

Consolidated Corporate Governance Report 2024

in accordance with Section 267b of the Austrian Commercial Code (UGB)

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Corporate governance – framework

VERBUND AG is a listed stock corporation domiciled in Austria. Its corporate governance framework is derived from Austrian and European law, including, but not limited to, stock corporation and capital market law, the Austrian Commercial Code (*Unternehmensgesetzbuch*, UGB) including the regulations governing employee co-determination, the Company's Articles of Association, the rules of procedure for the Company's Boards and, finally, the Austrian Code of Corporate Governance (*Österreichischer Corporate Governance Kodex*, ÖCGK).

Commitment to the Austrian Code of Corporate Governance

Declaration of conformity

VERBUND has declared its unconditional commitment to the Austrian Code of Corporate Governance (ÖCGK). The Executive Board and Supervisory Board see it as their primary duty to comply with all of the rules of the Code as fully as possible and to maintain and continue to develop the Group's high internal standards. The Code as amended in January 2023 was applied during financial year 2024 and adhered to in accordance with the explanatory notes in this report. Active implementation of the requirements of the Code is intended to ensure responsible management and control of the Group directed at sustainable, long-term value creation and to create a high level of transparency for all stakeholders. VERBUND will continue to actively adhere to the Code as amended during financial year 2025. Applying the Code as fully as possible is an essential building block for strengthening the trust placed in the Group by shareholders, business partners, employees and the general public.

The Austrian Code of Corporate Governance as amended is available on the website of the Austrian Working Group for Corporate Governance at www.corporate-governance.at

Scope of reporting

A consolidated corporate governance report is presented as required under statutory provisions. As a combined report, it also includes the report in accordance with Section 243c of the Austrian Commercial Code (UGB), and key items have been expanded beyond the listed parent company to include the entire Group. Opinion 22 of the Austrian Financial Reporting and Auditing Committee (AFRAC) has been followed with respect to the requirements on content.

VERBUND has applied European Sustainability Reporting Standards (ESRS) for the first time for the 2024 non-financial statement. This Consolidated Corporate Governance Report includes not only the disclosures required by law but also the additional content as intended by the Code of Corporate Governance, plus the corresponding additions arising from ESRS disclosure requirements. Accordingly, the content is reported as part of the Corporate Governance Report in accordance with ESRS 2 GOV-1 and ESRS 2 GOV-2. Significant events after the reporting date are included in the report.

The 2024 report therefore underwent a voluntary external evaluation of compliance with the Austrian Code of Corporate Governance (ÖCGK), as well as an external assurance as to whether the disclosures pursuant to ESRS 2 GOV-1 and GOV-2 for financial year 2024 included in the report were in line with ESRSs. The findings of this evaluation can be found at the end of this report in the External evaluation section.

Detailed information on the composition and work procedures of the Executive Board, the Supervisory Board and the Supervisory Board's committees is provided in the sections entitled Executive Board and Supervisory Board.

For information on the remuneration of the Executive Board and Supervisory Board, please refer to the separate remuneration report, which is to be submitted to the Annual General Meeting and is published on the website. The information required for ESRS reporting on Executive Board remuneration can be found in General Disclosures and ESRS 2 (Disclosure Requirement GOV-3 – Integration of sustainability-related performance in incentive schemes).

Deviations

VERBUND complies with almost all the rules of the Austrian Code of Corporate Governance, including the R-Rules. In financial year 2024 there were slight deviations in the application of only two C-Rules in the code, which were to some extent the result of legislative circumstances. In accordance with the “comply or explain” principle, those deviations are explained below.

C-Rule 2:

The principle of “one share – one vote” is generally adhered to with respect to VERBUND shares. The sole exception is based on a restriction on voting rights embodied in the “Federal constitutional act regulating the ownership structure of enterprises in the Austrian electricity industry” and in the provision of the Articles of Association based on this. That provision states: “With the exception of regional authorities and companies in which regional authorities hold an interest of at least 51%, the voting rights of each shareholder at the Annual General Meeting shall be restricted to 5% of the share capital.”

C-Rule 45:

The rule according to which Supervisory Board members may not assume any functions on the boards of other companies that are competitors of the Group was adhered to by all the members of the Supervisory Board, with two exceptions.

The two Supervisory Board members in question (Mr Szyszkowitz and Mr Weinelt) each carry out leading functions on boards of companies which are shareholders of VERBUND AG. If there is a conflict of interest among the Supervisory Board members in a specific case, then the chairperson will institute appropriate measures (e.g. withholding certain documents or information, abstaining from voting or departing from the meeting). This was required once with respect to Mr Szyszkowitz and Mr Weinelt for a single agenda item in the reporting period.

Executive Board

Composition of the Executive Board

The Executive Board was composed of four members in financial year 2024.

ESRS 2 GOV-1

Dr. Susanna Zapreva-Hennerbichler assumed her post as the fourth Executive Board member with effect from 1 January 2024. The Supervisory Board extended her term of office to 31 December 2027 in December of the previous year.

