

We live
sustainability



Responsibility
is non-negotiable

Code of Conduct
for Sustainable Business

Verbund

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Report of the Executive Board: Let's live responsibility!

**Dear Sir/Madam,
Dear Employees,**

We live in a dynamic, ever-changing world. The energy industry in particular faces huge challenges in combating climate change.

We at VERBUND are at the forefront of effecting change. Every day, you and all of us help to make the future of energy sustainable. As a European energy provider we must set an example: for us sustainability is closely intertwined with responsible behaviour towards society, the environment and the economy.

As a trailblazer in the energy transition, we at VERBUND take our **responsibility** to people seriously by ensuring continuous **security** of supply for a sustainable energy future. Collaboration with our business partners based on mutual **trust** and fairness is equally important to us. All underlying codes of conduct, processes and standards designed to make our Group successful now and in the future are based on our **integrity**.

In an increasingly complex environment, this Code of Conduct for Sustainable Business will help us focus on essentials. The Code provides instructions and support for us in our quest to fulfil all legal, contractual, ethical and voluntary requirements to the best of our ability.

It is up to us all to do our utmost – to the best of our knowledge and belief – every day. That goes for you, our executives and employees, just as for us in the Executive Board. Together we will guide VERBUND towards a sustainable future.

Your VERBUND Executive Board

Michael Strugl, Chairman

Peter F. Kollmann

Achim Kaspar

Our shared responsibility

Our work centres on finding solutions to environmental, social and economic challenges. By practising responsible corporate governance, we can contribute to meeting the global goals for sustainable development.



The United Nations' 17 Sustainable Development Goals and other goals provide a framework for our actions.

At VERBUND we want our actions to contribute to meeting the United Nations' 17 Sustainable Development Goals and the ten principles of the UN Global Compact, focusing on the areas of human rights, labour, environment and anti-corruption. We commit to:

Human rights

- We respect and support international human rights within our sphere of influence.
- We take steps to ensure that we are not complicit in human rights abuses.

Labour

- We respect the right to freedom of association and collective bargaining.
- We reject all forms of forced or compulsory labour.
- We strictly condemn child labour.

- We work to eliminate discrimination in hiring and employment.

Environment

- We take precautionary measures to avoid environmental issues.
- We create greater awareness of our responsibility for the environment – both within and outside the Group.
- We encourage the development and dissemination of environmentally friendly technologies.

Anti-corruption

- We condemn all forms of corruption, extortion and bribery.

About this Code of Conduct

This Code of Conduct for Sustainable Business describes VERBUND's responsibility to society, the environment and the economy. It provides guidance for the actions of our employees and executives.

What is included in this Code of Conduct?

The Code of Conduct provides guidelines for responsible action in our Group. It is applicable to all business activities and also to our personal behaviour in our daily work at VERBUND. The Code is divided into five sections: our ethical corporate governance, our climate and environmental conservation, our way of working, our economic responsibility and our commitment to society. Each of these sections is broken down into further sub-topics, such as compliance and transparency, climate change commitment or VERBUND as an attractive employer.

The Code of Conduct will support us in our decision-making and our actions in our everyday working lives.

The Code

- outlines why these issues are important to VERBUND;
- uses examples to explain how our executives and employees are required to tackle these issues in their daily work;
- provides in-depth definitions;
- makes reference to other mission statements, guidelines and information.

To whom does this Code of Conduct apply?

We all need to work together and contribute to meeting all of the legal, contractual, ethical and voluntary requirements. For this reason, each and every one of us is asked to comply with the Code.

The Code of Conduct applies

- to all our executives and employees in equal measure (hereinafter collectively referred to as "employees");
- to all Group companies of VERBUND AG with the exception of Austrian Power Grid AG (APG) and Gas Connect Austria GmbH (GCA) due to the unbundling regulations;
- in dealings with colleagues, customers, suppliers, local residents and all other stakeholders.

We all take responsibility for our decisions and actions in our everyday working lives. This Code of Conduct for Sustainable Business is part of the framework for this. Its core values are shared by VERBUND's employees and executives.



Looking to report a potential incident of non-compliance? Please check page 27 for how to go about it.

We follow
ethical
principles



Our ethical
corporate governance

Compliance and transparency

This Code of Conduct documents our corporate values as part of our corporate governance. It is intended to ensure ethical, transparent action in all of VERBUND's business processes.



How we practice compliance and transparency

We act responsibly and ensure that our actions are clear and comprehensible. Moral and ethical values are key – as is fair, polite, respectful and appreciative interaction. Dependability, trust and credibility are essential for us.

We implement a raft of measures in VERBUND's compliance management system to ensure that external and internal regulations as well as the requirements in this Code of Conduct are implemented and observed and to prevent compliance incidents or violations.

At VERBUND we comply with applicable law, statutes and other rules and regulations. We stand by our agreements and contractual commitments.

