

# Verbund

By our own power.

# Annual Report 2025

VERBUND AG



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Annual Report 2025



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**Note on rounding:** The addition of rounded amounts and the calculation of percentages may lead to rounding differences due to the use of computing software.

# Three-year comparison

	€m, %		
	2023	2024	<b>2025</b>
Revenue	997.3	917.1	<b>335.1</b>
Earnings before interest and taxes (EBIT)	1,193.5	2,598.5	<b>1,967.1</b>
Earnings before taxes	1,108.8	2,517.0	<b>1,918.6</b>
Net income for the year	1,202.4	2,493.0	<b>1,872.1</b>
Net profit	1,441.8	972.8	<b>1,094.4</b>
Total assets	7,387.5	7,092.8	<b>7,252.4</b>
Fixed assets	6,998.7	6,727.6	<b>6,801.1</b>
Capital expenditure for property, plant and equipment	12.9	11.3	<b>9.6</b>
Depreciation of property, plant and equipment	1.9	3.5	<b>2.5</b>
Equity	3,769.2	4,820.4	<b>5,719.7</b>
Return on sales (ROS)	119.7%	283.3%	<b>587.0%</b>
Return on equity (ROE)	29.0%	66.8%	<b>39.8%</b>
Return on investment (ROI)	17.3%	35.2%	<b>27.7%</b>
Return on capital employed (ROCE)	14.0%	30.0%	<b>21.3%</b>
Equity ratio	51.0%	68.0%	<b>78.9%</b>
Notional debt repayment period	2.6	0.9	<b>0.8</b>
Cash flow from operating activities	1,572.7	2,153.3	<b>1,594.6</b>
Gearing	76.0%	39.1%	<b>21.8%</b>
Working capital	-1,830.0	-571.9	<b>268.9</b>
Net debt	2,864.9	1,885.5	<b>1,245.1</b>
Current liabilities	2,684.4	855.1	<b>129.3</b>
Current assets	854.4	283.3	<b>398.2</b>
Share price high	89.3	86.5	86.50
Share price low	68.1	62.6	<b>62.60</b>
Closing price	84.1	70.0	<b>70.00</b>
(Proposed) dividend per share	3.40	2.80	<b>2.00</b>
(Proposed) special dividend per share	0.75	0.00	<b>1.15</b>
Dividend yield	5.49%	4.00%	<b>4.50%</b>
Average number of employees	208.7	204.22	<b>178.38</b>
<b>Group electricity sales volume (GWh)<sup>1</sup></b>	<b>68,398</b>	<b>68,398</b>	<b>68,398</b>

<sup>1</sup> incl. system requirements

# Governing bodies

## Executive Board

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

## Supervisory Board

Name	Year of birth	Date of initial appointment	End of current term of office
Mag. Martin Ohneberg Chairman Managing partner of HENN Industrial Group GmbH & Co KG; member of the board of directors of Montana Aerospace AG, Switzerland and member of the supervisory board of VARTA AG, Germany	1971	30/4/2019	AGM 2028
Dr. Edith Hlawati 1st Vice-Chairwoman Member of the management board of Österreichische Beteiligungs AG Member of the supervisory boards of Telekom Austria AG (chairwoman); OMV AG (vice-chairwoman) and EuroTeleSites AG (member)	1957	25/4/2022	AGM 2026
Univ.-Prof. Dr. Eva Eberhartinger 2nd Vice-Chairwoman University professor at the Vienna University of Economics and Business Member of the supervisory boards of Raiffeisen Bank International AG (member)	1968	30/4/2024	AGM 2027
Dr. Ingrid Hengster Barclays Bank Ireland, CEO Germany, Global Chair Investment Banking Member of the supervisory boards of Deutsches Aktieninstitut and German Banking Industry Committee, member of the Foundation Board of Frankfurt School of Finance and the Banking Committee of the Frankfurt Chamber of Commerce and Industry	1961	30/4/2024	AGM 2027
Mag. Jürgen Roth Managing partner at Tank Roth GmbH; member of the supervisory board of ICS Internationalisierungszentrum Steiermark GmbH (chairman); member of the European Economic and Social Committee	1973	22/4/2015	AGM 2026

Name	Year of birth	Date of initial appointment	End of current term of office
Dipl.-Ing. Eckhardt Rümmler Member of the supervisory board and management consultant Member of the supervisory board of PreussenElektra GmbH, Germany (member) Member of the board of directors of Northland Power Inc, Toronto (member)	1960	16/6/2020	AGM 2027
Mag. Christa Schlager Head of the economic policy department at the Vienna Chamber of Labour; member of the supervisory board of Forschungsförderungsgesellschaft mbH (member until September 2025) and Austria Wirtschaftsservice Gesellschaft mbH (aws) (member)	1969	16/6/2020	AGM 2026
Dipl.-Ing. Robert Stajic MBA Executive director of Österreichische Beteiligungs AG (until September 2025) Member of the supervisory board of OMV AG (member)	1979	25/4/2022	AGM 2028
Mag. Stefan Szyszkowitz Spokesman of the managing board of EVN AG; member of the supervisory boards of Burgenland Holding Aktiengesellschaft (chairman), EVN Macedonia AD (vice-chairman), RAG-Beteiligungs-Aktiengesellschaft (chairman), RAG Austria AG (chairman), Burgenland Energie AG (vice-chairman), Netz Niederösterreich GmbH (vice-chairman)	1964	23/4/2018	AGM 2026
Dipl.-Ing. Peter Weinelt Managing director of Wiener Stadtwerke GmbH and Wiener Stadtwerke Planvermögen GmbH; member of the supervisory boards of Wien Energie GmbH (chairman), Wiener Netze GmbH (chairman), EVN AG (member), Burgenland Holding Aktiengesellschaft (member) Chairman of Fachverband Gas Wärme of WKÖ	1966	5/4/2017	AGM 2026

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

## Employee representatives

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

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

# Report of the Supervisory Board

As Austria's leading energy company, VERBUND generated pleasing results once again in financial year 2025 despite the challenges and considerable uncertainties. The Group succeeded in keeping its profitability at a high level and continuing its sustainable development. The Supervisory Board actively monitored and supported this strong performance.

## **Performance of duties**

In financial year 2025, the Supervisory Board discharged the responsibilities and exercised the powers incumbent upon it by virtue of the law and the Articles of Association at five plenary meetings. At certain meetings, several members of the Supervisory Board participated remotely by video. The overall attendance rate for all Supervisory Board members was 97%. The Chairman additionally kept in regular contact with the Board members to discuss matters of importance as they arose. The Executive Board provided the Supervisory Board with regular and comprehensive real-time information, both verbally and in writing, on all relevant matters relating to the performance as well as the position and strategy of the Group and all significant Group companies; information was also provided on the Group's risk position and its risk management activities.

The Supervisory Board advised the Executive Board on key questions concerning the future, particularly as regards the Group's structure and strategy, and regularly discussed the implementation of the strategy with the Executive Board. Major investment and acquisition projects underpinning the ongoing implementation of the growth strategy were among the main topics discussed. The Supervisory Board monitored and supported the Executive Board's management activities continuously based on its extensive reporting. Supervision took place in the context of open and constructive meetings between the Executive Board and the Supervisory Board and revealed no grounds for objection. The main resolutions adopted by the Supervisory Board are presented in the 2025 Consolidated Corporate Governance Report. Between meetings, the Chairman of the Supervisory Board conversed regularly with the Chairman of the Executive Board.

## **Composition of the Executive Board and the Supervisory Board**

There were no changes to the Executive Board or Supervisory Board during the reporting year. Dipl.-Ing. Robert Stajic was re-elected to the Supervisory Board at the Annual General Meeting on 29 April 2025. The Supervisory Board extended the Executive Board mandate of Mag. Dr. Achim Kaspar to 31 December 2028.

## **Code of Corporate Governance, Supervisory Board Committees**

As a leading listed Group, VERBUND made an early commitment to adhere to the Austrian Code of Corporate Governance (Österreichischer Corporate Governance Kodex, ÖCGK). VERBUND's Supervisory Board views compliance with the Code as obligatory and endeavours to consistently conform to the provisions relating to the Supervisory Board. In this spirit, essential compliance with the rules relating to the Supervisory Board's collaboration with the Executive Board and within the Supervisory Board itself has been achieved.

In addition, the Supervisory Board again discussed at length possible conflicts of interest when dealing with the approval of contracts with companies where individual Supervisory Board members are related

parties. No conflicts of interest were identified that would require any corresponding action to be undertaken.

The merger of the Strategy Committee with the Sustainability Committee in 2024 to form the new Strategy and Sustainability Committee with an expanded remit underscores the high strategic importance of sustainability across all areas of VERBUND's business activities. The Strategy and Sustainability Committee met four times in the reporting period and primarily addressed the implementation of the Group strategy and the strategic planning. In addition to ESG reporting, it also addressed individual M&A projects and their sustainability impacts, examined new scenario analyses, and covered key sustainability topics such as the materiality assessment and the Climate Transition Plan.

The Supervisory Board's Audit Committee met three times during the financial year now ended. It focused in particular on the semi-annual financial statements, the budget and medium-term planning, as well as on preparing the resolution on the annual financial statements, and on the appointment of the auditor and the review of the auditor's work. In addition, the Audit Committee concentrated on the Group's internal control and audit procedures, as well as on other current topics such as information security and the cyber threat landscape.

In accordance with the Austrian Code of Corporate Governance (ÖCGK) and the rules of procedure, the Group once again had a Nomination Committee and a Remuneration Committee in the past financial year. The Remuneration Committee held three meetings, focusing in particular on target agreements and target achievement for the variable remuneration of the Executive Board, as well as on the 2024 remuneration report and the remuneration policy. The Nomination Committee held two meetings and focused primarily on preparing the election of a Supervisory Board member and the extension of the Executive Board mandate of Mag. Dr. Achim Kaspar.

Further information on the composition, work procedures and meetings of the Supervisory Board and its committees is contained in the Group's Consolidated Corporate Governance Report for 2025. Information on the remuneration paid to the Supervisory Board members can be found in the remuneration report that the Executive Board and the Supervisory Board jointly prepared for presentation to the Annual General Meeting in April 2026 in accordance with Section 78c of the Austrian Stock Corporation Act (*Aktiengesetz, AktG*).

#### **Annual financial statements/consolidated financial statements and non-financial statement**

The annual financial statements, together with the management report, the consolidated financial statements prepared in accordance with International Financial Reporting Standards (IFRSs) and the Group management report for financial year 2025 were audited by Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. and issued with an unqualified auditor's report. In addition, an audit was conducted to obtain limited assurance for the consolidated non-financial statement included in the Group management report. Nothing came to the auditor's attention that caused them to believe that the consolidated non-financial statement included in the Group management report does not comply, in all material respects, with the legal requirements.

The auditor prepared the additional report required to be made to the Audit Committee under Article 11 of the Regulation on the statutory audit of public-interest entities and reported its findings in writing. The auditor found that the Executive Board had provided the explanations and evidence

requested and that the book-keeping, annual financial statements and consolidated financial statements fulfilled the legal requirements and, in conformity with Austrian generally accepted accounting principles, gave a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the Group. The auditor also confirmed that the management report and the Group management report were consistent with the annual financial statements and the consolidated financial statements.

Following in-depth examination and discussion by the Audit Committee and the Supervisory Board, the Supervisory Board approved the annual financial statements for financial year 2025 as presented by the Executive Board. As a result, they are final for the purposes of Section 96(4) of the Austrian Stock Corporation Act (AktG). The management report prepared by the Executive Board was approved, as was the proposal for the appropriation of profit. The Supervisory Board also approved the consolidated financial statements and the Group management report, including the non-financial statement along with the corporate governance report submitted by the Executive Board. There were no grounds for any material objections.

In conclusion, the Supervisory Board would like to thank the Executive Board and all of the Group's employees for their successful work in financial year 2025. Their tireless efforts in challenging circumstances ensured an uninterrupted electricity supply in Austria. The Supervisory Board would also like to thank the Group's shareholders, customers and business partners for their trust.

Vienna, March 2026

Mag. Martin Ohneberg  
Chairman of the Supervisory Board

# Management report

# Report on business performance and economic position

## General conditions

In financial year 2025, prices for most commodities declined. Only gas spot prices rose. This had an impact on electricity prices on the spot market, which rose compared with 2024. After two years of recession, Austria recorded slight growth of 0.3% in 2025. Total electricity demand in Austria rose by only a slight margin in 2025. A slight increase in demand and significantly lower hydropower output led to a pronounced import surplus.

### General economic and energy market environment

#### Slower growth

According to preliminary data provided by the International Monetary Fund (IMF), global economic output increased by 3.2% in 2025, roughly in line with the 2024 growth rate and below the long-term average. In addition to the negative impacts of the war in Ukraine and other geopolitical tensions, US tariff policy weighed on global economic growth.

High energy prices in Europe, along with the continuing weak growth in China, also dampened economic growth in Europe. Economic growth in the eurozone was 1.2%.

After two years of recession, Austria recorded slight growth of 0.3% in 2025. The recovery was mainly driven by private consumption, while foreign trade in goods continued to decline. Investments in residential construction picked up earlier than investments in equipment, supported by falling interest rates.

#### Increase in electricity consumption and higher generation

According to preliminary data from E-Control Austria (ECA), Austria's electricity consumption (less pumped storage consumption, including grid loss and own use of electricity by power plants) increased slightly in 2025 to around 72 TWh, roughly 3% higher than the previous year.

Electricity generation in Austria declined significantly in 2025, primarily due to poor water supply. Hydropower generation was around a quarter lower than in the previous year in 2025. The sharp increase in generation from thermal power plants (+18%) was unable to compensate for this production shortfall.

Electricity generation from wind power plants declined (-8%). By contrast, generation from photovoltaic systems rose significantly, with an increase of around 30% to almost 10 TWh recorded. The import balance was clearly negative in 2025. Electricity imports rose by 36% in 2025, while electricity exports fell by 16%. As a result, electricity imports exceeded exports by more than 4 TWh in 2025.

### New legal framework for the energy sector in Austria

Political and legislative activities in Austria's energy sector in 2025 were dominated by intensive negotiations on the resolution of the Austrian Electricity Industry Act (*Elektrizitätswirtschaftsgesetz*, ElWVG) and the Renewable Energy Expansion Acceleration Act (*Erneuerbaren-Ausbau-Beschleunigungsgesetz*, EABG). The focus was on political efforts to reduce energy prices and accelerate approval processes for renewables and grids. An Austrian industrial strategy was also prepared, and work on a hydrogen import strategy has begun.