The Executive Board

Name	Year of birth	Date of initial appointment	End of current term of office
CEO Mag. Dr. Michael Strugl MBA Chairman	1963	1/1/2019	31/12/2028
Dr. Peter F. Kollmann, Member of the Executive Board Vice-Chairman	1962	1/1/2014	31/12/2027
Mag. Dr. Achim Kaspar, Member of the Executive Board	1965	1/1/2019	31/12/2026
Dr. Susanna Zapreva-Hennerbichler, Member of the Executive Board	1973	1/1/2024	31/12/2027

Board functions of Executive Board members within the Group

Name	Group company		Function
Mag. Dr. Michael Strugl MBA	Austrian Power Grid AG	Supervisory Board	Member
	VERBUND Hydro Power GmbH	Supervisory Board	Chairman
		Annual General Meeting	Chairman
		Supervisory Board	Chairman
	VERBUND Thermal Power GmbH	Annual General Meeting	Chairman
	Ennskraftwerke AG	Supervisory Board	1st Vice-Chairman
	Gas Connect Austria GmbH	Supervisory Board	1st Vice-Chairman
VERBUND Ventures GmbH	Annual General Meeting	Chairman	
Dr. Peter F. Kollmann	Austrian Power Grid AG	Supervisory Board	Chairman
	VERBUND Hydro Power GmbH	Supervisory Board	Member
	VERBUND Services GmbH	Annual General Meeting	Chairman
	VERBUND Energy4Business GmbH	Supervisory Board	Vice-Chairman
	Gas Connect Austria GmbH	Supervisory Board	Chairman

Board functions of Executive Board members within the Group

Name	Group company		Function
Mag. Dr. Achim Kaspar	Ennskraftwerke AG	Supervisory Board	Member
	VERBUND Hydro Power GmbH	Supervisory Board	Vice-Chairman
	VERBUND Innkraftwerke GmbH	Supervisory Board	Chairman
		Shareholders' Meeting	Chairman
	Grenzkraftwerke GmbH	Supervisory Board	Chairman
		Annual General Meeting	Chairman
	Innwerk AG	Supervisory Board	Chairman
	Donaukraftwerk Jochenstein AG	Supervisory Board	Chairman
	Österreichisch-Bayerische Kraftwerke AG	Supervisory Board	Chairman
	VERBUND Thermal Power GmbH	Supervisory Board	Vice-Chairman
		Annual General Meeting	Vice-Chairman
VERBUND Services GmbH	Annual General Meeting	Vice-Chairman	
Dr. Susanna Zapreva-Hennerbichler	VERBUND Hydro Power GmbH	Supervisory Board	Member
Zapreva-Hennerbichler	VERBUND Energy4Business GmbH	Supervisory Board	Chairwoman
		Annual General Meeting	Chairwoman
	VERBUND Energy4Customers GmbH	Annual General Meeting	Chairwoman
	VERBUND Green Power GmbH	Annual General Meeting	Chairwoman
	VERBUND Green Hydrogen GmbH	Annual General Meeting	Chairwoman
	VERBUND Green Hydrogen Sales GmbH	Annual General Meeting	Chairwoman

Supervisory Board appointments of Executive Board members outside the Group

Name	Company	Function
Dr. Peter F. Kollmann	Telekom Austria Aktiengesellschaft	Member
Mag. Dr. Achim Kaspar	KELAG-Kärntner Elektrizitäts-Aktiengesellschaft ¹	Member
Dr. Susanna Zapreva-Hennerbichler	CropEnergies AG (until 31/8/2024)	Member
	PNE AG	Member
	Salzgitter AG	Member

¹ As at 31 December 2024, VERBUND held a 35.17% equity interest in KELAG.

ESRS 2 GOV-1

Work procedures and allocation of responsibilities

The Executive Board manages the Group's business activities and represents the Group externally.

The rules of procedure for the Executive Board govern the allocation of responsibilities and how the members of the Executive Board are to work together. In addition, they lay down the Executive Board's duties to notify and report, and contain a list of measures that require approval by the Supervisory Board. The measures requiring approval also include material transactions proposed by the Group's main subsidiaries.

The allocation of responsibilities within the Executive Board is part of the rules of procedure and defines the range of duties of the Executive Board members without prejudice to the overall responsibility of the Executive Board. The allocation of responsibilities was updated as of 1 January 2024 on the appointment of a fourth member of the Executive Board.

Allocation of responsibilities 2024

Mag. Dr. Michael Strugl MBA	Chairman; corporate development (incl. mergers & acquisitions and corporate responsibility), corporate office (incl. legal affairs, corporate affairs, compliance & audit), strategic human resources, corporate innovation & new business, communications, ventures
Dr. Peter F. Kollmann	Financial management and investor relations, group controlling, corporate accounting and risk management services, electricity grid and gas grid
Mag. Dr. Achim Kaspar	Digitalisation, information security and IT, renewable hydropower generation, thermal generation, tourism
Dr. Susanna Zapreva-Hennerbichler	Business, customers, new renewables generation, green hydrogen

The Executive Board aims to take account of the impacts, risks and opportunities of sustainability matters arising from the materiality assessment in all VERBUND's business areas and to implement the sustainability strategy. In their respective areas of responsibility, each member of the Executive Board ensures these requirements are taken into account and that corresponding policies and actions are developed and implemented.

ESRS 2 GOV-1

Diversity in the Executive Board and access to sustainability expertise

The Executive Board is composed of 75% male and 25% female members. The average age of the Executive Board members is approximately 58 years, with the youngest member being 51 and the oldest being 62.

ESRS 2 GOV-1

The Executive Board's expertise ranges from university education in law, social and economic sciences and business administration, with various relevant studies abroad (Oxford University, Stanford University, University of Toronto), to electrical engineering. Experience in a wide variety of national and international companies, in policymaking and in the energy market, telecommunications and investment banking completes the Executive Board's practical skills.

