

Remuneration Report for the Members of the Management Board and Supervisory Board of Österreichische Post AG (Austrian Post)

Dear shareholders!

Österreichische Post AG (Austrian Post) has been publicly traded on the Vienna Stock Exchange since May 2006. The Company fulfils all principles of responsible business management in line with good corporate governance, which is oriented to the sustainable creation of value and transparency towards shareholders and other stakeholders.

With the passing of the Stock Corporation Amendment Act 2019 (AktRÄG), the stipulations contained in the EU's Shareholder Rights Directive II were implemented by means of the new Sections 78a to 78e of the Austrian Stock Corporation Act (AktG). In order for publicly listed companies to meet the obligations imposed upon them by the new regulations, they are required to present a Remuneration Report pertaining to the remuneration of Management Board and Supervisory Board members to the Annual General Meeting every year. In addition to legal stipulations, we are guided by the requirements contained in the Austrian Corporate Governance Code. Moreover, we take account of capital market trends with respect to remuneration because, as a publicly listed company, we feel an obligation to all shareholders and want to ensure that openness and transparency prevail.

In the following Remuneration Report, we want to explain the main features of the Remuneration Policy of Österreichische Post AG approved by the Annual General Meeting 2020, especially the three-pillar model with one fixed and two variable salary components. At the same time, we aim to present the remuneration for the 2021 financial year.

Following a difficult year in 2020 which was strongly impacted by the effects and restrictions relating to the COVID-19 pandemic, we can look back at a successful 2021 financial year. Österreichische Post AG succeeded in achieving an upturn in its business results as reflected by revenue growth of 15% accompanied by a significant earnings improvement of more than 27%, in spite of the pandemic-related challenges.

The Remuneration Report of Österreichische Post AG explains the reasoning behind the remuneration and the settlement of remuneration for the year 2021 in a detailed and understandable manner. It has always been important to us to create a performance-oriented remuneration system with a high proportion of variable salary components. This report provides our investors with transparency and a full account of the remuneration paid to the Management Board and Supervisory Board.

Edith Hlawati
Chair of the Supervisory Board

Georg Pölzl
Chairman of the Management Board

1. Introduction

This Remuneration Report describes the main features of the remuneration system for the Management Board and Supervisory Board members of Österreichische Post AG (Austrian Post) and provides information about the amounts awarded to or due to the Members of the Management Board in the 2021 financial year as well as the remuneration for the Supervisory Board. It takes account of the stipulations included in Sections 78c and 98a AktG and is oriented to Statement 37 of the Austrian Financial Reporting and Auditing Committee ("AFRAC Statement").

The Remuneration Report was reviewed by the Remuneration Committee of Österreichische Post AG and approved by the Supervisory Board at its meeting held on 10 March 2022. In line with corporate law requirements, the Remuneration Report will be presented to the Annual General Meeting on 21 April 2022.

Economic development in the past financial year

Against the backdrop of the ongoing COVID-19 pandemic, Österreichische Post AG can look back at a successful 2021 financial year. The Company succeeded in further strengthening its performance as well as to safeguard the health and safety of employees.

The COVID-19 pandemic impacted Österreichische Post AG to very different extents. The prevailing trends of electronic substitution in the letter mail business and high-volume growth in the parcel business related to the increasing importance of online shopping were strongly accelerated, especially during the lockdowns.

Group revenue increased by 14.9% in the 2021 financial year to EUR 2,519.6m. The Parcel & Logistics Division reported revenue growth of 36.4% in the 2021 financial year, whereas Mail Division revenue was up by 0.1%. The Retail & Bank Division also registered a revenue increase of 10.8% in the reporting period to EUR 74.7m.

The year 2021 showed a major change in a divisional comparison, reflecting the increasing importance of the parcel business. The share of total Group revenue generated by the Parcel & Logistics Division climbed from 41.5% in 2020 to 49.0% in the year under review. Parcel revenue rose 36.4% in 2021 to EUR 1,245.7m, including organic growth of 14.2%. The Turkish subsidiary Aras Kargo as well as a strong parcel business in both Austria and Southeast and Eastern Europe were primarily responsible for the division's revenue growth.

The proportion of total Group revenue generated by the Mail Division fell to 48.1% in the year under review, down from 55.5% in 2020. In 2020, the division's revenue declined by 7.4% due to strongly negative COVID-19 effects. In contrast, Mail Division revenue in the 2021 financial year increased slightly by 0.1% to EUR 1,224.2m. Positive COVID-19 effects related to special mailings were also reported in the current financial year. Nevertheless, the fundamental decrease in traditional letter mail as a result of e-substitution continued unabatedly. A volatile development was perceptible in the advertising business. A slight recovery took place in direct mail and media post volumes following a sharp decline in the previous year.

Revenue of the Retail & Bank Division improved by 10.8% in the 2021 financial year to EUR 74.7m. In addition to the positive development of the customer ramp-up, bank99 also acquired the private customer business of ING in Austria at the end of 2021. The acquisition of ING enables bank99 to expand its existing offering by its own credit and investment products.

Operating earnings (EBIT) of the Group climbed 27.5% year-on-year to EUR 204.7m. The EBIT margin equalled 8.1%. Accordingly, 2021 EBIT was higher than the earnings generated in 2019, before the outbreak of the pandemic. Earnings before interest, taxes, depreciation and amortisation (EBITDA) amounted to EUR 370.4m, comprising a rise of 22.3% compared to the prior-year EBITDA of EUR 302.8m. This corresponds to an EBITDA margin of 14.7%. The increased EBITDA can be attributed to the outstanding parcel development in all markets.