As a listed company, we are committed to the Austrian Corporate Governance Code (Österreichischer Corporate Governance Kodex, ÖCGK). We strictly observe the regulations of the capital, financial and wholesale energy markets, as well as applicable financial reporting requirements, generally accepted accounting principles and provisions of tax law.

Handling confidential information carefully is something we do as a matter of course. Our financial market compliance entails establishing clear principles for handling inside information. We take specific steps within the organisation to prevent misuse

or dissemination of information relevant to the capital market (insider trading), market abuse and market manipulation. Inside information is only disclosed within the Group on a need-to-know basis.

We are committed to fair, open competition and adhere to the applicable provisions of competition law.

We do not tolerate any unfair business practices, we categorically reject any form of bribery and corruption and we take steps to prevent money laundering. There must be no performance without consideration, payment of bribes to accelerate processes, or the like. By implementing strict guidelines, we aim to avoid any hint of potentially unlawful or unethical behaviour.

We avoid conflicts of interest as far as possible. We are transparent in our handling of all situations which could give rise to a conflict between personal and professional interests. Possible conflicts of interest must therefore be disclosed. Pursuant to internal regulations, sidelines need to be approved.

Compliance and our business partners

Integrity and trust form the basis for cooperation with all business partners. Not only do we therefore commit to fairness and transparency, but we also expect the same from our business partners. We likewise expect them to uphold our values and principles as set out in this Code of Conduct. They form an important foundation for solid partnerships based on a spirit of trust.

To mitigate any potential compliance risks, we carry out standardised integrity checks of business partners.

We handle company property with due care – not just fixed assets but also intellectual property and expertise. Work equipment is used for professional purposes and occasional personal use is permitted only in accordance with the internal regulations. We handle trade secrets with particular sensitivity – these are specially protected and treated as confidential (not disclosed).

What you as an employee can do

You as an employee are also responsible for adhering to the regulations and acting with integrity. How to do this:

- **Stay informed:** Find out about changes in the legal provisions and other external and internal regulations that are applicable to your area of responsibility. Abide by them and act in a transparent and comprehensible way.
- **Don't be afraid to ask:** Do you have uncertainties, doubts or questions about how to behave in a particular situation? If so, please contact your supervisor, your Group company's compliance officer or the Chief Compliance Officer.
- **Keep up with prohibitions on trading:** Do you have knowledge of or access to inside information? If so, you must not buy or sell any VERBUND securities. Do not give recommendations to third parties and do not unlawfully disclose this information to others (strict prohibition on trading). This applies independently of a lock-up period.
- **Play by the rules:** Under no circumstances should you make written or verbal agreements concerning prices, terms and conditions, capacity, market criteria or terms of sale, delivery or procurement. Do not engage in any concerted practice with the object or effect of restricting or distorting competition.
- **Do not offer or accept benefits:** Do not directly or indirectly offer or accept benefits (such as invitations or gifts) that could influence commercial processes or decisions. In your dealings with public authorities or officials, you must act with particular sensitivity in this regard.
- **Disclose conflicts of interest:** Notify VERBUND of possible conflicts of interest (family or close friendships, investment in a competitor or business partner, remunerated sideline, appointments or executive functions in another enterprise). Do not favour or discriminate against business partners or suppliers for personal reasons.

Why is accepting donations a thorny issue?

Due to our ownership structure, employees and board members of VERBUND are considered officials and are therefore subject to the strict regulations of the Austrian Anti-Corruption Act. This means that you can accept benefits (for example invitations or gifts) – if at all – only to a very limited extent within the framework of the Anti-Corruption Policy.



Further information

VERBUND's learning management system (LMS) continuously offers compliance courses and conducts surveys on compliance issues.

Internal documents

- EO-16 Compliance management system (CMS including whistleblower system)
- EO-18 Mission statement
- HS-01 Financial market compliance
- HS-02 Anti-corruption (Annex 2 Questions & Answers; Annex 6 Principles of Business Partner Compliance)
- HS-05 Competition law compliance
- HSR-02 Inspections by the competition authorities

Public documents

- Anti-Corruption Policy
- Corporate Governance Report
- Supplier Code of Conduct

Information security and data protection

As Austria's leading electricity company, VERBUND operates critical infrastructure. We are committed to strict information security and adhere to the legal requirements governing data protection.

How we protect systems and data

As an operator of essential services in Austria and Bavaria, we at VERBUND commit to observing Austria's Network and Information System Security Act (Netz- und Informationssystem-sicherheitsgesetz, NISG). We implement all state-of-the-art and appropriate security measures to protect the critical infrastructure.

Information security also forms the basis of data protection compliance. We comply with the General Data Protection Regulation (GDPR) and the relevant data protection laws. This is how we protect the rights of all data subjects (for example, rights to information and rights of revocation or deletion).

