

Remuneration report of VERBUND AG

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Basic principles

In accordance with Section 78c and Section 98a of the Austrian Stock Corporation Act (*Aktiengesetz, AktG*), the executive board and the supervisory board of listed companies are required to prepare a remuneration report governing the remuneration of the members of the executive board and the supervisory board. The remuneration report provides information to the shareholders and other stakeholders about the remuneration of the members of the executive and supervisory boards and is required to be submitted to the annual general meeting every year for a vote.

This 2025 remuneration report outlines the specific application of the remuneration policy for the Executive Board and the Supervisory Board of VERBUND AG for financial year 2025 and will be presented to the 2026 Annual General Meeting for a vote.

The remuneration report provides a comprehensive overview of the remuneration granted or owed to current and former members of the Executive Board and Supervisory Board in the course of financial year 2025 and illustrates the application of the remuneration policy confirmed by the 76th Annual General Meeting held on 25 April 2023. The 2025 remuneration report builds on the remuneration report from the previous year, which was extensively revised to continue to take account of feedback from our investors on transparency and comprehensibility. The 2024 remuneration report was approved at the 2025 Annual General Meeting with 99.34% of the votes cast.

A. Remuneration report governing the remuneration of the members of the Executive Board of VERBUND AG (Section 78c of the Austrian Stock Corporation Act (AktG))

Review of financial year 2025

2025 was a crucial year for the implementation of our Strategy 2030 – Mission V. With a clear course and targeted investments, we are consistently pushing ahead with value-creating growth, climate action and security of supply. Our ambitions are based on three clearly defined strategic pillars. Firstly, we are strengthening our integrated market position in our domestic market by expanding and upgrading our hydropower and grid infrastructure and offering customers comprehensive energy solutions. Secondly, we are systematically expanding green electricity generation in Europe – with wind and photovoltaic projects in selected markets and the target of generating around 25% of our electricity using these technologies by 2030. Thirdly, we are positioning VERBUND as one of the leading European hydrogen players and developing solutions along the entire value chain that make a substantial contribution to decarbonisation.

This ambitious agenda was implemented in 2025 despite challenging political and market conditions – a test that once again confirmed our entrepreneurial resilience and the strength of our strategic

management. The amendment to the Energy Crisis Contribution for Electricity extended the windfall tax until 2030 and reduces our scope for investment. In addition, delayed legislative procedures, declining futures prices and high spot market volatility increased the complexity of planning. We are proactively addressing these challenges through strict prioritisation, efficiency increases in operations and flexible financial planning to ensure the implementation of our core agenda while also taking advantage of opportunities arising from market shifts.

In operational terms, we made significant progress in 2025. In the Hydro segment, we significantly expanded the flexibility of our generation capacities to support the integration of volatile renewable energy sources. Notable achievements included the initial operation of Reißeck II Plus, the refurbishment of the generator sets in Ottensheim-Wilhering, Wallsee-Mitterkirchen, Jochenstein, Eggfing-Obernberg and Braunau-Simbach, and the initial operation of the new Salzach power plant in Stegenwald, which has been supplying predictable green electricity ever since. The Limberg III pumped storage power plant was structurally and technically completed. In the course of initial operation, damage occurred to both rotors during testing. According to the supplier responsible for rectifying the damage, repairs are expected to continue until summer 2026 for generator set 2 and until winter 2026 for generator set 1.

Expanding our grid infrastructure is fundamental to the energy transition: without a high-performance transmission system, volatile new renewables cannot be efficiently integrated into the system of the future. With the initial operation of the 380 kV Salzburg line on 5 June 2025, we successfully delivered a flagship project after five years of construction and an approval period of 77 months. At the same time, we are consistently driving forward the network development plan and strengthening the grid areas in Upper Austria and Carinthia. We also implemented targeted actions in the gas infrastructure to secure supply: with the final investment decision and start of construction for the WAG Loop 1 project (June 2025), we are increasing import capacities from Germany and thereby compensating for the loss of supplies from the east.

VERBUND also made decisive progress in the field of new renewable energy in 2025, achieving several important milestones. Developments in wind, photovoltaic and battery projects progressed in all target markets. In Spain, construction began and preparatory work was carried out in 2025 for open-field solar installations with a total capacity of around 1.1 GW. Further construction activities were launched in other target markets: in Romania (a 61 MW wind project, a 60 MWp photovoltaic hybridisation project and a 48 MW battery storage facility), in Germany (two wind power projects with a total capacity of around 18 MW) and in Italy (four photovoltaic projects with a total capacity of 81 MW). In addition, 2025 saw the closing of M&A transactions involving two wind project portfolios at an advanced stage of approval in Romania and Germany, with a total capacity of around 410 MW. In 2025, a total of 74 MW was put into operation in Austria, Germany, Italy and Spain, bringing the total installed capacity of new renewable energy to around 1.3 GW.

In the Sales segment, we intensified our efforts in the development of battery storage solutions, with a strong focus on Germany. As of 31 December 2025, 15 plants with a total capacity of 110 MW were in

operation, four large-scale battery projects with a total capacity of 195 MW were being implemented and further projects with a capacity of over 300 MW were in development.

At the same time, we are systematically establishing a comprehensive hydrogen infrastructure. In the short term, we are strengthening regional generation to support the decarbonisation of energy-intensive industries in Austria, Germany and Spain. In the long term, we are developing a broadly diversified import portfolio to produce large volumes of green hydrogen in Europe and neighbouring regions and transport it by pipeline to purchasing centres.

Solid results for 2025 despite below-average water supply and windfall tax. Due to the significantly lower electricity generation from hydropower and the negative effects of the extended windfall tax in Austria, VERBUND's results for financial year 2025 were lower than in the previous year, but remained at a historically high level. EBITDA fell by 21.3% year-on-year to €2,737.5m. The Group net profit was down 20.6% to €1,489.4m, and the Group net profit after adjustment for non-recurring effects amounted to €1,472.1m, down 25.5% on 2024.

