

REPORT REVIEW

VERBUND Green Bond Impact Report 2025

18 March 2026

VERIFICATION PARAMETERS

Type(s) of reporting	<ul style="list-style-type: none">▪ Green and Sustainability-Linked Bond Impact Report
Relevant standard(s)	<ul style="list-style-type: none">▪ Harmonised Framework for Impact Reporting, ICMA, June 2024▪ VERBUND's Green Bond Impact Report (as of March 12, 2026)▪ VERBUND's Green Financing Framework (as of March 19, 2021)▪ VERBUND's Integrated Green Financing Framework (as of May 3, 2024)▪ Bond(s) identification (see appendix)
Scope of verification	
Lifecycle	<ul style="list-style-type: none">▪ Second update of the Report Review as of March 19, 2025.▪ As long as no changes are undertaken by the Issuer to its Green Bond Impact Report (as of March 12, 2026)
Validity	

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SCOPE OF WORK

VERBUND (“the Issuer” or “VERBUND”) commissioned ISS-Corporate to provide a Report Review¹ on its Green Bond Impact Report by assessing:

1. The alignment of VERBUND’s Green Bond Impact Report (as of March, 2021) with the commitments set forth in VERBUND’s Green Financing Framework (as of April, 2024).²
2. VERBUND’s Green Bond Impact Report, benchmarked against the the Harmonised Framework for Impact Reporting (HFIR) and Sustainability-Linked Bond Principles (Appendix II SLB disclosure data checklist), as administered by the International Capital Market Association (ICMA). The disclosure of proceeds allocation and soundness of reporting indicators — whether the impact metrics align with best market practices and are relevant to the bonds issued (i.e., green bonds, sustainability-linked bonds or a combination of the two).
3. The disclosure of proceeds allocation and soundness of reporting indicators — whether the impact metrics align with best market practices and are relevant to the bonds issued (i.e., green bonds, sustainability-linked bonds or a combination of the two).
4. The disclosure of the progress of key performance indicators (KPIs) toward the achievement of sustainability performance targets (SPTs).

VERBUND OVERVIEW

VERBUND AG engages in the business of generating, trading and selling electricity to participants in energy exchange markets, traders, electric utilities and industrial companies, as well as to household and commercial customers. It operates through the following segments: Hydro, New Renewables, Sales, Grid, and All Other. The Hydro segment involves the construction, operation and refurbishment of hydropower plants (including pumped storage). The New Renewables segment focuses on wind and photovoltaic generation technologies. The Sales segment is involved in trading and sales activities. The Grid segment includes operations of Austrian Power Grid AG (electricity transmission system operator) and Gas Connect Austria GmbH (operator of the high-pressure gas pipeline grid in Austria). All other segments refers to electricity and thermal generation, infra-group business activities and equity interests. The company was founded in 1947 and is headquartered in Vienna.

¹ A limited or reasonable assurance is not provided on the information presented in VERBUND’s Green Bond Impact Report. A review of the post-issuance disclosure practices (including SPTs progress towards the KPIs) and of the structure of the financial transaction(s) is solely conducted against ICMA’s Standards (Sustainability-Linked Bond Principles) core principles and recommendations where applicable, and the criteria outlined in the underlying Framework. The assessment is solely based on the information provided in the bond documentations and the SLB annual report. The Issuer is responsible for the preparation of the report including the application of methods and internal control procedures designed to ensure that the subject matter information is free from material misstatement.

² The Framework was assessed as aligned with the Green Bond Principles and Sustainability-Linked Bond Principles as of May 3, 2024 and March, 19, 2021.

ASSESSMENT SUMMARY

REVIEW SECTION	SUMMARY	EVALUATION
<p>Part I</p> <p>Alignment with the Issuer's commitments set forth in the Framework</p>	<p>VERBUND's Green Bond Impact Report meets the commitments set forth in the Green Financing Frameworks. The proceeds have been used to (re)finance renewable energy, electricity grid and biodiversity projects in accordance with the eligibility criteria defined in the 2021 and 2024 frameworks. The progress against the SPTs is in line with the initial commitments set in VERBUND's 2021 Green Financing Framework.</p>	<p>Aligned</p>
<p>Part II.a</p> <p>Alignment with the Harmonised Framework for Impact Reporting</p>	<p>The Green Bond Impact Report is in line with ICMA's HFIR. The Issuer follows core principles and, where applicable, key recommendations.</p> <p>The Issuer has implemented a formal internal process for allocating proceeds from its green project investments and reporting on that allocation. The report provides a list of three projects per bond to which the green and diversity bond proceeds have been allocated. The Issuer provides transparency on the level of expected reporting, as well as on the frequency, scope and duration, aligning with best practices. Additionally, the report illustrates the projects' environmental impacts through avoided tCO₂e emissions and biodiversity indicators.</p>	<p>Aligned</p>
<p>Part II.b</p> <p>Implementation of the SLB disclosure data checklist</p>	<p>VERBUND has implemented the necessary and recommended information from the Sustainability-Linked Bond Principles post-issuance disclosure data checklist. The Issuer will provide a verification of the SPTs' performance in 2032.</p> <p>The Issuer will make publicly available a verification report related to the level of performance achieved with respect to each SPT for KPIs 1 and 2.</p> <p>KPI 1: The newly installed production capacity of the company (including its subsidiaries) of renewable energies from hydropower, wind power and solar power (photovoltaics) in the period 01.01.2025 to 31.12.2025,</p>	<p>Implemented</p>

measured in megawatts ("MW").