We undertake to work exclusively with service providers that fulfil our requirements with regard to data protection and information security. They must provide us with reasonable assurance that they have suitable technical and organisational measures in place for this purpose.

Our employees also help to comply with data protection and information security requirements and receive regular training in these areas.

What you as an employee can do

You as an employee are also responsible for ensuring information security and data protection. How to do this:

- **Attend training courses:** Take compulsory training courses to stay up to date.
- **Ensure data protection:** Handle personal data carefully. Report actual or suspected breaches of data protection.
- **Protect your identity and systems:** Use a password generator to create a strong password, for example. Use the Password Safe programme rather than notes to store your passwords.
- **Report anomalies:** Do you receive bogus e-mails or phone calls, have you discovered a fake website or observed conspicuous strangers? Critically assess these incidents and report them (for example, via the phishing button or to the InfoSec team).
- **Take information seriously:** Observe and implement current information security and data protection advice – especially via e-mail or intranet.

Legal basis for data protection

The EU General Data Protection Regulation (2016/679) – GDPR – aims to promote and safeguard the rights and freedoms of individuals and the right to informational self-determination.

The EU Directive (2016/1148) concerning measures for a high common level of security of network and information systems across the Union was implemented in Austria through the Network and Information System Security Act (Netz- und Informationssystem-sicherheitsgesetz, NISG). A corresponding Network and Information Security Regulation (Netz- und Informationssystem-sicherheitsverordnung, NISV) was enacted on this basis.



Further information

Internal documents

- EO-05 Information security policy
- HI-10 IT user rules
- HI-15 Data protection
- HI-16 Information security management system (ISMS)

Public documents

- VERBUND's order terms and conditions

Our sustainable supply chain

Sustainable management does not end at the doors of our Company. We set high social, environmental and economic standards throughout the entire supply chain.



How we safeguard the sustainable supply chain

We ensure that high social, environmental and economic standards are met in our collaboration with suppliers and in our procurement processes. For example, we do not procure any products or services in which human rights may have been violated.

We encourage our suppliers to behave responsibly and ethically by means of our Supplier Code of Conduct and in meetings with suppliers. In doing so, we attempt to consider products' entire life cycle. Where possible, we use sustainable alternatives to conserve resources and protect the environment.

What you as an employee can do

You as an employee can also help make the supply chain sustainable. How to do this:

- **Think of the environment and society:** Take environmental and social criteria into account in every purchase order – no matter whether it is for office supplies or for a major power plant project.
- **Only buy what is needed:** When making your choice, look at tested or certified products (for example ISO certifications or eco labels).
- **Incorporate qualitative criteria:** When choosing a product or service, please consider both quantitative and qualitative criteria (best bidder principle).
- **Implement our standards:** Create awareness for our high sustainability standards at our business partners and suppliers.

The entire value chain counts

Most of the environmental impact does not usually occur within the Group itself, but rather during production, transport, and the use and disposal of purchased or bought-in products. This is why it is so important to consider the entire value chain – from resource extraction to waste disposal or recycling – and to choose responsible suppliers. By doing so, we can protect people and the environment.



Further information

Internal documents

- EO-08 Material management
- DB-01 Local authorities code
- DB-11 Procurement – users

Public documents

- Supplier Code of Conduct
- VERBUND's order terms and conditions

We protect
our planet



**Our commitment to the climate
and the environment**

Our environmental management

We conserve nature and biodiversity. We demand and foster a reduction in the environmental impact of VERBUND and our external stakeholders.

How we protect the environment

We use resources such as water, soil and raw materials as efficiently as possible and strive to preserve the natural habitats of plants and animals. Environmental measures are an important part of plant construction and operation. We maintain and promote biodiversity at our sites and beyond by constructing fish passes, restoring stretches of rivers, creating wetlands, managing grasslands as ecological systems and promoting sustainable route management.

We prevent or at least reduce the ecological impact of our activities, plants, products and services. We optimise our environmental management systems, comply with the applicable legal obligations and consider the impact of our activities.

We advocate for transparency, dialogue and collaboration, which is why we regularly report on our contributions to environmental protection and the effects of VERBUND's activities using environmental KPIs.

We demand and foster a reduction in the environmental impact not only of our employees' activities but also those of our suppliers, partners and customers.

What you as an employee can do

You as an employee can also foster sustainability and manage natural resources responsibly. How to do this:

- **Keep the environmental impact in mind:** Consider possible environmental impacts of your work and incorporate them as criteria when making decisions.
- **Act in line with the circular economy:** Use resources efficiently and give preference to renewable materials. Dispose of waste properly and follow the “avoid, reduce, recycle” principle.
- **Get informed:** Find out about legal and job-specific environmental requirements and proper handling of hazardous (polluting) materials and chemicals.



Example: our environmental management systems

Environmental management systems help us comply with our legal obligations. They establish targets and measures for improvement and are focused on enhancing environmental performance.