#### Energy Crisis Contribution for Electricity

The Energy Crisis Contribution for Electricity has been extended until 2030 and tightened. The cap on market revenues was lowered from €120/MWh to €90/MWh, or €100/MWh for plants that entered into operation on or after 1 April 2025, and the levy rate was increased from 90% to 95% of windfall profits. As

before, there is a deduction for eligible investments (75% of the actual acquisition and production costs, capped at €25/MWh).

#### **Austrian Electricity Industry Act (Affordable Electricity Act)**

Following intensive negotiations, the Austrian Electricity Industry Act (EIWG) (Affordable Electricity Act) was adopted in December 2025 with a two-thirds majority. A new supply infrastructure contribution has been introduced for installations larger than 20 kW with a statutory cap of 0.05 cents/kWh. Other key points of the act include a stronger focus on system utility with regard to tariff exemptions for storage facilities, rules and regulations concerning peak capping for wind and photovoltaics, exceptions for small installations from grid connection fees, the introduction of a social tariff of €60m to be financed by suppliers, adjustments to provisions relevant to end-users (including the right to change prices, basic services, and dynamic supply contracts), rules and regulations concerning security of supply (grid reserve) and citizen energy (active customers and energy sharing).

#### **Amendment to the Price Act**

As part of the Affordable Electricity Act, amendments to the Price Act were also adopted alongside the Electricity Industry Act (EIWG). The amendments to the 1992 Austrian Price Act (*Preisgesetz*, PreisG) and the Energy Regulatory Authorities Act (*Energie-Control-Gesetz*, E-ControlG) have created a new price monitoring mechanism for energy by removing the previous exceptions for electricity and gas. Under the new price monitoring mechanism, the Federal Government is granted the authority to intervene temporarily in energy prices in the event of unjustified pricing practices.

#### **Renewable Energy Expansion Acceleration Act (EABG)**

In September 2025, the Renewable Energy Expansion Acceleration Act (EABG) was sent for review. Key elements include the concentration of procedures, anchoring the overriding public interest in energy transition projects, and the introduction of a new energy transition scheme. Furthermore, the draft stipulates technology-specific generation targets for the federal states for wind, photovoltaics and hydropower in order to achieve the 2030 expansion targets in accordance with the Renewable Energy Expansion Act (*Erneuerbaren-Ausbau-Gesetz*, EAG) (27 TWh).

#### **Amendment to the Electricity Duty Act (*Elektrizitätsabgabegesetz*, EnAbgR)**

In December 2025, Parliament decided to reduce the electricity duty, limited to 2026. The duty is to be reduced from the current 1.5 cents/kWh to 0.82 cents/kWh. For private households, it is to be set at 0.1 cents/kWh.

## Report on branch offices

There were no branch offices in the financial year under review.

## Finance

### Financial performance

#### Revenue and result

	Unit	2024	2025
Revenue	€k	917,111.8	335,091.9
Earnings before interest and taxes (EBIT)	€k	2,598,465.7	1,967,103.1
Earnings before taxes	€k	2,516,970.4	1,918,590.5
Net income for the year	€k	2,493,029.3	1,872,057.6
Net profit	€k	972,763.9	1,094,359.4
Return on equity (ROE)	%	66.8	39.8
Return on investment (ROI)	%	35.2	27.7
Return on capital employed (ROCE)	%	30.0	21.3
Return on sales (ROS)	%	283.3	587.0

Due to the demerger of the “Household and Small Businesses” segment from VERBUND AG to VERBUND Energy4Customers GmbH, comparisons with the previous year’s figures are not meaningful, particularly with regard to financial performance. Reference is made to the notes, which present the demerged assets and liabilities.

#### Revenue

Revenue from electricity deliveries fell by 64.4% to €286,231.1k (previous year: €805,095.4k). The average futures market prices achieved for the 2025 supply year for volumes hedged for the long term were significantly below the previous year’s level (for Austria, the average decline was 38%), while the average spot market prices rose by 21%. In financial year 2025, the hydro coefficient for run-of-river power plants was 21 percentage points below the long-term average and 30 percentage points below the previous year’s level. Overall, this led to a decline in revenues from the marketing of purchase rights of 14.1% or €45,910.6k. Revenues from gas deliveries fell to zero due to the demerger of the segment.

Total revenue thus decreased by €582,019.9k or 63.5%.

#### Expenses for electricity and gas purchases

Electricity purchase expenses fell by 86.0%, from €541,622.9k to €75,859.9k. This reduction resulted from the demerger of the “Household and Small Businesses” segment of the electricity business from VERBUND AG to VERBUND Energy4Customers GmbH (previous year: electricity purchase for end users €463,483.5k).

Expenses for electricity purchases under purchase rights are based on cost reimbursement and remained largely at the previous year’s level despite fluctuations in volumes.

Gas purchase expenses fell by €60,577.5k to zero due to the demerger of the segment.

#### Personnel expenses

Personnel expenses fell by €10,029.9k, or 21.2%, from €47,349.3k to €37,319.5k. Salaries fell by €4,338.2k, or 12.3%, to €30,964.9k (previous year: €35,303.2k). Expenses for termination benefits and pensions

decreased by €5,055.9k from €5,410.9k to €354.9k. The changes mainly resulted from personnel movements within the Group.

### Other operating expenses

Other operating expenses of €69,392.4k remained largely at the previous year's level (€71,406.8k). Significant items included expenses incurred to cover windfall tax in accordance with the Federal Act on the Energy Crisis Contribution for Electricity (*Bundesgesetz über den Energiekrisenbeitrag-Strom*, EKBSG) of €7,711.7k (previous year: €2,217.5k).

### Earnings before taxes

Based on the influencing factors described above and the lower year-on-year financial result of €1,770,574.2k (previous year: €2,369,416.5k), earnings before taxes decreased by €598,380.0k to €1,918,590.4k (previous year: €2,516,970.4k).

This decrease in the financial result was mainly due to the decline in investment income, which decreased by €656,330.5k compared with the previous year, from €2,432,404.8k to €1,776,074.3k. Impairment losses recognised on equity interests declined to €10,886.9k (previous year: €60,837.1k). Reversals of impairment losses on equity interests amounted to €49,515.0k in the new renewables portfolio in Spain. Interest expenses decreased from €75,857.2k to €42,211.9k, Partially as a result of lower interest expenses on bank loans. The cost of procuring credit amounted to €6,301.6k (previous year: €5,638.1k).

## Financial position

### Financial position

	Unit	2024	2025
Fixed assets	€k	6,727,612.0	6,801,069.7
Current assets	€k	225,611.5	340,073.1
Working capital	€k	-571,860.5	268,893.6
Net debt	€k	1,885,482.6	1,245,102.6
Equity	€k	4,820,407.5	5,719,701.2
Current liabilities	€k	855,137.0	129,336.0
Current assets	€k	283,276.5	398,229.7
Average capital employed	€k	6,663,193.9	6,923,593.2
Equity ratio	%	68.0	78.9

### Assets

Intangible assets and property, plant and equipment increased from €43,961.1k to €49,787.0k, mainly due to additions to property, plant and equipment. In accounting for investees, the investments item increased by €137,696.9k, mainly due to additions and reversals of impairment losses on foreign equity interests. Other investments decreased by €70,065.0k, primarily due to repayments of loans.

The increase of €114,461.6k in current assets mainly resulted from the increase in receivables from affiliated companies of €75,686.7k as well as in receivables from tax offsetting of €114,108.4k. This was

offset by decreases in inventories of €16,840.8k and in trade receivables of €57,440.3k, which were attributable to the demerger of the segment.

### **Equity and liabilities**

Due to the net income for the year in the amount of €1,872,057.6k reduced by the dividend distribution for financial year 2024 of €972,763.9k, equity increased to €5,719,701.2k. The equity ratio rose to 78.9% (previous year: 68.0%), primarily due to an increase in equity along with a simultaneous decrease in current and non-current liabilities, the latter being mainly attributable to the demerger of the segment.

### **Cash flows**

#### **Financing strategy**

In a highly volatile energy market environment marked by considerable uncertainty, VERBUND bases its financing strategy on three pillars: 1. safeguarding liquidity and ensuring suitable liquidity reserves; 2. securing a solid, credit rating over the long term; and 3. implementing innovative green finance transactions. These actions are embedded in the Group-wide risk and opportunity management framework and take into account the requirements for TCFD-compliant (Task Force on Climate-related Financial Disclosures) reporting.

#### **Safeguarding liquidity and ensuring suitable liquidity reserves**

For VERBUND, ensuring that liquidity is available at all times has the highest priority. As at 31 December 2025, VERBUND had an Environmental, Social, Governance (ESG)-linked syndicated loan in the amount of €1,000.0m at its disposal that had not been drawn down. The loan, which was taken out with 15 domestic and international banks with good credit ratings, matures in December 2028 with two additional extension options of one year in each case. VERBUND also had access to committed lines of credit amounting to €1,000.0m at the end of 2025. As at 31 December 2025, these credit lines had not been drawn down.

Green finance has very high priority for VERBUND because the entire corporate strategy is focused on sustainability and green finance is decisive in the international arena and a cornerstone of the national climate strategy. VERBUND will continue to position itself as a pioneer in a future decarbonised energy market.

VERBUND will use the net proceeds arising from emissions for green projects that align with the VERBUND Green Financing Framework, which was updated in May 2024. The Green Financing Framework was audited by internationally renowned sustainability rating agency ISS ESG, which also provided a second party opinion.

**KPIs – finance**

	Unit	2024	2025
Cash flow from operating activities	€k	2,153,261.1	1,594,620.4
Cash flow from investing activities	€k	357,062.2	76,343.1
Cash flow from financing activities	€k	-2,510,323.3	-1,670,963.5
Financial result	€k	2,369,416.5	1,770,574.2
Gearing	%	39.1	21.8
Notional debt repayment period	years	0.9	0.8

Compared with the previous year, the financial result fell by €598,842.2k to €1,770,574.2k (previous year: €2,369,416.5k). This was primarily due to a decrease in investment income after deduction of loss transfers of €650,424.4k to €1,723,774.4k. Impairment losses recognised on equity interests in financial year 2025 amounted to €10,861.5k, whereas in financial year 2024 impairment losses recognised on equity interests had amounted to €60,837.1k. Reversals of impairment losses on equity interests amounted to €49,515.0k in financial year 2025 (previous year: €50,988.0k). Interest income improved by €31,490.7k. The increase can be attributed to the cessation of interest following the repayment of loans. Income from loans decreased by €31,382.5k to €43,713.8k (previous year: €75,096.3k).

The decrease in interest-bearing net debt to €1,245,102.6k led to a reduction in gearing to 21.8%. The notional debt repayment period decreased to 0.8 years (previous year: 0.9 years) due to the surplus from ordinary activities of €1,849,902.2k (previous year: €2,498,039.0k), accompanied by a fall in debt of 32.6%.

**Cash flow statement**

The cash flow statement is prepared in accordance with AFRAC Opinion 36 (Cash Flow Statement (UGB)). Since VERBUND AG also operates as a holding company, income and expenses from equity interests continued to be reported under cash flow from operating activities.

**(1) Cash flow from operating activities**

Cash flow from operating activities was determined using the indirect method and resulted in a cash inflow of €1,594,620.4k (previous year: cash inflow of €2,153,261.1k).

Profit or loss for the period includes investment income impacting the cash flow net of losses transferred amounting to €1,723,774.4k (previous year: €2,374,198.8k).

The change in trade receivables and other receivables is primarily attributable to the decrease in receivables from the electricity business following the demerger of the “Household and Small Businesses” segment and the increase in receivables from affiliated companies in the amount of €75,686.7k.

The change in trade payables and other liabilities is mainly the result of the decrease in liabilities from the electricity and gas business of €40,580.9k following the demerger of the segment. Trade payables, excluding the electricity and gas business, remained virtually unchanged compared with the previous year. Other liabilities decreased by €18,928.3k.

The net liability position arising from income tax payments in the amount of €201,141.8k (previous year: cash inflow in the amount of €320,004.4k) is attributable to prepayments to the tax authorities of

€691,269.9k. Other taxes on income, such as the capital gains tax, resulted in an outflow of €71,171.6k. This was offset by the credit for tax allocations from Group members of €234,625.4k.

**(2) Cash flow from investing activities**

Cash flow from investing activities recorded total inflows of €76,343.1k (previous year: inflows of €357,062.2k). These inflows resulted from the repayment of loans in the amount of €72,680.4k (of which €67,986.5k pertained to loans to affiliated companies). They are offset in particular by cash outflows from investments in affiliated companies of €104,878.7k and the granting of loans in the amount of €2,685.4k (of which €2,685.4k in loans to affiliated companies).

**(3) Cash flow from financing activities**

As part of the dividend distribution approved for financial year 2024, €972,763.9k was paid out to shareholders. This was equivalent to a dividend of €2.80 per share (excluding any special dividend). Group clearing resulted in a cash outflow of €617,948.2k (previous year: cash outflow of €965,476.1k).

Cash outflows for interest and similar expenses amounted to €48,063.9k (previous year: €78,320.0k). In financial year 2025, no new loans were taken out (previous year: loan of €373.0k and issuance of one bond in the amount of €500,000.0k). Financial liabilities of €32,187.5k were repaid on schedule, while no financial liabilities were repaid ahead of schedule.

