

Agenda item 8

Voting recommendation by the Executive Board and the Supervisory Board

The Executive Board and the Supervisory Board propose that the Articles of Association of VERBUND AG be fully revised and brought up to date. This includes deleting obsolete or outdated provisions as well as bringing VERBUND's Articles of Association in line with new legal bases and framework conditions, particularly as regards changes in the Austrian Stock Corporation Act (*Aktiengesetz*, AktG).

Modernising the Articles of Association plays an important role in improving transparency for shareholders and other stakeholders by reorganising, structuring and rewriting the existing provisions to make them easier to read. It also improves shareholder understanding by summarising the basic principles relating to the Annual General Meeting, the Supervisory Board and the Executive Board in one document.

The main objectives of the key changes are as follows:

- The comprehensive update of the Group's focus is due to changes in the Austrian electricity market, particularly in the wake of electricity market deregulation and the new regulation of the transmission system operator's legal status ("independent transmission operator"). These changes have reshaped the business environment and led to new areas of activity that should now be explicitly named. Explicit reference should be made to the basic provisions in Sections 5 and 6 of the Austrian Electricity Industry and Organisation Act (*Elektrizitätswirtschafts- und Organisationsgesetz*, EIWOG), making it clear that the Group is actively pursuing the statutory objectives of the EIWOG.
- The revision of the Executive Board provisions aims to provide more detail on voting rights and overall responsibility. This promotes clarity and transparency in line with corporate best practice. In particular, the more precise wording is intended to make the Articles of Association easier to understand.
- The detailed list of transactions requiring approval can be omitted by referring to Section 95(5) of the Austrian Stock Corporation Act (AktG). This eliminates

the need to amend the Articles of Association accordingly each time Section 95(5) is amended.

- The revision of the Supervisory Board provisions includes more precise alignment with the Austrian Stock Corporation Act (AktG). Aspects such as the term of appointment, resignation options and formalities, managing a member's incapacity, quorum of the Board, re-election of members, election of deputies and representation rules are specified in more detail. These measures reflect the legal requirements and ensure the Supervisory Board's continuity and effectiveness. The detailed provisions also provide comprehensive information for shareholders, investors and business partners and promote trust in the Board's fulfilment of its supervisory and advisory functions.
- A supplementary provision on D&O (directors' and officers') liability insurance for Supervisory Board members is included.
- To improve clarity and the level of information for investors and shareholders, the provisions on the Annual General Meeting are expanded in the Articles of Association. Furthermore, clear provisions for holding Annual General Meetings as virtual or hybrid meetings are included, to prepare as effectively as possible for future eventualities and ensure high flexibility.

The Executive Board and the Supervisory Board therefore propose that the new version of the Articles of Association be adopted per the attached wording (Annex ./1).