KPI 2: The additional transformer capacity installed by the issuer (including its subsidiaries) between January 1, 2025 and December 31, 2025, for the connection to the network and the integration of renewable energy generation (as in Article 2 No. 1) Directive (EU) 2018/2001 of the European Parliament and of the Council of 11 December 2018 on the promotion of the use of energy from renewable sources (the transformer power), measured in megavolt-amperes ("MVA").

Part III.a

Disclosure of proceeds allocation and soundness of reporting indicators

The allocation of the bond's proceeds has been disclosed, with a detailed breakdown across different eligible project categories as proposed in the 2021 and 2024 Framework.³

VERBUND's Green Bond Impact Report has adopted an appropriate methodology for impact reporting, providing comprehensive disclosure on data sourcing, calculation methodologies and granularity that reflects best market practices.

Positive

Part III.b

Disclosure of KPIs' progress toward SPTs

VERBUND has adopted an appropriate methodology to report its progress toward KPIs and SPTs by providing comprehensive disclosure on data, assumptions and calculation methods adopted.

Positive

³ The assessment is based on the information provided in the Issuer's report. The Issuer is responsible for the preparation of the report, including the application of methods and procedures designed to ensure that the subject matter is free from material misstatement.

REPORT REVIEW ASSESSMENT

PART I: ALIGNMENT WITH COMMITMENTS SET FORTH IN THE GREEN FINANCING FRAMEWORK




Green Bond’s Characteristics

The following table evaluates the Green Bond Impact Report against the commitments set forth in VERBUND’s Framework, which are based on the core requirements of the Green Bond Principles and best market practices.

GREEN BOND PRINCIPLES	OPINION	ALIGNMENT WITH COMMITMENT
<p>Process for project evaluation and selection</p>	<p>VERBUND confirms to follow the process for project evaluation and selection described in VERBUND’s Green Financing Framework. The Issuer applied the eligibility criteria set in the Framework to determine whether projects fit within the defined categories.</p> <p>ESG risks associated with the project categories are identified and managed appropriately, as defined in the Framework.</p>	<p>✓</p>
<p>Management of proceeds</p>	<p>VERBUND confirms to follow the management of proceeds described in VERBUND’s Green Financing Frameworks.</p> <p>The proceeds collected from the Green Bond including Biodiversity are 101.3% of the amount allocated to eligible projects, with no exceptions. For the Green and Sustainability-linked Bond, 99.6% of the amount are allocated to eligible projects with no exceptions. The proceeds are tracked appropriately and attested in a formal internal process.</p>	<p>✓</p>
<p>Reporting</p>	<p>The report is in line with the initial commitments set in VERBUND’s Green Financing Framework.</p> <p>The proceeds collected from Verbund’s Green Bond including Biodiversity (2024) refinanced 166.5, and 164.7 eligible green projects in 2022 and 2023 respectively.</p> <p><i>Further analysis of this section is available in Part III.</i></p>	<p>✓</p>

Sustainability-Linked Bond's Characteristics

The following table evaluates the Green Bond Impact Report against the commitments set forth in VERBUND's Framework, which are based on the core requirements of the Sustainability-Linked Bond Principles as well as best market practices.

SUSTAINABILITY-LINKED BOND PRINCIPLES	OPINION	ALIGNMENT WITH COMMITMENT
Selection of KPIs	<p>The VERBUND Impact Report's KPIs are in line with the KPIs provided by VERBUND's Green Financing Framework. The report is in line with the initial commitments set in the VERBUND's Green Financing Framework: KPI metric, scope, methodology, baseline, and the associated SPT.</p> <p>KPIs set for the transaction (s) are in line with the ones mentioned in the Framework. The scope of the KPIs and their calculation methodologies are clearly described in the report.</p>	
Calibration of SPTs	<p>The VERBUND Impact Report's SPT(s) is in line with the SPTs provided by VERBUND's Green Financing Framework. The report is in line with the initial commitments set in the VERBUND's Green Financing Framework: The KPI performance against the SPT has been measured in the report and the baseline, target observation date and coupon adjustment are in accordance with the framework commitments.</p> <p>SPTs set for the transaction (s) are in line with the ones mentioned in the Framework. In addition, the Issuer provides in the report detailed factors supporting the achievement of the targets while risk factors are set out in the report.</p>	
Bond characteristics	<p>VERBUND's Impact Report is coherent with the bond characteristics description provided by VERBUND's Green Financing Framework. The report is in line with the initial commitments set in VERBUND's Green Financing Framework.</p> <p>The bond documentation includes definitions of the KPIs and SPTs, as well as the step-up event that are in</p>	

