

# Report of the Supervisory Board

Ladies and Gentlemen,

As an energy supply company, EVN carries a special responsibility for the design of the energy future. The transformation of the energy system, with climate neutrality and supply security as the most important goals and priorities, brings not only enormous challenges for the Group's management and all employees but also offers excellent prospects for further organic growth. The Supervisory Board therefore expressly supports the ambitions of EVN's management to optimally utilise the available development and growth opportunities in the areas of network infrastructure, the expansion of renewable generation and drinking water supplies. This focus was reflected in an investment volume that rose to nearly EUR 700m in 2022/23 and plans for a further increase to a level of EUR 700m to EUR 900m over the coming years. The investment programme reflects the Strategy 2030 and strengthens the foundation for EVN's successful development. At the same time, it guarantees that the infrastructure operated by EVN optimally meets customers' demands in all markets. The Supervisory Board also definitely supports EVN's ambitions to make a measurable contribution to the continuous reduction of greenhouse gas emissions through its strategy and goals.

The Executive Board and the Supervisory Board also agree on the efforts to identify potential buyers for WTE and its international project business. We are convinced that WTE's numerous references – above all the large-scale project in Kuwait – create opportunities for the expansion of this highly specialised company that can be better developed with new owners. The management and employees of EVN are challenged to commit their full energy and expertise to the realisation of the Group's increased investment programme and to successfully meet their responsibilities for the design of the energy future.

## **Fulfilment of duties**

The Supervisory Board actively monitored and supported EVN's strategic steps as part of its designated responsibilities. Eight plenary meetings and twelve committee meetings were held during the reporting year, in which the Supervisory Board fulfilled the tasks and duties required by legal regulations and the company's by-laws. The Executive Board provided the Supervisory Board with regular, timely and comprehensive reports on all relevant aspects of business development. Key issues included the risk position and risk management of EVN and its key Group companies, the inclusion of

sustainability aspects, and the opportunities and risks related to the environment, social issues and corporate governance for the development and implementation of the corporate strategy. This reporting, in particular, allowed the Supervisory Board to continuously supervise and support the Executive Board's management activities. The control functions exercised by the Supervisory Board within the framework of open discussions with the Executive Board did not lead to any objections. Recommendations by the Supervisory Board were taken up by the Executive Board. Moreover, the Executive Board submitted the transactions requiring approval to the Supervisory Board for its decision.

## **Austrian Corporate Governance Code**

EVN, as a listed company, is committed to compliance with the Austrian Corporate Governance Code. EVN complies in full with the Code in the January 2023 version. EVN complies with all C-Rules, with two exceptions that are explained in the consolidated corporate governance report.

## **Consolidated corporate governance report**

Schönherr Rechtsanwälte GmbH audited the consolidated corporate governance report for 2022/23, which was prepared by EVN in accordance with C-Rule 62 of the Austrian Corporate Governance Code and § 96 (2) of the Austrian Stock Corporation Act, and reported to the Executive Board, the Audit Committee and the Supervisory Board on their work. In a meeting on 13 December 2023, the Supervisory Board examined the consolidated corporate governance report as required by § 96 of the Austrian Stock Corporation Act and in accordance with Opinion 22 published by the Austrian Financial Reporting Advisory Committee. This analysis was based on a report issued by the Audit Committee on 29 November 2023 and did not lead to any objections.

## **Remuneration policy and report**

The 91st Annual General Meeting of EVN in January 2020 approved the principles of remuneration (remuneration policy) for the members of the Executive Board and Supervisory Board of EVN which were prepared by the Supervisory Board in accordance with §§ 78a and 98a of the Austrian Stock Corporation Act. On this basis, the Executive Board and Supervisory Board prepared a remuneration report for the 2022/23 financial year in accordance with §§ 78c and 98a of the Austrian Stock Corporation Act which will be presented to the 95<sup>th</sup> Annual General Meeting for voting.

### **Annual financial statements and consolidated financial statements**

BDO Assurance GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft was appointed to audit the financial statements for the financial year from 1 October 2022 to 30 September 2023. This firm examined the annual financial statements of EVN as of 30 September 2023, which were prepared in accordance with Austrian accounting regulations, and the management report submitted by the Executive Board. BDO presented a written audit report on the audit and issued an unqualified opinion.

The Supervisory Board received and reviewed the auditors' report. In accordance with § 92 of the Austrian Stock Corporation Act, the Audit Committee reported to the Supervisory Board on the results of the audit and its effects on financial reporting as well as the additional report prepared by the auditor based on the requirements of Art. 11 of Regulation (EU) No. 537/2014 on the statutory audit of public-interest entities.

Following a detailed analysis and discussions by the Audit Committee and the Supervisory Board, the Supervisory Board approved the following documents that were submitted by the Executive Board: the annual financial statements as of 30 September 2023 together with the notes, the management report including the non-financial statement, and the consolidated corporate governance report as well as the recommendation for the use of profits. The annual financial statements as of 30 September 2023 were thereby approved in accordance with § 96 (4) of the Austrian Stock Corporation Act.

The consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) and, together with the management report, also audited by BDO Assurance GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, which issued an unqualified opinion. The Audit Committee reviewed the consolidated financial statements together with the management

report and consolidated non-financial report and reported on its activities to the Supervisory Board, which subsequently approved these documents.

BDO Assurance GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft was responsible for an audit with limited assurance of the consolidated non-financial report for the 2022/23 financial year in agreement with the requirements of the Austrian Sustainability and Diversity Improvement Act and § 267a of the Austrian Commercial Code, the GRI standards 2021 and Article 8 and 9 letters a and b of the EU Taxonomy Directive (2020/852) in connection with Article 10 para. 4 of the Delegated Act of the European Commission (2021/2178) in connection with Article 1 of the Delegated Act of the European Commission (2023/2486).

In conclusion, the Supervisory Board would like to thank the Executive Board and all employees of the EVN Group for their performance and commitment during the 2022/23 financial year. Special thanks are also directed to EVN's shareholders, customers and partners for their trust in the company.

This report to the Annual General Meeting was unanimously approved by the Supervisory Board.

Maria Enzersdorf, 13 December 2023

On behalf of the Supervisory Board



**Reinhard Wolf**  
Chairman