The hydro coefficient for the run-of-river power plants dropped to 0.79, or 30 percentage points below the prior-year figure (1.09) and 21 percentage points lower than the long-term average. Generation from the annual storage power plants fell by 5.9% year-on-year in 2025. As a result, total generation from hydropower plants was down 8,078 GWh, or 24.2%, to 25,370 GWh. Due to lower wind supply and lower global radiation, electricity generation from new renewable electricity generation facilities also declined. At 0.82, the new renewables coefficient from wind and photovoltaics in financial year 2025 was 18 percentage points below the planned value and 9 percentage points lower than the figure for 2024 (0.91). Furthermore, expenses recognised in connection with the measures to tax windfall profits totalling €135.9m in the 2025 reporting period in Austria had a negative effect on earnings. The average sales prices achieved for the Group's own production of hydroelectricity declined only slightly despite lower futures prices on the wholesale electricity market, falling by €1.7/MWh to €116.3/MWh. The high average sales prices achieved in 2025 were mainly attributable to premature "limit" sales at the start of 2023 and from November 2023 onwards at high wholesale prices for electricity. By contrast, results were positively influenced by the higher temporary earnings contribution from the power grid, partly due to higher auction revenues for cross-border transmission capacities, although this will be absorbed again in subsequent periods due to regulatory requirements. The Sales segment also performed well, partly due to the stabilisation of the end-user business. The contribution from flexibility products remained at the previous year's level at around €275m; in this segment, VERBUND benefits from its flexible power plant capacities amid increasing price volatility.

The composition of VERBUND's Supervisory Board and Executive Board for financial year 2025 remained the same as at the end of financial year 2024.

Overview of the 2024 remuneration policy

The 2024 remuneration policy approved by the 2023 Annual General Meeting was applied to all members of the Executive Board in financial year 2025 and is unchanged from the remuneration policy applied in financial year 2024. The total remuneration of the members of VERBUND's Executive Board consists of fixed, non-performance-based components and variable components. The fixed components include the annual base salary, fringe benefits and pension fund contributions. The variable components are made up of short-term remuneration – the Short-Term Incentive (STI) – and long-term remuneration – the Long-Term Incentive (LTI). The remuneration policy also includes other supplementary remuneration components, such as malus and clawback provisions and share ownership guidelines (SOG).

The main aspects of the 2024 remuneration policy are shown in the table below:

Remuneration policy of the Executive Board	
Fixed, non-performance-based remuneration components	
Annual base salary	<ul style="list-style-type: none"> Fixed annual base salary, paid in fourteen monthly instalments
Fringe benefits	<ul style="list-style-type: none"> Payments in kind and customary fringe benefits, comprising in particular a company car, contribution to private health and accident insurance and D&O insurance
Pension fund contributions	<ul style="list-style-type: none"> Contributions to the defined contribution pension plan amounting to 10% of the annual base salary per year for the duration of the Executive Board contract
Variable, performance-based remuneration components	
Short-term remuneration - Short-Term Incentive (STI)	<ul style="list-style-type: none"> Plan type: Target bonus Target amount: 60% of the gross annual base salary Assessment period: 1 year Performance criteria: <ul style="list-style-type: none"> Financial targets <ul style="list-style-type: none"> Group net profit adjusted for non-recurring effects (70–80%) Non-financial targets <ul style="list-style-type: none"> Personnel/sustainability performance targets (20–30%) Target achievement cap: 150%, no creditability of overachievement Payout cap: 90% of the gross annual base salary
Long-term remuneration - Long-Term Incentive (LTI)	<ul style="list-style-type: none"> Plan type: Virtual Performance Share Plan Allocation amount: 90% of the gross annual base salary Assessment period: 4 years Performance criteria: <ul style="list-style-type: none"> Development of the relative total shareholder return (peer group: European energy companies) (30–50%) Free cash flow before dividends (30–50%) Sustainability performance targets (20–30%) Target achievement cap: 150%, no creditability of overachievement Payout cap: 135% of the gross annual base salary
Other remuneration components	
Malus and clawback provision	<ul style="list-style-type: none"> Option to reduce (malus) and to reclaim (clawback) all variable remuneration components in case of incorrect consolidated financial statements and in case of compliance violations
Share Ownership Guidelines (SOG)	<ul style="list-style-type: none"> Share ownership guideline: 70% of the gross annual base salary (SOG target)

The application of the 2024 remuneration policy for financial year 2025 in detail

Fixed, non-performance-based remuneration components

Annual base salary

The fixed annual base salary of the members of the Executive Board is paid out in 14 monthly instalments as salary.

Fringe benefits

During the term of the Executive Board service contract, members of the Executive Board receive a company car for personal and business use and, depending on availability and the purpose and duration of the given business trip, they may use a driver. Furthermore, similarly to employees, members of the Executive Board are entitled to accident and life insurance as well as the option of (collective) supplementary health insurance. Payments in kind (e.g. a parking space) are also possible.

In accordance with the 2024 remuneration policy, the Remuneration Committee has the option to grant new members of the Executive Board a one-time payment upon taking up office on an individual and ad hoc basis. For instance, this allows for moving and leasing costs or any losses of variable remuneration at the former employer which are incurred by the change to VERBUND AG to be compensated, upon presentation of proof. This ensures the necessary flexibility for the Supervisory Board and/or Remuneration Committee for attracting the best possible candidates for VERBUND.

VERBUND has financial loss liability insurance for the executive bodies; the members of the Executive Board are included in this insurance. The costs are borne by the Company.