	<p>line with commitments set in the Framework (further analysis of this section is available in Part III of this report). The report confirms that, as this time, there are no circumstances that will result in the need to recalculate SPTs from the Green Financing Framework (2021).</p>	
<p>Reporting</p>	<p>VERBUND’s Impact Report is consistent with the Reporting description provided by VERBUND’s Green Financing Framework.</p> <p>The report is in line with the initial commitments set in VERBUND’s Green Financing Framework: VERBUND will provide data and information relevant to the KPI calculation and performance against the associated Sustainability Performance Targets</p> <p>The report is intended to be publicly available after the sustainability-linked bond issuance.</p> <p>A verification assurance report related to the SPT has been delivered on Feb. 19, 2026.</p> <p>Further analysis of this section is available in Part III.</p>	<p>✓</p>
<p>Verification</p>	<p>Ernst & Young (EY) has provided a Verification Assurance Report on VERBUND’s Green Financing Framework, which will be publicly available on the Issuer’s website.</p>	<p>✓</p>

PART II: ASSESSMENT AGAINST THE HARMONISED FRAMEWORK FOR IMPACT REPORTING

A. FOR GREEN BONDS

Reporting is a core component of the Green Bond Principles, and transparency is of particular value in communicating the expected and/or achieved impact of projects in the form of annual reporting. Green bond issuers are required to report on both the use of green bond proceeds and the environmental impacts at least annually until full allocation or maturity of the bond. The HFIR has been chosen as the benchmark for this analysis as it represents the most widely adopted standard.

The table below evaluates VERBUND’s Green Bond Impact Report against the HFIR.

CORE PRINCIPLES		
HFIR	GREEN BOND IMPACT REPORT	ASSESSMENT
Reporting on an annual basis	<p>As reporting is a core component of the GBP, VERBUND reported within one year of issuance and thereafter within one year from the last report. The report will be available on VERBUND’s website.</p> <p>To illustrate the environmental impact of projects, the report includes qualitative performance indicators, contextual information and quantitative performance measures, where feasible.</p>	✓
Formal internal process to allocate proceeds	<p>All proceeds allocated to green projects as of Dec. 31, 2025, have only been allocated to projects that meet the Framework’s eligibility criteria.</p> <p>The Issuer has also opted to seek external audit on the allocation of funds from the Green Bond towards Green Projects: Salzburg high-voltage power line, Life Riverscape Lower Inn, and Life Blue Belt Danube-Inn.</p>	✓
Transparency on the currency	<p>Allocated proceeds of the bond have been reported in a single currency (EUR)</p> <p>The underlying projects were financed in the same currency.</p>	✓

<p>ESG risk management</p>	<p>The Issuer has a system to identify and manage ESG risks connected to the financed projects. The method used to assess ESG risks is elaborated in the Issuer’s Green Bond Impact Report under the project-specific application of EU taxonomy.</p> <p>The Issuer confirms that no material risks or negative effects have been identified in relation to the financed projects.</p>	<p>✓</p>
<p>Illustrate the expected environmental impacts or outcomes</p>	<p>The impact report illustrates the expected environmental impacts made possible by projects to which green bond proceeds have been allocated. It is based on ex-ante estimates (developed prior to project implementation) as well as on current observations during the first months of the realization of measures.</p> <p><i>More information can be found in part III</i></p>	<p>✓</p>

RECOMMENDATIONS

HFIR	GREEN BOND IMPACT REPORT	ASSESSMENT
<p>Report at project or portfolio level</p>	<p>Reporting was conducted on a bond-by-bond basis, whereby a green bond issuance is linked to one or more specific project(s) VERBUND provided a list of projects to which green bond proceeds were allocated.</p>	<p>✓</p>
<p>Define and disclose period and process for including/removing projects in the report</p>	<p>101.3% of green bond including biodiversity (ISIN: XS2821745374) proceeds have been allocated to green projects. Only project financing disbursed and confirmed as eligible by the Committee up to Dec. 31, 2025, is included in the Green Bond Impact Report.</p> <p>As part of its due diligence, the Issuer monitors the projects included in its green bond program.</p>	<p>✓</p>
<p>Signed amount and amount of green bond proceeds allocated to eligible disbursements</p>	<p>VERBUND indicates the total signed amount and the amount of green bond proceeds allocated to eligible disbursements.</p> <p>Signed amount: 500 million (EUR)</p>	<p>✓</p>