Environmental audits are carried out regularly at VERBUND plants and are coordinated and monitored by internal experts – the environmental officers. Following the successful audits, the environmental management systems are certified to ISO 14001 or to the EMAS III Regulation.



Further information

Internal documents

- EO-17 Environment
- Environmental management systems

Public documents

- Environmental mission
- Supplier Code of Conduct
- UN Global Compact

Our climate change commitment

We at VERBUND are committed to curbing global warming. We generate electricity from renewable resources, use energy efficiently and concern ourselves with climate change and its impact.

How we work to mitigate climate change

We generate electricity from renewable hydro, wind and solar power and use energy efficiently. This enables us to avoid greenhouse gas emissions, which in turn makes a contribution to achieving national and international climate targets.

We respect the right of future generations to an intact and habitable world. By phasing out electricity and district heat generation from oil, hard coal and lignite, we have already made a significant contribution to decarbonisation.

We also address the issue of climate change and its impact. We can take timely action by scientifically assessing climate-related natural hazards and their impact on our power plants. Our goal is to continue to ensure safe power generation from renewable sources going forward. Climate protection and climate adaptation are thus key to setting the course for a sustainable and secure energy future.

What you as an employee can do

You as an employee can also help to mitigate climate change or develop measures for adapting to climate change. How to do this:

- **Analyse your activities:** Which of my activities generate greenhouse gas emissions? How can I avoid or reduce these?
- **Get informed:** Find out what impact global warming could have on your work and how you can influence it.
- **Make careful use of energy:** Use energy conscientiously and take advantage of opportunities to improve energy efficiency.



A partner for the future of energy: our climate targets

VERBUND is one of Europe's most sustainable electric utilities and the driving force for renewable energy in Austria. By phasing out coal and heating oil, we have already massively reduced our emissions (dust, NO_x, SO₂, CO₂). An example: in 2020, around 25m tonnes of CO₂ were avoided compared to electricity generation with thermal power plant.

Due to the changes in the energy sector the implementation of our strategy and new calculation methods, VERBUND's emissions base was higher at the end of 2021. This is mainly due to the state-of-the-art Mellach combined cycle gas turbine power plant near Graz, which is necessary for safeguarding supply. VERBUND's new climate targets for 2030 are a maximum of 1.5m tonnes CO₂e (around a 16% reduction versus 2015) in Scope 1 and a maximum of 3.5m tonnes CO₂e (around a 5% reduction versus 2020) in Scope 3 in electricity for consumers.



Further information

Public documents

- VERBUND's strategy (verbund.com)
- Environmental mission statement
- European Green Deal
- Austrian Government Programme 2020–2024
- Renewable Energy Development Act (EAG)

We live
social
responsibility



Our way of working

VERBUND – an attractive employer

Our employees are important to us. We place great emphasis on supporting them to the best of our ability during their entire tenure at VERBUND, from the start of the recruitment process up until retirement.

How we support our employees

Fairness and equal treatment are already a critical part of the selection process. We want to be perceived as an attractive, reliable employer for our (future) employees right from the start. This also means paying our staff fairly.

It goes without saying that the workforce is entitled to statutory co-determination rights and that we adhere to the standards of the International Labour Organization (ILO). We always strive to adjust working conditions to our employees' respective personal situations.

Together with our employees, we aim to ensure that expertise is preserved and transferred from generation to generation – be it by training new apprentices or by offering a wealth of further training opportunities. In doing so, we seek to create a healthy balance between work and private life, for example through various working time models as well as mental and physical fitness. This way, we can achieve a good work-life balance and atmosphere in which the tried and tested can be conserved and something new can be created.

What you as an employee can do

You as an employee can also help to increase the perception of VERBUND as an attractive employer. How to do this:

- **Show appreciation:** Be respectful and appreciative in your dealings with colleagues.
- **Give feedback:** Provide feedback on your working conditions in person or through staff surveys.
- **Take advantage of opportunities:** Actively find out about and take advantage of further training opportunities at VERBUND.
- **Get involved:** Enrich our Group with your qualifications and your personal commitment. And act in accordance with our corporate goals and principles.
- **Focus on soft skills:** As an executive demonstrate not only your expertise but also your soft skills. Ensure open, direct communication and clear, quick decisions. Encourage constructive criticism and a willingness to innovate.
- **Practice responsibility:** As an employee, take responsibility not just for yourself, but also for the Group.



Examples: how we are continuously improving

Quality is of immense importance at VERBUND, which is why we constantly challenge our status quo in different audits, certifications and rankings. This enables us to identify where we can make improvements and adjustments.

A couple of examples: the personnel culture and corporate culture are analysed in the Great Place to Work® survey. BEST RECRUITERS performs an annual review of the recruitment quality of Austria's top employers based on over 100 scientific criteria. The Work and Family Audit helps us to continuously improve the work-life balance.