Thanks to the wide range of professional experience they have gained in their extensive careers both at home and abroad, the members of the Executive Board have acquired a wealth of expertise in sustainability matters and consistently stay up to date with the latest developments. Their ongoing involvement with national and international bodies and with employees in VERBUND's Sustainability organisation, as well as reporting to the Supervisory Board and the public on sustainability matters, keep this knowledge current and ensure that they explore material impacts, risks and opportunities competently.

The Executive Board plays a key role with respect to the sustainability matters that are material to VERBUND and is supported by the internal Sustainability organisation in managing material impacts, opportunities and risks. This organisation consists of a steering committee and a dedicated area of expertise in Corporate Development that reports to the Chairman of the Executive Board and carries out operational tasks.

ESRS 2 GOV-2

The Executive Board defines the parameters for VERBUND's sustainability ambitions, approves any necessary actions, reviews their implementation, reports on them to the Supervisory Board and/or its Strategy and Sustainability Committee and obtains any necessary approvals from the Supervisory Board. Sustainability risks are an integral part of Group risk management and are therefore also included in the reporting to the Supervisory Board.

Supervisory Board

The Supervisory Board has also explicitly affirmed its commitment to the Austrian Code of Corporate Governance. Consequently, the Code, together with the Austrian Stock Corporation Act (*Aktiengesetz*, AktG) and the Austrian Commercial Code (UGB), the Austrian Labour Constitutional Act (*Arbeitsverfassungsgesetz*, ArbVG), the Company's Articles of Association and the rules of procedure for the Executive Board and the Supervisory Board, has become the basis for the Supervisory Board's actions.

The statutory provisions specify that the Supervisory Board must be comprised of members elected by the Annual General Meeting in accordance with the requirements of the Austrian Stock Corporation Act (shareholder representatives) and members appointed by the employee representatives.

Personal details, chairpersons and other Board functions

ESRS 2 GOV-1

The Supervisory Board is led by a chairperson. The chairperson and two vice-chairpersons are elected by the Supervisory Board from among its members for the board's whole term of office.

As at 31 December 2024, the Supervisory Board has a total of 15 members – ten shareholder representatives elected by the Annual General Meeting and five employee representatives appointed by the Works Council.

On 30 April 2024, Mag. Martin Ohneberg und Dipl.-Ing Gerhard Rümmler were re-elected to the Supervisory Board. Two new members – Univ.-Prof. Dr. Eva Eberhartinger and Dr. Ingrid Hengster – were elected to the Supervisory Board to replace Mag. Dr. Christine Catasta and Prof. Dr. Barbara Praetorius. At the constituent meeting of the Supervisory Board following the election, Mag. Martin Ohneberg was re-elected as chairman of the Supervisory Board, Dr. Edith Hlawati as 1st vice-chairwoman and Univ.-Prof. Dr. Eva Eberhartinger as 2nd vice-chairwoman. Otherwise, there were no changes to the composition of the Supervisory Board in financial year 2024.

The rules of procedure for the Supervisory Board were also amended at the 434th meeting of the Supervisory Board effective as of 30 April 2024. Aside from a new system for lump sum remuneration for employee representatives, the changes mainly affected the Supervisory Board committees. The previous Strategy Committee and Sustainability Committee were combined to form a Strategy and Sustainability Committee with a wider remit; the Audit Committee was expanded and the Emergencies Committee was disbanded. This restructuring of the committees reflects the growing importance of sustainability and ESG matters and improves their integration in all areas of VERBUND's business activities.

Name	Year of birth	Date of initial appointment	End of current term of office
Mag. Martin Ohneberg Chairman Managing partner of HENN Industrial Group GmbH & Co KG, member of the board of directors of Aluflexpack AG, Switzerland (president), and member of the supervisory boards of VARTA AG, Germany, and Getzner Werkstoffe Holding GmbH, Austria	1971	30/4/2019	AGM 2028
Dr. Edith Hlawati 1. Vice-Chairwoman Member of the board of directors of Österreichische Beteiligungs AG Member of the supervisory boards of Telekom Austria AG (chairwoman), OMV AG (vice-chairwoman) and EuroTeleSites AG (member)	1957	25/4/2022	AGM 2026
Mag. Dr. Christine Catasta (until 30/4/2024)	1958	16/6/2020	30/4/2024
Univ.-Prof. Dr. Eva Eberhartinger 2. Vice-Chairwoman University professor, Vienna University of Economics and Business Supervisory board of Raiffeisen Bank International AG (member)	1968	30/4/2024	AGM 2027
Dr. Ingrid Hengster Barclays Bank Ireland, CEO Germany, Global Chair Investment Banking Member of the board of directors of the Deutsches Aktieninstitut and the Bundesverband deutscher Banken	1961	30/4/2024	AGM 2027
Prof. Dr. Barbara Praetorius (until 30/4/2024)	1964	16/6/2020	30/4/2024
Kommerzialrat Mag. Jürgen Roth Managing partner at Tank Roth GmbH Member of the supervisory board of ICS Internationalisierungszentrum Steiermark GmbH (chairman); Member of the European Economic and Social Committee	1973	22/4/2015	AGM 2026
Dipl.-Ing. Eckhardt Rummeler Supervisory Board member and corporate consultant Member of the supervisory board of PreussenElektra GmbH, Germany (member) Board of directors of Northland Power Inc, Toronto (member)	1960	16/6/2020	AGM 2027
Mag. Christa Schlager Head of the economic policy department at the Vienna Chamber of Labour Member of the supervisory boards of Forschungsförderungsgesellschaft mbH (member) and Austria Wirtschaftsservice Gesellschaft mbH (aws) (member)	1969	16/6/2020	AGM 2026
Dipl. Ing. Robert Stajic MBA Executive director of Österreichische Beteiligungs AG Member of the supervisory board of OMV AG (member)	1979	25/4/2022	AGM 2025