Pension fund contributions

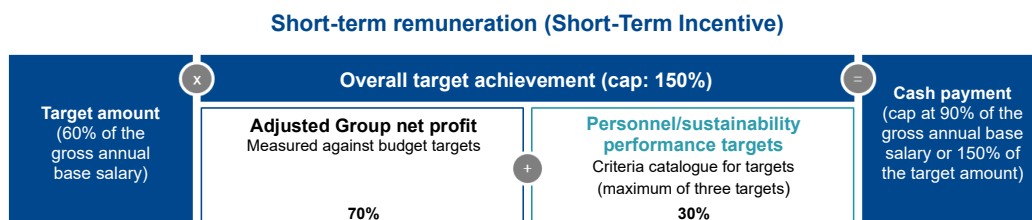
The members of the Executive Board have the right to a defined contribution pension scheme in the form of an inter-company pension fund. During the term of the Executive Board contract, VERBUND pays contributions amounting to 10% of the fixed gross annual base salary into a pension fund (APK Pensionskasse AG), thus implementing the provisions of the Public Appointments Act (*Stellenbesetzungsgesetz*, Stellbg) and Section 3 of the Federal Regulation on Specimen Contracts (*Bundes-Vertragsschablonenverordnung*, B-VV). The actual amount of the defined contribution pension fund payment depends on the available capital in the pension fund. Retirement takes place according to the approved business plan of the pension fund. Receipt of a pension benefit is based on the entitlement conditions of the Austrian statutory pension. All capital market and actuarial risks are borne by the members of the Executive Board, and there is no obligation for VERBUND to make additional payments.

Variable, performance-based remuneration components

Short-term remuneration (Short-Term Incentive)

In line with the 2024 remuneration policy, members of the Executive Board of VERBUND receive short-term variable remuneration (Short-Term Incentive, STI) in the form of a target bonus model.

The following illustration presents the general functioning of the short-term remuneration:



The payment amount of the short-term remuneration not only depends on the achievement of financial targets but also on selected personnel and sustainability targets (ESG targets). Relevant performance criteria are the Group net profit adjusted for non-recurring effects with a weighting of 70% and up to three personnel and sustainability performance targets with a weighting of 30%. Altogether, the defined performance criteria of the STI represent important steering elements for achieving the 2030 strategic targets of VERBUND. The target amount of the short-term remuneration, which defines the payment amount assuming a target achievement of 100%, corresponds to 60% of the fixed gross annual base salary. The maximum STI payment is limited to 150% of the target amount, or 90% of the gross annual base salary.

Group net profit adjusted for non-recurring effects

The Group net profit adjusted for non-recurring effects, with a weighting of 70% set for financial year 2025, is used as a financial performance criterion. This is aligned with the Group electricity supply from hydropower corresponding to the mean energy capability, wind power and photovoltaic energy as per the volume ascertained in an expert opinion, regulatory effects on the grid and changes in the basis of consolidation. Unusual incidents are handled by mutual agreement on a case-by-case basis.

The following table shows the reconciliation of the Group net profit to the Group net profit adjusted for non-recurring effects for financial year 2025:

	2025
Group net profit	1,489.4
Adjustment for non-recurring effects	-17.3
Adjustment for unusual incidents	233.9
Group net profit adjusted for non-recurring effects for remuneration purposes¹	1,706.0

¹ The following adjustments were taken into account in 2025 in accordance with the target agreement: effect of water supply, effect of wind and PV supply, grid result, changes in the basis of consolidation and an unusual incident, namely the tax on windfall profits in Austria.

To calculate the target achievement, the percentage deviation – from the defined target value – of the Group net profit adjusted for non-recurring effects is determined. The target achievement of the Group net profit

pursuant to the target agreement is 100% if the actual value achieved corresponds to the agreed target value. If the actual value achieved is below the threshold value, the target achievement is 0% (“threshold value”). If the actual value achieved exceeds the maximum value, the target achievement is 150% (“maximum value”). Target achievement levels between the defined target achievement points (0%; 100%; 150%) are determined by linear interpolation. Target achievement is rounded to two decimal places.

Taking into account the VERBUND Group’s budget planning, which was updated at the beginning of the financial year to reflect significant developments since the time the budget was drawn up, the target value as well as the threshold and maximum value were defined by the Remuneration Committee and set out in the annual target agreements.

Personnel and sustainability performance targets (ESG targets)

The personnel and sustainability performance targets for financial year 2025, with a weighting of 30%, are derived from VERBUND’s sustainability strategy and are set annually by the Remuneration Committee of the Supervisory Board. For the personnel and sustainability targets, up to three criteria from the categories of environment and energy, economy, as well as social affairs and governance are defined and operationalised with specific targets and target values.

The following targets have been set for financial year 2025 in the three sustainability criteria “Occupational safety”, “Culture and transformation” and “Diversity and inclusion”, including their respective weighting:

Sustainability criteria	Sustainability performance targets	Weighting
Occupational safety (10% weighting)	LTIFR among the entire Group’s own workforce	3%
	LTIFR among the entire Group’s own workforce and non-employee workers	2%
	Safety improvements	5%
Culture and transformation (10% weighting)	Compliance with the Ecovadis Gold Standard	5%
	Active participation in the cultural transformation	5%
Diversity and inclusion (10% weighting)	Proportion of women among new employee hires in 2025	6%
	Number of people with disabilities among new employee hires/new registrations	4%
		30%

The target achievement for the personnel and sustainability performance targets is 100% if the actual value achieved corresponds to the agreed target value. If the actual value achieved is below the threshold value, the target achievement is 0% (“threshold value”). If the actual value achieved exceeds the maximum value, the target achievement is 150% (“maximum value”). Target achievement levels between the defined target achievement points (0%; 100%; 150%) are determined by linear interpolation. Target achievement is rounded to two decimal places.

Target achievement – short-term remuneration

Taking into account the respective weightings, the target achievement in the individual performance criteria results in an overall target achievement of 127.0% for short-term remuneration, as shown in detail in the table below:

	Weighting	Threshold value	Target value	Maximum value	Target achievement		
					Actual value	%	Total (%)
Group net profit adjusted	70%	754.4	1,508.8	1,886.0	1,706.0	126.1%	
Personnel & sustainability performance targets	30%	0%	100%	150%	129%	128.9%	127.0%

The specific target, threshold and maximum values as well as target achievement for the individual sustainability performance targets can be found in the following table:

