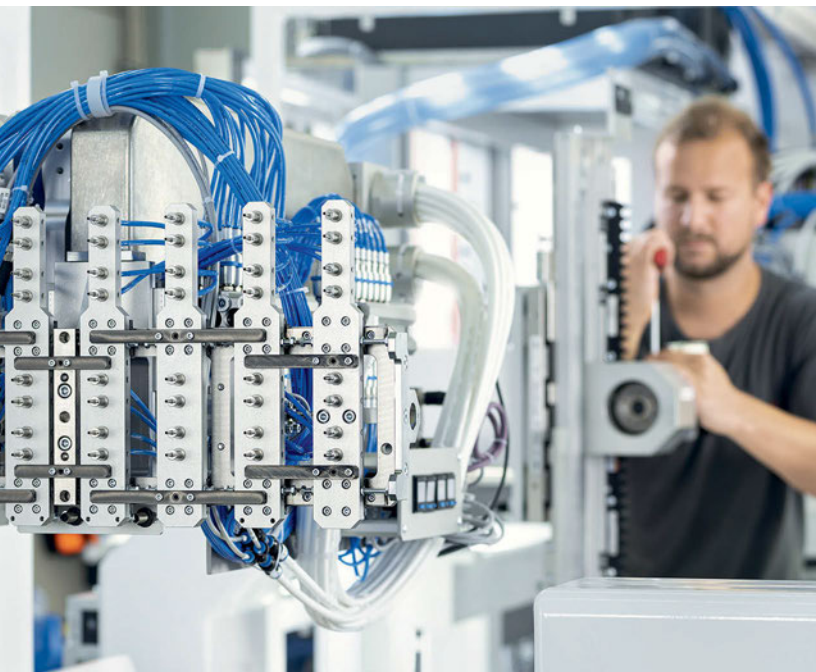
With the help of RSBG SE, the Hahn Group acquired the robot technology of the leading US cobot pioneer Rethink Robotics in 2018. On the basis of this outstanding software platform, the company has since then also evolved into an expert for collaborative robot systems (cobots) in Germany. In the summer of 2020, Rethink Robotics opened its new corporate headquarters and production facility in Bochum, which provides more than 30 highly qualified jobs. Several universities and research institutes are located nearby, forming a competence centre for innovative service robot technologies in the Ruhr region. The robots that are made in Bochum are primarily used in manufacturing industry and in service applications in the areas of hospitality, retail, logistics and healthcare services. "The opening of the new corporate headquarters and production facility of Rethink Robotics epitomizes the transformation of the former coal mining region into a location for future-oriented technologies. We supported the company's establishment from the very start, and we are convinced that Rethink Robotics will find an ideal environment here for further growth," says Bernd Tönjes, Chairman of the Board of Executives of the RAG-Stiftung.



Robots also help make people's lives safer in the retail sector. Among other things, they are doing this by disinfecting shopping trolleys.



Robots can greatly assist staff in nursing homes. Although they don't provide any nursing care as such, they can help with exercising and singing.



Industry 4.0: the Hahn Group's digitally networked and automated production lines manufacture various medical products, including syringes for important vaccines and tubes for PCR tests.

The further development of robot technology also opens up new business opportunities in private homes. Future service robots will be able to navigate around on their own and communicate with people. Artificial intelligence will enable them to continuously learn new things and recognize human attributes such as a person's age, gender and emotional state. This will open up new market opportunities and enable important applications in nursing and healthcare as well as in the retail sector and in the catering and hotel business.

Since the end of 2020, these growth markets have been addressed by the newly created United Robotics Group. "We aim to create a future in which cooperation between humans and robots will improve people's lives and work. To pave the way for this future, we are planning to establish a robotics factory in the Ruhr region that will provide many new jobs," says Thomas Hähn, CEO of RSBG Automation & Robotics. The location's advantages, such as short distances and the availability of many well-trained experts, will support the Ruhr region's transformation into a high-technology centre. The locally fostered innovative potential will lead to the creation of technologies that will serve the region's residents and enable humans and robots to work together hand in hand across borders.

REPORT BY THE CHAIRMAN OF THE BOARD OF TRUSTEES



Dear readers,

In the Annual Report 2020 we are looking back at an unprecedented year. The world has not experienced a global crisis like the coronavirus pandemic—along with its social and economic consequences—since the Second World War. Against this background, it is especially reassuring to know that the foundation model has also proven its worth during this crisis. The RAG-Stiftung made an annual profit of about 859 million euros after the deduction of payments for the controlling and profit-and-loss transfer agreement with RAG Aktiengesellschaft, administrative expenses and the funding of its promotional projects in the areas of education, science and culture. A total of 291 million euros of the provisions was spent on the perpetual obligations. Thus it can justifiably be said that the foundation structure that was created in 2007 is robust and crisis-proof.

Concerning the work of the Board of Trustees: its 14 members met twice in 2020—on 12 May and 30 November—to discuss in detail the foundation's current situation and its concerns. Because of Covid-19, these meetings were conducted as teleconferences. The Board's work was supported by a newly introduced electronic committee information system. This procedure ensured the protection of the board members as well as the Board of Trustees' overall capacity for work and action.

The Board of Executives informed the Board of Trustees about current topics, and all of the necessary resolutions were passed by the Board of Trustees. Among other matters, these resolutions concerned the Consolidated Financial Statements and the Annual Financial Statements, formal approval of the actions of the Board of Executives for 2019, the agreed targets of the Board of Executives and the approval of the RAG-Stiftung's business plan for 2021. The business plan once again established a budget for funding activities that would disburse the same amount in each of the next three years, with the aim of establishing a sustainable flow of support in the areas of education, science and culture.

During the meetings and on the basis of the quarterly reporting, the Board of Executives provided the Board of Trustees with in-depth information about all the relevant developments at the RAG-Stiftung. One focus of this information was the status of the foundation's strategic equity investments, especially its shares in Evonik Industries AG. At the start of the past financial year, the RAG-Stiftung reduced its shareholding in this company to around 58 per cent. The proceeds from the sale of these shares were invested in diversified assets. Other topics included RAG Aktiengesellschaft, in particular the status of permits for the water management activities, and Vivawest GmbH. The Board of Executives also reported on the development of RSBG SE, and on the ongoing diversification of the foundation's capital investments and its increasing accumulation of assets, for example

through its equity investment in TK Elevator. The Board of Executives also informed the Board of Trustees about corporate governance issues and compliance structures in the foundation group. Between the meetings of the Board of Trustees, I regularly discussed the development of the foundation's business with the members of the Board of Executives.

Furthermore, the Board of Executives informed the Board of Trustees about the status of the many different projects that were funded in the areas of education, science and culture in the former coal mining regions along the Ruhr and Saar Rivers and in Ibbenbüren.

In conclusion, I would like to make special mention of the assistance initiative "Wir im Revier". The Board of Trustees expressly commends the RAG-Stiftung's activities on behalf of the members of our society who are suffering as a result of this epoch-making crisis.

In the course of 2020 we welcomed three new members of the Board of Trustees: Barbara Schlüter and Martin Albers representing the IG BCE and Hildegard Müller representing the federal state of NRW. I would like to thank the departing members of the Board of Trustees, Monika Schulz-Strelow, Ludwig Ladzinski and Ralf Hermann, for their many years of successful activity, and I look forward to continuing our joint work in a new circle.

On behalf of the Board of Trustees, I would like to sincerely thank the Board of Executives and all the employees of the RAG-Stiftung for their committed and successful work and for our cooperation, which has been unflinchingly constructive and based on mutual trust—especially in view of the extraordinary challenges. Stay healthy!

Yours sincerely,

Dr. Jürgen Großmann

Chairman of the Board of Trustees of the RAG-Stiftung

MANAGEMENT REPORT

FOR THE 2020 FINANCIAL YEAR
ANNEX I

- 38** **BASIC PRINCIPLES OF THE COMPANY**
Establishment, purpose and business model of the RAG-Stiftung
Responsibilities of the RAG-Stiftung's management bodies
Changes to the RAG-Stiftung's management bodies
Investment portfolio
- 43** **ECONOMIC REPORT**
Overall statement on the course of business
Economic conditions
Development in the holding companies
Earnings position
Financial position
Net assets
- 64** **SIGNIFICANT NON-FINANCIAL ISSUES**
Employees
Occupational health and safety
- 64** **RISKS AND OPPORTUNITIES REPORT**
- 73** **OUTLOOK**

Basic principles of the Company

ESTABLISHMENT, PURPOSE AND BUSINESS MODEL OF THE RAG-STIFTUNG

On the basis of the agreements on coal policy, the RAG-Stiftung was established on 26 June 2007 with an endowment capital of EUR 2.0 million as a legally capable foundation under civil law with its headquarters in Essen. Guided by the principles of corporate responsibility, its mandate is to manage the transition process in German coal mining until the end of 2018 and, beyond this, to ensure the further development of what is now the Evonik Group (Evonik).

- The RAG-Stiftung was established in 2007 as a foundation with legal capacity.

The RAG-Stiftung's objective lies in the transition, management and support of the German coal mining industry bundled in the RAG Group, subject to the legal and other conditions for the socially responsible discontinuation of subsidised coal mining in Germany. This also involves support within RAG for the elimination and avoidance of subsequent consequences of coal mining on the environment and nature within the scope of the legal obligations. A further purpose of the RAG-Stiftung is the promotion of education, science and culture in connection with German coal mining in the mining regions of North Rhine-Westphalia and Saarland.

- The business model is to ensure the financing of the perpetual obligations of RAG's coal mining business.

The RAG-Stiftung's business model aims to ensure the financing of perpetual obligations of RAG's coal mining activities with proceeds from the sale and reinvestment of shares in Evonik Industries AG; with dividends from Evonik Industries AG and other investment income; and with revenue generated from diverse financial assets. In accordance with this business model, our primary objective is to finance the cash outflow, which has increased with the respective inflation rate since 2019, for the sustainable financing of perpetual obligations from investment income and financial assets.

RESPONSIBILITIES OF THE RAG-STIFTUNG'S MANAGEMENT BODIES

According to the articles of association, the Board of Trustees monitors the Foundation's Board of Executives in its management of the RAG-Stiftung's operations.

- The Foundation's Board of Executives manages the RAG-Stiftung's business operations and is its legal and extrajudicial representative.

The Foundation's Board of Executives manages the RAG-Stiftung's business operations and is its legal and extrajudicial representative. The Foundation's Board of Executives manages the RAG-Stiftung according to the Foundation's purpose and articles of association on its own responsibility.

CHANGES TO THE RAG-STIFTUNG'S MANAGEMENT BODIES

The following were ex officio members of the RAG-Stiftung's Board of Trustees in 2020:

- Armin Laschet, MdL, Premier of the State of North Rhine-Westphalia
- Tobias Hans, MdL, Premier of the State of Saarland
- Peter Altmaier, MdB, Federal Minister of Economic Affairs and Energy
- Olaf Scholz, Federal Minister of Finance
- Michael Vassiliadis, Deputy Chairman of the Board of Trustees of the RAG-Stiftung
Chairman of the mining, chemical and energy industries trade union

The group of other members of the Board of Trustees comprises:

- Dr Jürgen Großmann, Chairman of the Board of Trustees of the RAG-Stiftung, shareholder of Georgsmarienhütte Holding GmbH
- Dr Burckhard Bergmann, member of various supervisory boards
- Ralf Hermann, Chairman of the Executive Board of the RCI professional association (until 30/6/2020)
- Ludwig Ladzinski, member of the Executive Board of the mining, chemical and energy industries trade union (IG BCE) (until 30/6/2020)
- Prof Norbert Lammert, former President of the German Parliament, Chairman of the Konrad Adenauer Foundation
- Heiko Maas, MdB, Federal Minister of Foreign Affairs
- Thomas Kufen, Mayor of the City of Essen
- Dr Andreas Reichel, Member of the Management of STEAG GmbH
- Barbara Schlüter, Chairwoman of the General Works Council and the Group Works Council of RAG Aktiengesellschaft (since 1/7/2020)
- Martin Albers, Chairman of the Works Councils' Working Group at the RAG-Stiftung and Chairman of the General Works Council of Evonik Industries AG (since 1/7/2020)
- Hildegard Müller, President of the Association of the Automotive Industry (since 27/11/2020)

The Board of Trustees is chaired by Dr Jürgen Großmann; Michael Vassiliadis is Deputy Chairman.

There were no changes to the Board of Executives of the RAG-Stiftung. Its members are:

- Bernd Tönjes, Chairman of the Board of Executives
- Dr Jürgen-Johann Rupp, Chief Financial Officer
- Bärbel Bergerhoff-Wodopia, Chief Human Resources Officer

BOARD OF TRUSTEES AND BOARD OF EXECUTIVES OF THE RAG-STIFTUNG

BOARD OF TRUSTEES	THE BOARD OF EXECUTIVES
<p>Chairmen of the Board of Trustees Dr Jürgen Großmann Michael Vassiliadis (Deputy)</p>	<p>Chairman of the Board of Executives Bernd Tönjes</p>
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Armin Laschet Prof Norbert Lammert Thomas Kufen Dr Andreas Reichel Hildegard Müller</p> </div> <div style="width: 45%;"> <p>Olaf Scholz Peter Altmaier Dr Jürgen Großmann Dr Burckhard Bergmann</p> </div> </div>	<p>Chief Financial Officer Dr Jürgen-Johann Rupp</p> <p>Chief Human Resources Officer Education, Science, Culture Bärbel Bergerhoff-Wodopia</p>
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Tobias Hans Heiko Maas</p> </div> <div style="width: 45%;"> <p>Michael Vassiliadis Martin Albers Barbara Schlüter</p> </div> </div>	

■ Members ex officio

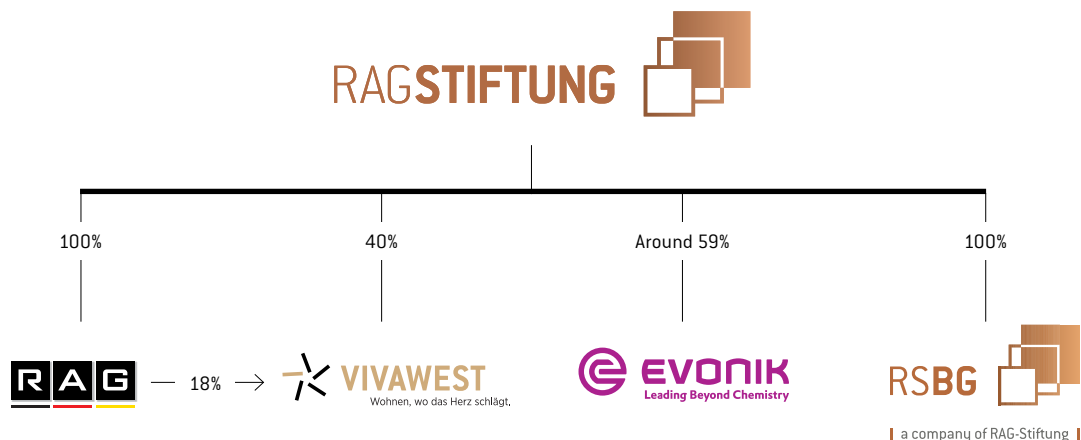
As of: 31/12/2020

- The RAG-Stiftung's strategic holdings are RAG, Evonik, Vivawest and RSBG SE.

INVESTMENT PORTFOLIO

The RAG-Stiftung's strategic holdings are RAG Aktiengesellschaft (RAG), Essen; Evonik Industries AG, Essen; Vivawest GmbH (Vivawest), Gelsenkirchen; and RSBG SE, Essen.

RAG-STIFTUNG: STRATEGIC INVESTMENTS



The RAG-Stiftung holds all direct shares in RAG. Coal mining in Germany was the RAG Group's primary business activity. Following the scheduled cessation of active mining in December 2018, the Company's focus has been on processing the residual pollution and perpetual obligations from mining.

On 31 December 2020 the RAG-Stiftung held approximately 59% (31 December 2019: around 64%) of the shares in Evonik Industries AG, 34% of which are being held for sale. Evonik Industries AG is the holding company of the global Evonik Group, focusing on specialty chemicals.

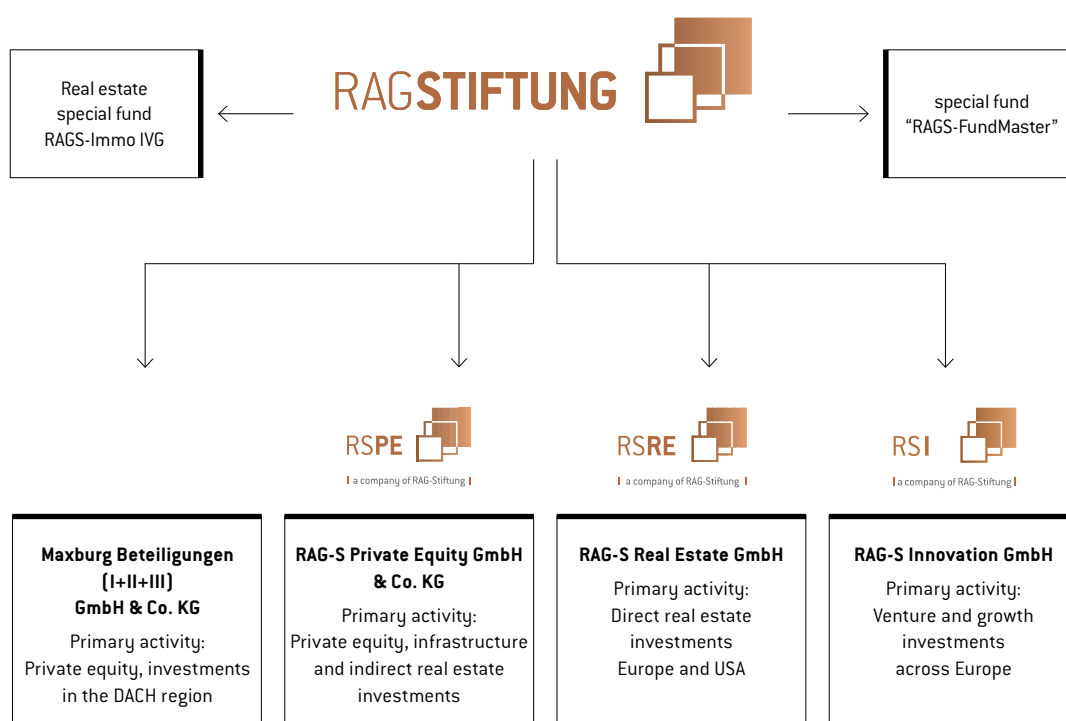
The RAG-Stiftung continued to have a direct stake of 40% in Vivawest in 2020. A further 18.2% are held by RAG and 15% by Evonik. With around 120,000 apartments in its portfolio, Vivawest is a large housing provider in Germany.

The RSBG SE is a traditional holding company. The RAG-Stiftung continues to hold 100% of the shares. The investment strategy of RSBG SE is to further expand the Company as a holding company that acquires minority or majority holdings in specialised, medium-sized engineering, automation and industrial service companies. The investment objective is to generate ongoing income and increase the value of the invested capital over the medium and long term.

Various investment vehicles are used for the RAG-Stiftung's financial assets:

- Various investment vehicles are used for the RAG-Stiftung's financial assets.

VEHICLES OF THE RAG-STIFTUNG FOR FINANCIAL ASSETS



- The majority of the “RAGS-FundMaster” special fund is invested in liquid assets.

In the “RAGS-Fundmaster” special fund managed by capital investment company Deka Investment GmbH, assets with a market value of approximately EUR 4 billion are administered by external managers, each with their own specific investment order. The majority of the special fund is invested in liquid assets (liquid return portfolio). There are mandates issued to manage global government bonds; international corporate bonds from Europe, the USA and emerging markets; and global and European shares. There is also one mandate for global, inflation-linked bonds and another mandate for high-yield bonds. A small portion, the illiquid return portfolio, combines the aim of protecting against inflation with achieving returns above the money market interest rate. It includes investments in commercial real estate, which are performed as indirect investments via special funds.

- In addition, European real estate investments and European and American direct investments are made in the special real estate special fund.

In addition, European real estate investments are made in the **special real estate fund “RAGS-Immo IVG”** managed by PATRIZIA Immobilien Kapitalverwaltungsgesellschaft mbH, and European and American direct investments are made in **RAG-S Real Estate GmbH (RSRE)**. RAG-S Lending S.C.S. SICAV-RAIF (vehicle for private debt investments) was already integrated into **RAGS-S Innovation GmbH (RSI)** in 2019.

- Private equity, infrastructure and other non-European real estate investments are pooled in RSPE.

The RAG-Stiftung’s international private equity, infrastructure activities and other non-European real estate investments are pooled in **RAG-S Private Equity GmbH & Co. KG (RSPE)**. With investments in the “private equity” asset class, the RAG-Stiftung decides on investments in funds administered by external managers. Critical factors for success in these cases include selection of the managers; sufficient diversification across different managers and various investment styles; and above all, diversification across various fund ages (vintage years). Decisions on investment in companies or other funds are made exclusively by the manager. Infrastructure and real estate activities of the RAG-Stiftung that are unsuitable for special funds are also held in the KG.

- Private equity fund

Maxburg Beteiligungen GmbH & Co. KG¹ (Maxburg KG), also a private equity fund, was set up exclusively for the RAG-Stiftung. Decisions on investments are made by an investment committee which cannot decide against the votes of the RAG-Stiftung; decisions on disposals are made solely by Maxburg Capital Partners GmbH. Maxburg Capital Partners GmbH manages Maxburg KG. It identifies and assesses potential investment projects and prepares decisions on acquisition and possible disposal. Following a positive decision by Maxburg KG’s investment committee, Maxburg Capital Partners GmbH also implements the acquisition and possible disposal of investments. Furthermore, risk management is carried out by Maxburg Capital Partners GmbH

¹ and the almost identically structured Maxburg Beteiligungen II GmbH & Co. KG and Maxburg Beteiligungen III GmbH & Co. KG.

Economic report

OVERALL STATEMENT ON THE COURSE OF BUSINESS

2020 was a satisfactory year for the RAG-Stiftung despite the considerable impact of the coronavirus pandemic on the economy and capital markets. We fulfilled our primary task, which was to secure and increase the capital stock to finance the perpetual obligations.

● 2020 was a satisfactory year for the RAG-Stiftung.

In our view, the RAG-Stiftung worked as efficiently as in previous years, meeting the budget in administrative expenditure.

KEY PERFORMANCE INDICATORS: FORECAST AND ACTUAL VALUES

in EUR million	2020	Forecast for 2020	2019
Financial performance indicators			
Net profit for the year	0.0	constant	0.0
Addition to provision for perpetual obligations	858.5	Approx. 340	413.6

The addition to the provision for perpetual obligations was significantly higher than in the original forecast for 2020; this is mainly due to higher other operating income from the sale of Evonik shares and income from investments (RAG capital reduction).

● 2020 saw a significantly higher allocation to the provision for perpetual obligations

The rapid global spread of the coronavirus and the far-reaching lockdowns imposed by governments to contain the pandemic initially caused a dramatic collapse in economic activity in 2020. Despite recovery during the summer, the global economy remained in deep recession throughout the year.

Despite the coronavirus pandemic, the financial assets held in the “RAGS-FundMaster” special fund developed positively across almost all asset classes up to the end of 2020.

● Despite the coronavirus pandemic, the financial assets held in the “RAGS-FundMaster” special fund developed positively.

The start of the year was initially characterised by a positive trend on the stock markets; however, this development came to an abrupt halt when the coronavirus reached Europe and the USA at the end of the first quarter of 2020. One of the sharpest falls on the stock markets followed, with indices experiencing losses of as much as 40% within just four weeks. The subsequent recovery was just as strong as it was unexpected. Governments and central banks had drawn up aid programmes on a previously unimaginable scale to cushion the blow of the lockdown for the population and the economy, and to support the financial and capital markets.

These monetary and fiscal policy measures led to further price increases for global bond mandates, so that their performance was positive at the end of the year, ranging between 3.1% and 3.6%. The global inflation mandate increased by 4.8% by the end of the year. Only the emerging debt mandate performed negatively at minus 6.3%, due to market shifts in favour of asset classes with greater expected security.

European corporate mandates recovered from their March lows, ending the year with positive performances of 2.8% and 4.0% respectively. The US corporate mandate also saw positive development, posting a return of 8.2% as per the end of the year.

In contrast, the leveraged special strategy mandate Credit Liquide closed 2020 with a negative performance of minus 17.7%. The Global High Yield mandate generated a return of 4.8%.

Fortunately the equity mandates were able to make up for the significant losses in the first half of the year as the year progressed. Both the Global Equity portfolio and the Euro Equity mandate achieved an annual return of 1.6%. The Global Reits portfolio, which was newly mandated in 2020, also did well with a positive performance of 8.9%. The liquidity position and the investments in the Tactical Investments mandate were used for reallocation to other mandates. The annual return came in at minus 1.2%. The real estate mandates held in the illiquid return portfolio achieved a return of 7.2%.

This means that the “RAGS-FundMaster” achieved a return of 3.3% in 2020 overall, despite the coronavirus pandemic.

Our illiquid private equity companies also saw a positive development despite the coronavirus pandemic, with RAG-S Private Equity GmbH & Co. KG achieving net profit of more than EUR 67 million for the year. Additional hidden reserves were created there and at Maxburg KG. Maxburg KG paid out EUR 59.6 million in the year under review, EUR 27.5 million from current earnings and EUR 32.1 million from capital repayments.