**Cash flow statement**

		2024	2025
	Notes		
Earnings before taxes		2,516,970.4	1,918,590.5
Amortisation of intangible assets and depreciation of property, plant and equipment		4,270.7	2,519.2
Amortisation and reversal of impairment of investments		9,785.9	-38,592.4
Result from disposal of non-current assets		105.5	-224.3
Other interest and similar income, and interest and similar expenses		-4,992.2	-83,778.4
Change in non-current provisions		3,208.2	-4,271.5
Income from the reversal of contributions to building costs		-35.1	-35.1
Other non-cash expenses and income		-13,059.7	12,120.7
Change in inventories		-3,590.7	2,429.9
Change in trade receivables and other receivables <sup>1</sup>		60,431.6	107,594.1
Change in trade payables and other liabilities <sup>2</sup>		15,929.2	-123,376.2
Change in current provisions		-115,758.4	2,785.7
Payments for income taxes		-320,004.4	-201,141.8
<b>Cash flow from operating activities</b>	<b>(1)</b>	<b>2,153,261.1</b>	<b>1,594,620.4</b>
Cash outflow from capital expenditure on intangible assets and property, plant and equipment		-15,419.3	-10,141.2
Cash inflow from the disposal of intangible assets and property, plant and equipment		68.2	1,390.6
Cash outflow from capital expenditure on investments		-300,370.6	-126,737.1
Cash inflow from the disposal of investments		593,976.5	79,612.1
Cash inflow from investments and securities		154.9	75,850.9
Cash inflow from interest		78,652.5	56,367.8
<b>Cash flow from investing activities</b>	<b>(2)</b>	<b>357,062.2</b>	<b>76,343.1</b>
Cash inflow (outflow) from money market transactions		0.0	0.0
New non-current loans		500,373.0	0.0
Cash outflow from the repayment of financial liabilities (excluding money market transactions)		-525,125.0	-32,187.5
Cash inflow (outflow) from increases (decreases) in Group clearing balances		-965,476.1	-617,948.2
Dividends paid		-1,441,775.1	-972,763.9
Cash outflow for interest and similar expenses		-78,320.0	-48,063.9
<b>Cash flow from financing activities</b>	<b>(3)</b>	<b>-2,510,323.3</b>	<b>-1,670,963.5</b>
Change in cash and cash equivalents		0.0	0.0
Cash and cash equivalents as at 1/1/		0.0	0.0
<b>Cash and cash equivalents as at 31/12</b>		<b>0.0</b>	<b>0.0</b>

<sup>1</sup> incl. prepayments, accrued income and deferred tax assets // <sup>2</sup> incl. other accruals and deferred income

# Report on research, development, the environment and social matters

As a trailblazer in the future of energy, VERBUND is driving innovation and investing in pioneering projects as well as national and international partnerships. Three innovation focus areas are key to unlocking new value creation potential: customer-oriented digitalisation, AI-assisted optimisations, and large-scale battery storage for flexibility and value preservation. These areas are used to strategically prioritise innovation initiatives within the Group. Together with its partners and customers, VERBUND is developing new business models, services and products along the entire value chain to accelerate the transformation of the energy system.

Please refer to the Integrated Annual Report 2025 for more information and further disclosures on research and development.

## Environmental performance

VERBUND respects the right of present and future generations to an intact and habitable world. For this reason, VERBUND is working to prevent or reduce negative environmental impacts of its entrepreneurial activities, plants, products and services. In line with national and international targets and guidelines, VERBUND pursues a holistic approach at its hydropower plants with regard to the protection, promotion and restoration of habitats and biodiversity. This approach is based on three key areas of action: research projects on preserving and strengthening biodiversity, aquatic ecological renaturation projects, and land management that promotes biodiversity. The central regulatory framework for this is provided by the EU Water Framework Directive (WFD) together with its national River Basin Management Plans. VERBUND recognised early on that the targets of the Water Framework Directive were not a burden, but rather an opportunity for proactive and comprehensive ecological enhancement of domestic waters. In the 2025 reporting period, work continued to focus on the technically demanding approval planning and comprehensive official approval processes.

Please refer to the Integrated Annual Report 2025 for more information and further disclosures on the environment and sustainability.

## Digitalisation and information security

### Digital transformation

The ongoing digital transformation is an essential component of VERBUND's strategic focus, a major driver and promoter of the Group strategy and a regular companion in the everyday lives of VERBUND employees. A future-proof digitalisation function with a professional and technical development perspective is therefore a critical success factor throughout the Group.

In financial year 2025, digital projects under the Digital Transformation Master Plan continued to be pursued and new ones were started. These include projects from the categories digital innovations, machine learning and generative AI, big data, digitisation of power plants, energy management and modern working practices. This master plan thus encompasses all strategically relevant digital transformation projects in the Group and serves to help plan and coordinate digital innovations. It also supports the transfer of expertise and best practice within VERBUND in order to promote synergies and efficient implementation.

### AI applications and machine learning

Artificial intelligence (AI) has been an integral component of value creation at VERBUND for many years. Traditional AI methods, particularly machine learning, are successfully used for pattern recognition and forecasting. Numerous solutions with AI components are already in productive use in operational areas (from generation to distribution and trade to sales). As part of the digitalisation programme, digital twins are being created as the basis for advanced AI models.

Alongside traditional applications, generative AI is gaining increasing relevance. It supports daily office work with VERBUND's custom chatbot solutions such as VerbundGPT as well as specialised tools for translation, image generation and video generation. Pilot projects are testing the use of AI agents, for example for natural language interaction with databases or chatbots for FAQs.

### Information security

Information security is a matter of high priority at VERBUND AG and extends through all areas of the Group. As an operator of critical infrastructure, the enterprise obligations arising from the European NIS2 Directive and its national implementations play an important role for VERBUND AG. The information security governance framework put in place for this provides the basis for management and planning, while the established reporting structures ensure comprehensive reporting at all levels of the Group. In the 2025 reporting period, the central information security management system was once again externally tested, audited, and certified to ISO 27001 and ISO 27019.

## Employees, health and safety

VERBUND's employees make a vital contribution to the Group's success. Their commitment and entrepreneurial actions enable the continuous further development and implementation of VERBUND's strategy, which was revised in 2022.

It was clearly evident once again in financial year 2025 how the dedication and flexibility of VERBUND's employees contributes to the Group's success. In spite of various crises and the tense political situation, all of VERBUND's projects went ahead and VERBUND continued to consistently pursue its strategy.

### New works agreements to position the Group as an attractive employer

In 2025, new works agreements and measures to supplement the existing works agreements and benefits were designed and implemented in cooperation with the VERBUND Works Council. A number of measures have been implemented and exercised in practice for many years: the option to take a third year of parental leave, a parental leave month for fathers, a company agreement on remote work and mobile working, various working time models, a pension scheme, a child allowance, a free crisis hotline for employees in difficult situations, advice on care requirements, child care options during holidays and more. Furthermore, since 2025, employees have had the option of taking a sabbatical. The existing and newly established works agreements position VERBUND as an attractive employer.

### Collective bargaining and wage agreements

Collective bargaining and wage agreements provide the basis for the cooperation between VERBUND and its employees. The rules set out therein strengthen positive impacts that affect VERBUND's own workforce, namely personal skill development, work-life balance, and employee satisfaction. They

uphold human rights and are consistent with the UN Guiding Principles on Business and Human Rights. Due to the “outsider effect” enshrined in employment law, all employees are covered by the collective bargaining agreements regardless of whether they belong to a trade union or not. Some of the aspects governed by collective bargaining agreements are minimum salaries, working hours and special payments (holiday and Christmas bonuses) along with the employee entitlement to educational leave.

### **Diversity management**

Initiatives on the topic of diversity are pooled under the umbrella EDI (equity, diversity and inclusion) strategy set by VERBUND AG. A wide range of actions relating to the provision of information, communication and the corporate and leadership culture have been defined. Information on the various EDI aspects is published on an ongoing basis both in the diversity and inclusion training programme and on the intranet in order to promote an inclusive corporate culture. In addition, a quota for the number of people with disabilities employed was included in the target agreements. What is more, a collaboration with the BBRZ (Vocational Training and Rehabilitation Centre) has been in place since 2025. The centre operates as a training company that supports the training of people with disabilities. The collaboration with the Austrian Disabled Sports Association (*Österreichischer Behindertensportverband*) continued in 2025, strengthening the connection to the affected groups. VERBUND has also improved digital accessibility with the establishment of the Digital Accessibility team. Employees with disabilities and allies (people who actively support and promote marginalised or underrepresented groups) can share their experiences via the newly established employee resource group DiversAbility.

### **Occupational health and safety measures**

The lost time injury frequency rate (LTIFR), the international metric for accident frequency, is used to monitor occupational safety performance. The LTIFR is the number of relevant occupational accidents per million working hours from the first day of lost time. This metric allows VERBUND to compare its performance with other domestic and international companies. At VERBUND, the Group target is to achieve an LTIFR  $\leq 4.6$  by 2026. The LTIFR is to be maintained on a permanent basis and has improved for the Group’s own workforce in recent years. The target value was determined in consultation with the Group’s Central Occupational Safety Committee and is included in the Executive Board’s target agreement. The monitoring process is carried out as part of the monthly reporting of security indicators to the Executive Board and management.

# Report on the Company's significant risks and uncertainties

## Opportunity and risk management

The risk management system in place at VERBUND is based on international standards such as COSO ERM and ISO 31000. VERBUND's risk management system is structured to ensure comprehensive coverage of potential areas of risk and opportunity, while uniform, Group-wide principles form the basis for the standardised treatment of risks and opportunities.

Due in particular to the energy transition, which poses challenges for the energy industry as a whole, the processes used in the Group-wide risk management system as well as the analyses and reports produced are regularly adapted to changes in internal and external requirements. VERBUND's risk management agendas encompass the management of current operations and project management as well as activities aimed at supporting strategic decision-making processes. Each year, the effectiveness and maturity level of Enterprise Risk Management is evaluated based on the recommendations contained in the COSO ERM reference model.

### Material opportunities and risks as well as mitigation measures

The material drivers of opportunities and risks in financial year 2025 were in the following risk categories: volume risk, electricity price risk, financial risk, regulatory risk, investment and impairment risk, operational risk, asset risk, strategic risks and risks in connection with climate change.

#### Volume opportunities/volume risks

Hydropower generation is subject to seasonal and regional fluctuations in water supply at the catchment areas. Options to compensate for these effects by means of the (annual) storage power plants and by diversification through investment in other renewable generation and storage technologies (flexibility products) are very limited. Water supply in 2025 was affected by drought. Over the year as a whole, average output was below the long-term average. Output from wind and photovoltaic power was likewise below the long-term average.

#### Electricity price opportunities/electricity price risks

Along with the risks of fluctuations in output, electricity price trends represent a significant risk and opportunity factor for VERBUND. In order to reduce risk potential, VERBUND pursues a forward-looking pricing strategy in which output is traded on forward and futures markets. In addition, VERBUND entered into long-term contracts with some customers to hedge the price level. As in 2024, price levels in 2025 remained below those of 2022 and 2023, resulting in lower prices and price volatility.

#### Financial opportunities/financial risks

Macroeconomic conditions remained strained in 2025, causing both default and counterparty risk to remain a material risk factor. In order to minimise risk potential, VERBUND relies on an established system of credit limits and a strict scoring of business partners based on a system for evaluating creditworthiness. VERBUND also monitors credit risk on a regular basis. Electricity price volatility influences the measurement of forward contracts concluded in the electricity market, which can lead to short-term liquidity inflows or outflows depending on whether the effect is positive or negative. These positions are therefore monitored on an ongoing basis and the necessary liquid funds and credit lines are kept in reserve or increased as a precaution.

**Regulatory opportunities/regulatory risks**

Changes in the legal framework at both EU and national level continue to pose an uncertain level of risk to the Group's long-term performance. In this regard, the Energy Crisis Contribution for Electricity (EKBS), which was enshrined in the Federal Act on the Energy Crisis Contribution for Electricity (EKBSG) in 2022, extended in 2025 and amended in the Budget Restructuring Measures Act (*Budgetsanierungsmaßnahmengesetz*, BSMG), may result in adjustments, the amount of which depends on electricity price trends, the generation coefficients and the offsetting of investments. The federal government passed the new Electricity Industry Act (ElWG) at the end of 2025. This brings changes for VERBUND, including with regard to the infrastructure usage fee for feed-in producers, grid connection fees, and exemptions for storage installations operating in a way that helps to keep the grid stable. Any impacts on VERBUND are evaluated on an ongoing basis.

**Strategic opportunities and risks**

Climate change, changes in the legal and/or regulatory environment, technological developments and changes in the market environment can have a major impact on a company's business model and strategy (as described above to some extent). Close examination of medium- and long-term strategic risks at an early stage is therefore important to ensure successful continuation of the direction in which the Group is moving. Accordingly, in addition to the ongoing evaluation of short-term opportunities and risks as they arise during the year, VERBUND also pinpoints and assesses the relevant strategic risks on an annual basis.

**Financial instruments**

The primary financial instruments held by VERBUND include, in particular, investments such as securities, loans, equity interests, trade receivables, cash at banks, securitised and non-securitised financial liabilities and trade payables.

Derivative financial instruments serve exclusively as financial hedges against existing interest rate risks. The fluctuations in value of these hedging instruments are balanced out by the fluctuations in value of the hedged items. The change in value of those transactions to which hedge accounting is not applied is always recognised in profit or loss.

As at 19 February 2026, there were no identifiable risks or that could represent a risk to VERBUND AG as a going concern, either individually or in combination with other risks.

# Internal control and risk management system

In accordance with Section 243a(2) of the Austrian Commercial Code (UGB)

## Internal control and risk management system

In accordance with Section 243a(2) of the Austrian Commercial Code (*Unternehmensgesetzbuch*, UGB), the internal control and risk management systems for the accounting process must be described. VERBUND's internal control system includes all measures for ensuring the reliability, effectiveness and profitability of this process, as well as compliance with external regulations.

### Organisational framework

VERBUND's Group management acts in accordance with the principles defined in the mission statement. The Executive Board bears responsibility for developing and implementing the entire internal control and risk management system. The Supervisory Board's Audit Committee monitors its effectiveness.

### Basic principles of the internal control and risk management system

VERBUND AG's extensive financial reporting process is governed by Group-wide guidelines and requirements. The performance, monitoring and supervision of business transactions are segregated from each other. This ensures that no single employee can act alone in performing all the process steps of a transaction from start to finish. A review of authorisations is integrated into the process for the technical processing of transactions. Compliance with and the effectiveness of these checks is reviewed on a periodic basis. Based on VERBUND's process map, business processes and the risks they entail are systematically analysed and documented, as are checks of the financial reporting process. The operational structure, the process map and the checks are documented regularly in ARIS (the process modelling tool) and published on the intranet (including the risk control matrix). VERBUND's organisational structure is continually adapted to address changing internal and external conditions.