Further information

Internal documents

- HP-01 Recruitment and personnel marketing
- HP-02 Recruitment and personnel marketing – the internal job market

Diversity and inclusion

At VERBUND we take a holistic approach to diversity and inclusion. We work with all people and firmly reject discrimination, bullying and sexual harassment.

How we promote diversity and inclusion

At VERBUND we work with all people, regardless of gender, age, disability, religious beliefs, culture, skin colour, education, social origin, sexual orientation or nationality.

We firmly reject any form of discrimination, mobbing or sexual harassment. Here we focus on individual areas of our diversity management as needed. To ensure equal opportunities we have a diversity and inclusion management system in place with an equal opportunities officer to whom employees can turn.

A new focus does not mean that other issues have become less important. They remain a fixed part of our corporate philosophy. After all, the more diverse we are as a company, the better we reflect the reality of our society. Diversity and inclusion are critical factors for success that we certainly do not want to do without.

What you as an employee can do

You as an employee can also foster diversity and inclusion. How to do this:

- **Don't be biased:** Be open at all times and show an interest in new cultures and influences.
- **Report incidences of non-compliance:** Provide feedback, in person or through employee surveys, on possible discrimination or breach of the principle of equal treatment.
- **Change your viewpoint:** Don't categorise new situations as "better" or "worse". Simply think of them as "different" or "unfamiliar". From the unknown, research or open enquiry can quickly lead to a new, enriching perspective.
- **Be appreciative:** Show appreciation for diversity in your everyday working life.



Why do we focus on gender balance?

Our current focus is on gender balance and promoting equal opportunities. The measures we have implemented are not solely for the advancement of women, but rather have the long-term objective of achieving a balanced distribution of genders in all areas of the Group.

In this way, we can attract the best people in the job market and provide our customers with top service. The gender balance quota is an essential tool for showing the status quo and making our goals clear and measurable.



Further information

Internal documents

- HP-03 HR management
- HP-05 Gender balance network

Occupational health and safety, crisis management

Healthy, motivated employees are essential for VERBUND. We do our best to keep them safe and promote their health, adhering to stringent national and international standards in the process.

How we improve health and safety

Our ultimate objective is that all our employees as well as contractors' staff return home healthy at the end of the day. Each and every employee and executive must do their bit to ensure this.

We work hard every day to become even more confident in what we do, which is why we are continuously refining our occupational safety measures and our health management standards.

In our Group-wide safety culture project WE LIVE SAFETY, we focus on our employees' personal behaviour in an effort to enhance our awareness of safety.

The high health and safety standards in place at VERBUND are based on the relevant national standards and the principles of the International Labour Organization (ILO). We require our contractors and their subcontractors to adhere to these principles and place particular emphasis on contractors' staff being briefed on safety matters.

What you as an employee can do

You as an employee are also responsible for occupational health and safety. How to do this:

- **Protect yourself and others:** Wear your personal protective equipment when you are supposed to and use all safety systems properly. Your actions must minimise any risks to yourself and others.
- **Attend training courses:** Complete mandatory instruction and training on the topic of occupational safety.
- **Stay healthy:** Also take advantage of further training opportunities, webinars, courses, etc. on health and safety so that you remain in good health.
- **Report accidents and incidents:** Enter near misses, hazard reports and safety-related suggestions in VERBUND's SAP incident database and report all work-related injuries without delay.



Our crisis management

Our business continuity management and emergency response and crisis management not only looks to overcome crises, but also to avert and evaluate them. The structures, tasks and processes and the leadership behaviour are set out in internal guidelines. The same applies to the tasks and responsibilities of the individual roles, as well as to the flow and processing of information in crisis units.

Regular training sessions and courses are held and crisis scenarios tested to anchor the processes and leadership behaviour in the Group. The fact that a separate Group Crisis Management unit has been established attests to the importance of crisis management at VERBUND.



Further information

Internal documents

- Central Occupational Safety Committee regulations
- EO-07 Business continuity management and emergency response and crisis management
- D-02 Crisis management
- HVR-01 Occupational health management

Public documents

- VERBUND's vision for occupational health and safety
- Employee protection laws

We look
at the
big picture



Our economic
responsibility

Renewable energy and green finance

VERBUND is working full steam ahead to combat climate change. We provide innovative solutions for decarbonisation. We generate green electricity from hydro, wind and solar power. And we focus on hydrogen as key to the energy transition.

How we create sustainable value

We develop solutions for decarbonisation, such as in the fields of e-mobility and flexible electricity storage. We generate green electricity using renewable resources: water, wind and sun. And we focus on hydrogen as key to the energy transition plus a future source of energy.

This will help us to avoid almost all CO₂ emissions by 2050, while at the same time creating regional jobs and strengthening business centres by offering competitive energy prices. Greater use of green finance instruments will give us a decisive competitive edge here.