ECONOMIC CONDITIONS

Global coronavirus infections spread very quickly in 2020. Local lockdowns, involving drastic restrictions in some places, led to a collapse of world trade and economic growth. The substantial support measures provided by central banks and governments protected the global financial system from an even deeper crisis in 2020.

This has merely served to conceal considerable structural weaknesses including deteriorating bank balance sheets and especially a massive rise in debt. Global debt has increased as a result of the 2020 pandemic, both with companies that borrowed more during the recession and with governments that introduced massive programmes to stabilise the economy. This development followed a decade in which global debt had already reached a record high of 230% of GDP.

The World Bank estimates that the global economy contracted by 4.3% in 2020 (2019: +2.3%). This weakness had an impact on both developed economies, especially the eurozone, and on emerging and developing markets. China was the most important exception. After a very weak first quarter, China returned to a growth course during 2020, with positive effects on surrounding countries and on exports from industrialised countries.

● Overall, the “RAGS-FundMaster” achieved a return of 3.3% despite the coronavirus pandemic.

● Our illiquid private equity companies also saw a positive development.

● Global coronavirus infections spread very quickly in 2020. Local lockdowns, involving drastic restrictions in some places, led to a collapse of world trade and economic growth.

● The World Bank estimates that the global economy contracted by 4.3% in 2020.

GDP GROWTH RATES, WORLD AND COUNTRIES FOR 2019 AND 2020

in %

2019 2020



Source: World Bank, Global Economic Prospects, January 2021

Economic development in the regions in detail:

The coronavirus pandemic and the lockdowns to contain the infections have led to a significant health and economic crisis in Europe and Central Asia. According to estimates by the World Bank, the economies of Europe and Central Asia shrank by 2.9% in 2020 in this environment; in the eurozone alone, they shrank by 7.4%. Almost all economies in the region slipped into recession, and around two-thirds of them went into a deeper slump than during the financial crisis.

The sharp decline in economic activity in the US in the first half of 2020 was almost three times that of the economic downturn during the financial crisis. The World Bank estimates that gross domestic product shrank by 3.6% in 2020. Substantial fiscal support for private incomes, which went far beyond the aid provided during the financial crisis, helped fuel a robust economic recovery in the third quarter.

The pace of economic growth in the East Asia and Pacific region slowed to an estimated 0.9%, the lowest since 1967, according to the World Bank. The impact of the crisis on regional economies varied depending on the intensity of domestic pandemic-related disruptions and the spillover effects of the global recession. According to estimates by the World Bank, GDP increased slightly by 2% in China and by 2.8% in Vietnam. Both countries succeeded in keeping the rate of new infections at a comparatively low level. After placing massive restrictions on the population and businesses at the beginning of the pandemic, China has achieved a rapid and sustained resumption of production and exports. Massive government investment also helped stimulate economic activity. The other countries in the region

- The coronavirus pandemic and the lockdowns have led to a substantial health and economic crisis in Europe and Central Asia.
- The sharp decline in economic activity in the US in the first half of 2020 was almost three times that of the economic downturn during the financial crisis.
- According to estimates by the World Bank, GDP increased slightly by 2% in China and by 2.8% in Vietnam.

suffered significant drops in output in 2020, with an aggregate decline in economic performance of 4.3%.

- Latin America and the Caribbean region were hit particularly hard by the coronavirus pandemic.

Latin America and the Caribbean region were hit particularly hard by the coronavirus pandemic from both a health and an economic perspective. Pandemic control measures and spillover effects from a shrinking global economy resulted in an estimated 6.9% decline in GDP.

According to the World Bank, the economies of countries in the Middle East and North Africa shrank by 5.0% in 2020, due primarily to the sharp drop in oil prices and the decline in oil demand in addition to the pandemic itself.

Industry situation of the strategic holdings

Coal/mining

- Since the end of subsidised German coal mining, RAG's core business has encompassed not only the processing of residual pollution liabilities and perpetual obligations but also implementation of the process of shutting down operations.

Since the end of subsidised German coal mining on 31 December 2018, RAG's core business has encompassed not only the processing of residual pollution liabilities and perpetual obligations but also implementation of the process of shutting down operations. This includes necessary closure plans in line with the provisions of the German Federal Mining Act, according to which the concept of "extraction" also covers the activities that follow coal production.

The economic framework for this is formed by the German Hard Coal Financing Act, authorisations, coal guidelines, the German Federal Mining Act and the closure plans. Additional significant factors that affect the Company's success are the approval procedures for the implementation of mine water management concepts and the development of interest rates and prices on the market.

Specialty chemicals

- The global economic environment for specialty chemicals deteriorated to a greater extent than expected due to the pandemic.

Due to the pandemic, the global economic environment deteriorated to a greater extent in the past financial year than originally expected. The global development of Evonik's end customer industries varied greatly among regions and sectors in 2020. Global industrial production experienced a year-on-year decline,

yet the demand for hygiene and care products has been stable and has partially even increased during the pandemic. Food and feed industry activities increased slightly in Asia-Pacific and stagnated in the other regions. In contrast, production levels in the automotive and mechanical engineering sectors experienced a significant decline in all regions. Demand in the construction industry was robust. Commodity prices fell sharply in the 2020 financial year, especially at the beginning of the pandemic in March and April. Prices for fossil raw materials in particular fell alongside the price of crude oil. From May until the end of the year, prices slowly recovered. Overall, however, the Evonik 2020 Commodity Price Index remained below the level of the previous year.

In comparison to the most important foreign currency for Evonik, the US dollar, the euro gained value in 2020; the average exchange rate was USD 1.15 per euro compared with the previous year's average of USD 1.12 per euro.

Residential real estate in Germany

The German commercial residential investment market reached its second highest transaction volume in 2020 – following 2015 – with a transaction volume of approximately EUR 21.7 billion and around 164,500 units. Measured by the value of realised transactions, the market grew both year-on-year (+9%) and when compared with the five-year average (+16%). This positive development also exceeded the original market expectations from the beginning of the year (EUR 18.7 billion).

- The German commercial residential investment market reached its second highest transaction volume following 2015 with a transaction volume of approximately EUR 21.7 billion.

The demand for residential space in Germany is directly connected to the number of private households and their available income. Due to the high level of immigration from abroad, the population and number of households in Germany have risen steadily in recent years. The trend of increasing household numbers is being reinforced by the ageing population and the associated increase in one and two-person households (singularisation). By 2040, the number of households in Germany is expected to increase by 3% to EUR 42.6 million due to the continuous reduction in the average number of people per household. Forecasts suggest that the number of private households in North Rhine-Westphalia will increase by 3% by 2045.

Net basic rents for residential space continued to rise moderately in 2020 in terms of existing rentals. The Federal Statistical Office expects an increase of 1.4%. The index of advertised rents is rising steadily for new structures. The increase across Germany in the reporting year was 3.9% compared with the previous year. However, the market for rented accommodation in Germany also developed differently from region to region in 2020. While the markets in some rural and structurally weak regions stagnated, demand for apartments in large cities and metropolitan areas remained high.

- Net basic rents for residential space continued to rise moderately in terms of existing rentals.

With 331,900 building permits issued in the period from January to November 2020, the number of apartments approved for new construction or conversion remains at a high level when viewed over a longer period. This corresponds to a year-on-year increase of 3.9%. According to estimates by politicians and the construction industry, 350,000 to 400,000 apartments would have to be built each year in Germany to meet the persistently high demand for housing. The number of building completions is lagging behind the number of building permits issued. Professional construction associations calculate that approximately 300,000 new apartments were built in 2020.

Structurally favourable conditions for the further development of the German housing market include the likely increase of inhabitants and especially households; stable incomes and a rising number of wage earners; persistently low financing costs; government programmes for building renovation and new apartment construction; and high demand for apartments in prospering regions. These underlying conditions have so far remained largely unaffected by the coronavirus pandemic.

- Structurally favourable conditions for the further development of the German housing market remained largely unaffected by the coronavirus pandemic.

The significant rise in real estate prices means that the residential market has increasingly become the focus of political attention in recent years. In Germany's large cities and prospering metropolitan areas, affordable housing has become a key social issue, and politicians have already taken steps to tighten the regulatory framework. Since tenancy laws have a direct impact on business activities, the planned legislative changes are being followed closely.

Capital market situation

The situation on the capital markets is highly relevant to the RAG-Stiftung as a major investor.

● Following the positive 2019 investment year, the coronavirus pandemic and the expansive monetary and fiscal policy were the dominant parameters on the capital markets in 2020.

Following the positive 2019 investment year, the coronavirus pandemic and the expansive monetary and fiscal policy were the dominant parameters on the capital markets in 2020. The US presidential election also influenced the markets.

China, the world's second largest economy, was already suffering under the rising number of infections at the time of the coronavirus outbreak in Wuhan in late 2019. The economy there collapsed in the first quarter of 2020. In contrast, Europe and the rest of the world were still experiencing an upswing at the beginning of 2020: European indices reached new highs at the beginning of the year. The coronavirus reached Europe as well during the second quarter, and quickly spread through all European countries via Italy and Austria. Within a very short period of time, the pandemic also took hold in North and South America and in the Asia-Pacific region, as the number of cases rose dramatically. Governments around the world responded with lockdowns, some very strict, to contain the further spread of the coronavirus. Shutting down public life in this way led to the deepest economic slump since the Second World War, which also put the capital markets under severe pressure. The DAX index at times lost nearly 39% of its value, while other international indices also experienced very significant declines.

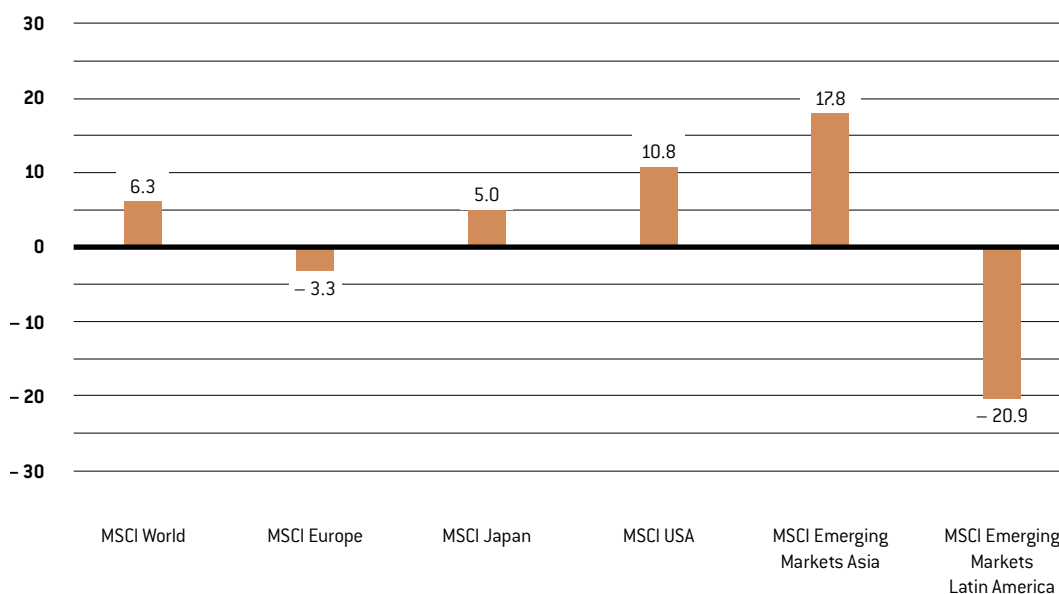
● The DAX index at times lost nearly 39% of its value, while other international indices also experienced very significant declines.

The markets were calmed by large-scale interventions by most central banks and substantial stimulus packages, in addition to a gradual decline in the number of cases during the summer. Prices rallied on the German, American and Asian stock markets at the end of the year following the approval of Covid-19 vaccines, the start of national vaccination campaigns, and the outcome of the US presidential election. Major benchmark indices reached new historic highs. The situation was different for capital markets in the peripheral countries, as they were unable to make up for their previous losses.

PERFORMANCE OF STOCK MARKETS IN EUROS

in %

2020



In the year under review, the euro appreciated against most other currencies.

The US dollar depreciated by 8.21% against the euro to the end of 2020 compared to the end of the previous year. By the same token, the Canadian dollar (- 6.40%), the Japanese yen (- 3.44%) and the British pound (- 5.40%) also lost value.

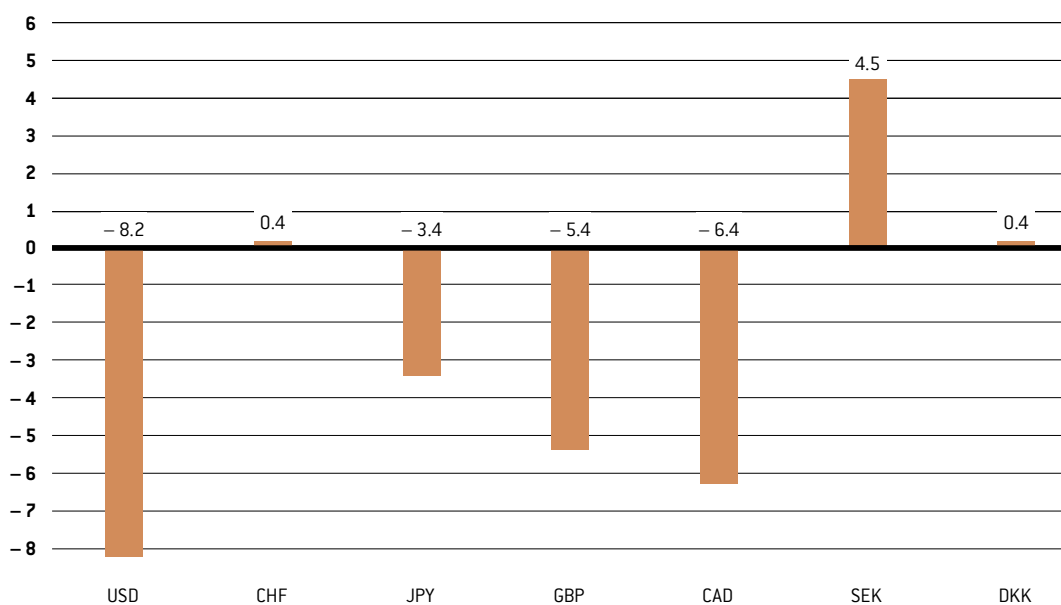
In contrast, the exchange rates of the Swiss franc, Swedish krona and Danish krone rose against the euro by 0.36%, 4.46% and 0.38% respectively.

● The euro appreciated against most other currencies.

CHANGE IN KEY EXCHANGE RATES AGAINST THE EURO

at the end of 2020 against the end of 2019 in %

2020



At the start of the pandemic, concerns grew that the different effects on the economies of the individual member states could pose a threat to cohesion within the eurozone. These uncertainties led to a sharp increase in the risk premiums of Italian and Spanish government bonds. In the course of the year, this negative factor receded into the background, and spreads fell to their lowest levels since the financial crisis of 2008.

● Performance on the global bond markets in 2020 was very positive.

Development of bond markets in 2020 in detail:

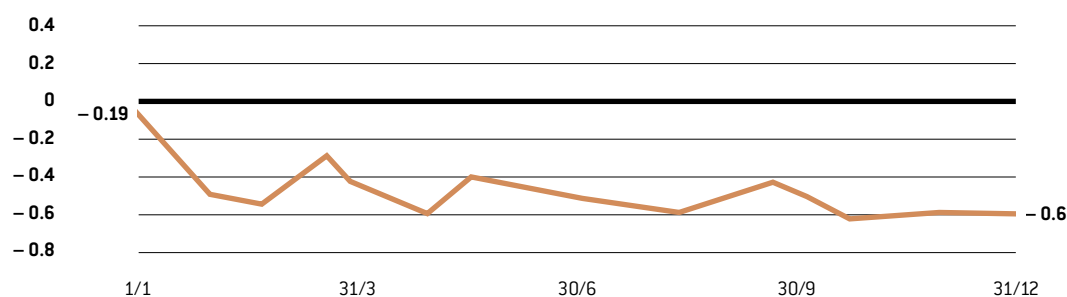
Performance on the global bond markets in 2020 was very positive (JPM² Global Bond Index), increasing by 5.56%. The “strong euro” meant that performance deteriorated in relative terms to plus 0.62%.

- Those who invested exclusively in federal bonds saw a positive performance of 2.95% in 2020.
- The return on the German ten-year benchmark bond came under pressure again in 2020, falling significantly by 39 basis points over the course of the year³ (bp). After yielding minus 19 bp at the end of 2019, the return of the benchmark bond at the end of 2020 was even more markedly negative at minus 58 bp.
- The spreads of the European countries on the ten-year bond narrowed in almost all countries as per the end of the year: Greece’s spread narrowed from 167 bp to 120 bp. The spread on Italian government bonds fell from 161 bp to 110 bp. Spain’s risk premium reduced from 66 bp to 63 bp. Eurozone bonds generated wide-scale income of 5.79% in 2020.
- US Treasuries achieved a positive performance of 8.40% in local currency and a negative performance of minus 0.55% in euro.
- Emerging market bonds were at plus 8.37% in local currency and at minus 5.79% in euro.
- The real interest rates in France and Germany over the ten-year period were minus 1.48% at the end of 2020 and therefore below the previous year-end value of minus 1.12%. A 30-year maturity term generated a negative real interest rate of minus 1.50% at the end of 2020, well below the value of the previous year of minus 1.03%.
- Inflation swaps, which reflect the course of inflation expected by the market, were at 1.13% for ten years at the end of December 2020 in the euro area, thus slightly below the previous year’s value of 1.20%.

YIELD DEVELOPMENT OF THE TEN-YEAR FEDERAL BOND

in %

2020



² J.P. Morgan is a US financial services provider that calculates and publishes numerous international stock market indexes.

³ 100 bp = 1%

DEVELOPMENT IN THE HOLDING COMPANIES

RAG

In line with expectations and in view of the regulations stipulated by the agreements on coal policy, RAG's 2020 financial year developed satisfactorily.

● RAG's 2020 financial year developed satisfactorily.

The financial year ended with a net loss of EUR 368.6 million. This was mainly due to the company-specific adjustment of generation tables for company pensions as well as the price and interest-indexed adjustment of other provisions. In accordance with the controlling and profit-and-loss transfer agreement between RAG and the RAG-Stiftung, the loss was compensated by the RAG-Stiftung.

Staff reduction was also continued as planned in 2020.

The coronavirus pandemic presented the company with special challenges. The particular strain placed on employees due to reduced direct face-to-face contact and the increased use of digital tools had no negative impact on their high motivation and performance. Measures were introduced right at the beginning of the pandemic and were tightened in response to the widespread increase in the number of infections in the autumn. This made it possible to prevent infection chains within the Company. Business processes were steadily maintained.

● The coronavirus pandemic presented RAG with special challenges. Business processes were steadily maintained.

Evonik

KEY FIGURES FOR THE EVONIK GROUP

in EUR million	2020	2019	Change in %
Revenue	12,199	13,108	- 7
EBITDA (adjusted)	1,906	2,153	- 11
Group result	465	2,106	- 78
Dividend (per share, in EUR)	1.15	1.15	-

Figures for the previous year adjusted: Figures for 2019 and 2020 include the methacrylates business as discontinued operation.

Evonik continued its successful strategic advancement in 2020 despite the coronavirus pandemic. The new Group structure introduced on 1 July 2020 enables the chemical divisions "Specialty Additives", "Nutrition & Care", "Smart Materials" and "Performance Materials" to be managed in a more targeted manner since they are more clearly allocated to the technology platforms and are more balanced in terms of their size and profitability. This ensures simplification of the Company structure and optimization of administrative functions.

● Evonik continued its successful strategic advancement in 2020.

Important investments at the Marl site, such as the establishment of a large plant complex for the special plastic polyamide 12 and the construction of two modern gas and steam turbine power plants, were continued as planned. Evonik strengthened its Smart Materials growth division by acquiring the US companies PeroxyChem and Porocel. The acquisition of Wilshire Technologies and the LACTEL® business support the growth businesses of the Nutrition & Care Division.

- Evonik will continue to streamline structures and improve efficiency.

In view of the global economic conditions that will remain challenging in the future, Evonik will continue to streamline structures and improve efficiency. The SG&A 2020 programme, which was launched at the end of 2017, is progressing very well. This aims to optimise processes globally and to permanently reduce cost pools for sales and administration by EUR 200 million by 2021. At the same time, Evonik is intensively pursuing additional programmes to increase efficiency. The company expects additional momentum from the cultural trend towards a more open, result-oriented corporate culture.

- Business operations at Evonik were affected by the coronavirus pandemic.

Business operations were affected by the coronavirus pandemic. Evonik experienced a noticeable decline in global demand as a result of the recession, especially in certain customer sectors such as the automotive and fuel industries. Evonik revised its forecast downwards after the first quarter as a result of the economic uncertainties. After the third quarter was better than expected, Evonik firmed up its guidance for adjusted EBITDA and raised its expectation for free cash flow. Evonik significantly exceeded the adjusted forecast for free cash flow and achieved it for the other key indicators. Group revenue declined by 7% to EUR 12,199 million on the back of slightly lower sales volumes and prices as well as negative currency effects.

Adjusted EBITDA went down by 11% to EUR 2,601 million, whereby cost-cutting measures and the first-time inclusion of PeroxyChem had a positive impact. Adjusted EBITDA margin decreased to 15.6% (previous year: 16.4%), remaining below the medium-term target corridor of 18% to 20%.

At EUR 465 million, the Group result under IFRS remained well below the high level of the previous year, which included the income from the sale of the methacrylates business. The Group's result from continuing operations adjusted for special items decreased by 29% to EUR 640 million. The Board of Executives and Supervisory Board are again proposing a dividend of EUR 1.15 per share to the general meeting of shareholders.

Evonik generated a high free cash flow of EUR 780 million. The cash conversion rate of 41% indicates the proportion of the operating result that can be converted into cash.

Evonik has a solid investment grade rating. Although net financial debt increased due to the acquisitions made, it remained at a solid level. In addition to sufficient liquidity, there are sufficient unused credit lines available.

Vivawest

KEY FIGURES FOR THE VIVAWEST GROUP

in EUR million	2020	2019	Change in %
Revenue	834	927	- 10
EBITDA (adjusted)	384	452	- 15
Earnings after taxes	101	168	- 40
FFO	245	244	0
NAV	5,369	4,658	+ 15

Despite all the challenges associated with the pandemic, the Vivawest Group continued its positive business development of the past years in the 2020 financial year. The coronavirus pandemic had no significant impact on the key financial figures. The positive development in the Real Estate segment was supported by stable income levels from the core business area of portfolio management, together with the significant income and earnings contributions from real estate sales generated as a result of an ongoing process of portfolio restructuring. Together with the Real Estate Services segment, financial expectations were outperformed once again.

● Despite all the challenges, the Vivawest Group continued its positive business development.

The demand-related vacancy rate increased slightly to 1.4% at the end of 2020 (2019: 1.2%). Vacancies due to modernisation and pre-sales measures remained at the previous year's level of 1.6%. Vivawest was largely able to use the continuing good management situation and significantly improved rental trend – attributable in particular to successful investments – to further increase its spending on improvement of the quality of the portfolio.

During the previous financial year, the Group generated sales revenue of EUR 834 million (2019: EUR 927 million). The Vivawest Group's adjusted EBITDA under IFRS came to EUR 384 million (2019: EUR 452 million). As expected, both key figures were below those of the previous year, but above the forecasts for 2020. Earnings after taxes (EAT) of EUR 101 million were EUR 67 million below the previous year's figure, which was influenced by a large portfolio sale.

At EUR 245 million, the Group's funds from operations (FFO) were above both the forecast value of EUR 233 million and the previous year's value of EUR 244 million, also due to the improved interest rate. "Funds from operations" is a fiscal parameter which is typical in the industry; it measures the performance of portfolio management after interest and tax expenses, not accounting for the profit from the disposal of investment properties.

- At EUR 5,369 million, the net asset value at Vivawest increased by EUR 711 million.

At EUR 5,369 million, the net asset value (NAV) as of 31 December 2020 increased by EUR 711 million compared with the end of the previous year. In addition to the market value of investment property, the NAV includes the Group's net financial indebtedness as well as provisions for pensions and long-term obligations from the area of mining follow-up management. The increase is primarily attributable to the balance of value-increasing investments and targeted disinvestments, the market-related reduction of the discounting interest rate used to value real estate, and the development of the market value performance of the real estate portfolio as a consequence of improved management performance.

RSBG SE (formerly RAG-Stiftung Beteiligungsgesellschaft mbH)

KEY FIGURES RSBG SE

in EUR million	2020	2019	Change in %
Investment income ^a	122.1	40	+ 205
Net profit for the year	116.3	32	+ 259

^a Investment income is largely influenced by the sale.

- The 2020 financial year went well for RSBG SE.

The 2020 financial year went well for RSBG SE. On the one hand, dividends from the investment companies were specifically reduced against the backdrop of the Covid-19 pandemic in order to secure the liquidity situation. On the other hand, market opportunities were seized and capital gains realised from the successful sale of shares held as fixed assets. The investment income increased to EUR 122.1 million. This contains dividends from the investment companies and profit transfers totalling EUR 21.2 million, book profits from the sale of shares in fixed assets amounting to EUR 108.6 million, and value adjustments of EUR 7.7 million.

Net profit for the year came to EUR 116.3 million after EUR 32.4 million in the previous year.