### Reporting in compliance with unbundling provisions

VERBUND's quarterly reports and the VERBUND integrated annual report consolidate information from the controlling, corporate accounting, financial management and risk management functions as well as from the area of corporate responsibility. All reports are based on uniform Group-wide rules for preparation and measurement. The liberalised European energy market requires an unbundling of the grid from the generation, trading and sales of formerly integrated electric utilities. Therefore, VERBUND subsidiary Austrian Power Grid AG has been operating in the electricity market since 2012 as an independent transmission system operator. An external equal treatment officer monitors compliance with the unbundling provisions specified in the contract. VERBUND AG acquired a 51% stake in Gas Connect Austria GmbH effective 31 May 2021. VERBUND subsidiary Gas Connect Austria GmbH performs the duties of an independent transmission system operator in the gas market and continues to be subject to the statutory unbundling provisions. Compliance is likewise monitored by an external equal treatment officer.

# Shareholder structure and capital information

In accordance with Section 243a(1) of the Austrian Commercial Code (UGB)

1. At the reporting date of 31 December 2025, the called and paid-in share capital of VERBUND AG comprised:
  - 170,233,686 no-par value shares (bearer shares Category A), equivalent to 49% of the share capital;
  - 177,182,000 no-par value shares (registered shares Category B), equivalent to 51% of the share capital, authenticated by an interim certificate deposited with the Federal Ministry of Finance and made out in the name of the Republic of Austria. A total of 347,415,686 shares were in circulation at the reporting date. With the exception of the voting restriction described under point 2, all shares carry the same rights and obligations.
  
2. In accordance with constitutional law, which regulates the ownership structure of companies in the Austrian electricity sector (Federal Law Gazette I (BGBl.) 143/1998) and also forms the basis for the Company's Articles of Association, the following voting restriction applies: "With the exception of regional authorities and companies in which regional authorities hold an interest of at least 51%, the voting rights of each shareholder at the General Meeting are restricted to 5% of the share capital." VERBUND AG is unaware of any other restrictions that affect voting rights or the transfer of shares.
  
3. The shareholder structure of VERBUND AG is largely defined by the majority holding of the Republic of Austria. In accordance with constitutional law, 51% of the share capital is owned by the Republic of Austria. A syndicate of the state energy companies Wiener Stadtwerke GmbH and EVN AG owns more than 25% of the share capital. More than 5% of the share capital is owned by TIWAG-Tiroler Wasserkraft AG. Less than 20% of the share capital is in free float.
  
4. There are no shares with special control rights.
  
5. VERBUND does not offer any employee participation programmes.
  
6. In accordance with the rules of procedure for the Supervisory Board, the last nomination to the Executive Board must be prior to the nominee's 65th birthday. Pursuant to the Austrian Code of Corporate Governance (ÖCGK), a Nomination Committee has been established within the Supervisory Board and prepares the content for the appointment of Executive Board members on behalf of the entire Supervisory Board. VERBUND AG complies with the rules of the Code with respect to the appointment and dismissal of the members of the Executive Board and the Supervisory Board. Apart from the above, there are no other regulations not derived directly from law that relate to the members of the Executive Board and the Supervisory Board, or to the amendment of the Articles of Association.
  
7. There are no authorisations of the Executive Board within the meaning of Section 243a(1)(7) of the Austrian Commercial Code (UGB).
  
8. The Company is also not involved in any significant agreements that contain provisions referring to the stipulations under Section 243a(1)(8) of the Austrian Commercial Code (UGB). Furthermore, a public takeover bid is improbable under constitutional law.
  
9. There are no compensation agreements within the meaning of Section 243a(1)(9) of the Austrian Commercial Code (UGB).

# Report on the expected performance of the Company

## Outlook

The playbook of the global economy is changing. Economic policy is plagued by uncertainty. US customs policy is weighing on economic forecasts based on the assumption that tariffs represent a supply shock for the countries that impose them and a demand shock for the countries affected, with uncertainty causing negative demand shock on all sides. Geopolitical crises are also weighing on the economic climate.

Provisional figures from the International Monetary Fund (IMF) predicted that the global economy would grow by about 3.2% in 2025. This figure is below that of 2021 to 2024 as well as the long-term average. The IMF forecasts global economic growth of 3.1% in 2026 and expects little improvement in growth rates thereafter. For the eurozone, the IMF expects growth of 1.2% in 2025 – higher than 2023 and 2024 – but just 1.1% for 2026, with only slightly higher growth rates forecast for subsequent years. The high inflation of recent years has eased further in the eurozone. After reaching 4.2% in 2023 and 2.9% in 2024, it is expected to meet the long-term target of 2.0% in 2025. Inflation in Austria is expected to decline significantly in 2026, starting from a very high level of around 3.8% in 2025 compared with the European average.

### Dividend

VERBUND plans to distribute a dividend of €3.15 per share for financial year 2025. The dividend breaks down into a regular dividend of €2.00 per share and a special dividend of €1.15 per share. The special dividend equates to an amount of approximately €400m and supports shareholder-oriented capital allocation. The total payout ratio (regular dividend and special dividend) calculated on the basis of the adjusted Group result amounts to 74.3% for the 2025 reporting period (no special dividend was paid for financial year 2024). The payout ratio for the regular dividend only, calculated on the basis of the adjusted Group result, amounts to 47.2% for the 2025 reporting period (previous year: 49.2%). Distribution of the dividends is contingent on approval of the 2025 annual financial statements and a resolution being passed at the 2026 Annual General Meeting.

### Guidance for 2025

VERBUND's earnings performance is significantly influenced by the following factors: wholesale prices for electricity, the Group's own generation from hydropower, wind power and photovoltaic power, the contribution to earnings from flexibility products and ongoing developments in the energy market. In addition, legislative or regulatory changes can have a negative impact on earnings.

Around 65% of the planned own generation for 2026 was already contracted as at 31 December 2025. The price obtained for this was approximately €30.6/MWh below the sales price achieved in 2025.

The outlook for VERBUND remains highly uncertain given geopolitical uncertainties, the risk of regulatory interventions and high volatility of the key factors influencing VERBUND's results.

## Events after the reporting date

There were no events requiring disclosure between the reporting date of 31 December 2025 and authorisation for issue on 19 February 2026.

Vienna, 19 February 2026

### The Executive Board

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

Dr. Peter F. Kollmann  
Vice-Chairman of the Executive Board

Mag. Dr. Achim Kaspar  
Member of the Executive Board

Dr. Susanna Zapreva-Hennerbichler  
Member of the Executive Board

# Annual financial statements

# Balance sheet

<b>Assets</b>		€k	
	Notes	2024	2025
<b>A. Fixed assets</b>			
I. Intangible assets		945.5	13.5
II. Property, plant and equipment	(1)	43,015.6	49,773.5
III. Investments	(2)	6,683,650.8	6,751,282.7
		6,727,612.0	<b>6,801,069.7</b>
<b>B. Current assets</b>			
I. Inventories	(3)	18,411.5	1,570.7
II. Receivables and other assets	(4)	207,200.0	338,502.5
of which due in more than one year		8,834.0	0.0
		225,611.5	<b>340,073.1</b>
C. Prepayments and accrued income	(5)	57,469.3	<b>53,446.1</b>
D. Deferred tax assets	(6)	82,102.1	<b>57,790.0</b>
		7,092,794.9	<b>7,252,378.9</b>
Rights of recourse	(7)	592,866.1	691,261.1
less counter-guarantees from cross-border leasing		-82,733.7	-76,800.0
		510,132.4	<b>614,461.1</b>
<b>Liabilities</b>			
	Notes	2024	2025
<b>A. Equity</b>			
I. Called and paid-in share capital	(8)	347,415.7	347,415.7
II. Capital reserves	(9)	971,720.3	971,720.3
III. Revenue reserves	(10)	2,528,507.6	3,306,205.8
IV. Net profit	(11)	972,763.9	1,094,359.4
of which profit carried forward		0.0	0.0
		4,820,407.5	<b>5,719,701.2</b>
B. Provisions	(12)	345,972.4	<b>52,535.5</b>
C. Liabilities	(13)	1,925,926.0	<b>1,479,755.0</b>
of which due within one year		541,697.3	105,128.4
of which due in more than one year		1,384,228.7	1,374,626.6
D. Accruals and deferred income	(14)	488.9	<b>387.2</b>
		7,092,794.9	<b>7,252,378.9</b>
Contingent liabilities	(15)	592,866.1	691,261.1
less counter-guarantees from cross-border leasing		-82,733.7	-76,800.0
		510,132.4	<b>614,461.1</b>

# Income statement

		2024	2025
	Notes		
1. Revenue	(16)	917,111.8	335,091.9
2. Change in total services not yet billable		2,284.2	-2,046.8
3. Other own work capitalised		0.0	0.6
4. Other operating income	(17)	2,783.5	399.6
<b>5. Operating income (subtotal of lines 1 to 4)</b>		<b>922,179.5</b>	<b>333,445.3</b>
6. Expenses for electricity, grid/gas purchases and purchases of emission allowances and other purchased production services and other services		-651,598.7	-76,198.0
7. Personnel expenses	(18)	-47,349.3	-37,319.5
8. Depreciation and amortisation	(19)	-4,270.7	-2,519.2
9. Other operating expenses	(20)	-71,406.8	-69,392.4
<b>10. Operating result (subtotal of lines 5 to 9)</b>		<b>147,554.0</b>	<b>148,016.2</b>
11. Income from equity interests		2,432,404.8	1,776,074.3
12. Income from other securities and loans classified as financial assets		75,251.2	43,958.0
13. Other interest and similar income		11,236.3	12,727.4
14. Income from the disposal and reversal of impairment losses on investments		51,062.6	49,515.0
15. Expenses from investments		-119,043.1	-63,187.1
16. Interest and similar expenses		-81,495.3	-48,513.4
<b>17. Financial result (subtotal of lines 11 to 16)</b>	<b>(21)</b>	<b>2,369,416.5</b>	<b>1,770,574.2</b>
<b>18. Earnings before taxes (subtotal of lines 10 and 17)</b>		<b>2,516,970.4</b>	<b>1,918,590.5</b>
19. Taxes on income and profit	(22)	-23,941.1	-46,532.8
<b>20. Net income for the year</b>		<b>2,493,029.3</b>	<b>1,872,057.6</b>
21. Allocation to revenue reserves		-1,520,265.4	-777,698.2
<b>22. Net profit</b>		<b>972,763.9</b>	<b>1,094,359.4</b>

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# Statement of changes in fixed assets

	As at 1/1/2025	Additions	Disposals	Reclassifications
<b>I. Intangible assets</b>				
1. Industrial property rights, electricity purchase rights, usage fees and similar rights and benefits as well as licences derived therefrom	8,800.8	0.0	-1,987.6	-526.0
	<b>8,800.8</b>	<b>0.0</b>	<b>-1,987.6</b>	<b>-526.0</b>
<b>II. Property, plant and equipment</b>				
1. Land, land rights and buildings, including buildings on third-party land				
a. with residential buildings	0.0	0.0	0.0	0.0
b. with plant and other plant facilities	44,253.3	0.0	-0.9	29.3
2. Machinery	61.4	0.0	-0.5	0.0
3. Electrical installations	8,956.7	348.1	-60.5	755.5
4. Office and plant equipment	29,967.1	1,023.6	-1,325.0	132.5
5. Prepayments and assets under construction	2,750.9	8,242.8	0.0	-926.6
	<b>85,989.4</b>	<b>9,614.6</b>	<b>-1,386.9</b>	<b>-9.3</b>
<b>Property, plant and equipment and intangible assets</b>	<b>94,790.2</b>	<b>9,614.6</b>	<b>-3,374.5</b>	<b>-535.3</b>
<b>III. Investments</b>				
1. Shares in affiliated companies	5,002,528.2	105,793.4	-6,750.0	0.0
2. Loans to affiliated companies	1,631,675.8	2,685.4	67,986.5	0.0
3. Equity interests	292,652.0	0.0	-9.0	0.0
4. Loans to equity interests	58,305.3	0.0	-1,189.4	0.0
5. Securities (loan stock rights) under fixed assets	9,858.5	0.0	-35.7	0.0
6. Other loans	36,662.7	0.0	-3,504.6	0.0
	<b>7,031,682.5</b>	<b>108,478.9</b>	<b>56,497.8</b>	<b>0.0</b>
<b>Fixed assets</b>	<b>7,126,472.7</b>	<b>118,093.4</b>	<b>53,123.3</b>	<b>-535.3</b>



# Statement of changes in amortisation and depreciation of fixed assets

	Accumulated amortisation and depreciation as at 1/1/2025	Additions from amortisation and depreciation
<b>I. Intangible assets</b>		
1. Industrial property rights, electricity purchase rights, usage fees and similar rights and benefits as well as licences derived therefrom	7,855.3	0.2
	<b>7,855.3</b>	<b>0.2</b>
<b>II. Property, plant and equipment</b>		
1. Land, land rights and buildings, including buildings on third-party land		
a. with residential buildings	0.0	0.0
b. with plant and other plant facilities	22,793.2	1,127.6
2. Machinery	2.8	3.0
3. Electrical installations	6,030.2	624.2
4. Office and plant equipment	14,147.6	764.3
5. Prepayments and assets under construction	0.0	0.0
	<b>42,973.8</b>	<b>2,519.1</b>
<b>Property, plant and equipment and intangible assets</b>	<b>50,829.1</b>	<b>2,519.2</b>
<b>III. Investments</b>		
1. Shares in affiliated companies	348,031.7	0.0
2. Loans to affiliated companies	0.0	0.0
3. Equity interests	0.0	0.0
4. Loans to equity interests	0.0	0.0
5. Securities (loan stock rights) under fixed assets	0.0	0.0
6. Other loans	0.0	0.0
	<b>348,031.7</b>	<b>0.0</b>
<b>Fixed assets</b>	<b>398,860.7</b>	<b>2,519.2</b>

					€k
	Additions from impairment losses	Disposals	Reversal of impairment	Reclassifications	<b>Accumulated amortisation and depreciation as at 31/12/2025</b>
	0.0	1,055.8	0.0	-526.0	6,273.7
	<b>0.0</b>	<b>1,055.8</b>	<b>0.0</b>	<b>-526.0</b>	<b>6,273.7</b>
	0.0	0.0	0.0	0.0	0.0
	0.0	0.0	0.0	0.0	23,920.8
	0.0	0.0	0.0	0.0	5.8
	0.0	50.3	0.0	0.0	6,604.0
	0.0	999.0	0.0	-9.3	13,903.6
	0.0	0.0	0.0	0.0	0.0
	0.0	1,049.3	0.0	-9.3	<b>44,434.2</b>
	0.0	2,105.1	0.0	-535.3	<b>50,707.9</b>
	10,861.5	0.0	49,515.0	0.0	309,378.2
	0.0	0.0	0.0	0.0	0.0
	0.0	0.0	0.0	0.0	0.0
	0.0	0.0	0.0	0.0	0.0
	25.4	0.0	0.0	0.0	25.4
	0.0	0.0	0.0	0.0	0.0
	10,886.9	0.0	49,515.0	0.0	<b>309,403.6</b>
	10,886.9	2,105.1	49,515.0	-535.3	<b>360,111.5</b>



## Notes to the annual financial statements

# Notes

## I. General notes

VERBUND AG, which is headquartered in Vienna, Austria, is entered in the commercial register of the Commercial Court of Vienna under number FN 76023z.