Name	Year of birth	Date of initial appointment	End of current term of office
Mag. Stefan Szyszkowitz Spokesman for the Executive Board of EVN AG Member of the supervisory boards of Burgenland Holding Aktiengesellschaft (chairman), EVN Macedonia AD (vice-chairman), RAG-Beteiligungs-Aktiengesellschaft (chairman), RAG Austria AG (chairman), Burgenland Energie AG (vice-chairman), Netz Niederösterreich GmbH (vice-chairman) and Wiener Börse AG (member)	1964	23/4/2018	AGM 2026
CEO Dipl.-Ing. Peter Weinelt Managing director of Wiener Stadtwerke GmbH and Wiener Stadtwerke Planvermögen GmbH Member of the supervisory boards of Wien Energie GmbH (chairman), Wiener Netze GmbH (chairman), EVN AG (member), Burgenland Holding Aktiengesellschaft (member) and Wiener Gesundheitsverbund (member); Chairman of the gas and heating section of the Austrian Economic Chamber of Trade (WKÖ)	1966	5/4/2017	AGM 2026

Supervisory Board appointments or comparable roles in publicly traded companies and other significant companies have been listed in relation to (ancillary) functions. Full-time functions are listed where appropriate.

Employee representatives

Name	Year of birth	Date of initial appointment	
Kurt Christof Chairman of the Group's employee representatives Member of the supervisory boards of Stadtwerke Voitsberg GmbH and Sparkasse Voitsberg/Köflach Bankaktiengesellschaft	1964	since 8/3/2004	appointed by the employee representatives
Mag. Dr. Isabella Hönlinger Chairwoman of the Works Council	1971	since 1/9/2016	appointed by the employee representatives
Ing. Wolfgang Liebscher Chairman of the Central Works Council	1966	since 1/11/2013	appointed by the employee representatives
Veronika Neugeboren Chairwoman of the Works Council	1967	since 30/4/2019	appointed by the employee representatives
Ing. Hans Peter Schweighofer Chairman of the Central Works Council	1970	since 18/4/2023	appointed by the employee representatives

The appointment of employee representatives by the Group's employee representatives is for an unlimited period and can be revoked at any time.

Diversity in the Supervisory Board and access to sustainability expertise

ESRS 2 GOV-1

Diversity: of the Supervisory Board members, 13% are between the ages of 30 and 50, 87% are over 50, and 40% of all Supervisory Board members are women.

The members of the Supervisory Board have broadly diversified training and many years of professional experience in Austria and abroad, with expertise in all the specialist areas listed in the diversity policy (page 18).

The Supervisory Board plays an important role in VERBUND's sustainability management. Together with the Executive Board, it deals with all of the Company's sustainability matters, receives reports from the Executive Board on sustainability topics and actions, monitors the implementation of the sustainability strategy and oversees the achievement of sustainability performance targets. The fact that the 2024 Supervisory Board merged its previous Sustainability Committee with the Strategy Committee is testimony to the emphasis placed on sustainability at VERBUND.

In the reporting period, internal and external experts trained the Audit Committee on current sustainability topics, ensuring that the right expertise is available in all of the Supervisory Board's committees.

Independence

Back in 2010, the Supervisory Board of VERBUND AG defined the following criteria for its independence (pursuant to C-Rule 53 of the Austrian Code of Corporate Governance):

- The Supervisory Board member shall not have served as a member of the Executive Board or as a member of the senior management staff of the Company or one of its subsidiaries in the past five years.
- The Supervisory Board member shall not maintain or have maintained in the past year any business relationships with the Company or one of its subsidiaries to an extent that would be significant to the member of the Supervisory Board. This shall also apply to relationships with companies in which the member of the Supervisory Board has a material economic interest, but not to exercising functions on the boards of the Group. The approval of individual transactions by the Supervisory Board pursuant to L-Rule 48 shall not automatically mean that the person is deemed not to be independent.
- The Supervisory Board member shall not have acted as auditor of the Company or have owned a share in the audit firm or have worked there as an employee in the past three years.
- The Supervisory Board member shall not be a member of the managing board of another company in which a member of the Executive Board of the Company is a supervisory board member.
- The Supervisory Board member may not remain on the Supervisory Board for more than 15 years. This shall not apply to Supervisory Board members who are shareholders with a direct equity interest in the Company or who represent the interests of such a shareholder.
- The Supervisory Board member shall not be a close relative (direct descendant, spouse, life partner, parent, uncle, aunt, sibling, niece or nephew) of a member of the Executive Board or of persons who hold one of the aforementioned positions.

Based on these guidelines for independence (Annex to the Austrian Code of Corporate Governance), all ten shareholder representatives have issued a written statement on their independence. Eight of them have declared their independence, and two members of the Supervisory Board (Mr Weinelt and Mr Szyszkowitz) have classified themselves as not being independent (with respect to only the "relationships with related parties" criterion).

In addition, the following shareholder representatives on the Supervisory Board meet the criteria for independence contained in C-Rule 54 (not representing the interests of a shareholder with a stake

exceeding 10%): Mr Ohneberg, Ms Eberhartinger, Ms Hengster, Mr Roth, Mr Rümmler and Ms Schlager. Both quotas required for independence by Rule 53 and Rule 54 of the Code have thus been met.