	<p>Allocated amount: 506.3 million (EUR)</p> <p>Furthermore, the Issuer displays a table indicating the years (2022 & 2023) when the disbursements were made to the green projects.</p>	
Approach to impact reporting	<p>The report identifies the individual projects and clearly defines, for each project, the overall project impacts with information about the total project size and the Issuer’s share of total financing and the impacts of individual green projects.</p> <p>VERBUND reports on the weighted average CO₂ saving based on 2030 and 2040 projection in (Mt/a), a core indicator for the 380kV Salzburg line.</p> <p>Also, VERBUND reported the impacts of improving birds and fish habitat, in particular the water passage for fish within the Life Riverscape Lower Inn project. The Life Blue Belt Danube Inn project will also generate impacts to strengthen fish population growth through adding new migration corridors.</p>	✓
Report on sector-specific core indicators	<p>VERBUND reports on avoided GHG emissions, which is a core indicator for the transmission and distribution of renewable energy. VERBUND reports on biodiversity indicators (fish passage) related to terrestrial and aquatic biodiversity.</p> <p>A description of core environmental impacts is available in the report:</p> <ul style="list-style-type: none"> ▪ Achieve good ecological potential in the water bodies of the Inn and Danube ▪ Strengthen fish populations by providing new migration corridors and essential aquatic habitats needed for reproduction and growth ▪ Projected CO₂ savings calculated from 380 kV Salzburg line project 	✓
	<p>Avoided emissions in the 380 kV Salzburg transmission line project is calculated using the methodology developed by the Association of</p>	✓

Disclosure of own methodologies, where there is no single commonly used standard	European Transmission System Operators, based on the published project sheets from the European Ten-Year Network Development Plan. Development Plan.	
Disclosure of the conversion approach	The conversion approach is not applicable.	N/A
Projects with partial eligibility	The Issuer discloses that all projects are 100% eligible for financing. VERBUND does not finance projects with partial eligibility.	N/A
Use (and disclosure) of the attribution approach	The Issuer reports the expected impact of different project components separately.	✓
Ex-post impact information	VERBUND is not planning to perform ex-post verification on its eligible projects.	-
Report the estimated lifetime results and/or project's economic life	Information on the lifetime results/project economic life is not given.	-

OPINION

VERBUND follows the HFIR's core principles and some key recommendations. The Issuer reports annually and has a dedicated internal process to track proceeds and address potential environmental and social risks. Environmental impacts are illustrated by tCO₂e avoided emissions and biodiversity indicators.

B. FOR SUSTAINABILITY-LINKED BONDS

NECESSARY

SLB DISCLOSURE
DATA CHECKLIST⁴

VERBUND'S SLB REPORT

ASSESSMENT

Verification

Verification/assurance report:

Reporting with verified SPTs is publicly available.

An external independent auditor verified limited assurance of the annual development of two KPIs in 2025. A new limited assurance verification will be carried out at the next observation date in 2032.

A report relating to the verified SPT is publicly available on VERBUND's [website](#). The report includes the related impact of the KPIs.



RECOMMENDATIONS

SLB DISCLOSURE DATA
CHECKLIST

VERBUND'S SLB REPORT

ASSESSMENT

General

Report and ex-post external review publication dates

VERBUND is publishing a post-issuance report.



Identification of the bonds

VERBUND's Impact Report includes relevant identification information on the sustainability-linked bond:

- ISIN: XS2320746394
- Amount (currency): EUR 500 million
- Maturity date: 20 years
- KPI/SPT:



- Newly installed capacity from hydropower, wind power and photovoltaics
- Additional transformer capacity

Scope of reporting (bond-by-bond, bond program)

VERBUND is explicitly describing the reporting scope, bond by bond. The financial instrument to which this report refers is a single green and sustainability-linked bond.



Adherence to specific standards or regulations

VERBUND's sustainability-linked bond is aligned with the Sustainability-Linked Bond Principles, and its report follows the HFIR. (Please refer to sections I and III for more details.)



REPORTING

Up-to-date information on the performance of the selected KPI(s)

VERBUND's impact report includes information on the performance of both KPIs as of Dec. 31, 2025, including baseline data for 2020.



Explanation of the contribution of the main factors (quantitative/qualitative)

SPT 1: Establishment of newly installed renewable energy capacity of 2,000 MW by Dec. 31, 2032.

The additional 628 MW of installed capacity in 2025 is explained by commissioned projects in hydropower (+597 MW), wind power (+17 MW) and photovoltaics (+14 MW). This augments the 597 MW installed from the beginning of the project to 2024, resulting in 1225 MW additional capacity installed from 2020 to December 2025.

SPT 2: Installation of additional transformer capacity of 12,000 MVA by Dec. 31, 2032.