EARNINGS POSITION

Income statement

RAG-STIFTUNG: INCOME STATEMENT

in EUR million	2020	2019	Change
Sales revenue	2.1	0.2	+ 1.9
Other operating income	580.7	32.9	+ 547.8
Personnel expenses	- 9.4	- 8.4	- 1.0
Amortisation of intangible assets and depreciation of property, plant and equipment	- 1.4	- 0.2	- 1.2
Other operating expenses	- 901.5	- 453.9	- 447.6
Investment income	684.1	437.8	+ 246.3
Expenses relating to the assumption of losses	- 368.6	- 60.0	- 308.6
Revenue from other securities and loans as financial assets including interest income and amortisation of financial assets and securities held as current assets	58.1	62.1	- 4.0
Income taxes	- 43.6	- 8.5	- 35.1
Earnings after taxes	+ 0.5	+ 2.0	- 1.5
Other taxes	- 0.5	- 2.0	+ 1.5
Net profit (+) or loss (-) for the year	0.0	0.0	0.0

In 2020, sales revenue increased by EUR 1.9 million to EUR 2.1 million due to rental income received for the first time from directly held real estate.

Other operating income of EUR 580.7 million in the year under review stemmed primarily from the sale of Evonik shares.

- Other operating income stemmed primarily from the sale of Evonik shares.

Of the EUR 9.4 million reported for personnel expenses, EUR 1.4 million were attributable to the addition to the provisions for pensions and EUR 0.4 million for social security.

Other operating expenses amounting to EUR 901.5 million primarily concerned the addition to the provision for perpetual obligations of EUR 858.5 million (2019: EUR 413.6 million). Other operating expenses also include expenses for “education, science and culture” – one of the goals of the articles of association – in the amount of EUR 26.7 million.

- Other operating expenses primarily concerned the addition to the provision for perpetual obligations.

The investment income of EUR 684.1 million primarily includes the dividend distribution of Evonik Industries AG of EUR 315.7 million and the profit distribution of Vivawest GmbH of EUR 55.6 million, as well as profit distributions of RSBG SE (EUR 29.0 million) and Maxburg Beteiligungen GmbH & Co. KG (EUR 27.5 million). A further EUR 248.3 million was attributable to RAG AG’s capital reduction.

- The investment income primarily included the dividend distribution of Evonik. A further EUR 248.3 million was attributable to RAG AG’s capital reduction.

The other financial income¹ amounted to EUR 58.1 million in the year under review. This stemmed mainly from income from securities and special real estate funds in the direct ownership of the RAG-Stiftung, from the dividend of the RAG FundMaster and, conversely, from interest expenses and amortisation of financial assets.

Around EUR 35.6 million of the income taxes of EUR 43.6 million were attributable to the income of the RAG-Stiftung's fiscal group in the current financial year. The remaining amount mainly results from tax accounting differences for the Group subsidiary RAG AG relating to previous years.

As in the previous year, the RAG-Stiftung allocated the full amount to the provision for perpetual obligations in the amount of EUR 858.5 million (2019: EUR 413.6 million) as a result of the system of creating provisions with its otherwise accrued earnings, ensuring that the result under commercial law was balanced.

¹ Revenue from other securities and loans as financial assets including interest income and amortisation of financial assets and securities held as current assets

FINANCIAL POSITION

Principles and objectives of the RAG-Stiftung's financial management

The RAG-Stiftung's principal task is to finance the perpetual obligations following the discontinuation of subsidised coal mining in Germany.

Pursuant to Section 3, Paragraph 6 of the articles of association, the RAG-Stiftung's assets must be invested in such a way as to ensure the greatest possible security and return with sufficient liquidity, whilst preserving an appropriate mix and diversification. The primary aim of the investment is the sustainable financing of the perpetual obligations. The risks and opportunities within the investment portfolio are optimised with the proviso that these obligations will remain covered. The cornerstones of the investment are therefore the assets and the expected inflow of funds, and the cash outflows covered by the payments for perpetual obligations to RAG AG. The RAG-Stiftung's strategic capital investment is therefore based on an asset-liability approach, which takes into account the long-term payment obligations and the incoming payments expected on an ongoing basis.

● Pursuant to the articles of association, the assets must be invested in such a way as to ensure the greatest possible security and return with sufficient liquidity, whilst preserving an appropriate mix and diversification.

The RAG-Stiftung's investment strategy also provides for a wide diversification of the investments across the various asset classes and investment markets and the systematic further development of the diversification strategy, in order to stabilise earnings and to be able to react to the current uncertainties on the financial markets. In response to the low rates of interest in general and to future inflation risks, the investments are to be further expanded into higher yielding tangible assets (including private equity, direct holdings and real estate/infrastructure).

● The investment strategy provides for wide distribution of investments and consistent development of diversification.

The standards for capital investment, i.e. the principles of investment policy and risk controlling, are laid out in a set of "General Investment Guidelines for the RAG-Stiftung" (KARL). According to carrying amounts at the end of 2020, around 40% of the financial assets were invested in the RAGS-Fund-Master, a special fund managed by a capital investment company pursuant to the German capital investment act.

By using a single custodian bank as global custodian and a single master capital investment company for the liquid financial assets, the foundations have been laid for uniform risk controlling and transparent presentation.

As part of an annually updated asset liability study, the structures of the liabilities from the perpetual obligations are analysed, and the profile of the payment streams to be paid by the RAG-Stiftung is determined. Against this background, the capital investment strategy of the RAG-Stiftung, which is strategic asset allocation (SAA), is reviewed and adjusted on an annual basis.

● Asset liability study

In own holdings, investments are made according to a buy-and-hold strategy. In addition to liquidity, it includes on the bond side both nominal securities predominantly of very good or good creditworthiness and bonds coupled with the development of inflation, and thus interest income-generating bonds predominantly of sovereign borrowers. In addition to its own portfolio, apart from a real estate special fund set up exclusively for the RAG-Stiftung, there are also companies that invest in private equity investments, real estate and infrastructure.

● In own holdings, investments are made according to a buy-and-hold strategy.

Another EUR 500 million was added to the “RAGS-FundMaster” special fund managed by the master capital investment company in 2020, ensuring the carrying amount totalled EUR 3.3 billion as of 31 December 2020. The market value at the same time was around EUR 4.0 billion.

- The objective of risk controlling is to manage the result of investments and to avoid value adjustments.

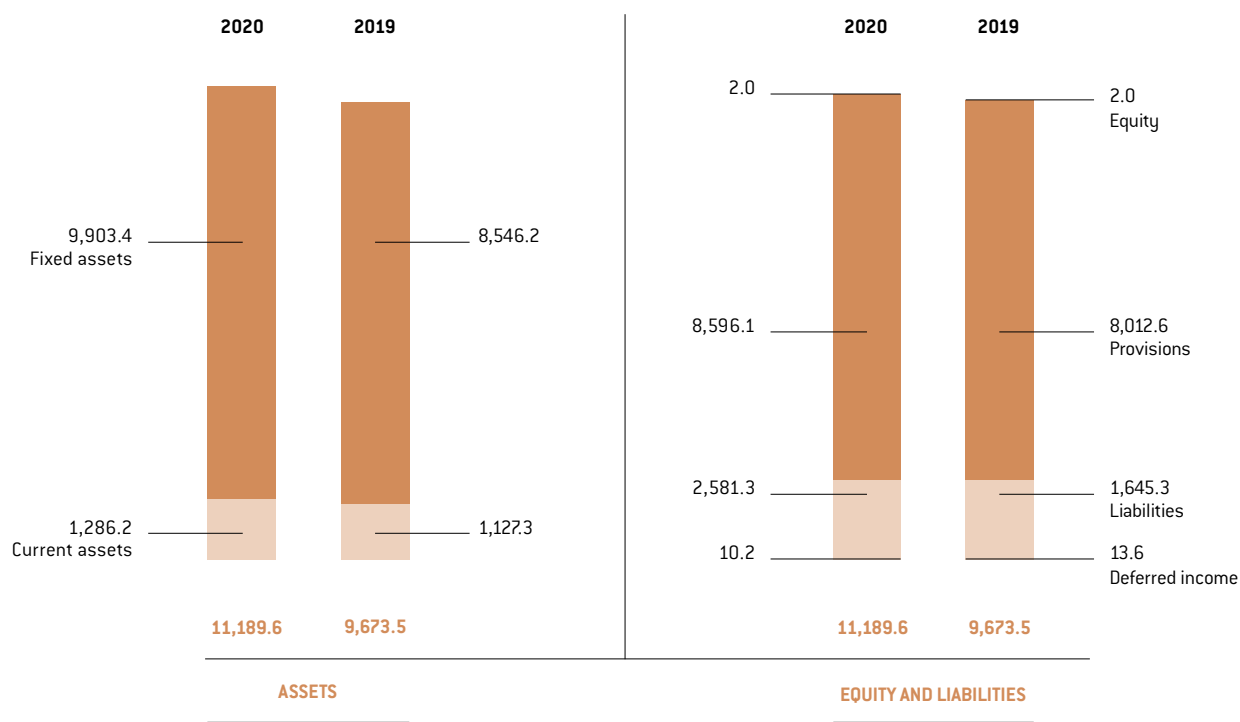
The objective of risk controlling is to manage the results of investments and to avoid value adjustments. Regular risk reporting is made in a weekly and monthly risk report. The risk budget forms the basis for the management of the return portfolio, which is oriented to the risk-bearing capability. The capacity of the risk budget is regularly calculated and documented, while the current risk of the investment is measured using the value-at-risk (VAR) approach. In addition to the analysis of the current risk budget, the RAG-Stiftung’s financial assets are analysed monthly in relation to a number of key risk indicators such as rating, duration, modified duration and credit risk.

A coordinated capital investment takes place with the affiliated subsidiary RAG to optimise the available resources via the controlling agreement and profit-and-loss transfer agreement. The same bank limits therefore apply to the term deposit investments of the RAG-Stiftung and RAG, and are regularly reviewed. The RAG-Stiftung’s risk reporting system was also extended to the financial assets of RAG.

Capital structure

BALANCE SHEET STRUCTURE

in EUR million



As of the end of 2020, the RAG-Stiftung recognised financial liabilities from four exchangeable bonds on Evonik shares of EUR 1.58 billion. The liabilities side of the balance sheet is dominated by the provision for perpetual obligations amounting to EUR 8.5 billion as a result of the business model of the RAG-Stiftung. The term of this obligation is infinite. The increase in the provision for perpetual obligations amounted to EUR 556 million compared with the previous year.

● Equity and liabilities are dominated by the provision for perpetual obligations amounting to EUR 8.5 billion.

- The RAG-Stiftung invested EUR 1,302 million in the financial assets in 2020.

Investments

The RAG-Stiftung invested EUR 1,302 million in the financial assets in 2020. The RAGS-FundMaster special fund was endowed with EUR 500 million and an additional EUR 500 million was allocated to an investment held in a company based in Luxembourg. EUR 416 million was allocated to capital injections into our companies in which we hold real estate, private equity, infrastructure and SME investments; this was offset by bond securities due and sales.

Liquidity

RAG-STIFTUNG: CASH FLOW STATEMENT (SUMMARY)

in EUR million	2020	2019	Change
Cash and cash equivalents at the start of the year	283.2	401.3	- 118.1
Cash flow from operating activities	935.3	993.5	- 58.2
Cash flow from investing activities	- 739.7	- 1,111.2	+ 371.5
Cash flow from financing activities	83.5	- 0.4	+ 83.9
Exchange rate-related change in cash funds	0.0	0.0	0.0
Cash and cash equivalents as of 31 December	562.3	283.2	+ 279.1

The above cash flow statement deviates from German Accounting Standard No. 21 (DRS 21) to the extent that interest and dividends received and assumed losses totalling some EUR 359.8 million are not recognised under cash flow from investment activities but rather cash flow from operating activities. This classification is better suited to the business model of the RAG-Stiftung and enables comparability with the previous year.

- Cash flow from current operating activities amounted to EUR 935.3 million.

Starting from a balanced budget for the year, which was corrected for non-cash transactions, cash flow in 2020 from current operating activities amounted to EUR 935.3 million.

The negative cash flow from investing activities of EUR 739.7 million was due to the investments described above, along with cash inflows and outflows as part of short-term financial planning.

The positive cash flow from financing activities was EUR 83.5 million due to the successful issue and partial repayment of exchangeable bonds in 2020.

- Cash and cash equivalents amounted to EUR 562.3 million.

Cash and cash equivalents as of 31 December 2020 amounted to EUR 562.3 million. The balance was created on the financial account of RAG.

NET ASSETS

At the end of the year under review, the total assets of the RAG-Stiftung amounted to EUR 11,189.6 million. This represents an increase of EUR 1,516.1 million in total assets over the previous year's value.

ASSETS – FIXED AND CURRENT ASSETS

in EUR million	31/12/2020	31/12/2019	Change
Fixed assets	9,903.4	8,546.2	+ 1,357.2
Real estate, plant and equipment	55.4	0.4	+ 55.0
Financial assets	9,848.0	8,545.8	+ 1,302.2
Current assets	1,286.2	1,127.3	+ 158.9
Receivables and other assets	317.2	367.2	- 50.0
Securities	406.7	476.9	- 70.2
Liquid assets ^b	562.3	283.2	+ 279.1
Prepaid expenses	0.0	0.0	0.0
Total assets	11,189.6	9,673.5	+ 1,516.1

^b Liquid assets including the financial account of RAG

At the end of 2020, financial assets of EUR 4,809.2 million were attributable to companies through which the RAG-Stiftung invests in private equity, real estate, infrastructure and SME investments. Of this amount, EUR 3,343.1 million was attributable to the special investment fund managed by the master capital investment company in investments in long-term held securities. The 40% stake in Vivawest GmbH, with acquisition costs of EUR 1,390.2 million, was also reported in fixed assets.

● Financial assets consisted of private equity, real estate, infrastructure and SME investments.

Our investment in TK Elevator (TKE) is held through the stake in Vertical Topco S.a.r.l. TKE is a leading global provider of lifts, escalators and other innovative passenger transport solutions and was acquired in 2020 by a consortium consisting of Advent, Cinven, RAG-Stiftung and other institutional investors.

We list the 25.1% stake in Evonik Industries AG at EUR 305.5 million under financial assets because the shares are to be retained over the long term. The remaining Evonik shares are recognised under securities held as current assets, because these shares are being held for sale.

Receivables and other assets primarily include receivables for imputable tax of EUR 288.7 million and a total of EUR 17.1 million in receivables due from affiliated companies.

EQUITY AND LIABILITIES – EQUITY, PROVISIONS AND OBLIGATIONS

in EUR million	31/12/2020	31/12/2019	Change
Equity	2.0	2.0	0.0
Endowment capital	2.0	2.0	0.0
Provisions	8,596.1	8,012.6	+ 583.5
Pension provisions	13.2	11.6	+ 1.6
Tax provisions	107.6	77.6	+ 30.0
Provisions for perpetual obligations	8,452.5	7,896.7	+ 555.8
Other provisions	22.8	26.7	- 3.9
Liabilities	2,581.3	1,645.3	+ 936.0
Bonds	1,586.2	1,500.0	+ 86.2
Trade accounts payable	0.1	0.1	0.0
Liabilities to affiliated companies	945.7	140.5	+ 805.2
Other liabilities	49.4	4.6	+ 44.8
Deferred income	10.2	13.6	- 3.4
Total equity and liabilities	11,189.6	9,673.5	+ 1,516.1

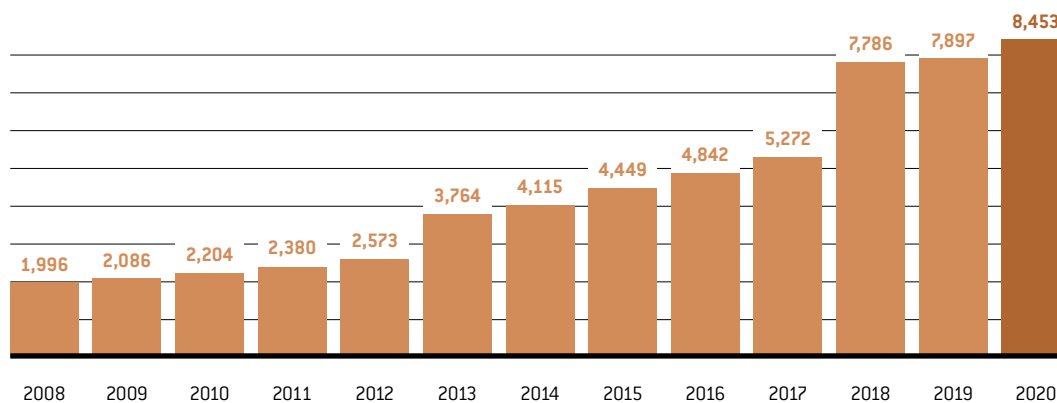
When the RAG-Stiftung was established, it was endowed with an endowment capital (basic assets) of EUR 2.0 million, which has been retained in full.

● **Obligations to RAG for the financing of perpetual obligations**

For its obligations to RAG for the financing of perpetual obligations, the RAG-Stiftung reports a provision of EUR 8,452.5 million as of 31 December 2020. This corresponds to a net increase of EUR 555.8 million over the previous year's figure of EUR 7,896.7 million. The allocation from the net profit for the year of EUR 858.5 million was offset by a utilisation of EUR 302.7 million. This was composed of payments to RAG for perpetual obligations in the amount of approximately EUR 291 million and a payment to RAG in the amount of nearly EUR 11.7 million for the interest portion of the investments made by RAG in pit water management.

PROVISIONS FOR PERPETUAL OBLIGATIONS

in EUR million



Source: RAG-Stiftung

Other provisions mainly include provisions for services received but not yet billed.

The liabilities of EUR 2,581.31 million as of the 2020 balance sheet date mainly include EUR 1,586.2 million in four exchangeable bonds on Evonik shares and EUR 945.7 million in liabilities to affiliated companies. These include in particular liabilities for a loan of EUR 500 million from RAG AG and the assumption of losses by RAG in the amount of EUR 368.6 million.

● Four exchangeable bonds on Evonik shares

Significant non-financial issues

EMPLOYEES

There were 25 employees at the end of 2020; in the previous year, there were 26. The average number of employees during the year was 25 (previous year 24).

OCCUPATIONAL HEALTH AND SAFETY

We have a modern corporate health management programme which goes beyond traditional occupational health promotion. In addition to the medical check-ups available to employees, the care provided includes individual consultation and innovative prevention schemes. Qualified cooperation partners – in particular Evonik’s occupational health services – offer a comprehensive range of preventative measures and health promotion.

No occupational accidents occurred during the reporting period.

- We have a modern corporate health management programme.

Risks and opportunities report

Risk and opportunities management (or simply: risk management) at the RAG-Stiftung is a continuous and dynamic process that begins with planning and consistently reaches all areas. The risk management system integrates all systematic measures into an overall approach for the purpose of identification, analysis, assessment, management and control of risks that could hinder achievement of the RAG-Stiftung’s objectives.

The standards for risk management are set out in the Risk Management Guidelines. In addition to organisational security measures, internal control systems and division-specific risks, the RAG-Stiftung’s risk management also includes RAG’s internal audit department as a process-independent supervisory authority.

The division head nominated by the Board of Executives assumes the role of risk manager. This person monitors the risk management system and coordinates reporting to the Board of Executives at the RAG-Stiftung on the opportunities and risks of the strategic holdings and of the RAG-Stiftung itself. The respective division heads of the RAG-Stiftung are responsible for the identification and assessment of risks, as well as the formulation and implementation of measures for risk management. The divisions of the RAG-Stiftung are charged with the following tasks and responsibilities with regard to risk management: reporting on opportunities and risks as part of the monthly report, presentation of opportunities and risks in the scope of medium-term planning, and immediate reporting to the Board of Executives where necessary.

In order to determine which risks most likely represent a threat to the objectives or the existence of the RAG-Stiftung, the risks are classified according to their probability of occurrence and their effects on net assets, financial position and results of operations. The scales for assessing both of these indicators are presented in the table below.

- Risk and opportunities management at the RAG-Stiftung is a continuous and dynamic process.

The RAG-Stiftung classifies the assessment of the probability of a risk occurring according to the criteria “rather unlikely”, “possible” or “probable”.

● Assessing the probability of occurrence of a risk

Probability of occurrence	Description
0%–32%	Rather unlikely
33%–65%	Possible
66%–100%	Probable

The possible effects are assessed according to qualitative criteria of increasing value: “low”, “moderate” and “significant”.

Degree of impact	Definition of impact
Low	Low negative impact on net assets, financial position or results of operations
Moderate	Moderate negative impact on net assets, financial position or results of operations
Significant	Significant negative impact on net assets, financial position or results of operations

According to their estimated probability of occurrence and their effects on the net assets, financial position and results of operations of the RAG-Stiftung, risks are classified as “low”, “medium” or “high”.

RISK CLASSIFICATION MATRIX

PROBABILITY OF OCCURRENCE	66 to 100%	Low	Medium	High
	33 to 65%	Low	Medium	Medium
	0 to 32%	Low	Low	Medium
		Low	Moderate	Significant
		DEGREE OF IMPACT →		

The following major risk categories arise from the RAG-Stiftung's main risk areas:

- The RAG-Stiftung and RAG concluded a controlling and profit-and-loss transfer agreement in 2007.

RAG investment risk

The RAG-Stiftung and RAG concluded a controlling and profit-and-loss transfer agreement (BGAV) on 24 September 2007. RAG's business risks therefore affect the RAG-Stiftung directly.

RAG has its own risk management system, as this is where the original risk responsibility for the business risks and their management lies. As a public limited company, RAG is subject to statutory monitoring requirements. This means that according to Section 107, Paragraph 3 of the German Stock Corporation Act (AktG), the Supervisory Board is responsible not only for monitoring the accounting process, but is also obliged to address the effectiveness of the internal controlling system, the risk management system and the internal audit system. These requirements are met by representatives of the RAG-Stiftung on RAG's Supervisory Board. The RAG-Stiftung is kept informed by regular reports and checks the effectiveness of the risk management system by analysing risks and measures.

Risks for the RAG-Stiftung have included the operating result risks from RAG's business activities and the cash outflows for perpetual obligations since 2019. They are dependent on the development of costs and official approvals for the planned optimisation measures in the field of pit water management. Developments in interest rates and costs are decisive factors determining the amount of provision required at RAG. Unfavourable economic developments may lead to a situation where the funds approved for RAG in 2019 for the financing of residual pollution and other perpetual obligations are not sufficient.

In 2020, losses of EUR 368.6 million were balanced by the RAG-Stiftung pursuant to Article 3 of the controlling and profit-and-loss transfer agreement. The main factors with an adverse impact on RAG's earnings were the interest-related requirement for allocation to non-current provisions and the company-specific adjustment of the generation tables. This was counteracted in 2020 by a capital reduction by RAG of EUR 248.2 million, which reduced the net burden on the RAG-Stiftung to EUR 120.4 million.

- Equalisation of RAG earnings probable between 2021 and 2025

From today's perspective, we assume that the controlling and profit-and-loss transfer agreement to balance RAG's earnings will probably be made use of every year from 2021 to 2025. This is mainly the result of higher charges due to the persistently low interest rate and the resulting higher additions to non-current provisions.

Overall, the risks arising from participation in RAG are significant. Due to the German Hard Coal Financing Act, the underlying coal policy contract and the agreements made and approvals received, the risk should be manageable. However, following the end of German coal production, the accounting countermeasures available to RAG have been significantly reduced. As a result, we allocate the probability of occurrence of the risks described to the category "probable". Overall, we therefore continue to classify this as a "high risk". Nevertheless, despite this classification, we consider the risk to be manageable due to the financial resources available to the RAG-Stiftung.

Evonik investment risk:

The RAG-Stiftung is the majority stakeholder in Evonik Industries AG. The Evonik Group's business risks therefore also indirectly affect the RAG-Stiftung. As a listed company, Evonik Industries AG has an elaborate, independent and Group-wide risk management system. Pursuant to Section 107, Paragraph 3 AktG, Evonik Industries AG's Supervisory Board is not only responsible for monitoring the accounting process but is also obliged to address the effectiveness of the internal controlling system and the internal audit system. These requirements are met by Evonik Industries AG's Supervisory Board. It is kept informed with regular reports and checks the effectiveness of the risk management system by analysing risks and measures. The RAG-Stiftung's employees support the Chairman of the Supervisory Board in his analysis.

The RAG-Stiftung's stake in Evonik Industries AG of around 59% (31 December 2020) remains a key asset. For every change of one euro in the Evonik share price, there is a change in the assets of the RAG-Stiftung of around EUR 275 million. There is therefore a significant concentration risk associated with the Evonik holding. The RAG-Stiftung intends to meet this concentration risk by further reducing its investment in Evonik. This will be done with due regard to the market. For example, the issue of exchangeable bonds on Evonik shares, or a block sale, are instruments with which this is possible. At the start of the reporting year on 13 January 2020, we acquired an additional 5.36% or 25 million shares in Evonik Industries AG by way of an accelerated book-building process.

Because of its areas of activity, the Evonik Group is constantly confronted both nationally and internationally with changing political, societal, demographic, legal and economic conditions. Market risks occurring as a result of volatility and cyclicity in the markets can generally arise in all segments. These can have a significant impact on the earnings situation. The occasional regional changes in economic demand can influence price and sales opportunities with a corresponding impact on results. Evonik confronts these risks by anticipating market developments and consistently developing its portfolio in accordance with its Group strategy.