Criteria	Sustainability performance targets	Threshold value	Target value	Maximum value	Actual value
Occupational safety	LTIFR among the entire Group's own workforce	5.4	4.6	4.3	3.1
	LTIFR among the entire Group's own workforce and non-employee workers	5.8	4.9	4.6	2.1
	Safety improvements	No target achievement if criteria are not met	The total of the minimum target figures for all companies has been exceeded: >672 measures must have the status "complete".	The total of the minimum target figures for all companies has been exceeded by at least 10%: >739 measures must have the status "complete".	1,139
ESG, culture and transformation	Compliance with the Ecovadis Gold Standard	Receive a Silver rating	Receive a Gold rating	Receive a Platinum rating	silver
	Active participation in the cultural transformation	No participation takes place.	Participation in transformation projects for persons in the defined target group amounting to 0.5 days.	Participation in transformation projects for persons in the defined target group amounting to 2 days along with achievement of the division or company target.	3.4
Diversity and inclusion	Proportion of women among new employee hires in 2025 – average of all companies and divisions	11.2%	29.4%	36.5%	30.2%
	Number of people with disabilities among new employee hires/new registrations	0 people	15 people	22 people	18

¹ As a result of the adjustment of the valuation methodology by EcoVadis, the target was assigned a target achievement of 100%.

The STI payment amounts per Executive Board member resulting from the overall target achievement for financial year 2025 under the remuneration policy are shown in the table below:

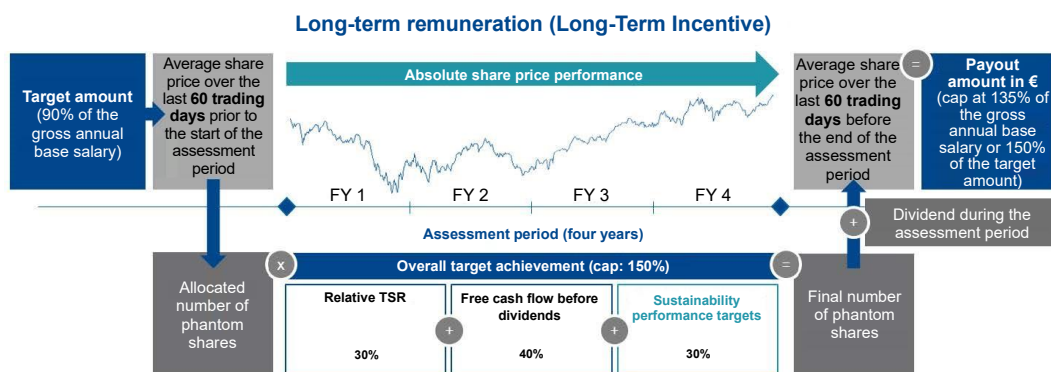
	Target amount in €k	Overall target achievement STI	STI payment amount in €k
Michael Strugl	459	127.0%	583
Peter F. Kollmann	391		496
Achim Kaspar	291		369
Susanna Zapreva	291		369

Long-term remuneration (Long-Term Incentive) 2025–2028

Grant for financial year 2025

In addition to the short-term remuneration, the members of the Executive Board of VERBUND AG receive long-term variable remuneration (Long-Term Incentive, LTI) in the form of a virtual performance share plan (“phantom share plan”) and a four-year assessment period as part of the 2024 remuneration policy.

The following illustration presents the general function of the long-term remuneration:



There is an annual grant of the LTI tranches during the term of the Executive Board service contract.

Relevant performance criteria for assessing the payout amount of the LTI include the relative Total Shareholder Return (“relative TSR”) compared to the companies of a peer group of European energy companies, the free cash flow before dividends, and one or more sustainability target(s) based on the criteria catalogue derived from the sustainability strategy.

Financial targets are taken into account in the LTI at 70%. The relative TSR and the free cash flow before dividends are provided as financial targets, which are included in the calculation of the final number of phantom shares, with a weighting of 30% for the TSR and 40% for the free cash flow. By taking an internal and an external financial target into account, VERBUND’s long-term growth ambitions are incentivised while VERBUND’s performance on the capital market is assessed in a relevant cross-sectoral comparison, which aligns the interests of the Executive Board more closely with those of the shareholders of VERBUND. The sustainability performance targets are included in the calculation of the final payout amount with a weighting of 30%, which also incentivises sustainable behaviour in the LTI.

The target amount of the LTI corresponds to 90% of the fixed gross annual base salary. The maximum payout of the LTI is limited to 150% of the target amount, or 135% of the fixed gross annual base salary.

Relative TSR

The relative TSR is included in the 2025–2028 tranche of the long-term remuneration with a weighting of 30%. To calculate the target achievement of the relative TSR, at the end of the assessment period the absolute TSR of VERBUND is compared with that of a peer group of European energy companies. The following seven companies form the peer group for the 2025–2028 tranche:

Peer group of European energy companies

A2A SPA	EDP SA	Endesa SA	Enel SPA
Iberdrola SA	Naturgy Energy Group SA	SSE PLC	

To calculate the target achievement of the relative TSR, after the end of the assessment period the absolute TSR values of all companies in the peer group are arranged according to the TSR amount – from highest to lowest (without VERBUND). The percentiles are then calculated. The target achievement level of the relative TSR is calculated based on the relative position of VERBUND's TSR value within the peer group. A position at the 25th percentile corresponds to the threshold value, a position at the 50th percentile corresponds to the target value, and a position at the 75th percentile corresponds to the maximum value.

The specific threshold, target and maximum values as well as the resulting target achievements will be published in the 2028 remuneration report.

Free cash flow before dividends

The free cash flow before dividends is taken into account for the LTI 2025–2028 with a weighting of 40%.

The target achievement of free cash flow before dividends is 100% if the actual value achieved corresponds to the agreed target value. This is defined taking into account the updated budget and medium-term budget planning. If the actual value achieved is below the threshold value, the target achievement is 0% ("threshold value"). If the actual value achieved exceeds the maximum value, the target achievement is 150% ("maximum value"). Target achievement levels between the defined target achievement points (0%; 100%; 150%) are determined by linear interpolation. Target achievement is rounded to two decimal places.

The specific threshold, target and maximum values as well as the resulting target achievements will be published in the 2028 remuneration report.

Sustainability performance targets

The sustainability performance targets derived from VERBUND's sustainability strategy are included in the long-term remuneration for 2025–2028 with a weighting of 30%.

