
Report of the Supervisory Board

Ladies and Gentlemen,

EVN's widely diversified strategic orientation with a focus on regulated and stable business areas that are supported by the provision of critical infrastructure played an important role in the very solid business development recorded during 2019/20 – despite the many different challenges in all its markets beginning in March 2020 which resulted from the Covid-19 pandemic.

The Supervisory Board discussed the implementation of the corporate strategy with the Executive Board at regular intervals. In addition to the consequences of Covid-19 for the relevant macroeconomic and energy sector framework conditions, the current climate and environmental challenges and the rapid progress of digitalisation represent key issues for EVN. The Supervisory Board and Executive Board initiated a broad-based process in 2019/20 to define the strategic approach for the coming ten years and, in this way, adapt business activities to sustainably and efficiently meet the changes in operating conditions.

Fulfilment of duties

The Supervisory Board actively monitored and supported EVN's strategic steps as part of its designated responsibilities. Five plenary meetings and nine 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, including the risk position and risk management of EVN and its key Group companies. 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.

Austrian Corporate Governance Code

EVN, as a listed company, is committed to compliance with the Austrian Corporate Governance Code. The implementation of the January 2020 version of the code by EVN was approved as of 1 March 2020. EVN complies with all rules concerning the cooper-

ation between the Supervisory Board and the Executive Board and the internal procedures of the Supervisory Board, with one exception. This exception is specified in the consolidated corporate governance report.

Consolidated corporate governance report

Schönherr Rechtsanwälte GmbH, Vienna, audited the consolidated corporate governance report prepared by EVN AG 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 and the Supervisory Board on their work. In a meeting on 15 December 2020, the Supervisory Board examined the consolidated corporate governance report as required by § 96 of the Austrian Stock Corporation Act and in accordance with an opinion published by the Austrian Financial Reporting and Auditing Committee. This analysis was based on a report issued by the Audit Committee on 24 November 2020 and did not lead to any objections.

Remuneration policy and report

The 91st Annual General Meeting of EVN AG on 16 January 2020 approved the principle of remuneration (remuneration policy) for the members of the Executive Board and Supervisory Board of EVN AG which were prepared by the Supervisory Board in accordance with § 78a and § 98a of the Austrian Stock Corporation Act. Moreover, the Executive Board and Supervisory Board prepared a remuneration report for the 2019/20 financial year in accordance with § 78c of the Austrian Stock Corporation Act which will be presented to the 92nd Annual General Meeting for voting.

Annual financial statements and consolidated financial statements

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, was appointed to audit the financial statements for the financial year from 1 October 2019 to 30 September 2020. This firm examined the annual financial statements of EVN AG as of 30 September 2020, which were prepared in accordance with Austrian accounting regulations, and the management report submitted by the Executive Board. KPMG presented a written audit report on the audit and issued an unqualified opinion.

The Supervisory Board received and reviewed the auditor's 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 2020 together with the notes, the management report and the consolidated corporate governance report as well as the recommendation for the use of profits. The annual financial statements as of 30 September 2020 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 also audited by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, which issued an unqualified opinion. The Audit Committee reviewed the consolidated financial statements together with the management report and reported on these activities to the Supervisory Board, which subsequently approved these documents.

KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, carried out a limited assurance review of the independent non-financial report on the consolidated financial

statements, which was prepared by EVN to meet the requirements for the disclosure of non-financial and diversity-related information in accordance with the Austrian Sustainability and Diversity Improvement Act. KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, reported on the results of this review in writing and also issued an independent assurance report on the non-financial report.

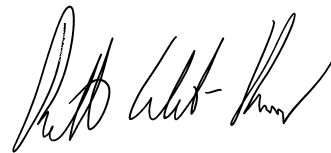
The non-financial statement included in the management report on the annual financial statements of EVN AG was read by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, in connection with the year-end audit to determine whether it materially contradicts the annual financial statements or otherwise appears to be materially misstated based on the understanding gained from the audit. KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, issued a written report on these results, together with the results of the year-end audit of EVN AG.

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 2019/20 financial year. These many men and women safeguarded the continuous operation of EVN's infrastructure and successfully addressed the concerns of customers with their strong commitment and in agreement with all necessary protective measures. 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, 15 December 2020

On behalf of the Supervisory Board



Bettina Glatz-Kremsner
President