Overall, the Board of Executives of Evonik has arrived at the following assessment: the risks identified across the Group, taking into account the measures taken and planned, pose no threat to the existence of Evonik as a whole, either individually or in conjunction with other risks; this includes Evonik Industries AG as the Group holding company. This assessment is shared by the RAG-Stiftung.

The dividends the RAG-Stiftung receives from Evonik are a significant component of the RAG-Stiftung's income. A worsening in Evonik's economic situation which might limit Evonik Industries AG's ability to pay dividends is a risk with significant ramifications for the RAG-Stiftung. Due to Evonik's diversified orientation as a medium-sized speciality chemical company, we see the probability of this risk occurring as "possible". Overall, we therefore continue to classify the Evonik investment risk as a "medium risk".

● The stake in Evonik Industries AG remains a key asset.

● Issuance of exchangeable bonds on Evonik shares

● Evonik dividends are a substantial part of income.

Vivawest investment risk

The RAG-Stiftung has a direct stake of 40% in Vivawest GmbH. RAG also indirectly holds an additional 18.2% of the shares in the company. Vivawest's business risks therefore affect the RAG-Stiftung both directly and indirectly.

- Vivawest has its own risk management system.

Vivawest has its own risk management system, as this is where the original risk responsibility for the business risks and their management lies. Vivawest GmbH's Supervisory Board not only monitors the accounting process but also addresses the effectiveness of the internal control, risk management and internal auditing systems. These tasks are carried out by the representatives of the RAG-Stiftung in Vivawest GmbH's Supervisory Board. The RAG-Stiftung is kept informed by regular reports and checks the effectiveness of the risk management system by analysing risks and measures.

Due to its area of activities, Vivawest is highly dependent on the housing market in North Rhine-Westphalia and the underlying conditions for the housing sector. Risks could arise in the long term from demographic changes and from changes in interest rates.

- The distribution of profits from Vivawest to the RAG-Stiftung represents a significant portion of income.

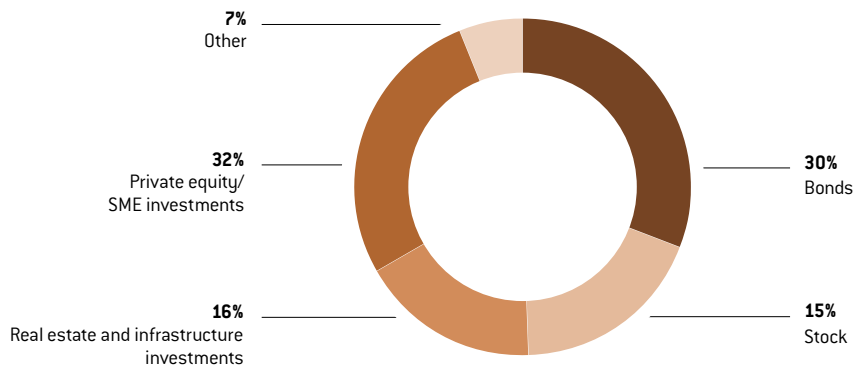
The distribution of profits the RAG-Stiftung receives from Vivawest represent a significant component of the RAG-Stiftung's income. A worsening in Vivawest's economic situation is a risk with moderate repercussions for the RAG-Stiftung. Due to the non-volatile nature of Vivawest's business, we see the probability of occurrence as being "rather unlikely". Overall, we therefore continue to classify the Vivawest investment risk as "low risk".

Investment risks

By resolution of 1 April 2019, the RAG-Stiftung's Board of Trustees approved and agreed to occasional adjustments to the general investment guidelines for the RAG-Stiftung (KARL) in 2008. The KARL guidelines set the standards for investment – with the exception of investments in Vivawest and Evonik – and define the principles of the investment policy as well as investment risk controlling.

As of the end of 2020, approximately 30% of the RAG-Stiftung's financial assets were invested in bonds, another 15% in shares, and 16% in real estate and infrastructure investments. Altogether, some 32% were attributable to international private equity investments and SME investments. Around 7% were liquidity and "other investments". This asset allocation results in high interest sensitivity: rising market interest rates lead to negative market value changes, while falling rates lead inversely to price gains.

STRUCTURE OF FINANCIAL ASSETS [31/12/2020]



Financial risks at the RAG-Stiftung generally concern borrowing and market price risks arising from the investment of financial resources to cover the provision for perpetual obligations. The aim of the Company's policy is to limit these risks through systematic risk management. Though this cannot mean financial risks are totally excluded, it does mean they are managed within defined limits. Monitoring its financial assets is an integral component of the RAG-Stiftung's daily business activities. The basis for managing financial assets is the respective risk budget, which is oriented to the risk-bearing capacity and is set by the RAG-Stiftung's investment committee. The capacity of the risk budget is regularly calculated, documented and reported to the Board of Executives, while the current risk of the investment is measured using the value-at-risk (VAR) approach. In order to reduce financial risks, to carry out currency hedging and to flexibly adjust the asset classes in a risk-oriented way, derivative financial instruments at the RAG-Stiftung are also employed in the special "RAGS-FundMaster" fund.

As of the end of 2020, around 40% of our financial assets were invested in the RAGS-FundMaster, a special fund managed by a capital investment company pursuant to the German capital investment act (KAGB). Various asset managers have received specific investment mandates from the RAG-Stiftung for this special fund. Each of these investment mandates is subject to investment guidelines that must conform with the RAG-Stiftung's general investment guidelines (KARL). The capital investment company is also obliged to ensure that these investment guidelines are adhered to at all times. All liquid securities of the RAG-Stiftung are held in safe custody by a single global custodian bank, which creates the basis

● Monitoring of financial assets is an integral part of daily business.

● As of the end of 2020, around 40% of financial assets were invested in the RAGS-FundMaster.

for uniform risk controlling and transparent presentation of the RAG-Stiftung's total holdings.

Of the remaining approximately 60% of financial assets, some are held directly in liquid securities. The rest are attributable to non-liquid investments in real estate and infrastructure funds on the one hand, and private equity funds and direct company investments on the other.

Private equity funds as well as real estate and infrastructure investments are characterised by a very low level of liquidity. This liquidity risk, which we can manage well due to our obligation structure, is offset by a corresponding illiquidity premium. The principle of high diversification also applies to illiquid investments, as it does to all our investments. The RAG-Stiftung invests in different managers, different areas of the private equity market, different size categories and different regions. In particular, it invests consistently in order to mitigate risks through wide diversification across the individual fund ages, or "vintage years". Similarly, with real estate and infrastructure investments, different managers are tasked with investing in different countries, regions and cities, and in different classes of real estate (residential, office, hotel, high street, logistics, specialist stores, etc.).

- The principle of high diversification applies to illiquid investments, as it does to all our investments.

The statements on limited liquidity also apply to the investments in SMEs by RSBG SE (RAG-Stiftung Beteiligungsgesellschaft mbH). The management attempts to compensate for the higher risk resulting from significantly less granularity by exercising intensive due diligence prior to purchase of a holding and by expanding investment controlling further; it also exercises greater influence over the Supervisory Board or Trustee Board with regard to non-controlling interests and takes direct influence on the management of majority holdings.

The RAG-Stiftung uses the professional service provider RMC Risk-Management-Consulting GmbH, Frankfurt, to assess and calculate investment risks.

When assessing investment risks overall, we classify the probability of occurrence as "possible" in view of the measures taken and the degree of impact as "moderate" given the wide diversification. Overall, we therefore continue to classify the investment risk as a "medium risk".

- Overall, we therefore continue to classify the investment risk as a "medium risk".

Perpetual obligations risk

On 14 August 2007, a legacy agreement relating to the socially responsible discontinuation of subsidised coal mining in Germany (Legacy Agreement) was concluded between the states of North Rhine-Westphalia, Saarland and the RAG-Stiftung. This agreement regulates the guarantees made by the states (and one-third of the federal government) in case the assets of the RAG-Stiftung are not sufficient to finance the perpetual obligations. It also defines the perpetual obligations of the mining operations of RAG. Perpetual obligations in this sense mean measures for the implementation of pit water management, groundwater purification at contaminated sites and measures for the management, processing or elimination of permanent damage in the form of subsidence of the ground surface caused by mining.

- The legacy agreement was concluded, and the perpetual obligations of RAG's mining operations defined, in 2007.

On 13 November 2007, an agreement was signed between RAG and the RAG-Stiftung regarding financing of the perpetual obligations arising from the mining operations of RAG (agreement on perpetual obligations). With this agreement, the RAG-Stiftung pledges to RAG that it will finance its perpetual obligations from 2019. The future development of the perpetual obligations and the resulting risks and opportunities are therefore especially important. This development is primarily determined by the premises on which the authoritative report is based and which may develop a significant leverage effect, such as price index, interest rate and technical state. Under Section 4, Paragraph 2 of the agreement on perpetual obligations, RAG will develop a concept for the long-term optimisation of pit water management. On the basis of this concept, steps were taken to apply for the necessary measures so as to subsequently implement them. Applications for approvals are delayed or have not yet been granted.

However, approvals are a mandatory prerequisite for the implementation of the necessary withdrawal activities.

The economic value of the perpetual obligations at the end of 2020 is, simply put, the present value of a perpetual series of payments which grows in line with the respective inflation rate beginning in 2020. The cash value of a perpetual annuity is calculated by dividing the initial regular payment by the interest rate while taking the price increases resulting from the real interest rate, i.e. the difference between interest rate and price inflation, into account. The amount of the perpetual obligations is therefore particularly dependent on future developments in price and interest rates, in addition to the development of the assessment bases.

● The economic value of the perpetual obligations as of the end of 2020 is, put simply, the present value of a perpetual series of payments.

Up to 31 December 2019, the perpetual obligations were calculated on the basis of the cash value of a perpetual annuity, applying the commercial interest rate with a 30-year residual term and a corresponding inflation rate. Low interest rates, which decreased again in the reporting year, resulted in a negative real interest rate in 2020. This made it necessary to change the parameters to be taken into account. Consequently, an ultimate forward rate (UFR), calculated as a seven-year average interest rate, will be used beginning with the 2020 annual financial statements. This UFR is calculated and published annually by the European Insurance and Occupational Pensions Authority (EIOPA).

● Low interest rates, which decreased again in the reporting year, resulted in a negative real interest rate in 2020.

For each perpetual obligation, a series of expenditures is calculated from the respective balance sheet date for each of the next 61 years. A 2.0% inflation rate is set for each year, based on the methodology for determining the ultimate forward rate. The inflation rate matches the European Central Bank's inflation target for the eurozone.

The first fifty years of the series of expenditures for the respective perpetual obligations are discounted to the balance sheet date using the commercial yield curve published by the German Bundesbank for the respective balance sheet date (interest rates of between 0.44% and 1.80%). A ten-year convergence phase to avoid a jump in interest rates is used to transition to the UFR, which will be used to determine the present value of perpetual obligations from the 61st year onwards. During this convergence phase, the interest rates for discounting to the balance sheet date are determined using linear interpolation between the commercial interest rate with a residual term of 50 years and the ultimate forward rate. The perpetual annuity is calculated using the seven-year average interest rate of the UFR for the respective year (2020: 3.94%) and the underlying inflation rate of 2.00%, and discounted to the balance sheet date appropriate to the term.

● The perpetual annuity is calculated using the seven-year average interest rate of the UFR as well as the inflation rate, and discounted appropriate to the term.

The total perpetual obligation determined using this method is EUR 25.0 billion. The previous year's figure was still EUR 255.7 billion.

● The total perpetual obligation determined using this method is EUR 25.0 billion.

In the overall assessment of the risks arising from perpetual obligations, we classify the probability of occurrence as "probable" but the degree of impact as only "moderate". The provision requirement for perpetual obligations will first increase slightly over the coming years depending on interest rates, then prospectively move at a constant or even a slightly falling level. However, our ability to finance the cash outflow, which will increase with inflation for the sustainable financing of perpetual obligations from investment income and financial assets, is independent of this. Overall, we therefore continue to classify the risk arising from the perpetual obligations as a "medium risk".

- The coronavirus crisis led to highly volatile rates of return on the global financial markets during the reporting period.

Coronavirus pandemic

The coronavirus crisis led to highly volatile rates of return on the global financial markets during the reporting period. Global equity markets were hit particularly hard, with significant price slumps, though other risk assets such as corporate bonds and high yields were also under noticeable pressure at times. The pandemic's effects on illiquid investments such as real estate, private equity and infrastructure were delayed. The aid packages allocated by governments and central banks as well as increasingly extensive global vaccination campaigns are fuelling expectations that it will be possible to control infection and its economic costs in the course of 2021.

At the present time, it is not possible to make accurate forecasts regarding economic consequences for the RAG-Stiftung as the duration and extent of the crisis cannot be determined. There is a risk that the earnings position of the RAG-Stiftung, and thus its ability to allocate amounts to the provision for perpetual obligations, may deteriorate in the future.

According to current forecasts drawn up by the RAG-Stiftung, the Stiftung's supply of cash and ability to pay its perpetual obligations are secured.

To counteract the risks of infection from the coronavirus outbreak, the RAG-Stiftung developed an emergency plan. This involved dispensing with meetings that were not absolutely necessary or holding them online and/or as conference calls in 2020. More people also worked from home, and departments were divided into groups that work in different locations.

Overall assessment of the risk and opportunities situation

- From a current perspective, future cash inflows are sufficient to cover the expected cash outflows.

The RAG-Stiftung must finance the perpetual obligations of subsidised coal mining of RAG in Germany following its discontinuation. From a current perspective, the cash inflows from the disposal of other shares in Evonik Industries AG, from Evonik dividends, from dividends of the Vivawest holding and RSBG SE, as well as from the income from financial assets, are all sufficient to cover the expected cash outflows. Opportunities could result from a good trend in the Evonik share price and from successful investments.

The overall assessment of the RAG-Stiftung's risk situation shows that the existing risks pose no threat to the existence of the RAG-Stiftung, either individually or in conjunction with other risks, given the measures taken and planned.

Outlook

The continued uncertainty surrounding the pandemic's progression, influenced in part by government actions, social behaviour and vaccine-related developments, plays a decisive role in the strength and duration of the global recovery and global economic stability for 2021. In principle, we expect the global economy to recover. According to World Bank estimates, real global gross domestic product is likely to expand by around 4% in 2021.

● According to World Bank estimates, real global gross domestic product is likely to expand by around 4% in 2021.

GDP GROWTH RATES, WORLD AND COUNTRIES FOR 2020 AND FORECAST FOR 2021

in %

2020 2021



Source: World Bank, Global Economic Prospects, January 2021

Governments have taken extensive action in view of the historic 2020 recession. National fiscal support packages were supplemented by European Union grants for the most affected member countries. This support is expected to take effect starting in 2021. Assuming management of the pandemic improves, a larger share of the population is vaccinated and demand from abroad increases, especially from China, the World Bank expects Europe's economic output to grow by 3.6% in 2021.

● The World Bank expects Europe's economy to grow by 3.6% in 2021.

The projected growth for North America is 3.5%. Economic activity is expected to continue recovery next year since improved treatment for Covid-19, accompanied by vaccinations, will enable economies to gradually emerge from lockdowns.

● The projected growth for North America is 3.5%.

- The World Bank expects the economies of Latin America and the Caribbean to recover slightly in 2021.

The World Bank expects the economies of Latin America and the Caribbean to recover slightly and to grow by 3.7% in 2021. This development depends primarily on the management of vaccine programmes, the extent to which oil and metal prices rise, the availability of external financing and political developments.

- South Asia's economy is expected to grow by 3.3%.

South Asia's economy is expected to grow by 3.3%, with the pace of growth in China and the Pacific region forecast to accelerate to 7.4%. The outlook is subject to several downside risks. These include the possibility of severe and prolonged damage from the pandemic, a possible financial and debt crisis associated with an abrupt tightening of financing conditions, a broad wave of corporate insolvencies, and political and security uncertainties.

- However, far-reaching fiscal and monetary policy measures could lead to a slight acceleration in inflation.

As a result of weak and muted demand for goods and energy, global inflation currently still remains below the target values set by central banks. However, far-reaching fiscal and monetary policy measures could lead to a slight acceleration in inflation.

- We expect Evonik Industries AG to pay a stable dividend of EUR 1.15 per share.

We expect Evonik Industries AG to pay a stable dividend of EUR 1.15 per share. Given the fact that our stake in the company is lower than in the previous year, the dividend inflow will be somewhat less in absolute terms than last year. We expect dividends for Vivawest GmbH and RSBG SE in 2021 to be on par with the previous year's level. At RAG, we expect to see a significant adverse impact on earnings from the profit-and-loss transfer agreement. We expect the RAG-Stiftung's investment income in 2021 to be on a par with the 2020 level.

- At RAG, we expect to see an adverse impact on earnings from the profit-and-loss transfer agreement.

PERFORMANCE INDICATORS FORECAST FOR 2020

in EUR million	Forecast for 2021	2020
Financial performance indicators		
Net profit for the year	constant	0.0
Addition to provision for perpetual obligations	Approx. 290	858.5

- We plan to be able to allocate about EUR 290 million to the provision for perpetual obligations.

Overall, we expect a balanced budget again for the RAG-Stiftung in 2021. We plan to be able to allocate about EUR 290 million to the provision for perpetual obligations.

Current analyses indicate that the RAG-Stiftung's supply of cash, and thus its ability to pay the perpetual obligations, will remain secure.

Essen, Germany, 15 April 2021

This report contains forward-looking statements relating to the current expectations, assumptions and forecasts of the Board of Executives, as well as any information currently available to it. These forward-looking statements are not to be understood as guarantees of future developments or the events they describe. Rather, these future developments and events are dependent on a number of factors; they contain risks and uncertainties and are based on assumptions that may prove inaccurate.

ANNUAL FINANCIAL STATEMENTS

FOR THE FINANCIAL YEAR FROM 1 JANUARY TO 31 DECEMBER 2020

ANNEX II

76	BALANCE SHEET OF THE RAG-STIFTUNG
78	INCOME STATEMENT OF THE RAG-STIFTUNG
94	NOTES TO THE ANNUAL FINANCIAL STATEMENTS OF THE RAG-STIFTUNG 2020

The consolidated financial statements of the RAG-Stiftung can be found online at

www.rag-stiftung.de/geschaeftsbericht2020

BALANCE SHEET OF THE RAG-STIFTUNG

as of 31 December 2020

ASSETS

in EUR million	Notes to the annual financial statements	31/12/2020	31/12/2019
A. Fixed assets			
I. Intangible assets	(1)	0.1	0.1
II. Real estate, plant and equipment		55.3	0.3
III. Financial assets		9,848.0	8,545.8
		9,903.4	8,546.2
B. Current assets			
I. Receivables and other assets	(2)	879.3	640.4
II. Securities	(3)	406.7	476.9
III. Bank balances		0.2	10.0
		1,286.2	1,127.3
C. Prepaid expenses			
		0.0	0.0
Total assets		11,189.6	9,673.5

EQUITY AND LIABILITIES

in EUR million	Notes to the annual financial statements	31/12/2020	31/12/2019
A. Equity	(4)		
I. Endowment capital		2.0	2.0
		2.0	2.0
B. Provisions	(5)		
1. Provisions for pensions and similar obligations		13.2	11.6
2. Tax provisions		107.6	77.6
3. Provision for perpetual obligations		8,452.5	7,896.7
4. Other provisions		22.8	26.7
		8,596.1	8,012.6
C. Liabilities	(6)	2,581.3	1,645.3
D. Deferred income		10.2	13.6
Total equity and liabilities		11,189.6	9,673.5

INCOME STATEMENT OF THE RAG-STIFTUNG

from 1 January to 31 December 2020

in EUR million	Notes to the annual financial statements	2020	2019
1. Sales revenue	(7)	2.1	0.2
2. Other operating income	(8)	580.7	32.9
3. Personnel expenses	(9)	9.4	8.4
4. Amortisation of intangible assets and depreciation of real estate, plant and equipment		1.4	0.2
5. Other operating expenses	(10)	901.5	453.9
6. Investment income	(11)	+ 315.5	+ 377.8
7. Income from other securities and from loans held as financial assets	(12)	81.1	83.5
8. Interest income	(13)	+ 2.7	+ 3.3
9. Write-downs of financial assets and securities classified as current assets	(14)	25.7	24.7
10. Income taxes	(15)	- 43.6	- 8.5
Earnings after taxes		0.5	2.0
11. Other taxes	(15)	- 0.5	- 2.0
Net profit (+) or loss (-) for the year		0.0	0.0

RAG-Stiftung management bodies

BOARD OF TRUSTEES

Armin Laschet, MdL

Premier of the State of North Rhine-Westphalia

Tobias Hans, MdL

Premier of the State of Saarland

Peter Altmaier, MdB

Federal Minister of Economic Affairs
and Energy

Olaf Scholz

Federal Minister of Finance

Michael Vassiliadis

Deputy Chairman of the Board of Trustees
of the RAG-Stiftung
CEO of IG BCE

Dr Jürgen Großmann

Chairman of the Board of Trustees
of the RAG-Stiftung
Shareholder of Georgsmarienhütte
Holding GmbH

Dr Burckhard Bergmann

Member of various supervisory boards

Ralf Hermann

Chairman of the Executive Board of the RCI
professional association (until 30/6/2020)

Ludwig Ladzinski

Member of the Executive Board of the mining,
chemical and energy industries trade union
(IG BCE) (until 30/6/2020)

Prof Norbert Lammert

Former President of the German Parliament
Chairman of the Konrad Adenauer Foundation

Heiko Maas, MdB

Federal Minister of Foreign Affairs

Thomas Kufen

Mayor of the City of Essen

Dr Andreas Reichel

Member of the Management of STEAG GmbH

Barbara Schlüter

Chairwoman of the General Works Council
and the Group Works Council of RAG Aktiengesellschaft (since 1/7/2020)

Martin Albers

Chairman of the Works Councils' Working
Group at the RAG-Stiftung and Chairman of the
General Works Council of Evonik Industries AG
(since 1/7/2020)

Hildegard Müller

President of the Association of the Automotive
Industry (since 27/11/2020)

THE BOARD OF EXECUTIVES

Bernd Tönjes

Chairman of the Board of Executives of
the RAG-Stiftung
Chairman of the Supervisory Board of RAG AG
Chairman of the Supervisory Board of
Evonik Industries AG
Chairman of the Supervisory Board of RSBG SE

Dr Jürgen-Johann Rupp

Member of the Board of Executives of
the RAG-Stiftung
Member of the Supervisory Board of RAG AG
Member of the Supervisory Board of
Vivawest GmbH
Member of the Supervisory Board of RSBG SE

Bärbel Bergerhoff-Wodopia

Member of the Board of Executives of
the RAG-Stiftung
Member of the Supervisory Board of RAG AG
Chairwoman of the Supervisory Board of
Vivawest GmbH

RAG-Stiftung list of shareholdings as of 31 December 2020

Name	Company head- quarters		Capital share in %	Financial year	Equity in EUR million ^d	Net profit/ loss for the year in EUR million ^d
Consolidated affiliated companies						
1	4way Consulting Ltd.	Warwick GB	100.00	2020	1.2	0.9
2	4way Holding Ltd.	London GB	100.00	2020	0.0	0.9
3	Aachener Bergmannssiedlungsgesellschaft mbH ^e	Hückelhoven DE	100.00	2020	23.0	0.0
4	AHT GROUP GmbH	Essen DE	100.00	2020	2.6	0.3
5	Alfa Tech Consulting Engineers Inc.	San Jose US	100.00	2020	24.7	- 0.8
6	Alfa Tech Holding Inc.	San Jose US	100.00	2020	21.6	- 0.1
7	Artemis Stadtсанierungsgesellschaft Objekt Benrath mbH & Co. KG	Essen DE	94.90	2020	0.0	- 1.4
8	ATPD, Inc.	San Jose US	100.00	2020	4.6	1.8
9	Bauverein Glückauf GmbH ^e	Ahlen DE	94.90	2020	11.2	0.0
10	BCD Engineering (UK) Limited	Charleville IR	100.00	2020	NS	NS
11	BDC Dorsch Consult Ingenieurgesellschaft mbH	Berlin DE	100.00	2020	- 2.5	- 0.7
12	Bearna A Do Limited	Douglas GB	90.00	2020	NS	NS
13	Conseco International Ltd.	London GB	100.00	2020	- 1.2	- 1.0
14	Decad (Asia) Inc.	Makati City PH	100.00	2020	0.1	0.0
15	Desco (2011) Ltd.	London GB	100.00	2020	1.9	1.1
16	Desco (Design & Consultancy) Ltd.	London GB	100.00	2020	3.4	1.4
17	Desco Qatar Mechanical and Electrical Consulting Engineers WLL	Doha QA	49.00	2020	0.3	0.0
18	DFT Maschinenbau GmbH	Kremsmünster AT	100.00	2020	4.7	0.2
19	DOC S. r.l.	Milan IT	100.00	2019	0.6	0.5
20	Dorsch Business Development JLT	Dubai AE	100.00	2020	- 1.6	NS
21	Dorsch Consult (India) Private Limited	Mumbai IN	85.00	2020	2.0	0.2
22	Dorsch Consult Asia Co. Ltd.	Bangkok TH	95.00	2020	0.8	0.0
23	Dorsch Consult Asia Holding Co. Ltd.	Bangkok TH	99.98	2020	0.0	0.0
24	Dorsch Consult Egypt LLC	Cairo EG	99.95	2020	- 0.9	- 0.3
25	Dorsch Consult Verkehr und Infrastruktur GmbH	Wiesbaden DE	100.00	2020	0.0	0.0
26	Dorsch GmbH	Vienna AT	100.00	2020	- 0.7	0.0
27	Dorsch Holding GmbH	Offenbach am Main DE	100.00	2020	49.4	5.5
28	Dorsch Holding GmbH – KSA (Saudi) LLC	Riyadh SA	100.00	2020	2.4	1.4
29	Dorsch International Consultants GmbH	Munich DE	95.00	2020	7.2	0.0
30	Dorsch Qatar LLC	Doha QA	49.00	2020	34.6	4.7
31	EBV Gesellschaft mit beschränkter Haftung ^e	Hückelhoven DE	100.00	2020	85.7	0.0
32	Event Space Engineering Hong Kong Ltd.	Hong Kong HK	100.00	2020	0.8	0.4
33	FORO EMPRESARIAL, S. L.	Sant Cugat del Vallès ES	90.00	2020	0.0	0.1
34	FORO TÉCNICO, S. L.	Sant Cugat del Vallès ES	90.00	2020	0.6	0.2
35	FRISCHMANN PRABHU INDIA DESIGN SERVICES PRIVATE LIMITED	Mumbai IN	100.00	2020	0.8	0.1
36	GeKu Automatisierungssysteme GmbH	Diepenau DE	100.00	2020	5.5	1.3
37	GRE Germn Rail Engineering GmbH	Frankfurt DE	100.00	2020	- 0.6	- 0.7
38	GSG Wohnungsbau Braunkohle GmbH ^e	Cologne DE	94.90	2020	46.8	0.0
39	HAHN Automation GmbH	Rheinböllen DE	64.39	2020	21.8	- 3.0
40	HAHN AUTOMATION Inc.	Hebron US	100.00	2020	- 0.1	0.6
41	HAHN Automation Süd GmbH	Vilingen- Schwenningen DE	100.00	2020	- 0.7	- 0.4
42	HAHN Beteiligungs GmbH	Rheinböllen DE	100.00	2020	20.1	0.5
43	HAHN CO-INVEST GmbH	Bergisch Gladbach DE	90.00	2020	3.5	0.3
44	HAHN CO-INVEST GmbH & Co. KG	Bergisch Gladbach DE	90.00	2020	34.3	1.1
45	HAHN Digital GmbH	Frankfurt am Main DE	100.00	2020	- 0.8	- 0.6
46	HAHN Group GmbH	Rheinböllen DE	100.00	2020	177.7	- 0.1
47	HAHN Plastics Automation GmbH	Reinheim DE	100.00	2020	- 0.6	- 1.2