Similar to the personnel and sustainability performance targets for the short-term remuneration, one or more criteria from the criteria catalogue are defined and operationalised with specific targets and target values.

The following criteria and weightings were defined for the 2025–2028 tranche:

Sustainability performance targets	Weighting
Implementation of the climate transition plan	10%
Achieving a CDP climate score of A	10%
Expansion of the renewables portfolio by 1,200 MW in the period 2025–2028	10%

The target achievement for the sustainability performance targets is 100% if the actual value achieved corresponds to the agreed target value. If the actual value achieved is below the threshold value, the target achievement is 0% ("threshold value"). If the actual value achieved exceeds the maximum value, the target achievement is 150% ("maximum value"). Target achievement levels between the defined target achievement points (0%; 100%; 150%) are determined by linear interpolation. Target achievement is rounded to two decimal places.

The specific threshold, target and maximum values as well as the resulting target achievements will be published in the 2028 remuneration report.

The specific payout amounts of the long-term remuneration granted for financial year 2025 will also be published in the 2028 remuneration report after the end of the assessment period.

Grant of long-term remuneration in accordance with the 2020 remuneration policy

Until the end of financial year 2023, the long-term remuneration was granted on the basis of the 2020 remuneration policy in the form of virtual performance shares and an assessment period of three years.

The performance criteria for measuring the LTI 2023 (2023–2025 tranche) are the "relative total shareholder return" ("relative TSR") with a weighting of 30%, the "free cash flow before dividends" with a weighting of 35% and the "Mission V targets", which comprise sustainability targets, with a weighting of 35%.

The grant amount of the LTI plan at that time was 65% of the fixed annual base salary in the case of 100% target achievement. The maximum target achievement is 120%; exceeding maximum achievement is therefore possible. Exceeding 100% achievement (max. 20%) is possible within the individual performance criteria and can be carried over to the target achievement of other performance criteria. Depending on the specific target achievement and the share price at the time of the payout, a maximum of 78% of the fixed annual base salary can be paid out (cap).

To calculate the number of phantom shares allocated for the 2023–2025 tranche, the grant amount was divided by the average daily closing price of VERBUND shares for financial year 2022.

Relative TSR

The relative TSR is included in the 2023 long-term remuneration (2023–2025 tranche) with a weighting of 30%. To determine the relative TSR target achievement, VERBUND’s absolute TSR is compared with that of a group of European energy companies at the end of the assessment period. The following eight companies were selected as the peer group for the 2023–2025 tranche:

Peer group of European energy companies

A2A SPA	EDP SA	EDP Renovaveis SA	Endesa SA
Enel SPA	Iberdrola SA	Orsted A/S	SSE PLC

VERBUND’s absolute TSR in financial years 2023 to 2025 was –10.2%. This corresponds to a target achievement of 49.1%.

Free cash flow before dividends

Free cash flow before dividends is included in the 2023–2025 tranche of the long-term remuneration with a weighting of 35%.

Free cash flow before dividends averaged €2,291.4m in financial years 2023 to 2025. This corresponds to a target achievement of 115.9%.

Mission V targets

The performance criterion “Mission V targets” is weighted at 35% within the long-term remuneration of the 2023–2025 tranche. The targets of Mission V consist of the three equally weighted sub-targets: “Expansion of renewables”, “Expansion of batteries” and “Implementation of the hydrogen strategy”. The sub-target “Expansion of renewables” encompasses the expansion of the renewables portfolio, the sub-target “Expansion of batteries” encompasses the expansion of the battery portfolio and the sub-target “Implementation of the hydrogen strategy” encompasses the achievement of key milestones in the implementation of the hydrogen strategy. Within the three sub-targets, overachievement of up to a maximum of 20% can be credited.

The specific target, threshold and maximum values as well as target achievement for the individual Mission V targets can be found in the following table:

Criteria	Sub-target	Threshold value	Target value	Maximum value	Actual value	Target achievement (%)
Mission V targets	Expansion of renewables	600 MW	800 MW	840 MW	311 MW	105.5%
	Expansion of batteries	150 MW	200 MW	210 MW	244 MW	188.0%
	Implementation of the hydrogen strategy	One milestone (0% target achievement)	Two milestones	Three milestones	3	120.0%

The weighted overall target achievement of the Mission V targets for the 2023–2025 tranche was over 120%, with the overachievement of the “Expansion of batteries” target being credited.

Target achievement LTI 2023 (2023–2025 tranche)

Taking into account the respective weightings, the target achievement in the individual performance criteria results in an overall target achievement of 100.3% for long-term remuneration for the 2023–2025 tranche, as shown in detail in the table below:

	Weighting (%)	Threshold value	Target value	Maximum value	Actual value	Target achievement (2023–2025)			Total (%)
						actual (%)	Overachievement (%) actual	creditable	
Relative TSR	30%	-61.4%	26.8%	41.3%	-10.2%	49.1%			
Free cash flow before dividends	35%	1,652.7	2,203.6	2,313.8	2,291.4	115.9%			100.3%
Mission V targets	35%	0%	100%	120%	128.5%	128.5%	8.5%	8.5%	

For the LTI 2023 (2023–2025 tranche), overachievement is possible within the individual performance criteria (max. 20%) and can be carried over to the target achievement of other performance criteria. This option is no longer envisaged for the LTI under the current 2024 remuneration policy.

A credit of 8.5% was applied for the 2023 LTI.

The payout amounts per Executive Board member resulting from target achievement for the LTI 2023 (2023–2025 tranche) are shown in the table below. The final number of phantom shares is calculated by multiplying the overall target achievement of the LTI by the number of phantom shares initially allocated. The final payout amount is calculated by multiplying the final number of phantom shares by the average daily closing price of VERBUND shares over the period from 1 January 2023 to 31 December 2025.