Supervisory Board meetings

Six plenary meetings of the Supervisory Board were held during financial year 2024. At individual meetings, some Supervisory Board members attended remotely by phone or video. The overall attendance rate for all Supervisory Board members (including remote attendees) was 94%. No member of the Supervisory Board attended fewer than half of the meetings in person (including virtual attendance).

In addition to coordinating the ongoing strategic direction of the Company with the Executive Board – a direction in which sustainability matters have always played a significant role – the Supervisory Board focused in particular on decisions relating to the following matters during the reporting period:

- The consolidated financial statements and annual financial statements of VERBUND AG for 2023;
- The proposal for profit appropriation in accordance with Section 96(1) of the Austrian Stock Corporation Act (AktG);
- Motions for the Annual General Meeting;
- Engagement of the auditor;
- Extension of the term of office of an Executive Board member;
- Election of the General Committee of the Supervisory Board and constitution of the committees;
- Amendment of the Supervisory Board's rules of procedure;
- Development of pumped storage projects in Spain;
- Investments for the Kaprun 2029 project (Phase II);
- Acquisition of a PV project in Italy and a renewables portfolio in Austria;
- Construction of a battery storage facility in Germany
- Establishment and renewal of financial instruments; borrowings;
- Assumption of liabilities in connection with the development and construction of projects in the New renewables segment; and
- Approval of the Group budget for 2025.

(Please also refer to the section describing the activities focused on by the Supervisory Board's committees.)

ESRS 2 GOV-2

The Executive Board's regular written reports provide the Supervisory Board with information on the material impacts, opportunities and risks related to the topics identified in the materiality assessment (see non-financial statement results in ESRS 2 SBM-3) and keep them informed of the ongoing development and implementation of action plans.

Each year during the audit of the financial statements, the auditor provides the Supervisory Board with a separate report on the reliability of the risk management system. The report from the auditor also details sustainability risks and opportunities in the same manner as in the written quarterly reports on operating risk management that the Supervisory Board discusses at its quarterly meetings.

In addition to the meetings of the Supervisory Board and its committees (see below), there were regular discussions and teleconferences between the Chairman of the Supervisory Board and the Chairman of the Executive Board, and several discussions were held with individual members of the Executive Board.

Evaluation of the performance of the Supervisory Board

The performance of the Supervisory Board is evaluated annually during the Annual General Meeting, at which the shareholders vote to approve the actions of the Supervisory Board. At the 77th Annual General Meeting on 30 April 2024, the actions of all Supervisory Board members were formally approved.

As required by the Austrian Code of Corporate Governance (Rule 36), the Supervisory Board also evaluates its own activities, particularly its organisation and operation. In the reporting period, this self-evaluation was conducted on the basis of qualitative and quantitative interviews carried out by an external consultant with all Supervisory Board members and Executive Board members. The findings of this evaluation and the ensuing recommendations for action were discussed in detail at the Supervisory Board meeting on 4 December 2024.

Composition and work procedures of the committees

In accordance with the provisions of the rules of procedure for the Supervisory Board (as amended on 30 April 2024), following the Annual General Meeting, the Supervisory Board elected the members of an Audit Committee, a Strategy and Sustainability Committee, a Remuneration Committee and a Nomination Committee. In addition, it can form temporary or permanent committees specifically for certain projects and topics.

Each chairperson of a committee is required to report to the Supervisory Board on the work of the committee they chair and on its decisions. In urgent cases, the chairperson of a committee is required to report in advance to the Chairperson of the Supervisory Board.

Audit Committee

The Audit Committee was established pursuant to Section 92(4a) of the Austrian Stock Corporation Act (AktG) and, in accordance with the rules of procedure for the Supervisory Board, consists of six Supervisory Board members elected by the shareholders and three employee representatives in accordance with Section 92(4) of the Austrian Stock Corporation Act (AktG). The chairperson and vice-chairperson of the committee are elected from among its members.

The Audit Committee performs the tasks under Section 92(4a) of the Austrian Stock Corporation Act (AktG) and Rule 40 of the Austrian Code of Corporate Governance (ÖCGK). It has the financial expert required by law and by the Code at its disposal, who is also the chairperson of the committee.

Members of the Audit Committee

Name	Function
Univ.-Prof. Dr. Eva Eberhartinger	Chairwoman
Mag. Martin Ohneberg	Vice-Chairman
Dr. Ingrid Hengster	Member
Mag. Jürgen Roth	Member
Mag. Christa Schlager	Member
Dipl.-Ing. Robert Stajic	Member
Kurt Christof	Employee representative
Mag. Dr. Isabella Hönlinger	Employee representative
Veronika Neugeboren	Employee representative

The Audit Committee of the Supervisory Board held three meetings in financial year 2024. The activities of the Audit Committee focused on:

- Preparing the resolution on the consolidated financial statements for 2023 and the annual financial statements of VERBUND AG for 2023, including appropriation of profit;
- The proposal for the election of the auditor;
- Acknowledgement of the semi-annual financial statements for 2024;
- The audit process and 2024 audit areas of emphasis (auditor);
- ESG upskilling (including regulations, opportunities and risks);
- Audit and non-audit services performed by the auditor;
- Acknowledgement of the reports of the Executive Board;
- Acknowledgement of the audit programme and the report of the Internal Audit department.
- The compliance status report; and
- The 2025 budget and financial report.

Strategy and Sustainability Committee

ESRS 2 GOV-2:

A Strategy and Sustainability Committee has been established in accordance with the applicable rules of procedure. It is comprised of six members of the Supervisory Board elected by the shareholders and three employee representatives in accordance with Section 92(4) of the Austrian Stock Corporation Act (AktG). The chairperson and vice-chairperson of the committee are elected from among its members.