RAG-Stiftung list of shareholdings as of 31 December 2020

Name	Company head- quarters		Capital share in %	Financial year	Equity in EUR million ^d	Net profit/ loss for the year in EUR million ^d	
48	HAHN Robotics AG	Bettlach	CH	100.00	2020	- 0.1	- 0.3
49	HAHN Robotics GmbH	Rheinböllen	DE	60.00	2020	0.0	- 0.2
50	HAHN Robotics Network GmbH	Rheinböllen	DE	100.00	2020	1.6	0.0
51	HAHN Robshare GmbH	Reinheim	DE	60.00	2020	- 1.2	- 0.5
52	Hefi SAS	Strasbourg	FR	80.00	2020	0.3	0.2
53	HEIDELBERG INSTRUMENTS Mikrotechnik GmbH	Heidelberg	DE	100.00	2020	24.0	3.5
54	Heinrich Schäfermeyer GmbH ^c	Hückelhoven	DE	100.00	2020	10.2	0.0
55	HMS GmbH	Halle (Saale)	DE	75.00	2020	1.3	0.2
56	HVG Grünflächenmanagement GmbH ^c	Gelsenkirchen	DE	100.00	2020	3.5	0.0
57	IES International Events Service GmbH	Büdingen	DE	65.00	2020	0.0	0.0
58	Invotec Inc.	Miamisburg	US	70.00	2020	5.7	2.6
59	Landschaftsagentur Plus GmbH	Essen	DE	100.00	2020	1.9	0.7
60	Leslie Jones Architects Limited	London	GB	100.00	2020	2.5	0.0
61	Lünener Wohnungs- und Siedlungsgesellschaft mit beschränkter Haftung ^c	Lünen	DE	94.90	2020	28.3	0.0
62	Mariensfeld Multimedia GmbH ^c	Gelsenkirchen	DE	100.00	2020	0.2	0.0
63	Masco Group S.r.l.	Milan	IT	80.00	2019	122.4	3.6
64	MBC Group Limited	London	GB	100.00	2020	1.4	1.7
65	McBains Consulting Ltd.	London	GB	100.00	2020	4.1	1.7
66	McBains Cooper Consulting Limited	London	GB	100.00	2020	0.0	0.0
67	McBains Cooper Hellas Technical Consulting SA	Kifisia	GR	100.00	2020	0.4	0.0
68	McBains Cooper International Limited	London	GB	100.00	2020	0.1	0.0
69	McBains Limited	London	GB	100.00	2020	5.1	2.8
70	MGG-Beteiligung Verwaltungs GmbH & Co. KG ^a	Bochum	DE	100.00	2020	0.0	0.0
71	Olsa S.A.S	Sannois	FR	100.00	2019	0.9	0.1
72	Olsa S.p.A.	Milan	IT	100.00	2019	3.4	1.5
73	Olsa USA LLC	West Chester	US	100.00	2019	0.1	- 0.2
74	Orgatent AG	Großwangen	CH	95.00	2020	4.2	0.1
75	Orwin Ltd.	Washington	GB	100.00	2020	1.1	0.0
76	Pell Frischmann Brown Beech Consulting Engineers Ltd.	London	GB	100.00	2020	0.0	0.0
77	Pell Frischmann Consultants Ltd.	London	GB	100.00	2020	5.6	2.3
78	Pell Frischmann Consulting Engineers Ltd.	London	GB	100.00	2020	17.7	4.1
79	Pell Frischmann Information Technology Ltd.	London	GB	100.00	2020	0.6	0.0
80	Pell Frischmann Ltd.	London	GB	100.00	2020	- 0.7	- 0.4
81	PG AC 2 GmbH	Aachen	DE	100.00	2020	0.0	0.0
82	Projektgesellschaft Tannenstraße mbH ^c	Düsseldorf	DE	100.00	2020	0.3	0.0
83	Prosto Tent LLC	Moscow	RU	10.00	2020	0.1	0.1
84	Qvest Group GmbH	Cologne	DE	75.00	2020	119.3	0.0
85	Qvest Media ApS	Soborg	DK	100.00	2020	- 0.7	- 0.2
86	QVEST MEDIA AUSTRALIA PTY. LTD.	Sydney	AU	100.00	2020	0.3	0.1
87	Qvest Media Belgium BV	Zaventem	BE	100.00	2020	0.0	0.0
88	Qvest Media France S.à.r.l.	Boulogne- Billancourt	FR	100.00	2020	- 1.0	- 0.7
89	Qvest Media FZ LLC	Dubai Media City	AE	100.00	2020	13.5	0.9
90	Qvest Media GmbH	Schaffhausen	CH	100.00	2020	0.2	- 0.6
91	Qvest Media GmbH	Cologne	DE	100.00	2020	4.6	- 8.0
92	Qvest Media Ltd.	Henley-on- Thames	GB	100.00	2020	0.5	0.2
93	Qvest Media Pte. Ltd.	Singapore	SG	100.00	2020	- 2.0	0.0
94	Qvest Media South Europe S.L.	Madrid	ES	100.00	2020	- 0.5	- 0.2
95	RAG Aktiengesellschaft ^c	Essen	DE	100.00	2020	37.1	0.0

RAG-Stiftung list of shareholdings as of 31 December 2020

Name	Company head- quarters		Capital share in %	Financial year	Equity in EUR million ^d	Net profit/ loss for the year in EUR million ^d	
96	RAG Anthrazit Ibbenbüren GmbH ^c	Ibbenbüren	DE	100.00	2020	27.0	0.0
97	RAG Beteiligungs-GmbH ^{abc}	Essen	DE	100.00	2020	21.6	0.0
98	RAG Finanz-GmbH & Co. KG ^a	Essen	DE	100.00	2020	1,014.4	28.0
99	RAG Mining Solutions GmbH ^{ac}	Herne	DE	100.00	2020	1.0	0.0
100	RAG Montan Immobilien GmbH	Essen	DE	100.00	2020	22.0	0.0
101	RAG Verkauf GmbH ^{ac}	Herne	DE	100.00	2020	1.0	0.0
102	RAG-S Private Equity GmbH & Co. KG	Essen	DE	100.00	2020	1,438.3	67.3
103	RAG-S Real Estate GmbH ^{ac}	Essen	DE	100.00	2020	256.9	0.0
104	REI Automation, Inc.	Columbia	US	80.00	2020	4.2	0.6
105	Rethink Robotics GmbH	Bochum	DE	92.62	2020	29.0	- 4.5
106	Rhein Lippe Holding GmbH ^c	Essen	DE	100.00	2020	537.7	0.0
107	Rhein Lippe Wohnen Gesellschaft mit beschränkter Haftung ^c	Duisburg	DE	94.84	2020	147.5	0.0
108	RHZ Handwerks-Zentrum GmbH ^c	Gelsenkirchen	DE	100.00	2020	2.0	1.7
109	RÖDER (UK) Ltd.	Cambridgeshire	GB	100.00	2020	2.4	0.0
110	RÖDER ARCHITECTURE TECHNOLOGY (SHANGHAI) CO., LTD.	Shanghai	CN	100.00	2020	8.7	1.4
111	RÖDER FRANCE STRUCTURES S.à.r.l.	Beauvais	FR	100.00	2020	0.0	0.2
112	Röder 000	Moscow	RU	90.00	2020	6.0	- 2.9
113	Röder Space Design & Engineering (Shanghai) Co. Ltd.	Shanghai	CN	65.00	2020	0.9	0.1
114	Röder Yapi Sistemleri Sanayi Ticaret Limited Sirketi	Istanbul	TR	100.00	2020	- 0.8	- 0.9
115	Röder Zelt- und Veranstaltungsservice GmbH ^c	Büdingen	DE	100.00	2020	3.5	0.0
116	Röder Zeltsysteme und Service GmbH	Büdingen	DE	100.00	2020	- 2.7	- 13.8
117	ROEDER DE MÉXICO, S.A. DE C.V.	Toluca	MX	100.00	2020	- 0.7	- 0.3
118	ROEDER ITALIA S.r.L.	Brixen	IT	100.00	2020	0.0	0.0
119	Roschmann Glas GmbH	Gersthofen	DE	100.00	2020	1.8	- 0.1
120	Roschmann Holding GmbH	Gersthofen	DE	76.00	2020	0.7	0.1
121	Roschmann Konstruktionen aus Stahl und Glas GmbH	Gersthofen	DE	100.00	2020	NS	NS
122	Roschmann Konstruktionen aus Stahl und Glas Schweiz AG	Zofingen	CH	100.00	2020	- 0.1	0.0
123	Roschmann Steel and Glass Constructions Inc.	New Haven	US	100.00	2020	NS	NS
124	RSBG Advanced Manufacturing Technologies GmbH ^c	Essen	DE	100.00	2020	237.2	0.0
125	RSBG Building Solutions GmbH	Essen	DE	100.00	2020	36.4	0.0
126	RSBG Information & Communication Technologies GmbH	Essen	DE	100.00	2020	210.7	- 2.1
127	RSBG Infrastructure Technologies GmbH ^c	Essen	DE	100.00	2020	347.2	0.0
128	RSBG INVESTMENT HOLDING LIMITED	London	GB	100.00	2020	59.9	1.7
129	RSBG SE	Essen	DE	100.00	2020	1,273.9	116.3
130	RSBG UK Ltd.	London	GB	85.00	2020	9.0	3.0
131	RSBG Ventures GmbH	Essen	DE	100.00	2020	15.1	- 0.3
132	RSBGI Limited	London	GB	85.00	2020	- 0.7	- 0.7
133	SALZBRENNER media GmbH	Buttenheim	DE	70.00	2020	0.0	- 4.2
134	Schnaitt Internationale Messe- und Ladenbau GmbH	Bergheim	DE	100.00	2020	3.2	- 0.5
135	Siedlung Niederrhein Gesellschaft mit beschränkter Haftung ^c	Duisburg	DE	100.00	2020	42.7	0.0
136	Sinha & Keyfauver Engineering, Inc.	Monrovia	US	80.00	2020	4.3	- 0.1
137	SKIBATRON Mess- und Abrechnungssysteme GmbH ^c	Gelsenkirchen	DE	100.00	2020	0.3	0.0
138	spiekermann ingenieure GmbH	Frankfurt am Main	DE	100.00	2020	1.3	- 0.4
139	Stilmas Americas INC	Burlington	CA	100.00	2019	0.8	0.8
140	Stilmas Deutschland GmbH	Heidelberg	DE	100.00	2020	NS	NS
141	Stilmas S.p.A.	Milan	IT	100.00	2019	12.0	4.7
142	Stilmas Shanghai Water Treatment System Co. Ltd.	Shanghai	CN	100.00	2019	6.4	0.0
143	Stilmas USA LLC	West Chester	US	100.00	2019	0.7	- 0.1

RAG-Stiftung list of shareholdings as of 31 December 2020

Name	Company head- quarters		Capital share in %	Financial year	Equity in EUR million ^d	Net profit/ loss for the year in EUR million ^d
144 TBP S. C. S.	Luxembourg	LU	90.00	2020	27.3	- 2.2
145 THS GmbH ^c	Essen	DE	100.00	2020	228.4	0.0
146 THS Rheinland Beteiligungs GmbH & Co. KG	Essen	DE	94.12	2020	0.1	0.1
147 THS Rheinland GmbH ^c	Leverkusen	DE	100.00	2020	20.5	0.0
148 THS Westfalen GmbH ^c	Lünen	DE	100.00	2020	33.8	0.0
149 Urban: Kind Limited	London	GB	100.00	2020	0.8	0.1
150 Verre & Métal SAS	Bonneuil- sur-Marne	FR	100.00	2020	2.9	0.2
Vestisch-Märkische Wohnungsbaugesellschaft mit beschränkter Haftung ^c	Recklinghausen	DE	100.00	2020	69.5	0.0
Vestische Wohnungsgesellschaft mit beschränkter Haftung ^c	Herne	DE	94.90	2020	14.1	0.0
153 Vivawest Dienstleistungen GmbH ^c	Gelsenkirchen	DE	100.00	2020	34.6	0.0
154 Vivawest GmbH	Essen	DE	73.20	2020	1,529.5	178.1
155 Vivawest Pensionen GmbH ^c	Essen	DE	100.00	2020	0.0	0.0
156 Vivawest Ruhr GmbH ^c	Essen	DE	100.00	2020	3.0	0.0
157 Vivawest Westfalen GmbH ^c	Dortmund	DE	100.00	2020	0.0	0.1
158 Vivawest Wohnen GmbH ^c	Essen	DE	100.00	2020	39.1	0.0
159 VMF SAS	Grenoble	FR	100.00	2020	0.2	0.0
160 WALDORF TECHNIK GmbH ^c	Engen	DE	100.00	2020	2.4	1.0
161 Walsum Immobilien GmbH ^c	Duisburg	DE	94.90	2020	24.5	0.0
162 WALTHER SYSTEMTECHNIK GMBH ^c	Germersheim	DE	100.00	2020	5.4	- 1.0
163 Wemo Automation AB	Värnamo	SE	100.00	2020	4.9	0.1
164 Whiteley Murphy Ltd.	Washington	GB	80.00	2020	0.0	0.4
165 Windkraft Brinkfortsiede GmbH	Marl	DE	100.00	2020	4.7	0.5
166 Windkraft Lünen GmbH	Essen	DE	100.00	2020	0.6	0.1
167 Wohnbau Auguste Victoria GmbH ^c	Marl	DE	100.00	2020	33.9	0.0
168 Wohnbau Westfalen GmbH ^c	Dortmund	DE	100.00	2020	80.4	0.0
Wohnungsbaugesellschaft für das Rheinische Braunkohlenrevier Gesellschaft mit beschränkter Haftung ^c	Cologne	DE	94.90	2020	29.3	0.0
Wohnungsbaugesellschaft mit beschränkter Haftung „Glückauf“ ^c	Moers	DE	100.00	2020	44.5	0.0
Non-consolidated affiliated companies (equity-accounted)						
171 Evonik Industries AG	Essen	DE	58.50	2020	5,841.2	- 39.7
172 Maxburg Beteiligungen GmbH & Co. KG	Grünwald	DE	97.70	2020	50.0	27.5
173 Maxburg Beteiligungen II GmbH & Co. KG	Grünwald	DE	97.01	2020	120.0	- 0.3
174 Maxburg Beteiligungen III GmbH & Co. KG	Munich	DE	98.68	2020	150.0	1.1
Non-consolidated affiliated companies						
175 40-30 Centre SAS	Seyssinet- Pariset	FR	52.00	2020	0.1	0.0
176 40-30 Développement SA	Seyssinet- Pariset	FR	99.51	2020	9.0	0.0
177 40-30 SAS	Seyssinet- Pariset	FR	100.00	2020	3.2	1.2
178 Adotem AI GmbH	Munich	DE	100.00	2020	NS	NS
179 Adotem Holding GmbH	Munich	DE	92.00	2020	NS	NS
180 Ahorn Healthcare Beteiligungs GmbH	Bad Grönenbach	DE	100.00	2020	NS	NS
181 Ahorn Healthcare Holding GmbH	Munich	DE	21.60	2020	NS	NS
182 ASUP Beteiligungs Verwaltungs GmbH	Munich	DE	100.00	2019	0.0	0.0
183 ASUP GmbH ^c	Seevetal	DE	100.00	2019	9.7	0.0
184 ASUP Immobilien GmbH	Seevetal	DE	94.89	2019	2.6	0.3
185 ASUP Immobilien II GmbH	Seevetal	DE	94.89	2019	1.4	0.2
186 ASUP Schweiz GmbH	Herisau	CH	100.00	2019	4.0	0.5
187 ASUP Technik GmbH ^c	Seevetal	DE	100.00	2019	2.6	0.0
Bergbau-Verwaltungsgesellschaft mit beschränkter Haftung	Essen	DE	100.00	2019	0.1	0.0
189 Biedermann GmbH	Bruchsal	DE	100.00	2020	NS	NS

RAG-Stiftung list of shareholdings as of 31 December 2020

Name	Company head- quarters		Capital share in %	Financial year	Equity in EUR million ^d	Net profit/ loss for the year in EUR million ^d	
190	Conflexia S.á.r.l.	Luxembourg	LU	100.00	2019	105.7	- 0.1
191	Dahl Automation GmbH	Meinerzhagen	DE	80.00	2020	NS	NS
192	Deutsche Montan Technologie für Rohstoff, Energie, Umwelt e. V. (DMT e. V.)	Essen	DE		2019	13.9	0.0
193	Deutsche Montan Technologie Verwaltungs GmbH	Essen	DE	100.00	2019	22.9	- 1.9
194	Deutsche Umwelttechnik GmbH	Schwerin	DE	100.00	2019	0.6	- 0.3
195	Deutsche Umwelttechnik Holding GmbH	Frankfurt am Main	DE	77.71	2019	0.9	0.0
196	dimensional GmbH	Cologne	DE	100.00	2020	0.1	- 0.2
197	DMT-Gesellschaft für Lehre und Bildung mbH	Bochum	DE	100.00	2019	7.7	0.0
198	Dorsch International Austria GmbH	Vienna	AT	100.00	2020	- 0.3	0.0
199	DUT Beteiligungsverwaltungs GmbH	Frankfurt am Main	DE	100.00	2019	0.0	0.0
200	Entwicklungsgesellschaft Gladbeck-Brauck mbH	Gladbeck	DE	66.67	2019	0.0	0.0
201	Enviroearth SAS	Saint-Cannat	FR	75.10	2020	2.6	0.0
202	Erlkönig Preziosen GmbH	Aschaffenburg	DE	83.00	2018	1.2	0.0
203	European Consulting Group FZ-LLC	Ras Al Khaimah	AE	80.00	2020	NS	NS
204	FP INDIA PROJECT MANAGEMENT CONSULTANCY SERVICES PRIVATE LIMITED	Mumbai	IN	100.00	2020	1.2	0.5
205	Froschkönig Preziosen GmbH	Erbes- Büdesheim	DE	100.00	2019	0.7	- 0.2
206	GEENIAL mbH – Gesellschaft für Engineering und industrielle Automatisierungslösungen	Dortmund	DE	74.00	2020	NS	NS
207	Genecon Limited	London	GB	100.00	2020	0.9	0.0
210	GenlSys GmbH	Taufkirchen	DE	70.00	2019	1.1	0.1
211	GenlSys Inc.	San Francisco	US	100.00	2019	0.3	0.1
212	GenlSys K.K.	Tokyo	JP	100.00	2019	0.1	0.2
213	Gesamtverband Steinkohle e. V.	Essen	DE		2019	0.3	0.0
214	GfG Gesellschaft für Gebäudesicherheit Holding mbH	Munich	DE	88.50	2019	1.6	0.0
215	GfG Gesellschaft für Gebäudesicherheit Verwaltungs mbH	Hamburg	DE	100.00	2019	0.0	- 1.6
216	GfG Gesellschaft für Sicherheitstechnik mit beschränkter Haftung	Hamburg	DE	100.00	2019	4.3	2.9
217	GP + Q – Hattingen ETW GmbH & Co. KG	Essen	DE	100.00	2019	0.0	- 0.1
218	GP + Q GmbH	Essen	DE	89.00	2019	0.0	- 0.5
219	GP + Q Verwaltungs GmbH	Essen	DE	100.00	2019	0.0	0.0
220	Gründerzentrumgesellschaft Prosper III mbH	Bottrop	DE	94.00	2019	0.0	0.0
221	GSB Gesellschaft zur Sicherung von Bergmannswohnungen mit beschränkter Haftung	Essen	DE	68.75	2019	0.1	0.0
222	HAHN AUTOMATION Co. Ltd.	Kunshan	CN	100.00	2020	8.5	2.4
223	HAHN AUTOMATION d.o.o.	Zagreb	HR	100.00	2020	1.8	0.4
224	HAHN AUTOMATION S. de R.L.	Santiago de Querétaro	MX	100.00	2020	0.3	0.5
225	HAHN Automation s.r.o.	Uvaly	CZ	60.00	2020	7.2	- 7.5
226	HAHN Cobots Inc.	Wilmington	US	100.00	2020	NS	NS
227	HAHN ENERSAVE GmbH	Wiehl	DE	80.00	2019	0.3	0.0
228	HAHN Machining Inc.	Hebron	US	100.00	2020	0.3	0.0
229	HAHN OTOMASYON Ltd.	Istanbul	TR	100.00	2020	- 0.4	- 0.7
230	HAHN Plastics Inc.	Hebron	US	100.00	2020	- 1.7	NS
231	HAHN Robotics Belgium GmbH	Kelmis	BE	100.00	2020	- 0.1	- 0.1
232	HAHN Robotics Diepenau	Diepenau	DE	50.00	2020	0.0	0.0
233	HCH Umwelt GmbH	Schwerin	DE	100.00	2019	4.6	1.6
234	Heidelberg Instruments (Shenzhen) Co., Ltd.	Shenzhen	CN	100.00	2019	0.0	0.1
235	Heidelberg Instruments (Shenzhen) Co., Ltd.	Shenzhen	CN	100.00	2019	0.3	0.3
236	Heidelberg Instruments Service Japan, K.K.	Tokyo	JP	100.00	2019	2.1	0.4
237	Heidelberg Instruments Service Korea Ltd.	Daejeon	KR	100.00	2020	1.1	0.2
238	Heidelberg Instruments Service Taiwan Corp.	Hsinchu	TW	100.00	2020	1.2	0.4
239	Heidelberg Instruments, Inc.	Los Angeles	US	100.00	2019	2.5	0.5

