

Press release

THE RAG-STIFTUNG DEFIES THE PANDEMIC — THE FOUNDATION MODEL HAS PROVEN TO BE ROBUST AND CRISIS-PROOF

- Reliable financing of the perpetual obligations
- The foundation's assets rise above €20 billion for first time
- Bernd Tönjes: "The RAG-Stiftung is consistently reliable"

Essen, 9 June 2021. Although 2020 was dominated by the coronavirus pandemic, which caused considerable challenges, the year was a very successful one for the RAG-Stiftung. The results were announced by the Board of Executives of the foundation during the annual press conference at the Zollverein World Heritage Site. At the end of 2020, the assets of the RAG-Stiftung rose above €20 billion for the first time.

"The foundation has passed another tough test in the form of the Covid-19 crisis," stated Bernd Tönjes, Chairman of the Board of Executives of the RAG-Stiftung, today during the annual press conference in Essen. In his address, Tönjes said that he was, on the whole, very satisfied with the foundation's business development in a challenging environment. "The foundation model has proven to be very robust and crisis-proof even in difficult conditions," he pointed out. The foundation had been able to minimize the pandemic's impact on itself and its equity investments. It had reliably financed the perpetual obligations resulting from hard coal mining in Germany by RAG Aktiengesellschaft for the second year. At the same time, the foundation had been able to increase its assets to more than €20 billion.

In 2020 the foundation's annual profit amounted to about €859 million. Even after adjusting for the one-time effect of the sale of Evonik shares in early 2020, the annual profit still amounted to €324 million. CFO Dr. Jürgen Rupp said, "In 2020 we continued to work hard and successfully to further diversify our assets. Altogether, we invested €1.4 billion in our diversified capital investments last year." The global, widely diversified positioning of the foundation's capital investment portfolio proved its worth. As a result, the foundation was able to participate in the economic rebound in Asia and the USA at a time when the pandemic-related low point in Europe had not yet been reached. The year 2021 also got off to a satisfactory start for the RAG-Stiftung. "Our capital investments are still performing well. We will continue to exploit any investment opportunities that arise in order to expand our portfolio. However, as an active player on the capital

market, we will also make divestments here and there. As long as the coronavirus pandemic does not cause conditions to considerably worsen, we generally expect a normal second half of the year,” said Rupp.

The foundation’s support activities were also affected by the pandemic. “The situation has had an especially strong impact on the youngest members of society,” said Bärbel Bergerhoff-Wodopia, member of the RAG-Stiftung Board of Executives responsible for human resources and the funding areas of education, science and culture. “That’s why we provided quick and uncomplicated funding for activities such as a catch-up programme for primary school pupils who were in need of tutoring due to school closures. The teachers have given us very positive feedback to date concerning the learning results.” The pandemic has also given digitalisation a boost. “In response, we will expand our digital offensive in the education sector in 2021. The focus is mainly on teaching digital and media skills that are very important for children and teenagers,” said Bergerhoff-Wodopia. The effects of the pandemic also had a particularly big impact on the support activities in the cultural sector. As a result, the foundation worked with the recipients of its assistance to develop solutions that reduce the difficulties. All of this clearly shows that the RAG-Stiftung remains a reliable partner for the recipients of its support. As in the previous year, the total budget for support measures amounts to €27 million in 2021. Since its founding, the RAG-Stiftung has provided more than €140 million in support for education, science and culture.

At the close of his address, Bernd Tönjes stated, “The coronavirus pandemic has shown our society limits in 2020. It has also raised our awareness of the importance of responsible behaviour.” In future, the RAG-Stiftung will continue to make a lasting contribution to the transformation of the former mining regions. As an example, Tönjes cited the plans for the area surrounding the Colosseum in Essen, where business, science, education, and research as well as young, small and medium-sized companies will grow together to become an ecosystem for innovation and transformation. “At the RAG-Stiftung we also have big plans for the future,” said Tönjes. “Above all, we will reliably bear the costs of the post-mining period and will not put a burden on taxpayers. In a time in which everything has changed, the foundation remains reliable.”

About the RAG-Stiftung

The RAG-Stiftung is a private foundation that was established in 2007. At the beginning of 2019, the RAG-Stiftung took over the responsibility for financing the perpetual obligations of the German hard coal mining industry in the Ruhr and Saar regions and in Ibbenbüren. In addition, the RAG-Stiftung supports numerous projects in the areas of education, science and culture in order to promote progress in the former mining regions. Further information on the RAG-Stiftung is available at: www.rag-stiftung.de

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