	Target amount in €k	Average daily closing price of VERBUND shares in €	Number of phantom shares initially allocated	Overall target achievement LTI	Final number of phantom shares	Average daily closing price of VERBUND shares in €	LTI payout amount in €k
		Financial year 2022		2023–2025		2023–2025	
Michael Strugi	488		5,273	100.3%	5,289		383
Peter F. Kollmann	403	92.45	4,359		4,372	72.46	317
Achim Kaspar	309		3,340		3,350		243

Share Ownership Guideline (SOG)

The 2024 remuneration policy includes a share ownership obligation (Share Ownership Guideline, SOG) for the members of the Executive Board. The SOG strengthens the Company's capital market focus and equity culture, and thereby aligns the interests of the members of the Executive Board and VERBUND's investors.

Starting from financial year 2024, each member of the Executive Board is obliged to invest a minimum amount in shares of VERBUND AG and to hold these shares legally and economically for the duration of their employment as a member of the Executive Board. The minimum amount to be invested in shares ("SOG target") is 70% of the fixed gross annual base salary.

An accumulation phase of four years is envisaged for achieving the SOG target. The relevant amount is the euro amount invested in acquiring company shares from the beginning of the contract, as a member of the Company's Executive Board, since the SOG entered into force. The SOG target must be fully met no later than four years after the start of the accumulation phase. Any shares in the Company already held by the Executive Board member at the beginning of the accumulation phase are counted towards the fulfilment of the SOG target.

The following table shows the current level of fulfilment of the SOG target per Executive Board member as at 31 December 2025:

	SOG (in % of the fixed gross annual base salary)	Number of shares currently held	Status in % of fixed annual base salary ¹	Status
Michael Strugl	70%	3,910	35%	in accumulation phase
Peter F. Kollmann	70%	3,327	35%	in accumulation phase
Achim Kaspar	70%	2,480	35%	in accumulation phase
Susanna Zapreva ²	70%	2,421	35%	in accumulation phase

¹ The share acquisition in the previous reporting year took place on 8 May 2024 at a price of €71.79. In the current reporting year, the share acquisition took place on 7 May 2025 at a price of €65.48.

² Taking into account shares already held (360 shares).

Malus and clawback provision

VERBUND contractually ensures that the Remuneration Committee of the Supervisory Board has the opportunity in pre-defined cases to reduce variable remuneration not yet paid, in whole or in part, to zero ("malus") or to demand that the gross variable remuneration already paid out be partly or completely returned ("clawback").

The pre-defined cases include, on the one hand, intentional violations of the statutory obligations of the member of the Executive Board, a material breach of the contractual service obligation, or other material behavioural principles of the Company, from the code of conduct or the compliance guidelines for instance.

Furthermore, the member of the Executive Board must return variable remuneration already paid if and insofar as it becomes clear after payment that the group accounting underlying the calculation of the amount paid was incorrect, and therefore must be corrected in accordance with the relevant accounting standards, and, based on the corrected group accounting and the given remuneration policy, a smaller payment amount or no payment at all would have been due from the variable remuneration.

In financial year 2025, the Supervisory Board of VERBUND AG saw no reason to reduce variable remuneration that had not yet been paid out or to reclaim variable remuneration that had already been paid out.

Termination provisions

If a member of the Executive Board is dismissed prematurely for good cause (Section 27 of the Austrian Salaried Employees Act (*Angestelltengesetz*, AngG) and Section 75(4) AktG), the contractual relationship can be terminated immediately without any further obligations for the Company. In the event of dismissal for other important reasons, the employment contract may be terminated with six months' notice to the end of a calendar quarter. However, if the employment contracts of members of the Executive Board are terminated prematurely without an important reason, a severance payment may be agreed if necessary, taking into account the circumstances of the resignation and the economic situation of the Company. Such severance payment may not compensate more than the remaining term of the contract, and is limited to a maximum of one gross annual base salary. When the premature termination is attributable to the member of the Executive Board, they are not granted severance pay.

In the event of premature termination of an Executive Board contract, the following regulations apply with regard to short-term and long-term remuneration: if there is good cause [within the meaning of Section 27 AngG, Section 75(4) AktG], the right to the payout is forfeited. In all other cases, a pro-rata payment is made on the original due date. In the case of death, all plans currently still being implemented are terminated and the payment is initiated with the target amount.

In the event of a change of control, all current tranches of the LTI all ongoing tranches of the LTI are subjected to a final assessment and the resulting pro-rata claims are paid as lump sums. The average share price of VERBUND shares on the Vienna Stock Exchange over the last 60 trading days prior to the termination of the LTI is used as the authoritative conversion rate for the phantom shares.

In financial year 2025, there was no premature termination of an Executive Board contract and no severance payments were made.

Target remuneration of the members of the Executive Board for financial year 2025

The Supervisory Board ensures that the amount and structure of Executive Board remuneration is appropriate and customary by regularly reviewing it in the form of a market comparison. The last review of Executive Board remuneration took place in 2023 in connection with the revision of the remuneration

policy. For the market comparison, the other ATX companies and 14 selected European listed energy companies were used as a supplementary peer group for a sector analysis.

The following tables show the individual total target remuneration of the members of the Executive Board of VERBUND AG for financial year 2025. The total target remuneration is calculated from the fixed annual base salary plus fringe benefits and pension fund contributions as well as all variable remuneration components (short-term and long-term remuneration) with their individual contractually arranged target amounts for the financial year (100% target achievement). The relative shares of the individual components (based on 100% target achievement in the variable components) in the total remuneration of the respective member of the Executive Board are also shown.