RAG-Stiftung list of shareholdings as of 31 December 2020

Name	Company head- quarters		Capital share in %	Financial year	Equity in EUR million ^d	Net profit/ loss for the year in EUR million ^d
240	INOS 19-006 GmbH	Munich DE	100.00	2020	NS	NS
241	INOS 19-007 GmbH	Munich DE	100.00	2020	NS	NS
242	KGS Beteiligungsverwaltungs GmbH	Munich DE	100.00	2019	0.0	0.0
243	KGS Holding GmbH	Munich DE	75.79	2019	2.5	0.0
244	KGS Software GmbH	Neu-Isenburg DE	100.00	2019	0.5	- 2.8
245	KGS Software Inc.	Snellville US	100.00	2020	NS	NS
246	KUKITECH GmbH	Mainz DE	100.00	2020	NS	NS
247	KUKITECH Holding GmbH	Munich DE	72.00	2020	NS	NS
248	L65 Grundbesitz GmbH	Berlin DE	100.00	2019	0.1	1.0
249	Lapro Environnement SAS	Goussainville FR	100.00	2019	7.6	0.9
250	Leipold + Döhle GmbH ^e	Eschwege DE	100.00	2019	0.1	0.0
251	Maltego Technologies GmbH	Munich DE	51.00	2018	0.2	0.2
252	Maxburg Beteiligungen III Beteiligungsverwaltungs GmbH	Munich DE	100.00	2019	0.0	0.0
253	MaxCosmetics GmbH	Munich DE	100.00	2020	NS	NS
254	MB3 Mangement Beteiligungsverwaltungs GmbH	Munich DE	100.00	2020	NS	NS
255	McBains Cooper Mexico SA de CV	Mexico City MX	100.00	2020	NS	NS
256	McBains Cooper Mexico Services SA de CV	Mexico City MX	100.00	2020	NS	NS
257	Medical IT Services GmbH & Co. KG	Lüneburg DE	100.00	2019	0.0	0.0
258	Medical IT Systems GmbH	Lüneburg DE	100.00	2019	0.0	0.0
259	Metoda GmbH	Munich DE	65.27	2019	0.8	0.2
260	montanWIND Planungs GmbH & Co.KG	Ensdorf DE	100.00	2019	0.0	0.1
261	montanWIND Planungs Verwaltungs GmbH	Ensdorf DE	100.00	2019	0.0	0.0
262	montanWIND Projekt 1 GmbH & Co. KG	Sulzbach DE	100.00	2019	0.0	0.0
263	montanWIND Windpark Erkershöhe GmbH & Co. KG	Merchweiler DE	100.00	2019	1.1	- 0.3
264	montanWIND Windpark Verwaltungs GmbH	Ensdorf DE	100.00	2019	0.0	0.0
265	Multi Automation Ltd.	Washington GB	100.00	2020	NS	NS
266	Natural View Systems GmbH	Buttenheim DE	66.67	2019	0.0	0.0
267	Neo Cos Service Gesellschaft für Herstellung, Entwicklung, Vertrieb kosmetischer Produkte mit medizinischer, kosmetischer Beratung m. b. H.	Höxter DE	100.00	2020	NS	NS
268	Neo Cos Verwaltungs GmbH	Munich DE	100.00	2020	NS	NS
269	Nordsternurm GmbH ^e	Gelsenkirchen DE	100.00	2020	0.0	0.0
270	OnPrem Solution Partners LLC	Woodland Hills US	55.00	2020	NS	NS
271	Orwin Engineering Services Ltd.	Washington GB	100.00	2019	- 0.2	0.0
272	Paterva Proprietary Limited	Pretoria ZA	51.00	2019	2.5	1.9
273	Peerless Systems Ltd.	Washington GB	100.00	2019	- 0.2	0.0
274	PERLKÖNIG Perlen & Schmuck & Zubehör GmbH ^e	Erbes- Büdesheim DE	100.00	2020	1.1	0.0
275	PG Projektentwicklungsgesellschaft Grimberg mbH & Co. KG	Essen DE	100.00	2019	0.4	0.3
276	PG Projektentwicklungsgesellschaft Grimberg Verwaltungs-GmbH	Essen DE	100.00	2019	0.0	0.0
277	Piranja IT Security GmbH	Munich DE	100.00	2019	2.6	0.7
278	Piranja IT Security Holding GmbH	Munich DE	92.00	2019	2.7	0.0
279	Pixel Holding GmbH	Munich DE	92.00	2019	1.4	0.0
280	Pixel Verwaltungs GmbH ^e	Munich DE	100.00	2019	8.5	0.0
281	Projektgesellschaft Weststadt mbH	Essen DE	51.00	2020	NS	NS
282	Projektgesellschaft Zollverein – Im Welterbe 10 II mbH & Co. KG	Essen DE	100.00	2020	NS	NS
283	Projektgesellschaft Zollverein – Im Welterbe 10 Verwaltungs-GmbH	Essen DE	100.00	2019	0.0	0.0
284	Psychosomatische Privatklinik Bad Grönenbach GmbH	Bad Grönenbach DE	100.00	2019	4.3	1.9
285	Qvest US Holding, Inc.	Wilmington US	100.00	2020	NS	NS
286	RAG Finanz-Verwaltungs-GmbH	Essen DE	100.00	2020	0.0	0.0
287	RAG-S Innovation GmbH	Essen DE	100.00	2019	80.7	0.7

RAG-Stiftung list of shareholdings as of 31 December 2020

Name	Company head- quarters		Capital share in %	Financial year	Equity in EUR million ^d	Net profit/ loss for the year in EUR million ^d
288	RAG-S Lending S.à.r.l.	Munsbach LU	100.00	2019	0.0	0.0
289	RAG-S PE Verwaltungs-GmbH	Essen DE	100.00	2020	0.0	0.0
290	RÖDER Atlantic Halls Ltd.	Huntingdon GB	100.00	2020	NS	NS
291	RÖDER Atlantic Ltd.	Huntingdon GB	100.00	2020	NS	NS
292	RÖDER Espana S.L.	Dos Hermanas ES	51.00	2020	NS	NS
293	Roder Global Events Maintenance WLL	Doha QA	49.00	2020	NS	NS
294	RÖDER HTS (UK) Ltd.	Huntingdon GB	100.00	2020	NS	NS
295	RÖDER HTS KG (UK) Ltd.	Huntingdon GB	100.00	2020	NS	NS
296	RÖDER HTS Ltd.	Huntingdon GB	100.00	2020	NS	NS
297	RSBG Automation & Robotics GmbH	Frankfurt am Main DE	100.00	2020	NS	NS
298	RSI Capital GmbH	Essen DE	100.00	2020	NS	NS
299	Ruhrbotics GmbH	Recklinghausen DE	60.00	2020	0.0	0.1
300	Safety & Technical Supplies GmbH	Seevetal DE	100.00	2019	18.4	4.9
301	Safety & Technical Supplies Holding GmbH	Munich DE	46.62	2019	9.6	0.0
302	Salzbrenner Kommunikationstechnik GmbH i. L.	Buttenheim DE	100.00	2020	0.0	0.0
303	saracus consulting GmbH	Münster DE	100.00	2019	5.9	1.4
304	saracus consulting Holding GmbH	Munich DE	73.60	2020	NS	NS
305	saracus consulting GmbH	Münster DE	100.00	2020	NS	NS
306	Saudi Consulting Services International GmbH	Frankfurt am Main DE	100.00	2020	0.0	0.0
307	Securepoint GmbH	Lüneburg DE	70.00	2019	6.9	3.8
308	Securepoint Schweiz GmbH	Baar CH	100.00	2019	- 0.1	- 0.1
309	SecurView Inc.	Edison US	65.00	2019	3.0	0.4
310	SecurView Systems Private Limited	Pune IN	99.00	2019	0.9	0.0
311	SF Technologies Holding GmbH	Munich DE	15.70	2019	2.1	- 8.9
312	SF Technologies Verwaltungs GmbH	Munich DE	100.00	2019	10.7	- 0.3
313	SKIBA Ingenieurgesellschaft für Gebäudetechnik mbH ^c	Gelsenkirchen DE	100.00	2020	0.1	0.0
314	STARFACE GmbH	Karlsruhe DE	100.00	2019	2.2	2.7
315	STS Service & Rent GmbH	Duisburg DE	100.00	2020	NS	NS
316	SwissLitho AG	Zurich CH	70.00	2020	1.1	0.2
317	Techtriq GmbH	Cologne DE	100.00	2020	NS	NS
318	Tenado GmbH ^c	Bochum DE	100.00	2019	0.1	0.0
319	Tenado Holding GmbH	Munich DE	84.50	2019	0.7	0.0
320	Tenado Verwaltungs GmbH	Munich DE	100.00	2019	3.0	1.6
321	The Yard Creative Limited	London GB	100.00	2020	0.3	0.0
322	United Robotics Group GmbH	Bochum DE	100.00	2020	NS	NS
323	Unterstützungseinrichtung "GSG/WBG" Gesellschaft mit beschränkter Haftung	Cologne DE	100.00	2020	0.2	0.0
324	Vivawest Stiftung gemeinnützige GmbH	Gelsenkirchen DE	100.00	2020	0.0	0.0
325	Waldorf Technik Inc.	Geneva US	100.00	2020	NS	NS
326	Walther Technology Inc.	Suwanee US	100.00	2020	NS	NS
327	Windpark Bitschberg Entwicklungs UG i. L. (limited liability)	Nonweiler DE	100.00	2019	0.0	0.0
328	Windpark Haltern AV 9 GmbH	Haltern am See DE	80.00	2019	1.8	- 0.1
329	Windpark Hünxe GmbH	Hünxe DE	60.00	2019	2.9	0.5
330	Windpark Sengert Entwicklungs UG i. L. (limited liability)	Nonweiler DE	100.00	2019	0.0	0.0
331	Zinnowitz FW GmbH & Co. KG	Essen DE	100.00	2019	0.0	- 0.1
Associated companies (equity-accounted)						
332	GAW Beteiligungs GmbH	Graz AT	25.00	2019/2020	20.4	2.0
333	logport ruhr GmbH	Duisburg DE	50.00	2020	4.1	0.1
334	PB-Consult Planungs- und Betriebsberatungs- gesellschaft mbH	Nuremberg DE	50.00	2020	0.8	0.0

RAG-Stiftung list of shareholdings as of 31 December 2020

Name	Company head- quarters		Capital share in %	Financial year	Equity in EUR million ^d	Net profit/ loss for the year in EUR million ^d	
335	Qvest Media Trading and Consulting LLC		Doha AE	49.00	2020	- 0.1	0.0
336	Zeltbau Och GmbH		Ronneburg DE	20.00	2019	0.0	0.0
Associated companies							
337	40-30 Benelux BVBA		Rotselaar BE	30.00	2019/2020	0.0	0.0
338	40-30 Iberica SL		Madrid ES	30.00	2019	0.0	0.0
339	40-30 SEA Ltd.		Singapore SG	20.00	2019	- 0.4	0.0
340	40-30 UK Ltd.		Crawley GB	35.00	2019/2020	- 0.1	0.0
341	BAV Aufbereitung Herne GmbH		Herne DE	49.00	2019	1.6	0.3
342	Clean AIR SAS		Goussainville FR	50.00	2019	0.1	0.0
343	Cybellum Technologies Ltd.		Tel Aviv-Jaffa IL	23.56	2019	8.2	- 1.2
344	DAH1 GmbH		Duisburg DE	50.00	2018	0.0	- 0.2
345	Datumate Ltd.		Yokneam Illit IL	35.00	2019	1.4	- 2.3
346	DiaMedCare AG		Basel CH	41.23	2020	44.7	0.3
347	ELE-RAG Montan Immobilien Erneuerbare Energien GmbH		Bottrop DE	50.00	2019	0.0	0.0
348	ENNI RMI Windpark Kohlenhuck GmbH		Moers DE	33.33	2019	4.2	0.7
349	Entwicklungsagentur CreativRevier Heinrich Robert GmbH		Hamm DE	20.00	2019	0.6	- 0.2
Entwicklungsgesellschaft Mittelstandspark							
350	West Castrop-Rauxel mbH		Essen DE	48.00	2019	0.0	0.0
351	Entwicklungsgesellschaft Neue Zeche Westerholt		Gelsenkirchen DE	33.33	2019	NS	NS
352	Entwicklungsgesellschaft Schlägel & Eisen mbH		Herten DE	48.00	2019	0.0	0.0
353	gate.ruhr GmbH		Marl DE	49.00	2019	0.9	- 0.1
354	HAHN Automation R&D GmbH		Wiehl DE	50.00	2020	0.1	0.0
355	IGI S.r.l.		Milan IT	50.00	2019	- 1.3	- 1.3
Monheim am Rhein							
356	Im Kreuzfeld GmbH & Co. KG		DE	50.00	2020	0.0	0.0
Monheim am Rhein							
357	Im Kreuzfeld Verwaltungsgesellschaft mbH		DE	50.00	2020	0.0	0.0
358	Norafin Verwaltungs GmbH		Mildena DE	28.85	2019	24.0	0.4
359	Prasad Wemo Robot Systems Private Limited		Ammedabad IN	40.00	2019	13.0	0.1
360	Projekt Ewald GmbH & Co. KG		Essen DE	50.00	2019	0.2	0.0
361	Projekt Ewald Verwaltungs GmbH		Essen DE	50.00	2019	0.0	0.0
362	Projektgesellschaft „Radbod“ mbH		Hamm DE	33.33	2019	0.0	0.0
363	Projektgesellschaft Gneisenau mbH		Dortmund DE	49.00	2019	0.0	0.0
364	S.A.E.T.I. S.A.		Algiers DZ	33.00	2020	NS	NS
365	Stadthausprojekt Düsseldorf Tannenstraße GmbH		Düsseldorf DE	26.00	2019	0.3	0.0
366	Windkraft Lohberg GmbH		Dinslaken DE	33.33	2019	1.1	0.1
367	Windpark Hünxer Heide GmbH		Hünxe DE	33.33	2019	3.5	0.2
Wohnbau Dinslaken Gesellschaft mit beschränkter Haftung							
368	Dinslaken		DE	46.45	2019	45.4	8.1
Other companies							
369	Constantia LUX Parent S.A.		Luxembourg LU	11.31	2019	934.3	2.4
370	Deutsche Netzmarketing GmbH		Cologne DE	2.56	2018	2.6	0.2
371	EBZ Service GmbH		Bochum DE	3.57	2018	5.9	0.2
372	Entwicklungsgesellschaft Neu-Oberhausen mbH-ENO		Oberhausen DE	0.16	2019	0.2	0.0
373	Gründerfonds Ruhr GmbH & Co. KG		Essen DE	13.49	2020	NS	NS
Hammer gemeinnützige Baugesellschaft mit beschränkter Haftung							
374	Hamm		DE	5.42	2019	19.2	0.1
375	Innovation City Management GmbH		Bottrop DE	10.00	2019	0.2	0.0
376	Joblinge gemeinnützige AG Ruhr		Essen DE	18.18	2020	NS	NS
377	Kitov Systems Ltd.		Kafr Qasim IL	27.21	2020	NS	NS
378	Landesgartenschau Kamp-Lintfort 2020 GmbH		Kamp-Lintfort DE	5.56	2018	2.0	- 0.5
379	Realtime Robotics, Inc.		Boston US	3.25	2020	NS	NS
Rheinwohnungsbau Gesellschaft mit beschränkter Haftung							
380	Düsseldorf		DE	5.00	2019	91.2	12.4
381	Stadtmarketing Herne GmbH		Herne DE	3.00	2019	0.5	- 0.1

RAG-Stiftung list of shareholdings as of 31 December 2020

Name	Company head- quarters		Capital share in %	Financial year	Equity in EUR million ^d	Net profit/ loss for the year in EUR million ^d
382	Stadtmarketing-Gesellschaft Gelsenkirchen mbH	Gelsenkirchen DE	2.39	2019	0.1	0.0
383	STEAG Kraftwerks-Grundstücksgesellschaft mbH ^c	Duisburg DE	5.20	2019	0.1	0.0
384	TTL Real Estate GmbH	Frankfurt am Main DE	33.33	2019	222.4	130.7
385	Vertical Topco S.á.r.l.	Luxembourg LU	9.31	2020	NS	NS
386	Wasserverbund Niederrhein Gesellschaft mit beschränkter Haftung	Moers DE	8.00	2019	13.5	1.1
387	WiN Emscher-Lippe Gesellschaft zur Strukturverbesserung mbH	Herten DE	0.83	2019	0.5	- 0.5
388	WRW Wohnungswirtschaftliche Treuhand Rheinland- Westfalen Gesellschaft mit beschränkter Haftung	Düsseldorf DE	6.60	2007	6.4	0.3
Evonik						
Non-consolidated affiliated companies						
389	BK-Wolfgang-Wärme GmbH	Hanau DE	100.00	2020	2.7	0.4
390	Catalyst Recovery Europe S.A.	Luxembourg LU	100.00	2020	19.3	2.7
391	Catalyst Recovery of Louisiana, LLC	Wilmington US	100.00	2020	9.2	0.4
392	Catalyst Recovery Singapore PTE LTD	Singapore SG	100.00	2020	16.7	1.1
393	Catalyst Recovery Services DISC, Inc.	Cincinnati US	100.00	2020	0.0	0.0
394	CPM Netz GmbH ^c	Essen DE	100.00	2020	1.0	0.0
395	Degussa International, Inc.	Wilmington US	100.00	2020	1,293.0	32.0
396	DSL Japan Co., Ltd.	Tokyo JP	51.00	2020	14.7	1.6
397	Egesil Kimya Sanayi ve Ticaret A.S.	Istanbul TR	51.00	2020	30.4	16.6
398	EGL Ltd.	Milton Keynes GB	100.00	2020	0.0	0.0
399	Evonik (China) Co., Ltd.	Beijing CN	100.00	2020	564.2	383.5
400	Evonik (Philippines) Inc.	Taguig-Stadt PH	99.99	2020	1.3	0.3
401	Evonik (SEA) Pte. Ltd.	Singapore SG	100.00	2020	361.3	6.3
402	Evonik (Shanghai) Investment Management Co., Ltd.	Shanghai CN	100.00	2020	4.6	1.1
403	Evonik (Thailand) Ltd.	Bangkok TH	100.00	2020	6.9	0.8
404	Evonik Advanced Botanicals S.A.S.	Parcay Meslay FR	100.00	2020	- 2.2	- 0.6
405	Evonik Aerosil France S.A.R.L.	Salaise-sur- Sanne FR	100.00	2020	3.0	0.2
406	Evonik Africa (Pty) Ltd.	Midrand ZA	100.00	2020	15.0	1.9
407	Evonik Amalgamation Ltd.	Greenford GB	100.00	2020	0.0	2.7
408	Evonik Animal Nutrition GmbH	Essen DE	100.00	2020	42.7	- 3.4
409	Evonik Antwerpen NV	Antwerp BE	100.00	2020	109.3	17.8
410	Evonik Argentina S.A.	Buenos Aires AR	100.00	2020	8.7	3.1
411	Evonik Australia Pty Ltd.	Mount Waverley AU	100.00	2020	2.8	0.8
412	Evonik Bangladesh Ltd.	Dhaka BD	100.00	2020	0.2	0.1
413	Evonik Beteiligungs-GmbH ^c	Frankfurt am Main DE	100.00	2020	0.7	0.0
414	Evonik Brasil Ltda.	São Paulo BR	100.00	2020	180.2	36.0
415	Evonik Canada Inc.	Calgary CA	100.00	2020	49.6	8.1
416	Evonik Catalysts India Pvt. Ltd.	Dombivli IN	100.00	2020	24.5	3.6
417	Evonik Catering Services GmbH ^c	Marl DE	100.00	2020	0.3	0.0
418	Evonik Chemicals Ltd.	Greenford GB	100.00	2020	12.3	5.3
419	Evonik Chile SpA	Santiago CL	100.00	2020	0.6	0.1
420	Evonik Colombia S.A.S.	Medellín CO	100.00	2020	0.3	0.1
421	Evonik Corporation	Parsippany US	100.00	2020	3,498.3	138.7
422	Evonik Dahlenburg GmbH ^c	Dahlenburg DE	100.00	2020	1.8	0.0
423	Evonik Degussa Africa (Pty) Ltd.	Midrand ZA	100.00	2020	0.0	0.0
424	Evonik Digital GmbH ^c	Essen DE	100.00	2020	3.0	0.0
425	Evonik Dr. Straetmans GmbH ^c	Hamburg DE	100.00	2020	15.7	0.0
426	Evonik Dutch Holding B.V.	Amsterdam NL	100.00	2020	42.2	0.0
427	Evonik East Africa Limited	Nairobi KE	100.00	2020	0.0	0.0

RAG-Stiftung list of shareholdings as of 31 December 2020

Name	Company head- quarters		Capital share in %	Financial year	Equity in EUR million ^d	Net profit/ loss for the year in EUR million ^d	
428	Evonik Ecuador S.A.	Quito	EC	100.00	2020	0.9	0.3
429	Evonik España y Portugal, S.A.U.	Granollers	ES	100.00	2020	33.2	2.9
430	Evonik Fermas s.r.o.	Slovenská Ľupča	SK	100.00	2020	25.2	0.5
431	Evonik Fibras GmbH	Schörfling	AT	100.00	2020	23.0	6.7
432	Evonik Finance B.V.	Amsterdam	NL	100.00	2020	247.0	2.3
433	Evonik France S.A.S.	Ham	FR	100.00	2020	66.2	12.8
434	Evonik Functional Solutions GmbH ^c	Essen	DE	100.00	2020	19.9	- 4.9
435	Evonik Guatemala, S.A.	Guatemala City	GT	100.00	2020	1.6	0.6
436	Evonik Gulf FZE	Dubai	AE	100.00	2020	2.1	1.0
437	Evonik Gulf FZE/Jordan (Free Zone) LLC	Amman	JO	100.00	2020	- 0.1	- 0.4
438	Evonik Holding Egypt LLC	Cairo	EG	100.00	2020	0.1	0.1
439	Evonik Hong Kong Ltd.	Hong Kong	HK	100.00	2020	2.7	0.2
440	Evonik India Pvt. Ltd.	Mumbai	IN	100.00	2020	28.2	2.4
441	Evonik Industrias de Mexico, S.A. de C.V.	Mexico City	MX	100.00	2020	24.1	5.5
442	Evonik International AG	Zurich	CH	100.00	2020	0.5	0.1
443	Evonik International Costa Rica, S.A.	Santa Ana	CR	100.00	2020	2.6	0.5
444	Evonik International Holding B.V.	Amsterdam	NL	100.00	2020	5,282.2	287.5
445	Evonik International Trading (Shanghai) Co., Ltd.	Shanghai	CN	100.00	2020	4.0	2.1
446	Evonik IP GmbH	Gründau	DE	100.00	2020	142.0	91.5
447	Evonik Iran Company PJS	Tehran	IR	100.00	2020	3.1	1.4
448	Evonik Italia S.r.l.	Pandino	IT	100.00	2020	10.8	0.9
449	Evonik Japan Co., Ltd.	Tokyo	JP	100.00	2020	113.9	16.8
450	Evonik Korea Ltd.	Seoul	KR	100.00	2020	13.9	9.9
451	Evonik LCL Limited	Milton Keynes	GB	100.00	2020	0.0	0.0
452	Evonik LIL Limited	Greenford	GB	100.00	2020	0.0	0.0
453	Evonik Limited Egypt	Cairo	EG	100.00	2020	0.3	0.1
454	Evonik Logistics Services GmbH	Marl	DE	100.00	2020	0.5	6.6
455	Evonik Malaysia Sdn. Bhd.	Kuala Lumpur	MY	100.00	2020	2.7	1.4
456	Evonik Materials GmbH ^c	Marl	DE	100.00	2020	13.5	0.0
457	Evonik Membrane Extraction Technology Limited	Greenford	GB	100.00	2020	0.8	0.1
458	Evonik Methionine SEA Pte. Ltd.	Singapore	SG	100.00	2020	435.7	38.1
459	Evonik Metilatos S.A.	Rosario	AR	100.00	2020	18.1	8.6
460	Evonik Mexico, S.A. de C.V.	Mexico City	MX	100.00	2020	11.9	1.7
461	Evonik Oil Additives Asia Pacific Pte. Ltd.	Singapore	SG	100.00	2020	71.0	43.6
462	Evonik Oil Additives Canada Inc.	Morrisburg	CA	100.00	2020	18.0	5.1
463	Evonik Oil Additives S.A.S.	Lauterbourg	FR	100.00	2020	10.8	3.2
464	Evonik Oil Additives USA, Inc.	Horsham	US	100.00	2020	50.0	34.1
465	Evonik Operations GmbH ^c	Essen	DE	100.00	2020	4,906.6	0.0
466	Evonik Oxeno Antwerpen NV	Antwerp	BE	100.00	2020	42.9	6.3
467	Evonik Pakistan (Private) Limited	Karachi	PK	100.00	2020	0.1	0.3
468	Evonik Para-Chemie GmbH in Liqu.	Gramatneusiedl	AT	100.00	2020	11.1	3.7
469	Evonik Pension Scheme Trustee Limited	Greenford	GB	100.00	2020	0.0	0.0
470	Evonik Peroxid GmbH	Weißenstein	AT	100.00	2020	21.5	7.0
471	Evonik Peroxide Africa (Pty) Ltd.	Umbogintwini	ZA	100.00	2020	5.5	- 0.7
472	Evonik Peroxide Holding B.V.	Amsterdam	NL	100.00	2020	194.0	0.2
473	Evonik Peroxide Ltd.	Morrinsville	NZ	100.00	2020	11.4	1.7
474	Evonik Peroxide Netherlands B.V.	Amsterdam	NL	100.00	2020	16.0	0.8
475	Evonik Peroxide Spain, S.L.U.	La Zaida	ES	100.00	2020	0.0	- 23.1