Green finance involves channelling cash flows of private individuals and companies into green, i.e. sustainable, investments. One example is financing projects that help reduce greenhouse gas emissions.

VERBUND is a long-standing pioneer and innovation driver in the area of green finance. In 2014 we issued our first green bond, which has since been followed by the first digital green *Schuldschein*, an ESG-linked loan and, in 2021, the Green and Sustainability-linked Bond. Through all these green financing products, we fund projects that help decarbonise the energy industry – for example, wind power plants, efficiency increases at hydropower plants, or grid expansion. Going forward, we would like to continue with such

forms of financing, assuming projects and the general conditions allow.

What you as an employee can do

As an employee, you can also actively contribute to the advancement of the energy transition. How to do this:

- **Keep your eye on the costs:** Ensure strict cost management in your work area.
- **Practice climate action:** Be aware of your responsibility as a VERBUND employee to set an example in mitigating climate change and act as an ambassador in the energy transition.



In brief: Renewable Energy Development Act

The Renewable Energy Development Act (*Erneuerbaren-Ausbau-Gesetz, EAG*) is an Austrian federal act on developing energy from renewable sources – and an important element in achieving the climate targets. By 2030, all electricity consumed in Austria (national balance) is to be generated from renewable energy sources. For this to happen, renewable energy generation needs to be increased by 27 TWh between 2020 and 2030. This will be achieved with market premiums and government investment grants.

To contribute to decarbonisation, VERBUND's strategy envisages maintaining the value of existing hydropower plants, optimising the flexible generation portfolio and commercially exploiting existing opportunities to grow hydropower. Added to this, the expansion of onshore wind and solar power plants to around 20–25% of VERBUND's overall electricity generation.



Further information

Public documents

- VERBUND's strategy (verbund.com)
- VERBUND's digital green *Schuldschein* (verbund.com)
- ESG-linked syndicated loan (verbund.com)
- VERBUND's positions (verbund.com)

Security of supply and customers

We assume responsibility towards a society that relies on security of supply. Our innovative products and services give customers solutions for the future of energy.

How we contribute to security of supply

Our goal is to provide readily available electricity as an essential factor for domestic business centres and quality of life, as well as for ensuring prosperity. The outputs of the domestic thermal power plants are essential for maintaining security of supply in Austria.

Our customers rely on a dependable supply of energy, which is why we see it as our duty to strengthen the security of supply to the best of our ability at all times. Thanks to our strategic orientation, we at VERBUND are fit for the transformation of the energy industry and are therefore the partner for the future of energy. Maintaining the value and further expanding the existing generation and grid portfolio are important goals here.

Our innovative products and services for consumers provide solutions for the future of energy today. Our success lies in customer-driven services – with a high quality of service and expert support, fair market conditions and absolute dependability.

What you as an employee can do

Depending on your area of work, you as an employee can also contribute to a secure supply along the internal value chain and build our customers' trust. How to do this:

- **You safeguard electricity generation:** Through your work, you contribute to the maintenance or expansion of our necessary facilities (e.g. power plants or grids) in an operational or administrative capacity.
- **You support our customers:** You work on products for our customers intended to ensure supply. In doing so, you communicate clearly and make our products accessible to a broad range of people applying fair business practices.



A vital service for security of supply

We safeguard supply in different ways: the run-of-river hydropower plants (base load power plants) are just as important as the flexible storage and pumped storage power plants or electricity generation from wind and solar power. We also have the highly efficient Mellach combined cycle gas turbine power plant near Graz, which serves as a bridge technology for maintaining security of supply in Austria in a lower-carbon energy future. Its necessary use is a decisive part or even the basis of VERBUND's climate targets for 2030.

Our grid subsidiaries Austrian Power Grid AG (APG) and Gas Connect Austria GmbH (GCA) round off the all-important basis for security of supply. They operate the national electricity transmission grid and the high-pressure gas pipeline network, respectively. APG is instrumental in ensuring grid security in Austria and in the European electricity network.

Innovation and digital transformation

Innovation and digital transformation are strategically important success factors for VERBUND, enabling us to make services and processes more efficient and develop new areas of business.

How we promote innovation and digital transformation

Innovation plays a key role in our Group, providing the means for us to create value for our stakeholders and position VERBUND as a leading company for the energy transition. Innovation enables us to pursue strategic goals, allowing us to make financially significant contributions to the Group's development (in the medium term) and develop new areas of business. As an innovation leader, we aim to set new standards in Austria's electricity industry.

Digital transformation is pivotal for us in all operating segments. Our goal is to make our internal and external services and processes efficient, which is why we intend to unlock potential for digital transformation and implement innovative solutions in all areas, from generation through trading to sales. This was the reason we created the digital transformation master plan with which we map all strategically relevant digital transformation projects at VERBUND and plan and coordinate digital innovations.