The Weinviertelleitung and Reschenpass projects provide qualitative and quantitative insights into future additional transformer capacity. This capacity facilitates grid interaction and integrates renewable energy generation. The estimated additional transformer capacity, 3700 MVA in 2025 includes the financed Weinviertelleitung, 380 kV Salzburgleitung, and Reschenpass projects. The Salzburgleitung, which is financed with the funds from the green bond including biodiversity, went into operation at the beginning of June in 2025. Details about the projects are available in VERBUND's Impact Report.



<p>Illustration of the positive sustainability impacts of the performance improvement</p>	<p>Meeting the KPIs will further impact the avoidance of CO₂ emissions in both grid power generation and the reduction of the Issuer's Scope 1 and 2 emissions, as well as upstream GHG emissions (Scope 3). Besides GHG emission avoidance, VERBUND included other climate targets in the report:</p> <ol style="list-style-type: none"> 1. Reduce Scope 1 and 2 emissions, as well as upstream GHG emissions (Scope 3, excluding Category 2), by 74% by 2030 and by 90% by 2040 from the base year 2020. 2. Reduce the intensity of Scope 1 emissions by 40% by 2030 and by 90% by 2040 from the base year 2020. 3. Reduce the intensity of Scope 3 emissions from electricity sales to end-customers by 90% by 2030 and by 98% by 2040 from the base year 2020. 4. Achieve net zero by 2050. 	<p>✓</p>
<p>Any reassessments of KPIs and/or restatement of the SPT and/or pro forma adjustments of baselines or KPI scope</p>	<p>The Issuer states that no reassessments of KPIs or restatements of the SPTs or pro-forma adjustments of baselines or KPI scope are expected to be applied.</p> <p>However, baseline performance for SPT 1 increased by 11 MW in 2021. This was deemed immaterial since the change represents less than 5% of the baseline figure.</p>	<p>✓</p>

OPINION

VERBUND has implemented the necessary and recommended information from ICMA's SLB disclosure data checklist. The Issuer will provide verification of the performance of the SPTs.

PART IIIa: DISCLOSURE OF PROCEEDS ALLOCATION AND SOUNDNESS OF THE OUTPUT/OUTCOME/IMPACT REPORTING INDICATORS

Use of proceeds allocation

Use of proceeds allocation reporting contextualizes impacts by presenting the number of investments allocated to the respective use of proceeds projects.

For the 2021 green and sustainability-linked bond, this is the fifth year of allocation reporting. Allocated proceeds represent 99.6% (EUR 489.7 million) of the planned allocated amount (EUR 491.9 million) for eligible projects.

For the 2024 green bond including biodiversity, this is the second year of allocation reporting, occurring within one year of issuance. Allocated proceeds represent 101.3% (EUR 506.3 million) of the planned allocated amount (EUR 500 million) for eligible projects.

As of Dec. 31, 2025, a difference of EUR 2.2 million exists between the planned allocation for the three green and sustainability-linked bond projects (Jettenbach-Töging, Weinviertelleitung and Reschenpass) and the amount raised through the 2021 bond. Additionally, an addition of EUR 6.3 million exists between the planned amount allocated for the three projects under the green bond including biodiversity (Salzburgleitung, LIFE Riverscape Lower Inn and LIFE Blue Belt Danube Inn) and the amount raised through the 2024 bond.

Proceeds allocated to eligible projects

The allocation of proceeds is broken down at the project category level. The Issuer has provided details about the type of projects included in the respective Bond portfolios.

The allocation reporting section of VERBUND's Green Bond Impact Report aligns with best market practices by providing information on:

The number of projects financed:

- Jettenbach-Töging – hydropower project
- Weinviertelleitung and Reschenpass – grid infrastructure and transmission lines
- Salzburgleitung – grid infrastructure and transmission line
- LIFE Riverscape Lower Inn – biodiversity project
- LIFE Blue Belt Danube Inn – biodiversity project

Geographical regions of where the green projects are located

Total amount of proceeds in EUR million (divided per project)

Outcome and impact reporting indicators

The table below presents an independent assessment of the Issuer’s report and disclosure on the outcome and impact of projects using indicators.