These annual financial statements have been prepared in accordance with the provisions of the Austrian Commercial Code (*Unternehmensgesetzbuch*, UGB), as amended.

In the interest of clear presentation, individual line items in the balance sheet and the income statement have been aggregated. These line items are explained separately in the notes to the annual financial statements. The individual line items of the balance sheet and income statement are presented in accordance with VERBUND's Group-wide requirements with respect to form and substance.

In accordance with Section 223(7) of the Austrian Commercial Code (UGB), balance sheet and income statement line items with a carrying amount of zero in both the financial year and the previous year are not reported. The designations of the items have been either shortened or expanded to reflect their actual substance in accordance with Section 223(4) of the Austrian Commercial Code (UGB), to the extent that this appeared expedient in order to present annual financial statements that are clear and transparent.

If the presentation has changed year-on-year or if this year's amounts are not comparable with those from the previous year, the previous year's amounts are adjusted in accordance with Section 223(2) of the Austrian Commercial Code (UGB) and explained in the corresponding item.

Due to the demerger of the "Household and Small Businesses" segment of the electricity business from VERBUND AG to VERBUND Energy4Customers GmbH, the previous year's figures are not comparable.

The addition of rounded amounts and the calculation of percentages may lead to rounding differences due to the use of computing software.

## II. Accounting policies

The annual financial statements have been prepared in accordance with Austrian Generally Accepted Accounting Principles and the general requirement to present a true and fair view of the Company's assets, liabilities, financial position and financial performance.

In preparing these annual financial statements, the principle of completeness was adhered to and the principle of prudence was observed. Measurement was based on the assumption that the Company is a going concern.

### Fixed assets

As a rule, fixed assets subject to wear and tear are measured at cost less depreciation and amortisation.

Property, plant and equipment and intangible assets used for longer than six months of the financial year are depreciated or amortised at the full annual rate, whereas those that are used for less than six months are depreciated or amortised at half the annual rate.

Purchased intangible assets are recognised at cost and – to the extent that they are subject to wear and tear – amortised over their standard useful life.

In addition to direct material and production costs, the cost of internally generated plant and equipment also includes directly attributable indirect material and production costs. The Company has chosen not to apply the measurement option relating to the inclusion of social security expenses, termination benefits or pensions and similar obligations within the meaning of Section 203(3) of the Austrian Commercial Code (UGB); it has also opted not to capitalise borrowing costs (Section 203(4) of

the Austrian Commercial Code (UGB)). Low-value assets are written off in full in the year of acquisition and reported as an asset disposal in the subsequent year.

Shares in affiliated companies and equity interests are recognised at cost or at the lower fair value. Shares in affiliated companies and equity interests are recognised at cost or at the lower fair value. Depending on the situation in question, the fair values are determined based on market quotations, comparable recent transactions, measurement using the discounted cash flow method or measurement using the multiples method. Using the discounted cash flow (DCF) method, the prices are determined by price quotations for energy futures and long-term electricity price forecasts. The discount rate is an after-tax interest rate which reflects current market estimates, the time value of money and the specific risks associated with the investment. Securities and loan stock rights classified as fixed assets are measured at cost or at the lower fair value.

Interest-bearing loans are recognised at their nominal amounts. Impairment losses are recognised if the impairment is expected to be permanent. Receivables due in more than one year – with the exception of instalment sales – are reported under financial assets as loans.

VERBUND's schedule of uniform depreciation and amortisation rates primarily specifies the following depreciation and amortisation rates for VERBUND AG:

	Rate of depreciation/ amortisation in %	Useful life in years
<b>Intangible assets</b>		
Rights to telecommunications installations	10	10
Rights to software products	25	4
Other rights	2–25	4–50
<b>Buildings</b>		
Residential and office buildings	2 or 3	33.3 or 50
Plant(s)	3–5	20–33.3
<b>Technical installations and machinery</b>		
Machinery	3–10	10–33.3
Electrical installations	3–14.3	7–33.3
Telecommunications installations	4–33.3	3–25
<b>Office and plant equipment</b>	<b>10–25</b>	<b>4–10</b>

Services not yet billable are recognised at production cost. Production cost includes direct material and production costs as well as directly attributable indirect material and production costs. The Company has chosen not to apply the measurement option relating to the inclusion of social security expenses and to capitalise borrowing costs (Section 203(3) and (4) of the Austrian Commercial Code (UGB)).

Inventories recognised using the moving average price method are measured at cost in accordance with the strict lower of cost or market value principle. Gas stocks are measured at sales market-based prices that were contractually agreed upon storage.

## Current assets

Receivables and other assets are measured at their principal amount, unless a lower fair value is required to be recognised in the case of specific identifiable risks. Receivables in foreign currencies are measured at the mean rate of exchange prevailing at the recognition date or the lower foreign exchange reference rate of the European Central Bank (ECB) prevailing at the reporting date (unless the exchange rate is otherwise hedged).

Cash at banks in foreign currency is also measured using the ECB foreign exchange reference rate in accordance with the strict lower of cost or market value principle.

### Deferred tax assets

Since financial year 2004, if tax relief is expected in subsequent years, deferred tax assets are recognised in accordance with Section 198(9) of the Austrian Commercial Code (UGB) whereby the deferred taxes attributable to Group members based on tax allocation are presented under the current result in their balance sheets. The option to recognise deferred taxes for loss carryforwards has been applied since financial year 2016.

This prepayment results from differences between the financial and tax accounts with respect to line items that can only be deducted as expenses for tax purposes in income statements of future periods. The underlying tax rate for taxes due in Austria, based on the eco-social tax reform approved in January 2022, is 23% (previous year: 23%).

### Provisions

Provisions take into account all identifiable risks that can be allocated to a financial year that has already ended and include those amounts that it was necessary to recognise based on the best estimate of the settlement amount. Provisions with a remaining maturity of more than one year are discounted using a market interest rate.

Provisions for termination benefits are allocated at the full actuarial amount based on the projected unit credit (PUC) method typically used in international accounting. The accumulation period for provisions for termination benefits is 25 years. Employees whose service began after 31 December 2002 are no longer entitled to a direct claim against their employer for statutory termination benefits. For those employment contracts, each month the employer pays 1.53% of the employee's salary into an employee pension fund in which the contributions are deposited in an account in the employee's name. Collective bargaining agreement requirements for energy supply companies which exceed statutory claims are recognised in provisions for termination benefits.

On the basis of works agreements and contracts, VERBUND is obligated under certain conditions to make pension payments to employees after they retire. These defined benefit obligations are partially covered by pension plan assets earmarked for this purpose by APK Pensionskasse AG. The provision calculated in accordance with the PUC method typically used in international financial reporting is presented net of pension plan assets. The employer is obligated to provide additional funding to the extent that these defined benefit obligations are required to be fulfilled by APK Pensionskasse AG.

Provisions for current pensions, vested pension benefits and similar obligations are calculated using the PUC method. The interest expense is shown under the financial result, in line with international practice.

The calculations are based on the updated "AVÖ 2018-P - Actuarial Assumptions for Pension Insurance". The calculations as at 31 December 2025 and 2024 were based on the following assumptions:

	%	
	2024	2025
<b>Interest rate</b>		
Pensions	3.25	3.75
Obligations similar to pension obligations	3.25	4.00
Termination benefits	3.00	3.50
<b>Trend</b>		
Pension increases	2.50–4.25	2.75–3.50
Salary increases	2.75–4.25	2.50–3.25
Contributions to obligations similar to pensions – old contracts	6.00	6.00
Contributions to obligations similar to pensions – new contracts	4.50	5.00
Employee turnover	0.00–5.80	0.40–6.20
Retirement age – women	60–65 y.	61–65 y.
Retirement age – men	65 y.	65 y.
Expected non-current return on plan assets	3.25	3.75

The same interest rate is applied to the expected return on plan assets as is used to determine the corresponding provision. The discount rates differ according to the residual term of the commitments and in line with the total contained therein (employees and pensioners).

The effects of the changes in parameters are presented in personnel expenses. The actuarial interest rate used to measure liabilities arising from employee benefits relating to pensions and termination benefits (*Sozialkapital*) as at 31 December 2025 was derived from the average of the rate recommendations published by actuarial consulting firms as at the reporting date.

Liabilities are recognised at their settlement amount based on the principle of prudence. Trade payables denominated in foreign currency are measured at the ECB foreign exchange reference rate prevailing at the reporting date, provided that this rate is higher than the rate prevailing at the time of origination.

Liabilities from bonds and loans denominated in foreign currency are measured at the ECB foreign exchange reference rate prevailing at the reporting date, provided that this rate is higher than the rate prevailing at the time of origination. The result of this measurement is presented under the corresponding liabilities. Discounts, the capital procurement cost and loan commitment fees were capitalised in financial years 1994 and 2014 and are being repaid as scheduled. The discounts and capital procurement costs assumed in connection with the merger of VERBUND International Finance GmbH in 2014 are presented under financial liabilities and are being repaid.

## Liabilities

### Derivative financial instruments

In individual cases of external financing, interest rate swaps (variable for fixed rate) were entered into in order to hedge cash flows. Individual interest rate swaps (variable for fixed rate) were also entered into for intra-Group hedging of cash flows and underlying assets.

### Taxes on income

VERBUND AG is the parent of the tax group as defined by Section 9(8) of the Austrian Corporate Income Tax Act (*Körperschaftsteuergesetz*, KStG) of 1988.

The tax group parent charges (tax allocation rate of 23%; previous year 23%) or, in the event of a loss, credits (tax allocation rate of 23%, 18% or 13% depending on the anticipated date of future profits of the Group member; previous year: 23%, 18% or 13%) the Group members with the corporate income tax amounts attributable to them by means of a tax allocation. The recharging of the tax allocations results in an adjustment decreasing or increasing the tax expense in the parent's income statement.

As a Group, VERBUND is subject to the Pillar Two model framework in various jurisdictions. VERBUND AG, as the ultimate parent entity (UPE) of the VERBUND Group, is primarily liable for the top-up tax under Pillar Two. The VERBUND Pillar Two group comprises the Group's equity interests in the following jurisdictions: Austria, Germany, Romania, Italy, Spain, Albania and Israel. In addition to the aforementioned Pillar Two group, VERBUND has two Pillar Two joint ventures located in Spain and one in Germany. In Israel, a law was adopted on 31 December 2025 implementing parts of the OECD's Pillar Two recommendations, including the Qualified Domestic Minimum Top-up Tax. This legislation is applicable as of 1 January 2026. No draft Pillar Two legislation had been issued for Albania at the time of preparation of these financial statements.

VERBUND has reviewed the use of the Transitional CbCR Safe Harbor framework for financial year 2025 with respect to all of the aforementioned legal entities. All entities were able to meet at least one of the three CbCR Safe Harbour conditions in all jurisdictions in 2025. Hence no additional Pillar Two calculations were necessary, and no top-up tax had to be paid.

VERBUND has applied the mandatory exemption for the recognition of deferred tax assets and liabilities arising from Pillar Two income taxes.

## III. Notes to the balance sheet and to the income statement

### Corporate law

With the demerger and transfer agreement dated 11 March 2025, the "Household and Small Businesses" segment of the electricity business was transferred from VERBUND AG to VERBUND Energy4Customers GmbH by way of a demerger by absorption (Sections 1(2)(2) and 17 of the Austrian Demerger Act (*Spaltungsgesetz*, SpaltG)), making use of the tax benefits under Article VI of the Austrian Reorganisation Tax Act (*Umgründungssteuergesetz*, UmgrStG), with retroactive effect as of 31 December 2024.

The transfer balance sheet of the segment as at 31 December 2024 was composed as follows (the item designations and numbering were aligned with those of the overall balance sheet):

<b>Net assets</b>	€k
	31/12/2024
Fixed assets	19,000.0
Current assets	71,405.4
Provisions	-29,946.0
Liabilities	-59,544.6
	914.8

#### **A. Fixed assets**

#### **Assets**

For details, see separate "Statement of changes in fixed assets".

##### **(1) II. Property, plant and equipment**

The base value of land amounted to €3,340.7k (previous year: €3,340.7k).

##### **(2) III. Investments**

The disclosures in accordance with Section 238(1)(4) of the Austrian Commercial Code (UGB) are presented separately in "Disclosures of equity interests in accordance with Section 238(1)(4) of the Austrian Commercial Code (UGB)".

The changes in and structure of equity interests, loans and securities (loan stock rights) classified as fixed assets are shown separately in the "Statement of changes in fixed assets".

€k				
	Residual term to maturity as at			Total
	< 1 year	> 1 year	> 5 years	
<b>Loans</b>				
1. Loans to affiliated companies	48,536.0	859,840.6	657,998.2	1,566,374.8
2. Loans to equity interests	1,189.4	4,757.4	51,169.2	57,116.0
3. Other loans	3,523.3	29,633.3	1.5	33,158.1
	<b>53,248.6</b>	<b>894,231.4</b>	<b>709,168.9</b>	<b>1,656,648.9</b>

€k				
	Residual term to maturity as at			Total
	< 1 year	> 1 year	> 5 years	
<b>Loans</b>				
1. Loans to affiliated companies	57,137.8	669,147.2	905,390.8	1,631,675.8
2. Loans to equity interests	1,189.4	4,757.4	52,358.5	58,305.3
3. Other loans	3,523.6	33,137.0	2.0	36,662.7
	<b>61,850.8</b>	<b>707,041.7</b>	<b>957,751.4</b>	<b>1,726,643.8</b>

Securities (loan stock rights) classified as fixed assets consist primarily of Austrian investment fund units and bonds.