What you as an employee can do

You as an employee can also advance innovation and digital transformation within the Group. How to do this:

- **Get involved in innovation projects:** Actively participate in the development and implementation of innovation projects.
- **Build on collaborations:** Use programmes and initiatives such as the VERBUND X Accelerator for cooperating with start-ups or our strategic collaboration with universities.
- **Participate in digital transformation projects:** Get involved in developing and implementing digital transformation projects in the digital transformation master plan.
- **Fall back on expertise:** Use our digital architecture consulting services to roll out and implement new technical solutions.



In brief: innovation and digital transformation

Innovation is a key driver for VERBUND: the innovation portfolio is designed to support our Group's strategic goals and open up business opportunities for us beyond 2030.

We work on digital transformation projects along the entire value chain aimed at generating benefits for our customers and effecting internal improvements.



Further information

Internal documents

- VERBUND's innovation strategy
- EO-19 Innovation, research and development
- HX-01 Innovation management at VERBUND
- HX-02 Co-financing for innovation at VERBUND
- HI-01 Governance for digital transformation, information security and IT
- HI-02 Business process management and data governance
- HI-03 Cloud policy

Public documents

- VERBUND's positions on digital transformation (verbund.com)

We are committed
to the
community



Our contribution
to society

Stakeholder engagement

We actively engage with our stakeholders from politics, administration, industry and society in compliance with the laws and the provisions of good governance.

How we foster dialogue

Incorporating all affected stakeholders into political decision-making is positive and necessary. We fulfil our responsibility in various ways: we actively speak out on energy and climate policy issues, participate in events and engage in dialogue with our stakeholders in regular formats.

Transparency is essential in all activities relating to the advocacy of interests. All key positions on energy and climate policy issues that affect our business interests are made public. We publish VERBUND's positions on these issues on our website. VERBUND's positions on reviews and consultations are published by the consulting parties.

In dialogue with our stakeholders from politics, administration, industry and society, we are guided by objective considerations and contribute our knowledge to the decision-making process in a constructive manner. When carrying out our activities, we comply with national, European and international laws and the provisions of good governance.

We do not use dishonest or unfair means in obtaining and forwarding information for political decision-making or in asserting interests.

We encourage dialogue with all political parties and their organisations. This does not extend to support for political parties and their delegates, however – or to election candidates. We give no financial donations to political parties, grass-roots organisations or officials.

Maintaining good contact with the local property owners is important to us. Key elements for ensuring quality communication are the provision of early and detailed information to those affected, along with an invitation to engage in open dialogue. Honesty, respect, credibility and transparency are the most important principles in our communications.

What you as an employee can do

You as an employee should also engage in responsible dialogue with our stakeholders. How to do this:

- **Communicate openly:** Do not conceal any important information in your collaboration with partners. Only make promises you can keep.
- **Be honest and respectful:** Credibility and transparency are particularly important. Respect the concerns of those affected.
- **Provide information promptly:** As the project manager, you are the primary contact or the first port of call on site.



In brief: lobbying

Lobbying involves positioning and representing corporate interests vis-à-vis the community and politicians. All staff involved in the advocacy of interests are entered in the corresponding lobbying registers. Compliance with all legal requirements is a key principle – and therefore a matter of course.



Further information:

Internal documents

- HK-03 Communication for investment and construction projects
- HK-05 Responsible advocacy

Public documents

- Austrian Lobbying Act (Lobbying- und Interessenvertretungs-Transparenzgesetz, LobbyG)
- VERBUND's positions (verbund.com)

Our commitment to society

VERBUND is an important part of society. We take our responsibility seriously, contribute to people's well-being and foster sustainable social development.

How we actively demonstrate our commitment to the community

We support charitable organisations such as the Electricity Relief Fund run by Caritas and the VERBUND Empowerment Fund run by Diakonie.

We impart our knowledge at schools and universities.

In the regions in which we operate, we maintain a partnership with local emergency services near our power plants.

In the art world we have established an internationally acclaimed collection of contemporary artwork with the VERBUND COLLECTION, focusing on feminist avant-garde.

We have strict internal guidelines on donations, sponsorship and similar collaborations in place.

What you as an employee can do

We invite you as an employee to get involved. How to do this:

- **Be mindful:** Energy poverty is more common than you might think. Help to spread the word about VERBUND's charitable support services.
- **Share your ideas:** Help us to report on your personal social commitment. We are happy to boost awareness of your cause at VERBUND.
- **Tell us how you are helping:** Supporting your personal involvement with the emergency services is very important to us. If you are called to duty, your supervisor will take this into consideration.



Example: the VERBUND Electricity Relief Fund run by Caritas

The VERBUND Electricity Relief Fund run by Caritas provides assistance quickly with no red tape and, above all, for the long term by offering immediate financial assistance to pay outstanding electricity bills, professional on-site energy consulting and a free exchange service for old, inefficient electrical appliances.