ELEMENT	ASSESSMENT
<p>Relevance</p>	<p>Impact indicators relevant for Green Projects within the Green Bond including biodiversity (2024) issuance:</p> <ul style="list-style-type: none"> ▪ tCO₂e avoided in transmission grid line ▪ Number of fish passes <p>Impact Indicators relevant for the Green and Sustainability Linked bond (2021) issuance:</p> <ul style="list-style-type: none"> ▪ tCO₂e avoided in power generation from hydropower ▪ tCO₂e avoided in power generation from wind power ▪ tCO₂e avoided in power generation from photovoltaics ▪ tCO₂e avoided in transmission grid line ▪ Additional transformer capacity (MVA) ▪ (Average) Annual avoided curtailment (renewable energy) (GWh/year) <p>The indicators are both quantitative and qualitative, and material to the use of proceeds categories financed through these bonds. They are also in line with the suggested impact reporting metrics for renewable energy projects and terrestrial and aquatic biodiversity projects, aligning with the Green Bond Principles’ eligible categories and the HFIR.</p>
<p>Data sourcing and methodologies of quantitative assessment</p>	<p>Data source:</p> <p>Green and Sustainability Linked Bond (2021) issuance:</p> <p>The KPI data regarding newly installed capacity and additional transformer capacity are measured using the Company’s internal data and are not further processed or calculated.</p> <p>The GHG Protocol for project financing, in accordance with the PCAF Global Standard for the calculation of avoided emissions, is used to calculate CO₂ emission avoidance data.</p> <p>Green and Biodiversity Bond (2024) issuance:</p> <p>Ten-Year Network Development Plan project sheets for 380 kV Salzburg line project and Conservation and life management reports</p>

for the European Union's LIFE project are used to monitor and evaluate the progress of biodiversity projects [here](#), and [here](#) .

A) 380 kV Salzburg line project

To calculate avoided greenhouse gas emissions at the project level, APG uses the methodology developed by the Association of European Transmission System Operators for Electricity (ENTSO-E). The basis is taken from published project sheets from the Ten-Year Network Development Plan (TYNDP). The TYNDP guidelines for cost-benefit analysis include principles and general guidance for assessing project benefits at the European level. They are formulated so that the implementing body (ENTSO-E or project promoter) can adopt an approach consistent with panEuropean evaluation principles. The guidelines contain terms and definitions, principles for assessing project benefits, and methods for calculations such as changing the net transmission capacity of a project or performing redispatch calculations

B) LIFE Riverscape Lower Inn and LIFE Blue Belt Danube Inn projects:

The planning and implementation of aquatic ecological measures are subject to the criteria of the company-wide environmental management system installed at VERBUND Hydro Power GmbH according to ISO 14001:2015.

C) Avoidance of GHG emissions during production

Avoided emissions associated with renewable electricity generation projects represent the emissions reductions compared to the emissions that would have been emitted without the project (baseline emissions). They are calculated based on the GHG Protocol for project financing in accordance with the PCAF Global Standard for calculating avoided emissions. These emissions are presented separately from the absolute emissions reported in the greenhouse gas balance for companies according to the GHG Protocol. The "Operating Margin" emissions factor calculates the avoided emissions from the Jettenbach-Töging energy generation project. This factor considers the existing fossil fuel power plants in a country or region whose operations will be most influenced (reduced) by the project. Specifically, it uses generation data from power plants with the highest variable operating costs according to the merit order effect in the electricity system.

	<p>This factor is added to Version 3.1 of the Harmonized IFI Default Grid Factors published by the IFI Technical Working Group on Greenhouse Gas Accounting. The publication states a value of 650 gCO₂/kWh for Germany in the “Operating Margin Grid Emission Factor, gCO₂/kWh (including for use in PCAF GHG accounting)” column at the country level. The higher amount of electricity generated annually after completion of the Jettenbach-Töging project is multiplied by this factor to determine the theoretical emission avoidance in tonnes of CO₂ per GWh. This calculation results in the avoided emissions.</p> <p>Electricity generated per year (GWh) * 650 (tCO₂/GWh) = avoided emissions (tCO₂)</p> <p>For 2023 (the first full year of operation) and subsequent years, avoided emissions result from the increased generation of the modernized Jettenbach-Töging power plant compared to the theoretical generation of the old plant, attributable to higher efficiency. The modernized Töging power plant generated 564.8 GWh of electricity in 2025. For comparison, the old plant would have generated 476.3 GWh with the same water flow. The modernization therefore resulted in an increase in production of 88.5 GWh. Based on this, the theoretical avoidance of greenhouse gas emissions amounting to 57,525 tons of CO₂ was calculated.</p>
<p>Baseline selection</p>	<p>For the 380 kV Salzburg line project: The Ten- Year Network Development Plan (TYNDP) applied scenarios to project 2 National Trends: 2030 (0.829 – 0.806 megatons per year (Mt/a)), and 2040 (0.639-0.457 megatons per year (Mt/a)).</p> <p>For both LIFE biodiversity projects, no baseline was defined on the impact of fish passages.</p> <p>Green and Sustainability-Linked Bond</p> <p>For newly installed capacity from hydropower, wind power and photovoltaics, the base value as of Dec. 31, 2020, is 8,692 MW.</p> <p>For additional transformer capacity to facilitate grid interaction and integrate renewable power generation, the base value as of Dec. 31, 2020, is 30,810 MVA. For tCO₂e avoided regarding electricity production, the baseline is the PCAF grid factor.</p>
<p>Scale and granularity</p>	<p>The impact data is presented at the project level for the indicator(s).</p>

High-level mapping of the impact indicators with the U.N. Sustainable Development Goals

Based on the project categories financed and refinanced by the bonds as disclosed in the Issuer’s Green and Sustainability-Linked Bond Impact Report, the impact indicator(s) adopted by VERBUND for its Green and Sustainability-Linked Bond Impact Report can be mapped to the following SDGs, according to ISS Sustainability’s SDG Solutions Assessment, a proprietary methodology designed to assess the impact of an Issuer’s product or services on the U.N. SDGs.