RAG-Stiftung list of shareholdings as of 31 December 2020

Name	Company head- quarters		Capital share in %	Financial year	Equity in EUR million ^d	Net profit/ loss for the year in EUR million ^d	
476	Evonik Perú S.A.C.	Lima	PE	100.00	2020	2.5	0.7
477	Evonik Porphyrio NV	Leuven	BE	100.00	2020	0.6	-0.4
478	Evonik Re S.A.	Luxembourg	LU	100.00	2020	63.0	8.8
479	Evonik Real Estate GmbH & Co. KG ^c	Marl	DE	100.00	2020	200.4	0.0
480	Evonik Real Estate Verwaltungs-GmbH	Marl	DE	100.00	2020	0.0	0.0
481	Evonik Rexim (Nanning) Pharmaceutical Co., Ltd.	Nanning	CN	100.00	2020	27.0	4.0
482	Evonik Rexim S.A.S.	Ham	FR	100.00	2020	5.6	2.1
483	Evonik Risk and Insurance Services GmbH ^c	Essen	DE	100.00	2020	1.3	0.0
484	Evonik Servicios, S.A. de C.V.	Mexico City	MX	100.00	2020	1.3	0.1
485	Evonik Silica Belgium BVBA	Ostend	BE	100.00	2020	9.5	0.7
486	Evonik Silica Finland Oy	Hamina	FI	100.00	2020	12.0	0.9
487	Evonik Silquimica, S.A.U.	Zubillaga- Lantaron	ES	100.00	2020	11.7	0.6
488	Evonik Singapore Specialty Chemicals Pte. Ltd.	Singapore	SG	100.00	2020	-1.6	-0.4
489	Evonik Speciality Organics Ltd.	Greenford	GB	100.00	2020	221.5	0.0
490	Evonik Specialty Chemicals (Jilin) Co., Ltd.	Jilin	CN	100.00	2020	-54.4	-4.2
491	Evonik Specialty Chemicals (Nanjing) Co., Ltd.	Nanjing	CN	100.00	2020	84.5	3.6
492	Evonik Specialty Chemicals (Shanghai) Co., Ltd.	Shanghai	CN	100.00	2020	285.8	82.9
493	Evonik Specialty Silica India Pvt. Ltd.	Mumbai	IN	100.00	2020	21.0	-0.1
494	Evonik Superabsorber GmbH	Essen	DE	100.00	2020	0.0	0.0
495	Evonik Taiwan Ltd.	Taipei	TW	100.00	2020	3.9	2.5
496	Evonik Tasnee Marketing LLC	Riyadh	SA	75.00	2020	7.7	-0.2
497	Evonik Tianda (Liaoyang) Chemical Additive Co., Ltd.	Liaoyang	CN	97.04	2020	30.2	5.3
498	Evonik Ticaret Ltd. Sirketi	Tuzla/Istanbul	TR	100.00	2020	8.2	4.1
499	Evonik Trustee Limited	Greenford	GB	100.00	2020	0.0	0.0
500	Evonik UK Holdings Ltd.	Greenford	GB	100.00	2020	479.7	51.9
501	Evonik United Silica (Siam) Ltd.	Rayong	TH	70.00	2020	16.4	0.5
502	Evonik United Silica Industrial Ltd.	Taoyuan Hsien	TW	100.00	2020	32.6	4.3
503	Evonik Venture Capital GmbH ^c	Hanau	DE	100.00	2020	14.5	0.0
504	Evonik Vietnam Limited Liability Company	Ho Chi Minh City	VN	100.00	2020	3.0	1.0
505	Evonik Wellink Silica (Nanping) Co., Ltd.	Nanping	CN	60.00	2020	33.9	9.9
506	Evonik Wynca (Zhenjiang) Silicon Material Co., Ltd.	Zhenjiang	CN	60.00	2020	19.5	-0.2
507	Granollers Química, S.L.U.	Granollers	ES	100.00	2020	2.5	2.5
508	HD Ceracat GmbH	Frankfurt am Main	DE	100.00	2020	92.1	1.5
509	Innovativehealth Group, S. L. U.	Madrid	ES	100.00	2020	-0.3	0.0
510	Insilco Ltd.	Gajraula	IN	73.11	2020	6.5	-3.0
511	JIDA Evonik High Performance Polymers (Changchun) Co., Ltd.	Changchun	CN	84.04	2020	10.4	1.2
512	KMV Vermögensverwaltungs-GmbH	Marl	DE	100.00	2020	12.5	2.8
513	Laporte Nederland (Holding) B.V.	Amsterdam	NL	100.00	2020	37.2	0.0
514	MedPalett AS	Sandnes	NO	100.00	2020	2.0	0.1
515	Nilok Chemicals Inc.	Parsippany	US	100.00	2020	-7.3	-0.3
516	Nippon Aerosil Co., Ltd.	Tokyo	JP	80.00	2020	63.0	13.4
517	000 Evonik Chimia	Moscow	RU	100.00	2020	17.4	4.7
518	PeroxyChem (Shanghai) Chemicals Co. Ltd.	Shanghai	CN	100.00	2020	0.1	0.0
519	PeroxyChem Adventus Environmental Solutions LLC	Wilmington	US	100.00	2020	0.0	0.0
520	PeroxyChem Brasil Comercio de Produtos Quimicos Ltda.	City of Barueri	BR	100.00	2020	-0.1	0.0
521	PeroxyChem Coöperatif U.A.	Amsterdam	NL	100.00	2020	38.8	-7.0
522	PeroxyChem Environmental Solutions Canada ULC	Prince George	CA	100.00	2020	-0.7	-0.1
523	PeroxyChem Holding Company LLC	George Town	KY	100.00	2020	269.2	0.0

RAG-Stiftung list of shareholdings as of 31 December 2020

Name	Company head- quarters		Capital share in %	Financial year	Equity in EUR million ^d	Net profit/ loss for the year in EUR million ^d
524 PeroxyChem Holdings GP LLC	George Town	KY	100.00	2020	0.0	0.0
525 PeroxyChem Holdings LLC	Dover	US	100.00	2020	0.7	0.0
526 PeroxyChem Holdings L.P.	George Town	KY	100.00	2020	273.1	0.0
527 PeroxyChem LLC	Dover	US	100.00	2020	425.5	- 1.3
528 PeroxyChem Mexico S. de R. L. de C.V.	Ecatepec de Morelos	MX	100.00	2020	4.3	0.1
529 PeroxyChem Netherlands Holdings B.V.	Amsterdam	NL	100.00	2020	17.6	0.1
530 PeroxyChem Wolf River, LLC	Philadelphia	US	100.00	2020	0.0	0.0
531 Porocel Catalysts (Shanghai) Co., Ltd.	Shanghai	CN	100.00	2020	0.1	0.0
532 Porocel Holdings, Inc.	Wilmington	US	100.00	2020	17.4	0.0
533 Porocel Industries DISC, Inc.	Cincinnati	US	100.00	2020	0.0	0.0
534 Porocel Industries, LLC	Wilmington	US	100.00	2020	27.0	- 2.6
535 Porocel International, LLC	Cincinnati	US	100.00	2020	6.4	0.2
536 Porocel of Canada, Ltd.	Vancouver	CA	100.00	2020	8.2	0.9
537 Porocel Properties, LLC	Wilmington	US	100.00	2020	0.0	0.0
538 Porocel Storage and Warehouse, LLC	Little Rock	US	100.00	2020	0.0	0.0
539 PT. Evonik Indonesia	Cikarang Bekasi	ID	100.00	2020	9.0	2.4
540 PT. Evonik Sumi Asih	Bekasi Timur	ID	75.00	2020	9.6	2.1
541 Qingdao Evonik Silica Materials Co., Ltd.	Qingdao	CN	100.00	2020	38.5	2.1
542 RBV Verwaltungs-GmbH	Essen	DE	100.00	2020	512.4	11.7
543 RCIV Vermögensverwaltungs-GmbH	Essen	DE	100.00	2020	25.9	- 0.6
544 RheinPerChemie GmbH ^c	Rheinfelden	DE	100.00	2020	0.0	0.0
545 RÜTGERS Dienstleistungs-GmbH ^c	Essen	DE	100.00	2020	5.7	0.0
546 RÜTGERS GmbH	Essen	DE	100.00	2020	316.4	3.1
547 Rutgers Organics LLC	Wilmington	US	100.00	2020	- 3.4	- 1.6
548 Silbond Corporation	Weston	US	100.00	2020	34.9	3.6
549 SKC Evonik Peroxide Korea Co., Ltd.	Ulsan	KR	55.00	2020	32.6	7.1
550 Stockhausen Nederland B.V.	Amsterdam	NL	100.00	2020	0.0	3.9
551 Stockhausen Unterstützungseinrichtung GmbH	Krefeld	DE	100.00	2020	0.0	0.0
552 Structured Polymers Inc.	Austin	US	100.00	2020	7.3	- 0.1
553 Studiengesellschaft Kohle mbH	Mülheim	DE	85.02	2019	0.0	0.0
554 Westgas GmbH	Marl	DE	100.00	2020	8.1	5.8
555 Wilshire Technologies, Inc.	Princeton	US	100.00	2020	14.2	2.1
Other companies						
556 ABCR Laboratorios, S. L.	Forcarei	ES	50.00	2020	8.3	0.4
557 ARG mbH & Co. KG	Oberhausen	DE	19.93	2020	7.8	9.4
558 ARG Verwaltungs GmbH	Oberhausen	DE	20.00	2020	0.0	0.5
559 Beijing Enviro – Chem Industry and Commerce Co., Ltd.	Beijing	CN	20.00	2020	0.1	0.2
560 Daicel-Evonik Ltd.	Tokyo	JP	50.00	2020	15.5	1.6
561 dev.log GmbH	Niederkassel	DE	50.00	2020	0.7	0.1
562 evocenta GmbH	Gelsenkirchen	DE	24.90	2020	0.5	0.0
563 Evonik Lanxing [Rizhao] Chemical Industrial Co., Ltd.	Rizhao	CN	50.00	2020	15.9	0.0
564 Evonik Treibacher GmbH	Treibach/ Althofen	AT	50.00	2020	20.0	10.0
565 HPNow ApS	Copenhagen	DK	38.30	2020	3.3	- 1.4
566 JeNaCell GmbH	Jena	DE	25.23	2020	- 0.2	- 1.2
567 LiteCon GmbH	Hönigsberg/ Mürzzuschlag	AT	49.00	2020	1.8	- 1.9
568 Neolyse Ibbenbüren GmbH	Ibbenbüren	DE	50.00	2020	17.7	- 0.7
569 OPTIFARM Ltd.	Great Chesterford	GB	40.00	2020	0.0	- 0.6
570 RSC Evonik Sweeteners Co., Ltd.	Bangkok	TH	50.00	2020	2.2	- 0.3

RAG-Stiftung list of shareholdings as of 31 December 2020

Name	Company head- quarters		Capital share in %	Financial year	Equity in EUR million ^d	Net profit/ loss for the year in EUR million ^d
571 Rusferm Limited	Nicosia	CY	49.00	2020	28.8	0.0
572 San-Apro Ltd.	Kyoto	JP	50.00	2020	13.9	2.9
573 Saudi Acrylic Polymers Company, Ltd.	Jubail	SA	25.00	2020	73.7	35.1
574 Thai Peroxide Company Ltd.	Bangkok	TH	50.00	2020	27.0	2.8
575 TÜV NORD InfraChem GmbH & Co. KG	Marl	DE	49.00	2019	2.1	0.4
576 TÜV NORD InfraChem Verwaltungsgesellschaft mbH	Marl	DE	49.00	2019	0.0	0.0
577 Umschlag Terminal Marl GmbH & Co. KG	Marl	DE	50.00	2020	0.4	0.0
578 Umschlag Terminal Marl Verwaltungs-GmbH	Marl	DE	50.00	2020	0.0	0.0
579 Veramaris (USA) LLC	Blair	US	50.00	2020	44.1	0.8
580 Veramaris V.O.F.	Delft	NL	50.00	2020	10.6	- 42.2
581 Vestaro GmbH	Munich	DE	49.00	2020	0.0	0.0
582 Zhejinag Rebirth – Porocel Innovation Co. Ltd.	Ningbo	CN	22.50	2020	4.6	- 0.9

^a Application of simplified rules pursuant to Section 264 (3) and Section 264b of the German Commercial Code (HGB)

^b Application of simplified rules pursuant to Section 291 and Section 293 of the German Commercial Code (HGB)

^c There is a profit-and-loss transfer agreement with these companies.

^d The foreign currency values are translated for equity using the mean rate on the balance sheet date, and using the average rate for the year for the profit/loss for the year.

Notes to the annual financial statements of the RAG-Stiftung 2020

GENERAL PRINCIPLES

The annual financial statements of the RAG-Stiftung for the financial year from 1 January to 31 December 2020 have been prepared in observance of the German Endowments and Foundations Act NRW and IDW RS HFA 5 in accordance with the accounting standards of the German Commercial Code (HGB).

The RAG-Stiftung was recognised by the State of North Rhine-Westphalia on 10 July 2007 in line with Section 2 of the Endowments and Foundations Act. Its headquarters are in Essen and it is registered in Commercial Register A at the Essen local court, no. HRA 9004.

As the topmost parent company of a group of companies, the RAG-Stiftung is a foundation under German law and prepares its consolidated financial statements both for the largest and the smallest group of companies in accordance with Section 11 et seq. of the German Disclosure Act (PublG) pursuant to Section 290, Paragraph 2–5 HGB. The consolidated financial statements are published in the electronic Federal Gazette under HR A no. 9004 at the Essen local court.

On 24 September 2007, a controlling and profit-and-loss transfer agreement was concluded between RAG AG and the RAG-Stiftung for a fixed term until at least 31 December 2027; the agreement became effective on its entry into the commercial register on 13 November 2007. According to the agreement, RAG AG subordinates the management of its company to the RAG-Stiftung. RAG AG is also obliged to transfer its profits to the RAG-Stiftung. The RAG-Stiftung is obliged to offset any net loss for the year incurred by RAG AG during the term of the agreement.

Similarly, a controlling and profit-and-loss transfer agreement was concluded on 15 July 2019 between the RAG-Stiftung and RAG-S Real Estate GmbH for a fixed term until at least 31 December 2023; the agreement became effective on its entry into the commercial register on 22 July 2019. According to the agreement, RAGS-S Real Estate GmbH subordinates the management of its company to the RAG-Stiftung. RAGS-S Real Estate GmbH is also obliged to transfer its profits to the RAG-Stiftung. The RAG-Stiftung is obliged to offset any net loss for the year incurred by RAGS-S Real Estate GmbH during the term of the agreement.

In the reporting year, Projektgesellschaft Zollverein – Im Welterbe 10 mbH & Co. KG, based in Essen, and RAG Beteiligung Verwaltung GmbH & Co. KG, based in Düsseldorf, were added to the RAG-Stiftung. This had no significant impact on the net assets, financial position and results of operations.

Reporting is made in EUR million with one decimal place, with amounts rounded to below EUR 0.1 million presented as EUR 0.0 million.

ACCOUNTING AND VALUATION PRINCIPLES

Intangible assets and real estate, plant and equipment are recognised at acquisition cost less depreciation, amortisation and impairment on the basis of the lower fair value. Depreciation and amortisation are calculated on a straight-line, pro-rata basis. The useful life is determined on the basis of the official

depreciation tables and ranges from one year (low-value items) to 50 years (commercial buildings). Low-value fixed assets with acquisition costs of up to EUR 250 are recognised as an expense in the year of acquisition. Low-value fixed assets whose net acquisition costs are greater than EUR 250 but do not exceed EUR 800 are immediately depreciated and recorded in the schedule of fixed assets as a disposal.

The shares in affiliated companies, the holdings, securities and other loans are recognised in financial assets at cost or at the lower fair value in the case of expected permanent impairment.

The RAG-Stiftung intends to hold 25.1% of the shares in Evonik Industries AG for the long term; the additional existing shares of 33.4% are accounted for in current assets due to the intention to sell in the near term.

Receivables and other assets are recognised at nominal value.

Securities classified as current assets are recognised at cost or at fair value, whichever is lower, which corresponds to the closing rate of the listed securities.

Deposits with banks are reported at their nominal value with the value date.

Provisions are recognised at the amount necessary to settle the obligation according to prudent commercial assessment. The calculation of the provisions for perpetual obligations is explained under other information. Future price and cost increases are taken into account where there was sufficient objective indication on the reporting date that they will occur. In accordance with Section 253, Paragraph 2 HGB, short and long-term provisions are discounted using the average market interest rate with their respective expected maturity terms. With the amendment to commercial law on 17 March 2016, the average interest rate of the past ten financial years applies to provisions for pensions. The interest rate averaged over a seven-year period applies to pension-like obligations and all other provisions. Compounding and discounting effects arising from the change in the discount rate are always shown in the interest income. Changes in the discount rate for the pension provisions are reported in personnel expenses.

The provisions for company pensions are valued according to the modified entry age process. The expenditure for future pension payments is distributed equally throughout the entire period of service of the person entitled to benefit. Provisions for company pension obligations are discounted on a flat-rate basis with the average market interest rate arising from an assumed maturity term of 15 years. The interest rate of 2.30% (previous year: 2.72%) was used for the expert evaluation of the obligation as of 31 December. The valuation of the pension obligations include future changes in salaries (2.75%, previous year: 2.75%), pension increases (2.00%, previous year: 2.00%) and company-specific fluctuation, as well as mortality and disability probabilities according to the 2018 G mortality tables by Klaus Heubeck.

Liabilities are measured at the amount at which they will be repaid.

Prepaid expenses and deferred income are recognised in the balance sheet at the calculated amount.

Deferred taxes are recognised for differences between the commercial valuations of assets, debts and prepaid expenses and their tax valuations, which will likely be released in later financial years. In calculating deferred tax assets, tax losses carried forward and interest carried forward are recognised in the amount of offset expected within the next five years. The tax rates applicable on, or announced for – according to current legislation – the date on which the temporary differences will likely be eliminated or the losses carried forward offset, are used to determine the deferred taxes. The balance sheet differences are measured with a tax rate of 30.0%. Deferred tax assets on corporation and trade tax losses carried

forward are measured at 16.0% and 14.0% respectively. Where there is an overall lowering of the tax burden (net asset position), the capitalisation option pursuant to Section 274, Paragraph 1(2) HGB was not exercised. A resulting tax burden is reported in the balance sheet as a deferred tax liability.

Assets and liabilities denominated in foreign currencies with a maturity term of over one year are valued at the exchange rate on the day of acquisition or at the lower respective average spot exchange rate on the balance sheet date. In the case of a maturity term of one year or less, assets and liabilities denominated in foreign currencies are recognised at the average spot exchange rate. The European Central Bank's reference rates, as published by the German central bank, are used for the conversion.

NOTES TO THE BALANCE SHEET

1. Fixed assets

With regard to the composition of fixed assets, we refer first of all to the development of fixed assets in an appendix to the notes and to the list of shareholdings.

Due to the accrual of Projektgesellschaft Zollverein - Im Welterbe 10 mbH & Co. KG as of 1 January 2020, the RAG-Stiftung shows a value of EUR 55.3 million in real estate, plant and equipment (previous year: EUR 0.3 million).

Financial assets include, among other things, the "RAGS-FundMaster" special fund, managed by a master capital investment company; there is no limit here in the daily return. A special investment fund managed by Investment KG is limited in its daily return. No securities held as fixed assets are recognised above their fair value. Of the financial assets, EUR 2.0 million (previous year: EUR 2.0 million) is allocated to endowment capital.

Loans of EUR 436.8 million are recognised under other loans.

We provide the following explanations regarding the special fund as defined in Section 36 of the Investment Act (InvG) included in the long-term securities:

in EUR million	Carrying amount	Value as defined by Section 36 InvG	Difference to the carrying amount	Distributions received in the financial year
Mixed fund	3,343.1	4,043.5	700.4	50.9
Real estate fund	386.9	437.2	50.3	8.0
	3,730.0	4,480.7	750.7	58.9

2. Receivables and other assets

in EUR million	Maturity term		31/12/2020	31/12/2019	of which with a maturity term of over 1 year
	up to 1 year	over 1 year			
Receivables due from affiliated companies	579.3	–	579.3	294.5	–
Other assets	290.9	9.1	300.0	345.9	6.0
	870.2	9.1	879.3	640.4	6.0

Receivables due from affiliated companies are other assets of EUR 579.0 million (previous year: EUR 294.5 million). The increase mainly results from RAG AG's capital reduction, which has an effect on the financial account of RAG AG.

3. Securities

The securities are the shares in Evonik Industries AG intended for sale. Due to a pledge agreement, securities with a carrying amount of EUR 12.4 million are limitedly available due to the options issued on Evonik shares.

4. Equity

The endowment capital (basic assets) of the RAG-Stiftung remains unchanged at EUR 2.0 million.

5. Provisions

Provisions for pensions and similar obligations

The difference for provisions for pensions and similar obligations between the recognition of provisions in accordance with the corresponding average market interest rate of the past ten financial years and the recognition of provisions in accordance with the corresponding average market interest rate of the past seven financial years is EUR 1.7 million.

Provision for the financing of perpetual obligations

The provision for the financing of perpetual obligations amounts to EUR 8,452.5 million (previous year: EUR 7,896.7 million).

Utilisation of EUR 302.7 million is set against additions of EUR 858.5 million in the 2020 financial year.

The provision is explained in more detail under “Other information”.

Other provisions

in EUR million	31/12/2020	31/12/2019
Provisions for services rendered (received)	20.0	24.5
Provisions for the workforce	2.4	2.1
Provisions for audit costs	0.2	0.1
Other provisions	0.2	0.0
	22.8	26.7

6. Liabilities

in EUR million	Maturity term			Total		of which with a maturity term of up to 1 year	of which with a maturity term of over 1 year
	up to 1 year	over 1 year	of which more than 5 years	31/12/2020	31/12/2019		
Bonds	86.2	1,500.0	500.0	1,586.2	1,500.0		1,500.0
(of which convertible)	(86.2)	(1,500.0)	(500.0)	(1,586)	(1,500.0)	–	(1,500.0)
Trade accounts payable	0.1	–	–	0.1	0.2	0.2	–
Liabilities to affiliated companies	443.4	502.2	–	945.6	140.5	138.5	1.9
Other liabilities	49.0	0.4	–	49.4	4.6	3.8	0.8
(of which from taxes)	(46.2)	(–)	(–)	(46.2)	(0.0)	(0.0)	(–)
associated with social security)	(–)	(–)	(–)	(–)	(–)	(–)	(–)
	578.7	2,002.6	500.0	2,581.3	1,645.3	142.5	1,502.7

Bonds include four non-subordinated and unsecured exchangeable bonds on Evonik shares, one of EUR 86.2 million (previous year: EUR 500.0 million) with a term to 18 February 2021, one of EUR 500.0 million (previous year: EUR 500.0 million) with a term to 16 March 2023, another exchangeable bond of EUR 500.0 million with a term to 2 October 2024 (previous year: EUR 500.0 million) and a newly issued bond in 2020 of EUR 500.0 million with a term to 17 June 2026. The bonds can be exchanged for registered shares of Evonik Industries AG.

The liabilities to affiliated companies in the amount of EUR 945.7 million relate to other liabilities. They include a loan from RAG AG in the amount of EUR 500.0 million.

NOTES TO THE INCOME STATEMENT

7. Sales revenue

Sales revenue results from service agreements (EUR 0.2 million) and rental income (EUR 1.9 million) and are entirely attributable to Germany.

8. Other operating income

Other operating income primarily includes income of EUR 567.3 million from the sale of Evonik shares (previous year: EUR 0.0 million) and income of EUR 6.1 million (previous year: EUR 29.0 million) from the disposal of securities held as fixed assets. This item also includes income of EUR 0.1 million (previous year: EUR 0.1 million) not related to the accounting period from the reversal of provisions, as well as income of EUR 0.0 million (previous year: EUR 0.0 million) from currency translation.

9. Personnel expenses

in EUR million	2020	2019
Wages and salaries	7.6	6.8
Social security	0.4	0.4
Welfare benefits and support	1.4	1.2
(of which for pension schemes)	(1.4)	(1.2)
	9.4	8.4

AVERAGE NUMBER OF EMPLOYEES OVER THE YEAR

	2020	2019
Salaried employees	25	24
of which male	12	12
of which female	13	12
	25	24

10. Other operating expenses

Other operating expenses include expenses arising from the allocation of EUR 858.5 million (previous year: EUR 413.6 million) to the provision for perpetual obligations.

11. Investment income

in EUR million	2020	2019
Income from equity interests	683.9	416.8
(of which from affiliated companies)	(677.6)	(411.1)
Expenses relating to the assumption of losses	368.6	60.0
(of which from affiliated companies)	(368.6)	(60.0)
Income from profit-and-loss transfer agreements	0.2	21.0
(of which from affiliated companies)	(0.2)	(21.0)
	315.5	377.8

Income from affiliated companies comprise the Evonik Industries AG dividend at EUR 315.7 million (previous year: EUR 344.5 million), the dividend of Maxburg GmbH & Co. KG at EUR 27.5 million (previous year: EUR 3.4 million), the dividend of Vivawest GmbH at EUR 55.6 million (previous year: EUR 36.4 million), the dividend of RSBG SE at EUR 29.0 million (previous year: EUR 28.8 million), the dividend of Windkraft Brinkfortsheide GmbH at EUR 0.1 million (previous year: EUR 0.3 million), RAG AG's capital reduction of EUR 248.3 million and the dividend of HAHN CO-INVEST GmbH & Co. KG. at EUR 1.4 million (previous year: EUR 1.1 million). The acquisition cost of the investment in RAG AG is EUR 4.00. This means that RAG AG's ordinary capital reduction of EUR 248.3 million results in a corresponding income for the RAG-Stiftung, which is reported under income from investments for the purpose of providing a better overview of the net assets, financial position and results of operations of the RAG-Stiftung.

Expenses relating to the assumption of losses results from the controlling and profit-and-loss transfer agreement with RAG AG in the amount of EUR 368.6 million (previous year: EUR 60.0 million). Income relating to profit-and-loss transfer agreements results from the controlling and profit transfer agreement with RAG-S Real Estate GmbH in the amount of EUR 0.2 million (previous year: EUR 21.0 million).

12. Income from other securities and from loans held as financial assets

This item includes income from other securities held as fixed assets amounting to EUR 81.1 million (previous year: EUR 83.5 million).