## B. Current assets

### (3) I. Inventories

€k		
	2024	2025
Goods	14,423.7	4.6
Services not yet billable	3,987.8	1,566.0
	<b>18,411.5</b>	<b>1,570.7</b>

### (4) II. Receivables and other assets

€k				
	Residual term to maturity as at			Total
	< 1 year	> 1 year	> 5 years	
<b>Receivables and other assets</b>				
1. Trade receivables	92.8	0.0	0.0	92.8
2. Receivables from affiliated companies	223,072.8	0.0	0.0	223,072.8
3. Receivables from investees	792.5	0.0	0.0	792.5
4. Other receivables and assets	114,544.4	0.0	0.0	114,544.4
	<b>338,502.5</b>	<b>0.0</b>	<b>0.0</b>	<b>338,502.5</b>

	Residual term to maturity as at			Total
	< 1 year	> 1 year	> 5 years	
<b>Receivables and other assets</b>				
1. Trade receivables	48,699.1	8,834.0	0.0	57,533.1
2. Receivables from affiliated companies	147,386.2	0.0	0.0	147,386.2
3. Receivables from investees	1,389.6	0.0	0.0	1,389.6
4. Other receivables and assets	891.2	0.0	0.0	891.2
	<b>198,366.0</b>	<b>8,834.0</b>	<b>0.0</b>	<b>207,200.0</b>

Of the receivables from affiliated companies, €223,072.8k (previous year: €147,386.2k) related to other receivables.

Of the receivables from investees, €792.5k (previous year: €1,389.6k) related to other receivables.

	2024	2025
<b>Other receivables and assets</b>		
Tax authorities	44.1	114,152.5
Loans and accrued interest income from loans	108.9	98.5
Payroll	32.9	6.9
Prepayments	3.6	0.0
Financing contributions	-149.4	0.0
Other	851.1	286.5
	<b>891.2</b>	<b>114,544.4</b>

#### (5) C. Prepayments and accrued income

	2024	2025
Prepayments for electricity purchases	13,053.8	12,154.3
Discounts, flotation costs and commitment fee relating to bonds and non-current loans	12,618.4	11,119.1
Other	31,797.2	30,172.6
	<b>57,469.3</b>	<b>53,446.1</b>

#### (6) D. Deferred tax assets

	2024	2025
Social capital	3,992.7	3,124.2
Valuation of fixed assets	-290.3	-272.7
Special tax deductions	-214.7	-214.7
Other	78,614.5	55,153.2
Deferred tax receivables (+) respectively liabilities (-) balanced	<b>82,102.1</b>	<b>57,790.0</b>

Deferred tax assets are the result of differences between the financial and taxable result in respect of line items affected by expenses for tax purposes in income statements of future periods. The underlying

tax rate for Austria is 23% (previous year: 23%). In accordance with AFRAC Opinion 30 “Deferred Taxes in Financial Statements”, when calculating deferred taxes for group members, the current (or future) applicable corporate income tax rate is to be applied up to the maximum threshold of the agreed tax allocation rate. The tax allocation agreement requires the group parent to make provisions for deferred taxes if the group member is yet to do so. In 2025, the reduced tax rate of 13% was applied to several group members pursuant to the tax allocation agreement. Therefore, at the level of these group members, any deferred taxes were recognised at 13% in accordance with AFRAC Opinion 30. Accordingly, VERBUND AG, as the group parent, recognised the deferred taxes of these group members at 10%.

Other deferred taxes primarily related to differences between the financial and tax treatment in accounting for investees amounting to €55,335.5k (previous year: €78,469.3k).

#### (7) Rights of recourse

Rights of recourse totalled €691,261.1k (previous year: €592,866.1k). In addition to rights of recourse vis-à-vis Group companies, rights of recourse exist primarily vis-à-vis financial institutions, state energy companies and regional authorities from cross-border leasing transactions carried out at VERBUND Hydro Power GmbH (VHP) in the amount of €76,800.0k (previous year: €82,733.7k). See (16) Contingent liabilities.

## Equity and liabilities

### A. Equity

#### (8) I. Called and paid-in share capital

There were 347,415,686 shares in circulation at the reporting date.

Composition	Stock (shares)	Proportion
Bearer shares category A	170,233,686	49%
Registered shares category B	177,182,000	51%
Authenticated by an interim certificate made out in the name of the Republic of Austria (deposited with the Federal Ministry of Finance)		
	347,415,686	100%

There are no reciprocal equity interests in accordance with Section 241(6) of the Austrian Commercial Code (UGB).

#### (9) II. Capital reserves

Capital reserves are made up entirely of allocated capital reserves. The allocated capital reserves and the statutory reserves amount to a total of €991,604.3k, which is more than 10% of the share capital.

#### (10) III. Revenue reserves

	2024	2025
Statutory reserves	19,884.0	19,884.0
Distributable reserves	2,508,623.6	3,286,321.8
	2,528,507.6	<b>3,306,205.8</b>

€k

**(11) IV. Net profit**

	€k
As at 31/12/2024	972,763.9
Distribution of dividends	-972,763.9
Profit carried forward	0.0
Net profit for the year	1,872,057.6
Changes in reserves	-777,698.2
As at 31/12/2025	1,094,359.4

**(12) B. Provisions****1. Provisions for termination benefits**

	2024	2025
Premium reserve based on actuarial calculations	4,827.6	4,297.2
Taxed proportion of provisions	4,827.6	4,297.2

In 2002, the provision permitted under Section 14 of the Austrian Income Tax Act (*Einkommensteuergesetz*, EStG) was transferred tax-free to a reserve qualifying as taxed (Section 124b(68) of the Austrian Income Tax Act (EStG)).

**2. Provisions for pensions**

	2024	2025
Provisions for pension obligations gross	30,735.6	27,797.8
Pension fund assets	-8,215.9	-8,556.0
Provisions for pension obligations net	22,519.7	19,241.8
of which obligations similar to pensions	5,650.8	5,319.2

**3. Provisions for taxes**

	2024	2025
Corporate income tax domestic (incl. prior reporting periods)	261,376.9	0.0
Other tax provisions	0.0	0.0
	261,376.9	0.0

**4. Other provisions**

	2024	2025
Trade receivables not yet billed	8,716.5	11,517.1
Electricity/grid purchases	29,926.5	0.0
	38,643.0	11,517.1

	€k	
<b>Other personnel-related provisions</b>	2024	<b>2025</b>
Bonuses	10,483.8	9,752.7
Unused holidays	3,826.0	3,901.6
jubilee payments	2,135.4	1,825.5
Holiday allowance	1,393.0	1,259.8
Compensatory time credit	364.1	361.7
Death grant	372.7	349.3
Other	30.2	28.9
	<b>18,605.2</b>	<b>17,479.4</b>

**(13) C. Liabilities**

	€k			
	Residual term to maturity as at			31/12/2025
	< 1 year	> 1 year	> 5 years	Total
<b>Liabilities</b>				
1. Bonds	13,585.6	0.0	1,127,823.0	1,141,408.6
2. Liabilities to banks	14,589.8	137,423.0	34,000.0	186,012.8
3. Trade payables	452.0	104.7	0.0	556.7
4. Liabilities to affiliated companies	70,205.0	0.0	74,675.9	144,881.0
5. Other liabilities	6,295.9	600.0	0.0	6,895.9
	<b>105,128.4</b>	<b>138,127.7</b>	<b>1,236,498.9</b>	<b>1,479,755.0</b>

	€k			
	Residual term to maturity as at			31/12/2024
	< 1 year	> 1 year	> 5 years	Total
<b>Liabilities</b>				
1. Bonds	13,585.6	0.0	1,127,823.0	1,141,408.6
2. Liabilities to banks	22,515.4	141,479.6	42,250.0	206,245.0
3. Trade payables	40,443.4	126.4	0.0	40,569.9
4. Liabilities to affiliated companies	438,768.9	0.0	71,649.7	510,418.6
5. Other liabilities	26,384.0	900.0	0.0	27,284.0
	<b>541,697.3</b>	<b>142,506.0</b>	<b>1,241,722.7</b>	<b>1,925,926.0</b>

Of the liabilities to affiliated companies, €66,123.5k (previous year: €433,709.0k) relates to financial liabilities, €1.0k to trade payables (previous year: €20.1k) and €78,756.5k to other liabilities (previous year: €76,689.5k).

	€k	
<b>Other liabilities</b>	2024	<b>2025</b>
From taxes	5,685.4	4,225.6
Related to social security	566.1	554.2
From financing contributions	0.0	52.2
Payroll	29.0	4.5
Electricity costs contribution	18,911.0	0.0
Other	2,092.5	2,059.4
	<b>27,284.0</b>	<b>6,895.9</b>

**(14) D. Accruals and deferred income**

	€k	
	2024	<b>2025</b>
Contributions to building costs	421.0	385.9
Other	67.9	1.3
	<b>488.9</b>	<b>387.2</b>

**(15) Contingent liabilities**

Contingent liabilities that are recognised below the line are primarily for letters of comfort and liabilities assumed for subsidiaries as part of the financing that VERBUND AG carries out centrally as well as other assumptions of liabilities, excluding the contingent liabilities in connection with cross-border leasing transactions in the total amount of €365,401.2k (previous year: €150,457.6k). Of this, €365,401.2k (previous year: €150,457.6k) is attributable to affiliated companies.

The subsidiary VERBUND Hydro Power GmbH entered into several cross-border leasing transactions during financial years 1999 to 2001. The figures reported in the balance sheet of VERBUND Hydro Power GmbH are all denominated in US dollars. For all transactions, there was full balance sheet cover for all obligations by way of corresponding acquisition of securities or through loans to financial institutions.

Beginning in 2009, and continuing during the 2010 reporting period, about 85% of the original volume of the transactions was terminated. Some of the transactions were terminated early in their entirety; that is, all associated liabilities were repaid. However, some of the transactions were only partially terminated, whereby the transactions with the investors and the associated A-loans were repaid, while VERBUND Hydro Power GmbH continued the existing B-loans and the corresponding investments.

In connection with these cross-border leasing transactions, VERBUND AG issued guarantee bonds for VERBUND Hydro Power GmbH, which for the most part still exist for the liabilities transferred to VERBUND Hydro Power GmbH totalling €325,859.9k (previous year: €442,408.5k). Of the rights of recourse against the primary debtors, €76,800.0k (previous year: €82,733.7k) were secured through counter-guarantees from financial institutions, state energy companies and regional authorities (from guarantors' liabilities). These counter-guarantees are presented under total rights of recourse (see note (8)). Thus, a total of €249,059.9k (previous year: €359,674.8k) remains in contingent liabilities from cross-border leasing transactions after deducting these counter-guarantees.

**Notes to the income statement**

<b>(16) 1. Revenue</b>		€k	
		2024	<b>2025</b>
Revenue from electricity deliveries			
Domestic	Energy supply companies	9,406.3	7,500.5
	Consumers	340,284.3	0.0
	Other customers	455,404.9	278,820.6
		805,095.4	<b>286,321.1</b>
Invoicing of grid tariffs; user and management fees			
		3,634.3	3,552.3
Other revenue (including gas trading)			
		108,382.1	45,218.5
		917,111.8	<b>335,091.9</b>

<b>(17) 4. Other operating income</b>		€k	
		2024	<b>2025</b>
a)	Income from disposal of fixed assets with the exception of investments	1.5	224.3
b)	Income from reversal of provisions	2,104.9	282.2
c)	Other	677.1	-106.9
		2,783.5	<b>399.6</b>

**(18) 7. Personnel expenses**

	2024	2025
		€k
a) Salaries	35,303.2	30,964.9
of which non-current obligations	835.2	-181.5
b) Expenses for termination benefits and payments to employee pension funds		
Termination benefits	843.9	72.1
Contributions to employee pension funds	411.3	1,017.0
Change in the provision for termination benefits	-218.7	-672.9
	1,036.5	416.2
c) Expenses for pensions and similar obligations		
Early retirement benefits and pension payments	2,005.0	2,011.3
Change in the provisions for pensions and similar obligations	1,227.8	-3,962.8
Expenses/income and takeovers/transfers within the Group	-4.5	95.7
Pension fund contributions	1,146.1	1,794.6
	4,374.4	-61.2
d) Expenses for social security contributions as required by law as well as income-based charges and compulsory contributions	5,948.6	5,378.4
e) Other social security expenses	686.7	621.2
	47,349.3	37,319.5

Interest rate changes and changes in the rates used to calculate future salaries and pensions for provisions related to termination benefits and pensions and similar obligations resulted in a positive effect of €-833.3k in the financial year and a negative effect of €2,736.3k in the previous year. The amount resulting from the changes in parameters was recognised in full in the financial year.

**(19) 8. Depreciation and amortisation**

	2024	2025
		€k
a) Amortisation of intangible assets and depreciation of property, plant and equipment		
Depreciation and amortisation	2,942.7	2,278.9
Immediate write-off of low-value assets in accordance with Section 13 of the Austrian Income Tax Act (EStG)	1,328.0	240.3
	4,270.7	2,519.2

**(20) 9. Other operating expenses**

€k

	2024	2025
a) Taxes other than taxes on income	2,815.5	8,184.7
b) Other		
Advertising costs and donations	15,873.1	17,847.3
Legal, audit and consulting expenses	11,188.6	7,739.9
Other administrative expenses	6,827.7	7,440.7
IT expenses	6,624.6	7,152.1
Operating costs for buildings, rent and leasing	5,730.8	5,931.8
Temporary personnel and provision of personnel	1,740.0	1,352.1
Training and further education	1,281.7	1,085.6
Membership fees	967.1	1,069.1
Telecommunications services, data services	667.0	754.5
Other	17,690.8	10,834.7
	68,591.3	61,207.7
	71,406.8	69,392.4

**(21) 17. Financial result**

€k

	2024	2025
Income from equity interests		
from affiliated companies	2,346,249.8	1,695,754.9
of which from profit pools	322,722.7	115,347.9
Income from other securities and loans in financial assets		
from affiliated companies	71,027.5	40,596.3
Other interest and similar income		
from affiliated companies	10,648.9	12,638.6
Income from disposals and impairment loss reversals of investments		
reversal of impairment of shares in affiliated companies	50,987.9	49,515.0
Expenses relating to investments		
impairments on affiliated companies	60,837.0	10,861.5
expenses from affiliated companies	58,206.0	52,299.9
of which from profit pools	58,206.0	52,299.9
Interest and similar expenses		
of which interest for long-term personnel provisions	951.7	906.7
from affiliated companies	43,795.5	16,185.4

**(22) 19. Taxes on income and profit**

	2024	2025
Consolidated taxes on income <sup>1</sup>	562,680.5	264,843.3
Taxes recharged to members of the Group <sup>2</sup>	-506,915.2	-227,764.5
Tax expense/income for subsequent taxation of losses from foreign members of the tax group	-19,463.7	-8,995.8
Additional amounts/credit notes from previous periods <sup>1</sup>	8,846.1	-5,862.3
Change in deferred taxes <sup>3</sup>	-21,206.7	24,312.1
	<b>23,941.1</b>	<b>46,532.8</b>

<sup>1</sup> Tax rate of 23% (previous year: 23% // <sup>2</sup> tax allocation rate of 13% or 23% (previous year: 13% or 23%) // <sup>3</sup> tax rate of 23% (previous year: 23%)

**IV. Other disclosures****1. Total amount of other financial obligations**

	Total commitment	2026	2026–2030
Rent, lease and insurance agreements	<sup>1</sup>	6,017.2	22,187.6
Purchase commitments	14,224.8	11,039.7	14,224.8
of which to affiliated companies	<sup>1</sup>	21.4	106.9

<sup>1</sup> The amount of the total commitment cannot be determined due to unspecified contract periods.