IMPACT & OUTCOME INDICATORS	SUSTAINABLE DEVELOPMENT GOALS
<p>Annual GHG emissions avoided in tonnes of CO₂ equivalent</p>	 
<p>Number of fish passes</p>	

OPINION

The allocation of the bond’s proceeds has been disclosed, with a detailed breakdown across different eligible project categories as proposed in the Framework. The Green Bond Impact Report has adopted an appropriate methodology to report the impact generated by providing comprehensive disclosure on data sourcing, calculation methodologies and granularity, reflecting best market practices. In addition, the impact indicators used align with best market practices using the HFIR’s recommended metrics.

PART IIIb: DISCLOSURE OF KPIS' PROGRESS TOWARD SPTs

The table below presents an independent assessment of the Issuer's measure and disclosure of its progress toward achieving its SPT(s).

ELEMENT	ASSESSMENT
<p>Review of calculation and methodology used for the KPIs</p>	<p>The calculation methodology is clear and consistent with its predefined assessment methodology as outlined within the Framework. Both KPIs selected cover material operations and activities of Verbund.</p> <p>KPI 1: Newly installed production capacity of hydropower, wind power, and photovoltaic (PV) solar renewable energy of Verbund (including its subsidiaries), measured in megawatts (MW). It is calculated as per the new, contractually agreed nominal capacities in MW for the respective years as newly installed generation capacity.</p> <ul style="list-style-type: none"> ▪ Baseline capacity value: 8,692 MW ▪ Baseline year: December 31st, 2020 <p>The newly installed capacity for 2025 of 628 MW is made up of hydropower (597 MW), wind (17 MW), and photovoltaics (14 MW), which brings the new total installed capacity in 2025 to 9,916 MW.</p> <p>KPI 2: Additional transformer capacity to facilitate interaction with the grid and integrate renewable energy generation, measured in Mega Volt Amperes (MVA). It is calculated as per the additional transformer capacity in MVA for the respective year (from commissioning).</p> <ul style="list-style-type: none"> ▪ Baseline value: 30,810 MVA ▪ Baseline year: December 31st, 2020 <p>The additional transformer capacity purchased in 2025 is 3,700 MVA, which brings the total transformer capacity in 2025 to 39,853 MVA.</p>
<p>Sustainability performance/progress toward achievement of the SPTs</p>	<p>SPT 1: Establish 2,000 MW of newly installed renewable capacity by Dec. 31, 2032, from a baseline of Dec. 31, 2020.</p> <p>SPT 2: Establish 12,000 MVA of additional transformer capacity by Dec. 31, 2032, from a baseline of Dec. 31, 2020.</p>

KPI	PERFORMANCE IN BASELINE YEAR	PERFORMANCE IN 2025	SPT TARGET DATE	PEER'S PERFORMANCE IN 2025
1	8,692 MW	+628 MW	Dec. 31, 2032	In line with peers ⁵
2	30,810 MVA	+3,700 MVA	Dec. 31, 2032	Ambitious ⁶

KPI	PERFORMANCE IN BASELINE YEAR	PERFORMANCE IN 2025						
		2020	2021	2022	2023	2024	2025	2032
1	Renewable capacity cumulative (MW)	8,692	8,735	9,080	9,178	9,288	9,916	10,692
1	CAGR (from 2020 to year)	NA	0.5%	2.2%	1.8%	1.7%	2.7%	1.7%
2	Transformer capacity cumulative (MVA)	30,810	31,960	33,630	35,353	36,153	39,853	42,810
2	CAGR (from 2020 to year)	NA	3.7%	4.5%	4.7%	4.1%	5.3%	2.8%

The newly installed capacity from hydropower, wind power, and photovoltaics in 2025 reached 9,916 MW. This equates to a compound annual growth rate (CAGR) of 2.6%, above the estimated 1.7% CAGR required to reach the 2032 target from the 2020 base year. SPT 1's progress as of 2025 is in line with its trajectory to reach 10,692 MW by 2032.

VERBUND's MVA of transformer capacity reached 39,853 MVA in 2025. This equates to a CAGR of 5.3%, which is above the estimated 2.8% CAGR required to reach the 2032 target from the 2020 base year. SPT 2's progress as of 2024 is in line with its trajectory to reach 42,810 MVA by 2032.