	Michael Strugi (CEO)				Peter F. Kollmann (CFO)			
	2025		2024		2025		2024	
	€k	% TR	€k	% TR	€k	€k	% TR	
Fixed annual base salary	765	38%	765	38%	651	651	38%	
Fringe benefits	13	1%	19	1%	14	17	1%	
Defined contribution pension fund contributions	77	4%	77	4%	65	65	4%	
Fixed remuneration	855	43%	860	43%	730	733	43%	
Short-term remuneration (STI)	459	23%	459	23%	391	391	23%	
2024	(-)		459		(-)	391		
2025	459		(-)		391	(-)		
Long-term remuneration (LTI)	689	34%	689	34%	586	586	34%	
2024–2027	(-)		689		(-)	586		
2025–2028	689		(-)		586	(-)		
Total remuneration (TR)	2,002		2,008		1,707	1,710		

	Achim Kaspar (COO)				Susanna Zapreva (CRO) from 1 January 2024			
	2025		2024		2025		2024	
	€k	% TR	€k	% TR	€k	€k	% TR	
Fixed annual base salary	485	38%	485	38%	485	485	37%	
Fringe benefits	15	1%	13	1%	6	36	3%	
Defined contribution pension fund contributions	49	4%	49	4%	49	49	4%	
Fixed remuneration	548	43%	547	43%	540	569	44%	
Short-term remuneration (STI)	291	23%	291	23%	291	291	22%	
2024	(-)		291		(-)	291		
2025	291		(-)		291	(-)		
Long-term remuneration (LTI)	437	34%	437	34%	437	437	34%	
2024–2027	(-)		437		(-)	437		
2025–2028	437		(-)		437	(-)		
Total remuneration (TR)	1,276		1,274		1,267	1,297		

Remuneration granted and owed in financial year 2025

In contrast to previous years, the total remuneration owed pursuant to Section 78c(2) 1. AktG for the members of the Executive Board as well as the individual components of the remuneration will be recognised beginning with the remuneration report for financial year 2024 on the basis of the “vesting

principle". This represents a change from VERBUND AG's previous remuneration reports, because up to now the remuneration actually paid was reported.²

Consequently, the reported total remuneration pursuant to Section 78c(2) 1. AktG in the financial year is as follows:

- the fixed annual base salary in financial year 2025;
- the fringe benefits in financial year 2025;
- the pension fund contributions in financial year 2025;
- the short-term remuneration for financial year 2025, which will be paid out in financial year 2026;
- the 2023 long-term remuneration (2023–2025 tranche), which was granted in financial year 2023, whose assessment period ended at the end of financial year 2025 and which will be paid out in financial year 2026.

The total remuneration of the members of the Executive Board for financial year 2025 is shown in the following tables.

The variable elements for the CEO, CFO and COO account for 53% of the remuneration owed for financial year 2025. The fixed remuneration is 47% of the total remuneration. For Susanna Zapreva (CRO), these figures are 41% (variable elements) and 59% (fixed remuneration) due to the first assumption of office in 2024 and the related lack of payment from past LTI tranches.

In the 2025 reporting period, gross payments of €3,740.16 were made for contributions to the supplementary health insurance for former members of the Executive Board.

	Michael Strugl (CEO)				Peter F. Kollmann (CFO)			
	2025		2024		2025		2024	
	€k	% TR	€k	% TR	€k	% TR	€k	% TR
Fixed annual base salary	765	42%	765	38%	651	42%	651	37%
Fringe benefits	13	1%	19	1%	14	1%	17	1%
Defined contribution pension fund contributions	77	4%	77	4%	65	4%	65	4%
Fixed remuneration	855	47%	860	41%	730	47%	733	41%
Short-term remuneration (STI)	583	32%	652	31%	496	32%	555	31%
2024	(-)		652		(-)		555	
2025	583		(-)		496		(-)	
Long-term remuneration (LTI)	383	21%	585	28%	317	21%	484	27%
2022–2024	(-)		585		(-)		484	
2023–2025	383		(-)		317		(-)	
Total remuneration (TR)	1,821		2,098		1,543		1,772	

² Due to the different regulatory requirements, the remuneration values recognised in the remuneration report differ from those in the notes to the consolidated financial statements.

	Achim Kaspar (COO)				Susanna Zapreva (CRO) from 1 January 2024			
	2025		2024		2025		2024	
	€k	% TR	€k	% TR	€k	% TR	€k	% TR
Fixed annual base salary	485	42%	485	36%	485	53%	485	49%
Fringe benefits	15	1%	13	1%	6	1%	36	4%
Defined contribution pension fund contributions	49	4%	49	4%	49	5%	49	5%
Fixed remuneration	548	47%	547	41%	540	59%	569	58%
Short-term remuneration (STI)	369	32%	414	31%	369	41%	414	42%
2024	(-)		414		(-)		414	
2025	369		(-)		369		(-)	
Long-term remuneration (LTI)	243	21%	371	28%	0.0	0%	0	0%
2022-2024	(-)		371		(-)		(-)	
2023-2025	243		(-)		(-)		(-)	
Total remuneration (TR)	1,160		1,331		909		983	

B. Remuneration report governing the remuneration of the members of the Supervisory Board of VERBUND AG (Section 98a of the Austrian Stock Corporation Act (AktG))

Basic principles of the remuneration policy for members of the Supervisory Board of VERBUND AG

The compensation system of the remuneration policy for the Supervisory Board of VERBUND AG is designed to promote the Supervisory Board's control function and its independence. It provides for non-performance-based annual remuneration (base salary) that also takes into account committee activities and the additional work these involve.

In addition to the base salary and the annual remuneration for the committee work of the Supervisory Board members, attendance fees are paid for attending meetings of the Supervisory Board and its committees.

Beyond this, members of the Supervisory Board are entitled to reimbursement of reasonable cash expenses, in particular for travel expenses incurred.

Supervisory Board remuneration policy	
Annual remuneration (fixed remuneration)	Fixed remuneration for work on the Supervisory Board, depending on the function of the respective Supervisory Board member (chairperson, vice-chairperson, ordinary member)
Annual remuneration for committee work	Additional remuneration for work on a committee of the Supervisory Board, depending on the function of the respective committee member (chairperson, vice-chairperson, committee member)
Attendance fee	Compensation for attending meetings of the Supervisory Board and its committees

Structure and amount of Supervisory Board remuneration

The chairperson of the Supervisory Board receives fixed annual remuneration of €25,000. The vice-chairperson of the Supervisory Board receives fixed annual remuneration of €15,000. All other shareholder representatives receive fixed annual remuneration of €10,000.

Membership of the Strategy and Sustainability Committee and the Audit Committee is additionally remunerated. Committee remuneration distinguishes between the chairperson, vice-chairperson and ordinary members. The committee chairperson receives additional remuneration of €25,000, the vice-chairperson receives additional remuneration of €15,000 and the (other) members receive additional remuneration of €10,000.

