

# Remuneration policy for the members of the Supervisory Board of Burgenland Holding Aktiengesellschaft

## 1 Definition of principles for remuneration policy

The following remuneration principles (remuneration policy) for the members of the Supervisory Board of Burgenland Holding Aktiengesellschaft (Burgenland Holding) who are elected by the Annual General Meeting were approved by a resolution of the Supervisory Board on 10 February 2020. They are intended for application after their presentation to Burgenland Holding's 31st Annual General Meeting.

In accordance with § 98a in connection with § 78b (1) of the Austrian Stock Corporation Act, the remuneration policy must be presented to the Annual General Meeting for voting at least every fourth financial year.

## 2 Objective

The remuneration policy is intended to ensure that the Supervisory Board members are granted remuneration for their activities which reflects their duties, responsibilities and the position of the Company. This remuneration should be designed to support Burgenland Holding's sustainable corporate strategy and long-term development and, at the same time, protect the objectivity and independence of this supervisory body.

The remuneration of the members of the Supervisory Board must reflect market conditions and be sufficiently attractive to interest suitably qualified persons in activities on behalf of a comparable, regionally active listed company with an investment portfolio that focuses on the energy industry. Moreover, the remuneration must be designed to achieve a professional and personal balance on this corporate body. A special focus in the composition of the Supervisory Board must be placed on diversity through the representation of both genders and a balanced age structure as well as the professional backgrounds of the members.

## 3 Remuneration components

The remuneration for the Supervisory Board members is approved by the Annual General Meeting and comprises basic annual remuneration plus an attendance fee for each meeting. If the Annual General Meeting approves the basic annual remuneration as a total amount for the entire Supervisory Board, it can authorise the Supervisory Board to carry out the distribution to its members in line with objective criteria. Different amounts may be allocated, in particular, to reflect the functions of the individual members (e.g. chairman, deputy chairman, membership on committees).

The attendance fees should reflect the fact that the number of meetings and related time required can vary, especially in connection with committee memberships.

Every member of the Supervisory Board is entitled to reimbursement of appropriate cash expenses.

## 4 Fixed remuneration components

Every Supervisory Board member is entitled to basic annual remuneration.

The Supervisory Board members can be provided with D&O insurance (directors and officers liability insurance) and legal protection insurance with adequate risk coverage. The related premiums are to be carried by the Company. As an affiliated company of EVN AG, the members of the Supervisory Board can be included in the D&O insurance of EVN AG. The related premiums are to be carried by the Company or reimbursed by EVN AG.

## **5 Variable remuneration components**

Every Supervisory Board member is entitled to attendance fees for his/her participation in the meetings of the Supervisory Board and its committees. No performance-based remuneration components are planned.

## **6 Support for the corporate strategy and the Company's long-term development**

By supporting the well-balanced and wide-ranging qualifications of the Supervisory Board, the remuneration policy also advances the Company's sustainable development.

## **7 Remuneration and employment conditions for employees**

The Company does not currently employ any staff of its own. In the event that the Company employs its own employees, the annual remuneration of a Supervisory Board member shall, in order to ensure an appropriate relationship between the remuneration of the Supervisory Board and the remuneration and employment conditions of the Company's employees, not exceed twice the average annual gross remuneration of the employees of Burgenland Holding, calculated on a full-time basis.

## **8 Term of office of the Supervisory Board**

The term of office for the Supervisory Board members elected by the Annual General Meeting ends with the conclusion of the Annual General Meeting which will vote on the release from liability for the 2022/23 financial year. Unless decided otherwise by the Annual General Meeting, new Supervisory Board members are always elected for the maximum term of office defined by § 87 (7) of the Austrian Stock Corporation Act.

There are no contractual relationships under labour law between Burgenland Holding and the members of the Supervisory Board, apart from the appointments approved by the Annual General Meeting. Consequently, no information is available on the term of the contracts with the Supervisory Board members, the relevant notice periods, the main features of additional pension schemes and pre-retirement programmes or the conditions for termination and related mandatory payments.

## **9 Procedure for remuneration policy**

This remuneration policy was approved through a resolution of the Supervisory Board on 10 February 2020 and will be presented to Burgenland Holding's 31st Annual General Meeting for voting.

The Supervisory Board must pass a resolution on its remuneration policy at least every fourth financial year as well as in connection with each major planned change in the remuneration policy and submit a proposed resolution to the Annual General Meeting.

The remuneration policy must then be presented to the Annual General Meeting for voting.

The decision by the Annual General Meeting on the remuneration entitlements of the Supervisory Board members is binding and is intended to avoid conflicts of interest by the Supervisory Board members in connection with the remuneration policy.

## **10 Major changes in the remuneration policy**

Since this remuneration policy was approved for the first time, no information is provided on this point.