Levers actioned to	The Issuer has commissioned the following:
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⁵ VERBUND's SPT 1 was benchmarked against the electric utilities peer group, consisting of 25 companies (including the Issuer) in Europe as per the ISS ESG Universe. Verbund belongs to the top 8 companies, or top 28% of its sectoral peers in terms of Renewable power generation capacity ratio as of Dec. 31, 2025. Therefore, VERBUND's SPT 1 is in line with industry peers.

⁶ SPT 2 is the expansion of transformer capacity to facilitate interaction within power grids. The additional transformer capacity enables the integration of generation from renewables into the power grid. The SPT was benchmarked against the electric utilities peer group, using the "integration of renewable energy in the grid" indicator from ISS ESG's Corporate Rating as a proxy and including 25 companies in the same region (including the Issuer) as per the ISS ESG Universe. Verbund belongs to the top four companies, or top 16%, of its sectoral peers, in terms of ISS ESG's December 2025 rating on the integration of renewable energy into the grid. Therefore, VERBUND's SPT 2 is ambitious against industry peers.

<p>achieve the SPTs</p>	<ul style="list-style-type: none"> ▪ For the achievement of SPT 1, the commissioning of wind and solar plants in various European countries, such as Austria, Germany, Spain, Italy, and Romania, by Dec. 31, 2032 ▪ For the achievement of SPT 2, VERBUND will determine the actual projects, which will be part of the Austrian network development plan.
<p>Real impact metrics</p>	<p>Relevant: Avoided emissions are commonly used in the electric utilities industry.</p> <p>Clear data: VERBUND has provided clear emission data.</p>

OPINION

VERBUND has adopted an appropriate methodology to report on the progress toward its KPIs and SPTs by providing comprehensive disclosure on data, assumptions and calculation methods adopted. The calculation methodologies for the KPIs and the calibration of SPTs have complied with the commitments made in VERBUND's 2021 Green Financing Framework.

DISCLAIMER

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ANNEX 1: Methodology

Review of the post-issuance reports

The ISS-Corporate Report Review provides an assessment of labeled transactions reporting against international standards using ISS-Corporate's proprietary [methodology](#).

High-level mapping to the SDGs

The 17 Sustainable Development Goals (SDGs) were endorsed in September 2015 by the United Nations and provide a benchmark for key opportunities and challenges toward a more sustainable future. Using a proprietary methodology based on ICMA's Green, Social and Sustainability Bonds: A High-Level Mapping to the Sustainable Development Goals, the extent the Issuer's reporting and project categories contribute to related SDGs is identified.

ANNEX 2: Quality management processes

ISSUER'S RESPONSIBILITY

The Issuer's responsibility was to provide information and documentation on:

- Green Bond Impact Report
- Green Financing Framework
- Proceeds allocation
- Reporting impact indicators
- Methodologies and assumptions for data gathering and calculation
- ESG risk management

ISS-CORPORATE'S VERIFICATION PROCESS

Since 2014, ISS STOXX, which ISS-Corporate is part of, has built up a reputation as a highly reputed thought leader in the green and social bond market and has become one of the first CBI-approved verifiers.

This independent Report Review has been conducted by following ICMA's Guidelines for Green, Social, Sustainability and Sustainability-Linked Bonds External Reviews, and its methodology, considering, when relevant, the ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

The engagement with VERBUND took place in March 2026.

ISS-CORPORATE'S BUSINESS PRACTICES

ISS-Corporate conducted this verification in strict compliance with the ISS STOXX Code of Ethics, which lays out detailed requirements in integrity, transparency, professional competence and due care, professional behavior and objectivity for the ISS business and team members. It is designed to ensure that the verification is conducted independently and without any conflicts of interest with other parts of the ISS STOXX.

APPENDIX: Bond identification

ISIN	START DATE	MATURITY DATE	VOLUME (IN EUR)
XS2320746394	Apr 1, 2021	Apr 1, 2041	500 million
XS2821745374	May 17, 2024	May 17, 2031	500 million

About this Report Review

Companies turn to ISS-Corporate for expertise in designing and managing governance, compensation, sustainability and cyber risk programs that align with company goals, reduce risk and manage the needs of a diverse shareholder base by delivering best-in-class data, tools and advisory services.

ISS-Corporate assesses the alignment of the Issuer's report with external principles (e.g., the Green/Social Bond Principles), assesses the alignment of the Issuer's report against the commitments in the respective Framework, and analyzes the disclosure of proceeds allocation, data source and calculation methodologies of the reporting indicators against best market practices. Following these guidelines, we draw up an independent Report Review so investors are as well-informed as possible about the proceeds allocation and the impact of the sustainable finance instrument(s).

Please visit ISS-Corporate's [website](#) to learn more about our services for bond issuers.

For information on Report Review services, please contact SPOsales@iss-corporate.com.

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