There is an electricity supply agreement with Ennskraftwerke Aktiengesellschaft according to which the energy generated in its power plants, less electricity purchase rights of other participating partners, must be delivered to VERBUND AG in exchange for reimbursement of the recognised expenses plus a reasonable return on equity.

There are electricity supply agreements with Österreichisch-Bayerische Kraftwerke Aktiengesellschaft and Donaukraftwerk Jochenstein Aktiengesellschaft according to which half of the energy generated in their power plants must be delivered to VERBUND AG in exchange for reimbursement of recognised expenses plus a reasonable return on equity.

Under an electricity supply agreement, Innwerk AG is required to deliver half of the energy generated in the Ering and Obernberg power plants to VERBUND AG at total production costs plus an agreed mark-up.

There is an agreement with VERBUND Business Solutions GmbH for the invoicing of procurement, financial accounting, payroll and administrative services.

There is an agreement with VERBUND Digital Power GmbH for the invoicing of IT and telecommunications services.

There is an agreement with VERBUND Finanzierungsservice GmbH for the invoicing of payment transaction and cash management services.

There are contractor agreements with VERBUND Energy4Business GmbH in the Sales segment.

The electricity supply agreement between VERBUND AG and VERBUND Energy4Business GmbH governs how the electricity generation provided by VERBUND AG from the purchase rights of Ennskraftwerke Aktiengesellschaft and the Grenzkraftwerke power plant group (Österreichisch-Bayerische Kraftwerke Aktiengesellschaft, Donaukraft Jochenstein Aktiengesellschaft, Innwerk AG) is transacted and settled. The agreement mainly addresses how the prices of electricity generation from the run-of-river power plants are determined. This requires a differentiation between long-term hedged volumes and short-term volumes. For the hedged volumes, prices are determined by means of published futures market prices, while short-term volumes are defined by published spot market prices. Besides just addressing the settlement of electricity volumes, the agreement and its annexes also govern other revenue components from the sale of guarantees of origin. From an accounting perspective – in alignment with Section 238(2) of the Austrian Commercial Code (UGB) and AFRAC Opinion 15 “Derivatives and Hedging Instruments” marginal note (6) – closed commodity futures transactions of this type are treated like electricity deliveries within the scope of VERBUND AG’s expected sale requirement (own use exemption). For settling the marketing activities of VERBUND Energy4Business GmbH, the agreement stipulates that a handling fee will be applied to the generation volumes it manages. Furthermore, the agreement provides for a committee that meets on a regular basis to discuss ongoing questions on the management of VERBUND AG’s generation portfolio. The corresponding amendments (addenda) to the agreement are also being developed.

On the basis of works agreements and contracts, VERBUND is obligated under certain conditions to make pension payments to employees after they retire. The employer is obligated to provide additional funding to the extent that these pension obligations are required to be fulfilled by APK Pensionskasse AG. As a result of the trend on the financial markets, APK Pensionskasse AG reported an obligation for additional funding in the amount of €103.6k (previous year: €78.6k) to cover defined benefit obligations.

There are open contribution commitments in the amount of €902.0k (previous year: €1,410.0k) under accounting for investees.

## 2. Disclosures regarding financial instruments

### Finance area

Hedging relationships exist to hedge increases in interest rates for financial liabilities bearing variable interest with an outstanding principal amount of €2,812.5k (previous year: €12,937.5k) as at 31 December 2025. These interest rate hedges are within a designated hedging relationship with the underlying loans. As there is a documented hedge strategy and detailed hedge documentation, and ongoing measurements of effectiveness are conducted, it is not necessary to recognise a separate provision for onerous contracts for the negative fair values amounting to €19.8k (previous year: €97.3k). The future interest payments hedged by these hedging relationships will fall due in the next year (2026) and will be recognised accordingly in profit or loss.

## 3. Number of employees

Average	2024	2025
Salaried employees	204	178

#### 4. Expenses for termination benefits and pensions

	2024	2025
Members of the Executive Board, former members of the Executive Board and their surviving dependants and Senior Executives	752.8	727.0
Other employees	4,658.1	-372.0
	5,410.9	<b>355.0</b>

Executive Board members are enrolled in a company pension plan set up as a defined contribution plan. In financial year 2025, contributions to the pension fund were paid for the Executive Board in the amount of €238,600 (previous year: €238,600).

Statutory regulations apply, taking account of the requirements of Rule 27a of the Austrian Code of Corporate Governance (ÖCGK), with respect to the claims of members of the Executive Board upon termination of their position. In financial year 2025, €197,101 was paid out for pensions (previous year: €195,552).

In financial year 2025, expenses from pensions and similar obligations for former members of the Executive Board and their surviving dependents totalled €42,499 (previous year: €50,123).

Disclosures regarding the governing bodies of the Company (members of the Executive Board and the Supervisory Board) are presented before the management report.

#### 5. Governing bodies

##### Remuneration of members of the Executive Board (incl. variable remuneration)

	2024		2025	
	Fixed remuneration	Variable remuneration	Fixed remuneration	Variable remuneration
Mag. Dr. Michael Strugl	765,000	1,035,000	765,000	1,193,902
Dr. Peter F. Kollmann	651,000	855,600	651,000	999,419
Mag. Dr. Achim Kaspar	485,000	655,500	485,000	756,473
Dr. Susanna Zapreva-Hennerbichler	485,000	0	485,000	342,902

Remuneration of active Executive Board members totalled €5,709,456 in the 2025 reporting period (previous year: €5,016,894) and included €48,761 in remuneration in kind (previous year: €53,783). The variable remuneration consists of a short-term component (short-term incentive, STI) and a long-term component (long-term incentive, LTI) that is granted in the form of a virtual performance share plan (phantom share plan).

In the 2025 reporting period, active members of the Executive Board received €1,835,596 in STIs (previous year: €1,107,000) and €1,439,100 in LTIs (previous year: €1,439,100).

The variable remuneration is paid out retroactively after the end of the assessment period. In the case of the LTI, both the number of phantom shares allocated and the amount actually paid out depend on the average share price over the last 60 trading days prior to the date in question. This long-term variable remuneration component is therefore classified as a cash-settled share-based payment transaction.

Other key performance criteria used to calculate the LTI payout amount are total shareholder return relative to a peer group of European energy companies (relative TSR) and free cash flow before dividends as well as one or more sustainability targets based on the catalogue of criteria derived from the Group's sustainability strategy.

The total obligation recognised for the phantom share plans as at 31 December 2025 amounted to €3,863,850 (previous year: €4,445,681), €3,494,414 of which (previous year: € 4,024,107) related to Executive Board members. Personnel expenses recognised in this context amounted to €581,530 in the financial year (previous year: €447,203), €529,693 of which (previous year: €376,565) related to the Executive Board.

The following table presents the benchmark data for performance-related variable remuneration components:

#### Short-term remuneration – Short-Term Incentive (STI)

	STI 2024	STI 2025
Assessment period	1 year	1 year
Target amount	60% of annual gross basic salary	60% of annual gross basic salary
Target achievement cap	150%, no credit for overperformance	150%, no credit for overperformance
Payout cap	90% of annual gross basic salary	90% of annual gross basic salary

#### Long-term remuneration – Long-Term Incentive (LTI)

	LTI 2024	LTI 2025
Assessment period	4 years	4 years
Amount allocated	90% of annual gross basic salary	90% of annual gross basic salary
Target achievement cap	150 %	150 %
Payout cap	135% of annual gross basic salary	135% of annual gross basic salary

The following targets have been agreed for the 2024 and 2025 STIs:

Assessment period	Criteria	Weighting
Short-term remuneration – 2024 Short-Term Incentive (STI)	Financial targets	70%
	2024 Group result	70%
	Non-financial targets	30%
	Occupational safety	10%
	Corporate culture and transformation	10%
	Diversity and inclusion	10%
Short-term remuneration – 2025 Short-Term Incentive (STI)	Financial targets	70%
	2025 Group result	70%
	Non-financial targets	30%
	Occupational safety	10%
	Culture, transformation and ESG	10%
	Diversity and inclusion	10%

The actual level of target achievement for the 2024 STI was 142.1%.

The performance criteria for the respective LTIs are as follows:

#### Long-term remuneration – Long-Term Incentive (LTI)

Assessment period	Criteria	Weighting
LTI 2022 (vests at the end of 2024)	Total shareholder return	30%
	Free cash flow before dividends	35%
	Sustainability targets	35%
LTI 2023 (vests at the end of 2025)	Total shareholder return	30%
	Free cash flow before dividends	35%
	Sustainability targets	35%
LTI 2024 (vests at the end of 2027)	Total shareholder return	30%
	Free cash flow before dividends	40%
	Sustainability targets	30%
LTI 2025 (vests at the end of 2028)	Total shareholder return	30%
	Free cash flow before dividends	40%
	Sustainability targets	30%

The actual level of target achievement for the 2022 LTI (vests at the end of 2024) was 120% for all criteria.

Executive Board members are enrolled in a company pension plan set up as a defined contribution plan. Contributions of €238,600 were made to the pension plan on behalf of Executive Board members in the 2025 reporting period (previous year: €238,600).

An amount of €197,101 was paid out in pensions to beneficiaries in the 2025 reporting period (previous year: €195,552). Expenses for pensions and similar obligations for former members of the Executive Board and their surviving dependants included in profit or loss for the period totalled €42,499 (previous

year: €50,123). In addition, remeasurement expenses of €52,679 (previous year: €130,895) were recognised in other comprehensive income.

Remuneration for members of the Supervisory Board (including the reimbursement of itemised out-of-pocket expenses/travel expenses) totalled €385,740 (previous year: €401,899).

Remuneration scheme for the members of the Supervisory Board (in accordance with Rule 51 of the Austrian Code of Corporate Governance (ÖCGK)):

	2024	2025
Chairperson	25,000	25,000
Vice-Chairpersons	15,000	15,000
Member	10,000	10,000
Attendance fee	500	500

As in the previous year, no loans or advances were paid out to members of the governing bodies of the Group or its subsidiaries. VERBUND does not have a stock option programme for either Executive Board members or senior management staff, as in the previous year.

All members of the Supervisory Board are covered by the D&O insurance taken out by VERBUND.

#### 6. Transactions with related parties

Agreements with members of the Supervisory Board, or with businesses that are closely associated with individual members of the Supervisory Board, which require consent under Rule 49 of the Austrian Code of Corporate Governance (ÖCGK):

During financial year 2025, no agreements which were not at arm's length were entered into with members of the Supervisory Board or with enterprises with which a member of the Supervisory Board is associated. Services were rendered for various companies in the VERBUND Group; these contracts were approved by the Supervisory Board.

#### 7. Intra-Group relationships

VERBUND AG is the parent company within the VERBUND Group and therefore required to prepare consolidated financial statements. In accordance with Section 238(1)(18) of the Austrian Commercial Code (UGB), the Company elects not to disclose the expenses for the auditor.

There are profit and loss transfer agreements with VERBUND Energy4Business GmbH, VERBUND Energy4Customers GmbH, VERBUND Finanzierungsservice GmbH, VERBUND Green Power GmbH, VERBUND Green Hydrogen GmbH, VERBUND Digital Power GmbH, VERBUND Ventures GmbH and VERBUND Business Solutions GmbH.

#### 8. Disclosures in accordance with Section 153 of the Austrian Electricity Industry Act (EIWG) and Section 8(3) of the Gas Industry Act (GWG) 2011

In addition to the division into business areas (formal unbundling) that existed as early as financial year 1999, VERBUND also implemented legal unbundling by establishing independent companies under corporate law with separate managing entities and accounting departments. Business transactions as defined by Section 153 of the Austrian Electricity Industry Act (*Elektrizitätswirtschaftsgesetz*, EIWG) and Section 8(3) of the Gas Industry Act (*Gaswirtschaftsgesetz*, GWG) 2011 were entered into specifically with the following companies:

**Electricity deliveries:** Ennskraftwerke Aktiengesellschaft, Innwerk AG, Österreichisch-Bayerische Kraftwerke Aktiengesellschaft, Donaukraftwerk Jochenstein Aktiengesellschaft, KELAG-Kärntner Elektrizitäts-Aktiengesellschaft, VERBUND Green Power GmbH, VERBUND Energy4Future GmbH

**Electricity and natural gas sales:** VERBUND Energy4Business GmbH, VERBUND Energy4Customers GmbH

**Telecommunications and IT:** VERBUND Digital Power GmbH

**Services:** VERBUND Business Solutions GmbH

**Financing:** VERBUND Finanzierungsservice GmbH

**Provision of personnel:** VERBUND Hydro Power GmbH, VERBUND Energy4Business GmbH, VERBUND Energy4Customers GmbH

The Executive Board proposes (in accordance with Section 96(1) of the Austrian Stock Corporation Act (AktG)) to distribute a dividend in the amount of €2.0 per share and a special dividend in the amount of €1.15 per share on the 347,415,686 no-par value shares from the distributable profit of financial year 2025, i.e. a total of €1,094,359,410.90.

## **9. Proposed appropriation of profits**

There were no events requiring disclosure between the reporting date of 31 December 2025 and authorisation for issue on 19 February 2026.