The Strategy and Sustainability Committee is responsible for developing a corporate strategy that takes account of ESG objectives in collaboration with the Executive Board, and for the annual review of strategy and support of any adaptive measures and the preparation of material strategic decisions. In addition, it addresses issues which, in view of conflicts of interest and matters relating to competition law, are not to be discussed among the entire Supervisory Board. The committee's other responsibilities include addressing regulatory obligations with respect to sustainability, the New Green Deal, decarbonisation, the energy transition, climate and environmental protection; appropriate strategies and implementation measures; addressing ESG impacts, risks and opportunities; and reviewing the sustainability strategy and targets annually.

The Strategy and Sustainability Committee met four times during the reporting period. In particular, it dealt in detail with the implementation of the Group strategy and strategic planning, with individual M&A projects and their sustainability impacts, new scenario calculations, and with sustainability priorities such as the materiality assessment and the Climate Transition Plan.

Members of the Strategy and Sustainability Committee

Name	Function
Mag. Martin Ohneberg	Chairman
Dipl.-Ing. Eckhardt Rümmler	Vice-Chairman
Dr. Ingrid Hengster	Member
Mag. Jürgen Roth	Member
Mag. Christa Schlager	Member
Dipl.-Ing. Robert Stajic	Member
Kurt Christof	Employee representative
Ing. Wolfgang Liebscher	Employee representative
Ing. Hans Peter Schweighofer	Employee representative

Remuneration Committee

Pursuant to its rules of procedure, the Supervisory Board is required to appoint a Remuneration Committee in accordance with the Austrian Code of Corporate Governance (ÖCGK) consisting of the chairperson of the Supervisory Board and the two vice-chairpersons. The Supervisory Board has permanently allocated responsibility for the following matters to this committee:

- Contracts with members of the Executive Board;
- Determination of Executive Board member remuneration;
- Decisions on management bonuses and premiums for members of the Executive Board; and
- Regular review of the remuneration policy for members of the Executive Board.

Members of the Remuneration Committee

Name	Function
Mag. Martin Ohneberg	Chairman
Dr. Edith Hlawati	1st Vice-Chairwoman
Univ.-Prof. Dr. Eva Eberhartinger	2nd Vice-Chairwoman

The Remuneration Committee has the remuneration expert required by Rule 43 of the Austrian Code of Corporate Governance (ÖCGK) at its disposal, as both Mag. Martin Ohneberg and Dr. Edith Hlawati meet this requirement.

The Remuneration Committee met three times during financial year 2024. The meetings dealt with the agreements on targets and level of target achievement for the Executive Board's variable remuneration components as well as the 2023 remuneration report to be submitted to the Annual General Meeting.

Nomination Committee

In accordance with its rules of procedure, the Supervisory Board appoints a Nomination Committee comprised of the chairperson of the Supervisory Board and three other members of the Supervisory Board elected by the shareholders plus two employee representatives in accordance with Section 92(4) of the Austrian Stock Corporation Act (AktG). The chairperson of the Supervisory Board chairs the committee, and the committee elects the vice-chairperson.

The Nomination Committee submits proposals to the Supervisory Board on appointments to the Executive Board and is responsible for preparing the election of Supervisory Board members. The Nomination Committee is required to take account of the fact that a candidate's final nomination for the Executive Board must take place before the nominee's 65th birthday.

Members of the Nomination Committee

Name	Function
Mag. Martin Ohneberg	Chairman
Dr. Edith Hlawati	Vice-Chairwoman
Dipl.-Ing. Eckhardt Rümmler	Member
Dipl.-Ing. Robert Stajic	Member
Kurt Christof	Employee representative
Ing. Wolfgang Liebscher	Employee representative

The Nomination Committee held two meetings in the year under review, at which it discussed preparations for the election of Supervisory Board members and the extension of Dr. Susanna Zapreva-Hennerbichler's mandate on the Executive Board.

Contracts requiring consent – conflicts of interest

In financial year 2024, contracts and/or transactions approved by the Supervisory Board of VERBUND AG in accordance with the Austrian Stock Corporation Act (AktG) and the Austrian Code of Corporate Governance (Rule 49) existed between the VERBUND Group and the following individual Supervisory Board members or companies with which Supervisory Board members have close relationships:

Supervisory Board member Mag. Stefan Szyszkowitz

A number of contractual relationships, some of which have been in place for many years, exist between VERBUND and the EVN Group, of which Mag. Stefan Szyszkowitz is spokesman for the managing board. Most of these relationships had already been entered into before Mag. Szyszkowitz became a member of the Supervisory Board. The business transacted under these contracts and the volume of transactions are reported to the Supervisory Board on an annual basis. In financial year 2024, an order volume totalling €4.49m was processed on the basis of existing contracts (excluding transactions with grid subsidiaries Austrian Power Grid AG and Gas Connect Austria GmbH). These primarily involved electricity and grid purchases for various VERBUND companies. An EFET master agreement is also in place for the trading of electricity and gas between VERBUND Energy4Business GmbH and EVN AG. Contractual relationships for the supply of electricity also exist with ENERGIEALLIANZ Austria GmbH, in which EVN holds a 45% interest, and Group company SMATRICES has concluded a roaming agreement with EVN for the purpose of sharing charging infrastructure.