In addition, each member of the Supervisory Board and committee member receives an attendance fee of €500 per meeting attended.

Members of the Supervisory Board or one of its committees who were not members for the entire financial year will receive proportionate remuneration (calculated on a monthly basis).

As the worker's representatives on the Supervisory Board perform their function on a voluntary basis in accordance with Section 110(3) of the Austrian Labour Constitution Act (*Arbeitsverfassungsgesetz*, ArbVG), they do not receive fixed annual remuneration. The worker's representatives on the Supervisory Board are entitled to a lump-sum reimbursement of expenses for attending meetings of the Supervisory Board and its committees, the amount of which is determined by resolution of the Supervisory Board. For 2025, the lump-sum reimbursement of expenses for work on the Supervisory Board amounts to €5,000 and €3,000 for work on a Supervisory Board committee (provided the committee meets regularly, i.e. at least twice a year).

Remuneration granted and owed to members of the Supervisory Board

The following table shows the total remuneration of the members of the Supervisory Board of VERBUND AG for financial year 2025. The components of remuneration and their relative shares of the total remuneration of the respective Supervisory Board member are as follows.

	Fixed remuneration		Committee remuneration				Attendance fee				Total remuneration (TR)			
	2025		2024		2025		2024		2025		2024			
	€k	% TR	€k	% TR	€k	% TR	€k	% TR	€k	% TR	€ '000	€ '000		
Martin Ohneberg	25.0	35%	25.0	35%	40.0	56%	40.0	56%	7.0	10%	6.5	9%	72	71.5
Edith Hlawati	15.0	81%	15.0	83%	(-)	(-)	(-)	(-)	3.5	19%	3.0	17%	18.5	18.0
Eva Eberhartinger	25.0	57%	16.6	55%	15.0	34%	10.0	33%	4.0	9%	3.5	12%	44	30.1
Ingrid Hengster	10.0	28%	6.6	27%	20.0	56%	13.4	55%	6.0	17%	4.5	18%	36	24.5
Jürgen Roth	10.0	28%	10.0	27%	20.0	56%	20.0	55%	6.0	17%	6.5	18%	36	36.5
Eckhardt Rümmler	10.0	33%	10.0	29%	15.0	49%	20.0	58%	5.5	18%	4.5	13%	30.5	34.5
Christa Schlager	10.0	28%	10.0	25%	20.0	56%	23.3	59%	5.5	15%	6.5	16%	35.5	39.8
Robert Stajic	10.0	27%	10.0	27%	20.0	54%	20.0	55%	7.0	19%	6.5	18%	37	36.5
Stefan Szyszkowitz	10.0	80%	10.0	80%	(-)	(-)	(-)	(-)	2.5	20%	2.5	20%	12.5	12.5
Peter Weinel	10.0	87%	10.0	80%	(-)	(-)	(-)	(-)	1.5	13%	2.5	20%	11.5	12.5

In accordance with the remuneration scheme approved by the Annual General Meeting of VERBUND AG, the attendance fees due to worker's representatives as a lump-sum reimbursement of expenses for financial year 2025 totalled €49k (previous year: €49k).

Supervisory Board remuneration totalled €334k in 2025 (previous year: €347k). In 2025, five meetings of the Supervisory Board and seven committee meetings were held, totalling 12 meetings (previous year: 18 meetings).

C. Comparative presentation of remuneration and income trend

The following table shows the percentage development of the remuneration of the members of the Executive Board and Supervisory Board of VERBUND AG over the last five years as well as the development of the average remuneration of employees and the development of key earnings figures of VERBUND AG.

Development of remuneration and financial performance¹

	2025	2024	2024/2025	2023/2024	2023/2022	2022/2021	2021/2020
Members of the Executive Board							
Michael Strugl	1,821	2,098	-13%	12%	12%	28%	18%
Peter F. Kollmann	1,543	1,772	-13%	14%	9%	27%	3%
Achim Kaspar	1,160	1,331	-13%	12%	9%	27%	11%
Susanna Zapreva	909	983	-7%	(-)	(-)	(-)	(-)
Members of the Supervisory Board							
Martin Ohneberg	72	72	3%	-1%	0%	29%	40%
Edith Hlawati	19	18	46%	-3%			
Eva Eberhartinger	44	30	47%	(-)	(-)	(-)	(-)
Ingrid Hengster	36	25	47%	(-)	(-)	(-)	(-)
Jürgen Roth	36	37	-1%	7%	-7%	-1%	48%
Eckhardt Rümmler	31	35	-12%	-26%	0%	-1%	(-)
Christa Schlager	31	40	-11%	184%	-63%	-3%	(-)
Robert Stajic	37	37	1%	-3%	(-)	(-)	(-)
Stefan Szyszkowitz	13	13	0%	-7%	4%	0%	0%
Peter Weinelt	13	13	-8%	-4%	4%	-7%	4%
Employees							
Change in average remuneration compared to previous year	131	131	0%	7%	7%	2%	0%
Financial performance							
Adjusted Group net profit (€m)	1,706	1,870	-9%	-28%	49%	120%	31%
Free cash flow after dividends (€m)	-793	145	0%	-93%	8264%	98%	-544%

¹ For reasons of consistency with previous publications, the total remuneration of the Executive Board members in the years 2020 to 2022 continues to be based on the remuneration paid out in the respective financial year. The total remuneration owed to the Executive Board members for the years 2023, 2024 and 2025 is based on the vesting principle, i.e. remuneration is deemed to be owed if the underlying service was rendered in full in 2023 and 2024.

Employee remuneration is based on active expenses for current employees adjusted for the remuneration of the members of the Executive Board.

Vienna, 12 March 2026

Mag. Dr. Michael Strugl MBA
Chairman of the Executive
Board of VERBUND AG

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

Mag. Dr. Achim Kaspar
Member of the Executive Board of
VERBUND AG

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

Vienna, 17 March 2026

Mag. Martin Ohneberg
Chairman of the Supervisory Board