Since the project began in 2009, the VERBUND Electricity Relief Fund in collaboration with Caritas has offered assistance to 5,500 households with 13,800 people altogether.



Further information:

Internal documents

- HK-06 Sponsorship, donations and promotional partnerships

Public documents

- VERBUND COLLECTION

Respect for human rights

At VERBUND we uphold human rights, both internally and in our collaboration with business partners, but also in our supply chain, adhering to international standards.

How we respect human rights

At VERBUND we make a commitment to respecting human rights. To this end, we pledge to comply with international human rights standards (for example, the Universal Declaration of Human Rights) and the ten principles of the UN Global Compact, among others.

This means that we insist on respect for human rights both in our internal divisions and in our cooperation with our business partners and within the supply chain.

We respect all types of civil, political, economic, social and cultural rights. We are committed to fair working conditions and reject any form of child, forced or compulsory labour. If we become aware of violations of these rights, we point them out and demand action.

What you as an employee can do

As an employee, you can also support respect for human rights. How to do this:

- **Report abuses:** Have you observed human rights abuses? If you have, please report them immediately.
- **Show respect:** Treat others in your working environment with dignity and respect.
- **Play it safe:** As a business or project manager, clarify in advance in cooperation with business partners that no critical human rights situation exists.
- **Do your homework:** When accepting a foreign assignment, make sure you are aware of the situation in the specific country. Use sources like the websites of the Austrian Foreign Ministry or the Foreign Trade Office to find out more.
- **Choose suppliers carefully:** When choosing suppliers, make sure that they respect human rights.



In brief: what are human rights?

Human rights are basic universal rights. Everyone is entitled to them, regardless of gender, age, disability, religious beliefs, culture, skin colour, education, social origin, sexual orientation or nationality.

Basic rights include the right to freedom and dignity, the right to privacy, the right to work and worker protection, the right to education, and the right to freedom of opinion and association. All VERBUND employees are responsible for observing these rights in their dealings with other people.



Further information:

Internal documents

- HVR-04 Human rights due diligence

Public documents

- Supplier Code of Conduct
- OECD Guidelines for Multinational Enterprises
- UN Guiding Principles on Business and Human Rights

Any
questions?

Contacts and
processes

Questions and reporting incidents

Do you have questions about the Code of Conduct? Or do you wish to report an incident? You can find all relevant contact data and information on how to do this on the following pages.

Instructions on reviewing your actions

1) Ask yourself the following questions

Do the planned actions comply with all of the legal provisions in force?	Do the planned actions meet the requirements of VERBUND's Code of Conduct?	Can I advocate the planned actions in my professional and personal environment with a clear conscience?
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2) Can you answer "yes" to all questions?

Yes	Not sure	No
If you can, then you can implement the actions as planned.	Check with your supervisor or the compliance officer at VERBUND.	Stop the planned actions.

If you are not sure what is the correct way to act in a certain situation, then use the procedure shown to guide you.

We take compliance at VERBUND very seriously and attach enormous importance to fair business practices, integrity and compliance with legal requirements as well as the Group's internal regulations. We trust that all our employees will always strive to act in a legally and ethically sound manner.

Should any abuses or incidents of non-compliance occur nonetheless, we are committed to clarifying and addressing them. To do this, we also need your help.

How are suspected cases and incidents of non-compliance to be reported?

If you have noticed or suspect any compliance incidents, please report them to the following individuals:

- your direct supervisor (or at best their line manager)
- the Chief Compliance Officer or
- your Group company's compliance officer

Reports can be made in person, by telephone, by e-mail, in a letter or by fax. Our digital whistleblowing platform (verbund.integrityline.com) is another reporting channel. Reports can be simply and securely submitted over the VERBUND integrity line, also anonymously.

All reports will be treated in confidence, independently and objectively, with special attention being paid to data protection and personal privacy for the whistleblowers and the individuals concerned. Making a report will not have any negative consequences for you as the reporter – unless you yourself are guilty of non-compliance or have submitted the report against your better judgement in order to harm another person. Please check the whistleblowing platform for more information.

Who can you contact if you have questions or need advice?

Legal violations can have severe repercussions (e.g. fines, payment of damages, loss of reputation) not only for you as an employee but also for the VERBUND Group.

- **General questions:** If you are unsure of the correct, compliant way to act in a particular situation, please contact your Group company's compliance officer or the Chief Compliance Officer at VERBUND and his team:
Karl Stadler, Chief Compliance Officer at VERBUND
Tel.: +43 (0)50 313-54511
Mobile: +43 (0)664 5014033
E-mail: compliance@verbund.com
- **Questions regarding data protection:** If you have questions or comments regarding data protection, please send an e-mail to datenschutz@verbund.com.
- **Questions regarding harassment or discrimination:** If you have questions or comments regarding harassment, discrimination, bullying, etc., please send an e-mail to genderbalance@verbund.com.

Contact

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