In the reporting period, the Supervisory Board also approved an agreement on the purchase of guarantees of origin for the 2026–2028 generation period (concluded between VERBUND Innkraftwerke GmbH, VERBUND Energy4Business GmbH and EVN AG) as well as an agreement on the delivery of guarantees of origin for the same period, including electricity deliveries (concluded between VERBUND Energy4Business GmbH and EVN AG), and approved the conclusion of

two supplementary agreements to the approved site agreement concerning the Dürnrohr and Korneuburg power plants.

Supervisory Board member Dipl.-Ing. Peter Weinelt

A number of contractual relationships, some of many years standing, exist between VERBUND and the Wiener Stadtwerke Group, of which Dipl.-Ing. Peter Weinelt is CEO. Most of these had already been entered into before Dipl.-Ing. Peter Weinelt became a member of the Supervisory Board. The business transacted under these contracts and the volume of transactions are reported to the Supervisory Board on an annual basis. In financial year 2024, an order volume totalling €6.80m was processed on the basis of existing contracts (excluding transactions with grid subsidiaries Austrian Power Grid AG and Gas Connect Austria GmbH). These primarily involved grid purchases for VERBUND companies. An EFET master agreement is also in place for the trading of electricity between VERBUND Energy4Business GmbH and Wien Energie GmbH. Contractual relationships for the supply of electricity also exist with ENERGIEALLIANZ Austria GmbH, in which Wiener Stadtwerke holds a 45% interest. In addition, a roaming agreement was entered into between Group company SMATRICS and Wien Energie GmbH for the purpose of sharing charging infrastructure, and VERBUND Energy4Business GmbH concluded an agreement with Wiener Netze GmbH aimed at holding balancing reserves and providing balancing services.

In the reporting period, the Supervisory Board also approved an agreement on the purchase of guarantees of origin for the 2026–2028 generation period (concluded between VERBUND Innkraftwerke GmbH, VERBUND Energy4Business GmbH and Wien Energie GmbH) as well as an agreement on the supply of guarantees of origin for the same period, including electricity deliveries (concluded between VERBUND Energy4Business GmbH and Wien Energie GmbH).

In financial year 2024, the Supervisory Board again looked at possible (other) conflicts of interest involving Supervisory Board members that could arise in particular as a result of activities or equity interests in the energy area or in companies competing with the VERBUND Group or with individual projects. Supervisory Board members reported no conflicts of interest on their parts. According to the assessment of the Supervisory Board, there are no fundamental conflicts of interest that would require further measures. Should such conflicts arise, suitable measures, such as abstention from voting or from providing advice and voting on individual agenda items, would be implemented promptly.

Annual General Meeting

At the Annual General Meeting, which is held at least once a year, shareholders exercise their rights and their voting power. Under their right to request information and propose motions, all shareholders have the opportunity to engage in dialogue with the Executive Board and the Supervisory Board and to express their opinions and state their concerns.

The main tasks and responsibilities of the Annual General Meeting include deciding on the appropriation of profit, electing the Supervisory Board, electing the auditor, formally approving the actions of the Executive Board and the Supervisory Board and making amendments to the Articles of Association.

The 77th Annual General Meeting of VERBUND AG was held on 30 April 2024. Shareholders or their proxies attended in person. The agenda and resolutions adopted at that Annual General Meeting and the voting results can be viewed on the website at www.verbund.com > Investor Relations > General Meeting.

Diversity policy for appointments to the Executive Board and Supervisory Board

(Section 243c(2)(3) of the Austrian Commercial Code, UGB)

ESRS GOV-1
SDG 5

Studies indicate that mixed teams achieve better results and are more effective and innovative than homogeneous groups. This is also true for a company's boards. When members of the Executive Board and the Supervisory Board are being appointed, in order to get maximum benefit from different perspectives for entrepreneurial decisions the following principles must therefore be applied in addition to the general and company-specific requirements for specialised and personal qualifications:

Supervisory Board

The relevant aspects of a diverse composition of the Supervisory Board include the age of its members and the duration of their membership on the Supervisory Board, a balanced representation of men and women, internationality and a balance in the education and career backgrounds of its members.

Age: The aim is to achieve a balanced age structure among members in which the difference between the oldest and the youngest member must be a minimum of ten years in order to allow input from the different views of the generations. No Supervisory Board member may remain on the Supervisory Board for more than 15 years. Both criteria were fulfilled in the reporting period.

Gender representation: Following the Supervisory Board elections at the Annual General Meeting of 30 April 2024, the Supervisory Board of VERBUND AG still includes six women (four shareholder representatives and two employee representatives). This share of 40% (overall) not only complies with the statutory quota requiring 30% of the less-represented gender on the supervisory board (women, in the case of VERBUND), it also complies with the federal government's decision from 2011 according to which women must make up at least 35% of the shareholder representatives on supervisory boards of state-owned companies.

Internationality: The Supervisory Board shall have an appropriate number of members (at least three) who have spent a significant part of their professional career abroad or have many years of experience in international business. This requirement was met in the reporting period, with internationality being reinforced primarily through members from Germany.

Educational and career background: The goal is a Supervisory Board made up of members with the widest possible range of educational backgrounds and experience from different professional careers. On the Supervisory Board, at least one member of the Supervisory Board shall contribute proven skills and expertise in each of the following areas:

Law, capital markets, industry expertise, specialist technical knowledge, financing expertise, expertise in the area of sales, digitalisation and innovation, experience with regulated companies and financial markets as well as experience in strategic projects (e.g. M&A) and experience in the areas of sustainability, environment and stakeholder management.