13. Interest income

in EUR million	2020	2019
Other interest and similar income (of which from affiliated companies)	5.9	4.5
Interest and similar expenses (of which to affiliated companies)	(–)	(–)
(of which from interest expense)	3.2	1.2
	(1.7)	(–)
	(1.1)	(1.2)
	2.7	3.3

14. Write-downs of financial assets and securities classified as current assets

Unscheduled write-downs of EUR 25.7 million (previous year: EUR 24.7 million) were incurred as a result of expected permanent impairment in financial assets during the reporting year.

15. Taxes

in EUR million	2020	2019
Income taxes	43.6	8.5
Other taxes	0.5	2.0
	44.1	10.5

Expenses for income taxes relate to the allocation to the provision for income taxes for the current year and previous years.

Other taxes include the allocation to the VAT provision for the current year and previous years as well as non-deductible input taxes.

The RAG-Stiftung does not levy an affiliation charge for income taxes.

The RAG-Stiftung is the parent company of an income tax affiliation, meaning that the deferred taxes are allocated to the Company on temporary differences of the subsidiary companies (formal approach). Deferred tax liabilities of EUR 1,985.5 million arising from temporary differences of the balance sheet items “Property, plant and equipment”, “Other assets”, and “Provision for perpetual obligations”, were balanced with deferred tax assets of EUR 3,949.6 million arising from temporary differences of the balance sheet items “Receivables due from affiliated companies arising from perpetual obligations” and “Provisions for pensions”, meaning that there are net assets of EUR 1,964.1 million, which are not recognised with the capitalisation option not being exercised.

OTHER INFORMATION

The annual review of transactions with affiliated persons and companies has shown that all transactions have come about at conditions normal for the market. No transactions with affiliated persons and affiliated companies at the RAG-Stiftung are subject to a duty of disclosure as defined by Section 285 No. 21 HGB.

Contingent liabilities

There are contingent liabilities arising from the provision of collateral for third-party liabilities amounting to EUR 1.7 million (previous year: EUR 1.4 million). EUR 1.7 million of this is attributable to affiliated companies. We estimate the risk of utilisation as low here because the borrower is not expected to default.

Other financial obligations

in EUR million	31/12/2020	31/12/2019
Obligations arising from letting and leasing agreements with a maturity term of over one year	(–)	(–)
Other financial obligations	16,573.8	247,763.9
(of which due to affiliated companies)	(16,573.8)	(247,763.9)
Obligations in connection with investments in financial assets	519.2	524.9
(of which due to affiliated companies)	(519.2)	(524.9)
	17,093.0	248,288.8

Other financial obligations are primarily the obligations arising from the agreement on perpetual obligations of 13 November 2007 in connection with the agreement of 16/21 December 2010 resulting from the discontinuation of subsidised coal mining operations.

Perpetual obligations

The basis for the scope and determination of the perpetual obligations, the financing of which the RAG-Stiftung has assumed since 2019, is the KPMG report created in 2006 on the valuation of shut-down costs, residual pollution and the perpetual obligations of RAG AG's coal mining operations.

On the basis of the agreement on inherited liabilities concluded on 13 November 2007 in connection with the side letter of 16/21 December 2010, the RAG-Stiftung releases RAG in its internal relationship from all creditor claims arising from the perpetual obligations from the closure of the subsidised coal mining operations. Perpetual obligations as defined by the agreement are measures for the management, processing or elimination of permanent damage/polder measures, measures for groundwater purification, groundwater monitoring and post-closure obligations at contaminated sites and measures for the implementation of pit water management.

In the Legacy Agreement of 14 August 2007 between the RAG-Stiftung and the states of North Rhine-Westphalia and Saarland, the federal states undertake to assume responsibility for the financing of the perpetual obligations in the case that the RAG-Stiftung is not able to do so. Should the states claim under this contract, the federal government will provide one third of the amounts to be paid.

RAG AG has recognised the claim against the RAG-Stiftung resulting from the balancing of the perpetual obligations. The obligation, less the provision for perpetual obligations recognised as of 31 December 2020, is included in other financial obligations in the RAG-Stiftung's annual financial statements.

The total obligation as of the balance sheet date amounts to EUR 25,026.3 million (previous year: EUR 255,660.6 million). Of this, EUR 8,452.5 million (previous year: EUR 7,896.7 million) is allotted to the provision for the obligation to RAG for the financing of perpetual obligations, and EUR 16,573.8 million (previous year: EUR 247,736.9 million) is recognised under other financial obligations. The decline in the total obligation stems primarily from a change in the calculation parameters.

Up to 31 December 2019, the perpetual obligations were calculated on the basis of the cash value of a perpetual annuity, applying the commercial interest rate with a 30-year residual term and a corresponding inflation rate. As interest rates continue to fall, it was no longer possible to interpret the calculation of liabilities on the basis of a negative real interest rate in the reporting year. This made it necessary to change the parameters to be taken into account. Consequently, the seven-year average interest rate of the ultimate forward rate (UFR), which is determined and published annually by the European Insurance and Occupational Pensions Authority (EIOPA), will be generally applied beginning with the 2020 annual financial statements.

For each perpetual obligation, a series of expenditures is calculated from the respective balance sheet date for each of the next 61 years.

A price increase rate of 2.00% is generally applied to index the expenditure for perpetual obligations, based on the methodology for determining the ultimate forward rate. The price increase rate is thus the inflation target of the European Central Bank (ECB) for the eurozone.

The first fifty years of the series of expenditures for the respective perpetual obligations are discounted to the balance sheet date using the commercial yield curve published by the German Bundesbank for the respective balance sheet date (interest rates of between 0.44% and 1.80%). A ten-year convergence phase to avoid a jump in interest rates is used to transition to the UFR, which will be used to determine the present value of perpetual obligations from the 61st year onwards. During this convergence phase, the interest rates for discounting to the balance sheet date are determined using linear interpolation

between the commercial interest rate with a residual term of 50 years and the ultimate forward rate. The expenditure for the 61st year is assessed based on the respective perpetual annuity. The perpetual annuity is calculated using the seven-year average interest rate of the UFR for the respective year (2020: 3.94%) and the underlying inflation rate of 2.00% (2020: 2.00%), and discounted to the balance sheet date appropriate to the term.

The total obligation of the respective perpetual obligation is therefore calculated from the sum of the temporary series of expenditure over 60 years discounted to the balance sheet date and the present value of the perpetual annuity from the 61st year discounted to the balance sheet date.

The differences resulting from the change in the measurement of provisions for perpetual obligations from the calculation based on the commercial interest rate with a 30-year residual term in the previous year to the seven-year average interest rate of the UFR in the reporting year, and their impact on the net assets, financial position and results of operations, cannot be determined, since use of the commercial interest rate in conjunction with the corresponding inflation rate results in a negative real interest rate in the reporting year.

The same calculation method would have resulted in a value of EUR 20.8 billion as of 31 December 2019.

The shares in Evonik Industries AG and Vivawest GmbH, as well as the existing financial assets and the resulting income, are designated to cover the total obligation. The allocation to the provision for perpetual obligations is made in the amount of the income realised minus expenses of the RAG-Stiftung.

Basis for the determination of the perpetual obligations of the mining unit of RAG

The items to be reported comprise the provisions to be made under commercial law, including the funding gaps, and the corresponding equalisation claims to cover them. The residual pollution and perpetual obligations were reported as of 31 December 2020 using the following parameters stemming, except for the change in interest rates, from the pursuance of the KPMG approach and the accounting switch to the provisions of the German Accounting Law Modernisation Act (BilMoG) in coordination with the RAG-Stiftung and the government:

- All provisions underwent discounting using the seven-year average interest rate corresponding to their residual term on the basis of the commercial interest rates published by the German central bank. The applicable commercial yield curve is between 0.44% and 1.80%. The seven-year average interest rate of the ultimate forward rate (UFR) of 3.94% (previous year: commercial interest rate of 2.19%) is used to calculate the present value of the perpetual annuity.
- As regards personnel-related obligations, pension growth of 2.00% (previous year: 2.00%) and income growth of 2.75% (previous year: 2.75%) were assumed. The price increases were determined on an individual basis for RAG, taking into account future anticipated inflation rates based on the European Central Bank's inflation target and possible company-specific changes in salaries. A price increase of 2.00% (previous year: 2.00%) was considered for all other personnel-related obligations.

- A price increase rate of 1.72% (previous year: 1.77%) was reported for non-cash benefit obligations. The price increase rate is calculated on the basis of the average Kelling index for 20 and 25 years.
- The ECB's inflation target of 2.00% is used for the perpetual obligations to be financed by the RAG-Stiftung after the cessation of subsidised coal mining in Germany, as this value is also the basis for calculation of the UFR by EIOPA.

In the previous year, and thus prior to recognition of the UFR, a separate index of 2.07% was determined and recognised for the water-related obligations.

RAG AG's provisions for pit water management, permanent mine-related damage/polder measures, groundwater purification, groundwater monitoring and post-closure obligations at former sites are non-cash obligations. Because the obligations are a permanent liability for which there is no return, the non-cash obligations are reported at their present value using a temporary series of expenditures. This is essentially discounted using the commercial yield curve appropriate to the term, in conjunction with a perpetual annuity based on a seven-year average interest rate of the UFR (previous year: commercial interest rate).

The perpetual obligations comprise the following:

Permanent mine-related damage/polder measures

The mining activities have altered the surface of the ground, which has led to areas of subsidence and has impacted on the natural drainage of water. This kind of damage cannot usually be repaired. The provision which exists as of 31 December 2020 is determined on the basis of a temporary series of expenditures which is essentially discounted using the commercial yield curve appropriate to the term, in conjunction with a perpetual annuity based on a seven-year average interest rate of the UFR of 3.94% and a price and cost increase of 2.00% (real interest rate: 1.94%). The provision therefore stands at EUR 6,689.9 million. This provision includes the valuation difference of EUR 5,012.9 million arising from the application of the German Commercial Code (HGB) versus the previous version of the HGB. The provision continued under the regulation of HGB (previous version) thereby amounts to EUR 1,677.0 million.

Groundwater purification, groundwater monitoring and post-closure obligations at former sites

The processing of contaminated plant areas – in particular former coking plant areas – usually involves restorative measures including the construction of a sealed landfill in combination with a groundwater purification plant. Since the pollutants will evidently not fall below the legal limits for groundwater determined by the authorities, no end to the measures is foreseeable. The provision which exists as of 31 December 2020 is determined on the basis of a temporary series of expenditures which is essentially discounted using the commercial yield curve appropriate to the term, in conjunction with a perpetual annuity based on a seven-year average interest rate of the UFR of 3.94% and a price and cost increase of 2.00% (real interest rate: 1.94%) and amounts to EUR 1,249.3 million. This provision includes the valuation difference of EUR 956.6 million arising from the application of the HGB versus the previous version of the HGB, as well as a funding gap of EUR 9.2 million. The provision continued under the regulation of the previous version of the HGB amounts to EUR 283.5 million.

Pit water management

Pit water management underground involved pumping the water that is accumulated during the production phase for maintaining coal output above ground and directing it to a surface body of water. Until the closure of the last mine, pit water management therefore had to be allocated to ongoing operations, and no provision was to be created. The need to create a provision resulted from the closure of the subsidised coal mining. The provision is covered by an equalisation claim against the RAG-Stiftung.

The provision is measured on the basis of the expected expenses for pit water management, taking into account the operational planning for the first five years after the balance sheet date, development in the future volume of water to be pumped and the investment measures for the conversion of conventional water management to long-term optimised well water management. The present value of the total obligation is determined on the basis of a temporary series of expenditures which is essentially discounted using the commercial yield curve appropriate to the term, in conjunction with a perpetual annuity based on a seven-year average interest rate of the UFR of 3.94% and a price and cost increase of 2.00% (real interest rate: 1.94%) as of 31 December 2020. The provision therefore stands at EUR 17,087.2 million.

Future development of perpetual obligations

The amount of the perpetual obligations is dependent in particular on the future development of price and interest rates, in addition to the development of the assessment bases. Regarding the interest rate development, the development of the UFR and the commercial yield curve are relevant here. For the water-related perpetual obligations, as per 31 December 2020, the commercial yield curve was set with a seven-year average interest rate (previous year: no application of the full commercial yield curve); the seven-year average interest rate of the UFR was set at 3.94% (previous year: commercial interest rate of 2.19%); and the ECB's inflation target was set at 2.00% as a price and cost increase (previous year: 2.07% index for water-related burdens), in line with assumptions. The real interest rate used to determine the present value of the perpetual annuity is therefore 1.94% (previous year: 0.12% based on the commercial interest rate).

If the price and interest rate assumptions develop differently it will lead to higher or lower provisions. A prerequisite for application of the recognised interest rates is the existence of a positive real interest rate for determination of the present value of the perpetual annuities.

The future development of residual pollution liabilities is dependent on the respective basis of assessment as well as the future price and interest rate development. Regarding the interest rate development, only the development of the commercial yield curve is relevant here. Future price and interest rate developments thus lead to an increase or a decrease in provisions for residual pollution liabilities, depending on their nature.

Auditor's fees

The following fees for the services rendered by the auditor, PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Düsseldorf, of the annual financial statements are reported in the income statement:

in EUR million	2020	2019
a. Auditing services	0.2	0.2
b. Tax consultation services	(-)	(-)
c. Other services	0.0	0.0
Total fees charged for the financial year	0.2	0.2
Correction for the previous year (+)/from the previous year (-)	(-)	(-)
Total fees	0.2	0.2

Total remuneration of the Board of Executives, the Board of Trustees and former members of the Board of Executives

The total remuneration of the Board of Executives for the 2020 financial year amounts to EUR 2.9 million (previous year: EUR 2.7 million).

The remuneration of the Board of Trustees for the 2020 financial year amounts to EUR 0.3 million (previous year: EUR 0.2 million).

Report on events after the reporting period

On 18 February 2021, the 2015 exchangeable bond fell due and was repurchased at a residual value of EUR 86.2 million.

Aside from these, no other significant events affecting the RAG-Stiftung's net assets, financial position and results of operations occurred after 31 December 2020.

Essen, 15 April 2021


RAG-Stiftung
The Board of Executives



Tönjes



BergerhoffWodopia



Dr Rupp

DEVELOPMENT OF FIXED ASSETS OF THE RAG-STIFTUNG, ESSEN

Appendix to the notes to the annual financial statements as of 31 December 2020

ACQUISITION AND PRODUCTION COSTS					
in EUR million	As of: 1/1/2020	Additions	Disposals	Transfers	As of: 1/12/2020
A. Fixed assets					
I. Intangible assets					
Acquired concessions, industrial property rights and similar rights and values as well as licences to such rights and values	0.1	0.0	0.0	0.0	0.1
	0.1	0.0	0.0	0.0	0.1
II. Real estate, plant and equipment					
Other equipment, operating and office equipment	0.7	58.4 ¹	0.1	0.0	59.0
	0.7	58.4	0.1	0.0	59.0
III. Financial assets					
1. Shares in affiliated companies	4,602.6	362.1	88.9 ³	18.1	4,893.9
2. Holdings	90.0	65.0	20.2	– 18.1	116.7
3. Securities held as fixed assets	3,886.7	666.9	96.2	0.0	4,457.4
4. Advance payments	0.0	0.0	0.0	0.0	0.0
5. Other loans	3.6	439.1	0.0	0.0	442.7
	8,582.9	1,533.1	205.3	0.0	9,910.7
	8,583.7	1,591.5	205.4	0.0	9,969.8

¹ of which from merger 57.8

² of which from merger 2.1

³ of which from merger 55.3

⁴ of which from merger 0.1

DEPRECIATION AND AMORTISATION							CARRYING AMOUNTS		
Changes to total depreciation and amortisation in relation to									
As of: 1/1/2020	Depreciation and amortisation	Write-ups	Additions (from merger)	Disposals	Transfers/ other changes	As of: 31/12/2020	As of: 31/12/2020	As of: 31/12/2019	
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.1	0.1	
0.4	1.4	0.0	2.1 ²	0.2	0.0	3.7	55.3	0.3	
0.4	1.4	0.0	2.1	0.2	0.0	3.7	55.3	0.3	
0.1	0.0	0.0	0.0	0.1 ⁴	0.0	0.0	4,893.9	4,602.5	
0.0	0.0	0.0	0.0	0.0	0.0	0.0	116.7	90.0	
370	19.8	0.0	0.0	0.0	0.0	56.8	4,400.6	3,849.7	
0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
0.0	5.9	0.0	0.0	0.0	0.0	5.9	436.8	3.6	
37.1	25.7	0.0	0.0	0.1	0.0	62.7	9,848.0	8,545.8	
37.5	27.1	0.0	2.1	0.3	0.0	66.4	9,903.4	8,546.2	

INDEPENDENT AUDITOR'S CERTIFICATE

To the RAG-Stiftung, Essen

AUDIT OPINIONS

We have audited the annual financial statements of the RAG-Stiftung, Essen – comprising the balance sheet as of 31 December 2020 and the income statement for the financial year from 1 January to 31 December 2020 as well as the notes to the annual financial statements, including the presentation of the accounting and valuation methods. Furthermore, we have audited the Management Report of the RAG-Stiftung for the financial year from 1 January to 31 December 2020.

According to our assessment, based on the findings gained in the audit,

- the accompanying annual financial statements comply with German commercial law in all material respects and, taking into account the German generally accepted accounting principles, give a true and fair view of the net assets and financial position of the Foundation as of 31 December 2020 and its results of operations for the financial year from 1 January to 31 December 2020 and
- the accompanying management report provides a true picture of the situation of the Foundation. In all material respects, this management report is consistent with the annual financial statements, complies with German statutory provisions and accurately presents the opportunities and risks of future development.

Pursuant to Section 322, Paragraph 3 (1) HGB, we declare that our audit has not led to any objections to the regularity of the annual financial statements and the management report.

BASIS FOR THE AUDIT OPINIONS

We have conducted our audit of the annual financial statements and the management report in accordance with Section 317 HGB in compliance with the German principles of proper auditing of financial statements as stipulated by the Institute of Auditors (IDW). Our responsibilities under these rules and policies are described further in the section entitled “Auditors’ Responsibilities for the Audit of the Annual Financial Statements and the Management Report” of our certificate. We are independent of the Foundation in accordance with the German commercial and professional regulations and have fulfilled our other German professional obligations in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to serve as a basis for our opinions on the annual financial statements and management report.

OTHER INFORMATION

The legal representatives are responsible for the other information.

The annual report is expected to be made available to us after the date of the certificate.

Our audit opinions on the annual financial statements and the management report do not extend to the other information and, accordingly, we provide neither an opinion nor any other form of audit conclusion.

In connection with our audit, we have the responsibility to read the other information and to assess whether the other information

- is materially inconsistent with the annual financial statements, the management report or our knowledge acquired during the audit, or
- appears to be otherwise substantially misrepresented.

RESPONSIBILITY OF THE LEGAL REPRESENTATIVES FOR THE ANNUAL FINANCIAL STATEMENTS AND THE MANAGEMENT REPORT

The legal representatives are responsible for the preparation of the annual financial statements, which comply with German commercial law in all material respects and for ensuring that the annual financial statements give a true and fair view of the net assets, financial position and results of operations of the Foundation in accordance with German generally accepted accounting principles. In addition, the legal representatives are responsible for the internal controls that they have determined to be necessary in accordance with German generally accepted accounting principles to enable the preparation of annual financial statements that are free from material misstatement, whether intentional or unintentional.

In preparing the annual financial statements, the legal representatives are responsible for assessing the Foundation's ability to continue its business activities (going concern). Furthermore, they have the responsibility to state facts related to the continuation of business activities, if relevant. In addition, they are responsible for accounting for the continuation of business activities on the basis of the accounting principle, unless contrary to fact or law.

Moreover, the legal representatives are responsible for the preparation of the management report, which collectively conveys an accurate picture of the situation of the Foundation, is in all material respects consistent with the annual financial statements, complies with German legal requirements and accurately reflects the opportunities and risks of future development. The legal representatives are likewise responsible for the arrangements and measures (systems) that they considered necessary to enable the preparation of a management report in accordance with the applicable German statutory provisions and to be able to provide sufficient suitable evidence for the statements in the management report.

AUDITORS' RESPONSIBILITIES FOR THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND THE MANAGEMENT REPORT

Our objective is to obtain reasonable assurance as to whether the annual financial statements as a whole are free from material misstatement, whether intentional or unintentional, and whether the management report gives a true and fair view of the situation of the Foundation overall and is in all material respects consistent with the annual financial statements and the findings of the audit, in accordance with German legal requirements and correctly reflects the opportunities and risks of future development, and to issue an audit certificate, which includes our audit opinions on the annual financial statements and the management report.

Reasonable assurance provides a high degree of certainty, but no guarantee that an audit conducted in accordance with Section 317 HGB and in compliance with the German generally accepted standards for the audit of financial statements as stipulated by the Institute of Auditors (IDW) will always uncover a material misstatement. Misstatements can result from any breach or inaccuracy and are considered material if they could reasonably be expected to influence, individually or collectively, the economic decisions of addressees made on the basis of these annual financial statements and management report.

During the audit, we exercise due discretion and maintain a critical attitude. Furthermore,

- we identify and assess the risks of material misstatement, whether intentional or unintentional, in the financial statements and management report, and schedule and perform audit procedures in response to such risks, and obtain audit evidence that is sufficient and appropriate to serve as a basis for our audit opinions. The risk that material misstatements will not be detected is higher for violations than for inaccuracies, as violations may include fraudulent interaction, falsification, intentional incompleteness, misrepresentation or overriding of internal controls.
- we gain an understanding of the internal control system relevant for the audit of the annual financial statements and the provisions and measures relevant to the audit of the management report, so as to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of such systems.
- we assess the appropriateness of the accounting policies used by the legal representatives and the reasonableness of the estimates and related disclosures made by the legal representatives.
- we draw conclusions about the appropriateness of the accounting principle applied by the legal representatives for the continuation of business as well as, on the basis of the audit evidence obtained, whether there is material uncertainty related to events or circumstances that may raise significant doubts about the Foundation's ability to continue the business. If we conclude that there is material uncertainty, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and management report or, if these disclosures are inadequate, to modify our respective audit opinion. We draw our conclusions on the basis of the audit evidence obtained up to the date of our audit certificate. However, future events or circumstances may result in the Foundation being unable to continue its business.
- We assess the overall presentation, structure and content of the annual financial statements including the information and whether the annual financial statements present the underlying transactions and events in such a way that the annual financial statements provide a true and fair view of the net assets, financial position and results of operations of the Foundation in accordance with German generally accepted accounting principles.
- we assess the consistency of the management report with the annual financial statements, its legislation and the image it conveys of the situation of the Foundation.
- we conduct audits of the forward-looking statements presented by the legal representatives in the management report. On the basis of sufficient suitable audit evidence, we will in particular look

closely at the significant assumptions on which the forward-looking statements presented by the legal representatives are based, and assess the proper derivation of the forward-looking statements from these assumptions. We do not issue an independent audit opinion on the forward-looking statements and the underlying assumptions. There is a significant, unavoidable risk that future events will differ materially from the forward-looking statements.

Among other things, we discuss the planned scope and timing of the audit with the responsible individuals, as well as significant audit findings, including any deficiencies in the internal control system that we identify during our audit.

Düsseldorf, 15 April 2021

PricewaterhouseCoopers GmbH
Auditing Company

Erik Hönig
Auditor

Joachim Gorgs
Auditor

IMPRINT

Publisher

RAG-Stiftung
Im Welterbe 10
45141 Essen, Germany
www.rag-stiftung.de

Editor in Chief/Contact

Communication and Sustainability (CR)
Janine Simmann
Telephone +49 201 378-3362
Janine.Simmann@rag-stiftung.de

Concept, design and realisation

Bissinger+ GmbH

Picture credits

Cover illustration: Maximilian Nertinger; pages 8–9 picture: Ina Fassbender;
pages 10–15 pictures: Lina Nikelowski; pages 16–17 picture: Dietmar Klingenburg;
pages 18–19 pictures: mauritius images/Alamy/Jochen Tack, FUNKE Foto Services/Bastian Haumann;
pages 22–23 pictures: Dominik Asbach, Roland Berger Stiftung/Simon Wickstead, Lina Nikelowski;
pages 24–25 pictures: Petair – stock.adobe.com (1), Fraunhofer IZFP (5);
pages 26–27 pictures: Jochen Tack (2), Grischa Windus (1); pages 30–31 pictures: mauritius images/Alamy/
Michael Overkamp (1), iStockphoto (1), Dirk Bannert (1), BW Interiors (1);
pages 32–33 pictures: LBG GP S.À.R.L (1), Commerz Real Investmentgesellschaft mbH (1), NCC (1);
pages 34–35 pictures: Hahn Group (1), Lina Nikelowski (1), Jens Hagen (1); page 36 picture: Oliver Pracht

Printing

WOESTE DRUCK+VERLAG GmbH & Co. KG
Im Teelbruch 108
45219 Essen-Kettwig, Germany



* The PDF contains links to external websites operated by third parties, the content of which we have no influence over and for which we assume no liability. The respective provider or operator always bears the responsibility for the content of such pages. The pages which are linked to were checked for possible legal violations at the time of linking to them. No unlawful content could be recognized at the time when the pages were linked to. A permanent check of the content of the linked pages is however not reasonable without specific indications of a violation of the law. Should we become aware of violations of the law we will remove any such links immediately.