## **10. Events after the reporting date**

**11. Disclosures in accordance with Section 86 of the Austrian Electricity Industry Act (EIWG)**

<b>Result of the documentation of electricity by source</b>	<b>Proportion</b>	<b>2024 kWh</b>
Hydropower	99.63%	1,553,322,090
Solar energy	0.36%	5,690,306
Wind power	0.01%	78,210
<b>Total volume of electricity supplied in Austria to consumers for their own use</b>	<b>100.00%</b>	<b>1,559,090,606</b>

100% of the certificates of origin used for the documentation come from Austria.

<b>Environmental impact of electricity generation for the volume of electricity supplied to consumers for their own use</b>	<b>2024</b>
Radioactive waste (mg/kWh)	0.0
CO <sub>2</sub> emissions (g/kWh)	0.0

**12. Disclosures in accordance with Section 130 of the Gas Industry Act (GWG)**

<b>Result of the documentation of gas by source</b>	<b>Proportion</b>	<b>2024 kWh</b>
Gas of unknown origin	100.0%	753,464,118
<b>Total volume of gas supplied in Austria to consumers for their own use</b>	<b>100.0%</b>	<b>753,464,118</b>
<b>Environmental impact of gas generation for the volume of gas supplied to consumers for their own use</b>		<b>2024</b>
Radioactive waste (mg/kWh)		0.0
CO <sub>2</sub> emissions (g/kWh)		201.0

The disclosures for financial year 2025 were not yet available at the time VERBUND's annual report was published. The figures for the allocation of the guarantees of origin based on the allocation of green electricity by OeMAG Abwicklungsstelle für Ökostrom AG will be available by 30 April 2026. The figures for 2024 remain valid until this date.

Vienna, 19 February 2026

The Executive Board

Mag. Dr. Michael Strugl, MBA  
Chairman of the Executive Board

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

Mag. Dr. Achim Kaspar  
Member of the Executive Board

Dr. Susanna Zapreva-Hennerbichler  
Member of the Executive Board

# Disclosures of equity interests

in accordance with Section 238(1)(4) of the Austrian Commercial Code (UGB)

	Head-quarters	% share- holding as at 31/12/2025	Most recent annual financial statements	(+) (-)	Net income/loss for the year	€k Equity <sup>1</sup>
<b>Consolidated affiliated companies<sup>2</sup></b>						
Anselma Issuer, S.A. <sup>3</sup>	Madrid	100.00	2025	+	3,851.8	65,753.8
Austrian Power Grid AG	Vienna	100.00	2025	+	92,123.3	688,036.5
Innwerk AG	Stammham	100.00	2025	+	122,977.5	250,543.1
Lusitania Renovables S.L. <sup>3</sup>	Madrid	100.00	2025	+	206.5	8,273.4
Parque Eólico Ayamonte S.L. <sup>3</sup>	Madrid	100.00	2025	+	76.4	44,029.0
Parque Eólico Buseco S.L. <sup>3</sup>	Madrid	100.00	2025	-	744.6	61,120.8
Parque Eólico El Barroso S.L. <sup>3</sup>	Madrid	100.00	2025	-	420.4	39,385.3
Parque Eólico Loma de los Pinos S.L. <sup>3</sup>	Madrid	100.00	2025	-	1,569.9	53,734.3
Tejo Solar, S.L.U. <sup>3</sup>	Madrid	100.00	2025	+	19,228.8	309,594.3
Topacio Energy, S.L.U. <sup>3</sup>	Madrid	100.00	2025	+	2,952.2	43,564.5
VERBUND Business Solutions GmbH	Vienna	100.00	2025	-	10,198.7	3,535.0
VERBUND Energy4Business GmbH	Vienna	100.00	2025	+	96,159.2	304,491.4
VERBUND Energy4Customers GmbH	Vienna	100.00	2025	-	5,163.5	19,240.9
VERBUND Finanzierungsservice GmbH	Vienna	100.00	2025	+	214.7	218.1
VERBUND Green Hydrogen GmbH	Vienna	100.00	2025	-	8,815.9	23,085.0
VERBUND Green Power GmbH	Vienna	100.00	2025	-	36,210.0	568,234.9
VERBUND Green Power Renewable Projects, S.L.U. <sup>3</sup>	Madrid	100.00	2025	+	546.9	78,222.0
VERBUND Digital Power GmbH	Vienna	100.00	2025	+	21,974.0	22,674.2
VERBUND Thermal Power GmbH	Fernitz- Mellach	100.00	2025	+	92.4	7,920.5
VERBUND Thermal Power GmbH & Co KG	Fernitz- Mellach	99.99	2025	+	5,027.1	209,367.9
VERBUND Ventures GmbH	Vienna	100.00	2025	-	411.9	22,521.7
WATT DEVELOPMENT SPV 5, S.L.U. <sup>3</sup>	Madrid	100.00	2025	-	1,713.0	21,072.6
WATT DEVELOPMENT SPV 6, S.L.U. <sup>3</sup>	Madrid	100.00	2025	-	4,546.8	19,354.5
WATT DEVELOPMENT SPV 7, S.L.U. <sup>3</sup>	Madrid	100.00	2025	-	3,338.2	19,887.5
VERBUND Hydro Power GmbH	Vienna	80.54	2025	+	1,049,742.2	3,021,109.6
VERBUND Innkraftwerke GmbH	Töging	70.27	2025	+	58,982.8	377,876.8
Gas Connect Austria GmbH	Vienna	51.00	2025	+	25,480.7	179,821.4
Donaukraftwerk Jochenstein Aktiengesellschaft	Passau	50.00	2025	+	584.8	16,936.0
Grenzkraftwerke Gesellschaft mit beschränkter Haftung	Simbach	50.00	2025	+	747.5	26,572.1
Österreichisch-Bayerische Kraftwerke Aktiengesellschaft	Simbach	50.00	2025	+	2,681.6	55,948.7

	Head- quarters	% share- holding as at 31/12/2025	Most recent annual financial statement s	(+) (-)	Net income/loss for the year	Equity <sup>1</sup>
<b>Associates</b>						
Ennskraftwerke Aktiengesellschaft <sup>4</sup>	Steyr	50.00	2025	+	1,377.3	48,294.1
KELAG-Kärntner Elektrizitäts- Aktiengesellschaft <sup>5</sup>	Klagenfurt	35.17	2024	+	431,261.5	1,503,031.0

<sup>1</sup> Equity as defined by Section 224(3)a of the Austrian Commercial Code (UGB), IFRS or local law // <sup>2</sup> consolidation in accordance with Sections 253–261 of the Austrian Commercial Code (UGB) // <sup>3</sup> annual financial statements in accordance with IFRS // <sup>4</sup> proportionate consolidation in accordance with Section 262 of the Austrian Commercial Code (UGB) // <sup>5</sup> accounted for using the equity method in accordance with Sections 263–264 of the Austrian Commercial Code (UGB)

# Auditor's Report

## Audit Opinion

We have audited the accompanying financial statements of **VERBUND AG, Wien**, the income statement for the fiscal year then ended and the notes.

Based on our audit the financial statements were prepared in accordance with the legal regulations and present fairly, in all material respects, the assets and the financial position of the Company as of 31 December 2025 and its financial performance for the year then ended in accordance with Austrian Generally Accepted Accounting Principles and the Electricity Industry Act (Elektrizitätswirtschaftsgesetz, ElWG) as well as the Gas Industry Act (Gaswirtschaftsgesetz, GWG).

## Basis for Opinion

We conducted our audit in accordance with the regulation (EU) no. 537/2014 (in the following "EU regulation") and in accordance with Austrian Standards on Auditing. Those standards require that we comply with International Standards on Auditing (ISAs). Our responsibilities under those regulations and standards are further described in the "Auditor's Responsibilities for the Audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the Austrian General Accepted Accounting Principles and professional requirements and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of this auditor's report is sufficient and appropriate to provide a basis for our opinion by this date.

## Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the fiscal year. These matters were addressed in the context of our audit of the financial statements as a whole and in forming our opinion thereon and we do not provide a separate opinion on these matters.

### **From our perspective, the key audit matters are as follows:**

#### **Recoverability of the carrying amount of shares in and loans to affiliated companies**

##### *Description:*

As of 31 December 2025, VERBUND AG held shares in affiliated companies amounting to €4,792m and loans to affiliated companies of €1,566m. In fiscal year 2025, impairment charges of €10.9m as well as reversal of impairment charges amounting to €49.5m were recognized on shares in affiliated companies.

Assessing the impairment of shares in and loans to affiliated companies requires making judgements on whether there is an indication that a certain asset should be impaired and in measuring the corresponding impairment loss or whether a reversal of an impairment is required.

Numerous inputs flow into the valuation models based on net present value methods applied in the impairment test, such as the electricity and primary energy price trends and assumptions regarding developments in the regulatory environment.

There is also a significant risk related to management's estimate of future cash flows and discount

rates, which are used to determine recoverability of shares in and loans to affiliated companies.

The disclosures made by the Company on shares in and loans to affiliated companies can be found in the note disclosures/details regarding the impairment tests in the sections “II. Accounting policies”, “(2) III. Investments, “(21) 17. Financial result” and “IV. Other disclosures” of the notes to the financial statements, as well as in the statement of changes in fixed assets.

**How our audit addressed the key audit matter:**

- We analyzed and reviewed how management determines the recoverability of the carrying amount of
- shares in and loans to affiliated companies.
- 
- Our audit work included, but was not limited to, the following procedures:
- Assessing the design of the valuation model applied and implementation of the controls used in the valuation process;
- Reviewing and evaluating management’s assessment of the existence of impairment indicators;
- Plausibility check of the assumptions used in the valuation models with the operational budget data; reconciling the most significant assumptions incorporated into these valuations with external market data as well as with the data from other external and internal sources;
- Reviewing the computational accuracy of valuation models;
- Involving our valuation specialists for analyzing and assessing discount rates as well as for assessing and reviewing the valuation models and
- Assessing the adequacy of the disclosures in the financial statements.

**Other Information**

Management is responsible for the other information. The other information comprises the information included in the annual report, but does not include the financial statements, the management report and the auditor’s report thereon. The annual report is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information, as soon as it is available, and, in doing so, consider whether - based on our knowledge obtained in the audit - the other information is materially inconsistent with the financial statements or otherwise appears to be materially misstated.

**Responsibilities of Management and of the Audit Committee for the Financial Statements**

Management is responsible for the preparation of the financial statements in accordance with Austrian Generally Accepted Accounting Principles the Electricity Industry Act (Elektrizitätswirtschaftsgesetz, EIWG) as well as the Gas Industry Act (Gaswirtschaftsgesetz, GWG), for them to present a true and fair view of the assets, the financial position and the financial performance of the Company and for such internal con-trols as management determines are necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the

going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Audit Committee is responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with the EU regulation and Austrian Standards on Auditing, which require the application of ISAs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with the EU regulation and Austrian Standards on Auditing, which require the application of ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit.

We also:

- identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Audit Committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal controls that we identify during our audit.

We also provide the Audit Committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the Audit Committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

### Comments on the Management Report

Pursuant to Austrian Generally Accepted Accounting Principles, the management report is to be audited as to whether it is consistent with the financial statements and as to whether the management report was prepared in accordance with the applicable legal regulations.

Management is responsible for the preparation of the management report in accordance with Austrian Generally Accepted Accounting Principles.

We conducted our audit in accordance with Austrian Standards on Auditing for the audit of the management report.

#### **Opinion**

In our opinion, the management report for the Company was prepared in accordance with the valid legal requirements, comprising the details in accordance with section 243a UGB (Austrian Company Code), and is consistent with the financial statements.

#### **Statement**

Based on the findings during the audit of the financial statements and due to the thus obtained understanding concerning the Company and its circumstances no material misstatements in the management report came to our attention.

## Additional information in accordance with Article 10 EU regulation

We were elected as auditor by the ordinary general meeting at 29 April 2025. We were appointed by the Supervisory Board on 23 September 2025. We are auditors without cease since the financial year ending on 31 December 2023.

We confirm that the audit opinion in the Section "Report on the financial statements" is consistent with the additional report to the audit committee referred to in Article 11 of the EU regulation.

We declare that no prohibited non-audit services (article 5 par. 1 of the EU regulation) were provided by us and that we remained independent in conducting the audit.

## Responsible Austrian Certified Public Accountant

The engagement partner is Mag. (FH) Rosemarie König, Certified Public Accountant.

Vienna, 19 February 2026

Ernst & Young  
Wirtschaftsprüfungsgesellschaft m.b.H.

Mag. Stefan Uher

Wir Certified Public Accountant

Mag. (FH) Rosemarie König

Wir Certified Public Accountant

**I** This report is a translation of the original report in German, which is solely valid. Publication or sharing with third parties of the financial statements together with our auditor's opinion is only allowed if the financial statements and the management report are identical with the German audited version. This audit opinion is only applicable to the German and complete financial statements with the management report. Section 281 paragraph 2 UGB (Austrian Company Code) applies to alternated versions.

# Glossary

# Glossary

## Cash flow

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Balance of the inflow and outflow of cash and cash equivalents, usually broken down into cash flow from operating activities, investing activities and financing activities.

## Earnings before interest and tax (EBIT)

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Earnings before interest (including personnel-related interest) and taxes.

## Equity ratio

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Ratio of equity to total capital.

## Funds from operations (FFO)

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Operating result plus depreciation and amortisation, interest income and current taxes.

## Gearing

---

Ratio of net debt to equity.

## Net debt

---

Interest-bearing debt less cash and cash equivalents (including securities and shares held as current assets), adjusted for the asset and liability portions of closed items (e.g. in the case of cross-border leasing transactions).

## Notional debt repayment period

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Ratio of debt to surplus funds from earnings after tax.

## Retained cash flow (RCF)

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Funds from operations (FFO) less dividends paid.

## Return on capital employed (ROCE)

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Ratio of earnings before interest (including personnel-related interest) less applicable taxes to average capital employed.

## Return on equity (ROE)

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Ratio of earnings before taxes to equity at the beginning of the financial year.

## Return on investment (ROI)

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Ratio of earnings before interest (including personnel-related interest) and taxes to total capital at the beginning of the financial year.

## Return on sales (ROS)

---

Ratio of earnings before interest (including personnel-related interest) and taxes to revenue.

## Working capital

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Current assets (including current loans and current prepayments and accrued income) less current liabilities (including current accruals and deferred income).

## **EDITORIAL DETAILS**

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# Verbund

By our own power.