These diversity criteria were amply taken into account in the election of the Supervisory Board at the Annual General Meeting on 30 April 2024.

Executive Board

The relevant aspects of a diverse composition of the Executive Board include a balance in the educational and career backgrounds, internationality and the duration of its unchanged composition.

Educational and career background: In addition to extensive managerial experience and comprehensive industry knowledge, members of the Executive Board shall have a sound education and relevant professional experience in either the technical or the commercial/administrative area.

Gender representation: The aim is to have one female member on the Executive Board.

Internationality: Some members of the Executive Board shall have spent a significant part of their professional career abroad or have many years of experience in international business.

Duration of the composition: The composition and division of responsibilities of the Executive Board shall not remain unchanged for more than ten years.

The appointment of Dr. Zapreva-Hennerbichler and the extension of her Executive Board mandate in the year under review notably strengthened all of the Executive Board's diversity criteria.

Promoting equal opportunities for women

(Section 243c(2)(2) of the Austrian Commercial Code, UGB)

At VERBUND, we see diversity, equality and inclusion not only as an opportunity for greater creativity and resilience in our day-to-day business activities, but also as our social responsibility. We view equal opportunities as a priority. VERBUND treats all its employees equally, regardless of their gender, age, religious beliefs, disability, culture, skin colour, social origins, sexual orientation or nationality. Decisive action is taken against any form of discrimination or harassment. There is no question that employees who feel a sense of belonging, acceptance and the freedom to be themselves are fully committed to their work. We believe wholeheartedly in this as an ongoing recipe for success.

We also believe it is crucial that women are represented in all areas of the Company. Six members, i.e. 40%, of the VERBUND AG Supervisory Board are women: Eva Eberhartinger, Ingrid Hengster, Edith Hlawati and Christa Schlager, along with employee representatives Isabella Hönlinger and Veronika Neugeboren. The selection of Supervisory Board members is the responsibility of the Annual General Meeting on the one hand and on the other hand depends on delegates being appointed as employee representatives.

As at 31 December 2024, 24 women held (first- and second-level) management positions within the Group. As such, women held 18.6% of these posts.

As at 31 December 2024, the percentage of women among employees throughout the Group was 22.6% – an increase on the previous year (22%).

ESRS 2 GOV-1

Detailed information on actions to promote equal opportunities for women can be found in the annual report in the section entitled ESRS S1 Own workforce.

Diversity, equality and inclusion are firmly integrated at VERBUND and have been progressing constantly thanks to our Diversity team.

VERBUND promotes equal opportunities for women through a variety of measures, listed here as examples:

- A clear objective for the Executive Board and management to increase the proportion of women employees and managers to 25% by 2030.
- The Diversity Network, whose parameters, internal structures and responsibilities (including the local points of contact) enable and nurture debate on the topic of gender equity as a facet of a modern and supportive corporate culture.
- Making work-life balance for all employees a high priority. In 2024, VERBUND received the Work and Family Audit certificate for the sixth time.
- We ensure fair pay by preparing an income report comparing the salaries of men and women and by carrying out additional analyses.
- Under the banner of “with each other, for each other”, our MissionV-emale women’s network connects women from all areas of the Company, provides a forum for discussion and hosts interesting and informative events.
- The VERBUND Scholarship for Women offers women studying technical subjects “a shot of financial energy” to further their personal development. We have been awarding the scholarship every year since 2009 in cooperation with Vienna University of Technology Career Center.
- In 2024, VERBUND took part as it does every year in Vienna’s annual Take Your Daughter to Work Day to give schoolgirls an early insight into fascinating technical careers.
- By participating in Women in Technology (*Frauen in die Technik*, FIT), we show female high school graduates the advantages of studying engineering. FIT presents successful women in technical professions as role models, helping to dispel reservations about embarking on technical or scientific training programmes.

External evaluation

Pursuant to C-Rule 62 of the Austrian Code of Corporate Governance, the Company's compliance with the Code and accuracy of reporting are subject to regular external evaluation. The evaluation for the financial year now ended was conducted by the auditor Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H.

Based on the assurance procedures performed and the findings obtained, nothing came to the auditor's attention that caused them to believe that the Consolidated Corporate Governance Report of VERBUND AG for the financial year 2024 does not comply, in all material respects, with the Austrian Code of Corporate Governance (January 2023 as amended).

In addition, this evaluation assessed whether the information pursuant to ESRS 2 GOV-1 and GOV-2 included in the Consolidated Corporate Governance Report for the 2024 financial year was in line with the (ESRS) standards for the consolidated non-financial statement of VERBUND AG. Nothing came to the auditor's attention that caused them to believe that the disclosures pursuant to ESRS 2 GOV-1 and GOV-2 from the consolidated non-financial statement that are included in the Consolidated Corporate Governance Report do not comply, in all material respects, with the provisions of the (ESRS) standards for the consolidated non-financial statement. The Audit Committee evaluated compliance with the provisions of the Code concerning the auditor. In this regard, the Audit Committee reported to the Supervisory Board that the evaluation for 2024 found no deviations from the rules of the Code.

The full report on the external evaluation is available on the website at www.verbund.com > Investor Relations > Corporate Governance.

Vienna, 19 February 2025

The Executive Board



Michael Strugl
Chairman of the Executive Board
of VERBUND AG



Peter F. Kollmann
CFO, Vice Chairman of the
Executive Board of VERBUND AG



Achim Kaspar
Member of the Executive Board
of VERBUND AG



Susanna Zapreva-Hennerbichler
Member of the Executive Board
of VERBUND AG