Earnings per share in the 2021 financial year amounted to EUR 2.25, compared to EUR 1.75 per share in the previous year. On the basis of this good earnings situation, the strong cash flow and the solid balance sheet, the Company will propose that the Annual General Meeting approve distribution of a dividend equalling EUR 1.90 per share. This continues to be based on maintaining a predictable dividend policy. Since its IPO in 2006, the Company has pursued the goal of distributing a dividend of 75% of the Group net profit.

2. Main features of the Remuneration Policy for the Management Board

The current remuneration system for the Management Board members has been in effect since the 2020 financial year. It was presented to the Annual General Meeting held on 17 June 2020 and approved with a majority of 99.95% of the votes cast.

The remuneration system for the Management Board should create incentives for the Management Board members to actively pursue the Group strategy and ensure a sustainable positive development of the Company. These efforts are promoted by structuring the various remuneration components and especially by specifying criteria for the variable salary components in line with the Company's strategic orientation.

The following principles apply in determining the remuneration of the Management Board:

- Support for the Group strategy: the specification of performance targets is to occur in accordance with the Group's business strategy. Accordingly, the targets take account of the strategy, business model and positioning of the Company.
- The linkage of remuneration and performance: the variable performance-related components should comprise a disproportionate share of the total remuneration.
- The variable remuneration aims to embed sustainability of the performance and shareholder interests. A major part of the variable remuneration should reflect services rendered over a longer period of time and the development of the Post share as well as non-financial indicators and components.

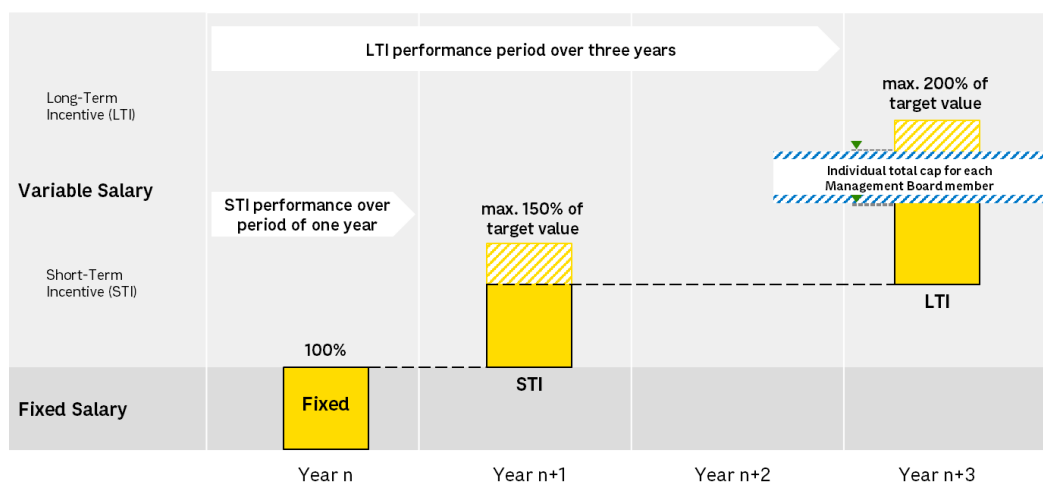
Structure of Management Board remuneration

The remuneration of the Management Board is based on a three-pillar model with fixed salary components and variable salary components. The variable salary components are comprised of two components, namely an annual bonus (Short-Term Incentive, STI) and long-term variable remuneration (Long-Term Incentive, LTI). These variable components are tied to performance and the achievement of both financial and non-financial performance criteria, which in turn depend on the strategic objectives and the operational management of the Company.

The variable, success-oriented remuneration components comprise the lion's share of the remuneration paid to Management Board members. The amount depends on the performance of the Management Board members and the success of the Company. All performance criteria of the variable remuneration components are specified as target values by the Remuneration Committee at the beginning of every financial year. The level of target achievement determines the amount of remuneration which is actually paid.

In defining the target values as well as the lower and upper thresholds, the Remuneration Committee ensures that these targets are adequate and ambitious. If the targets are not achieved, the variable salary components can decline to zero. If the targets are clearly exceeded, target achievement is limited due to the fact that maximum values are specified. In addition to the caps defined for variable salary components, limits have been imposed on the maximum amounts of total remuneration for every Management Board member (individual total caps).

Remuneration system for Management Board members of Österreichische Post



Fixed remuneration

The fixed basic salary is linked to the salary structure of publicly listed Austrian companies and comparable publicly traded international companies and takes into account the range of duties and responsibilities assumed by each of the members of the Management Board as well as the duration of the term of office on the Management Board. Furthermore, a benchmark covering the 20 ATX companies in Austria, the 60 medium-sized comparable MDAX companies in Germany as well as a further 16 European logistics companies is also taken into account for the basic salary.

In addition to the fixed basic salary, the fixed remuneration also includes benefits in kind, various types of insurance coverage and pension fund contributions.

Short-Term Incentive (STI) Programme

The Short-Term Incentive (STI) programme is designed to recognise performance in the respective past financial year in line with the short-term development of the Company. At the beginning of a given financial year, target values are specified for the two most important financial indicators of success, namely "revenue" and "EBIT" (earnings before interest and taxes). After the financial year has come to a close, the Remuneration Committee of the Supervisory Board determines the specific target achievement value for the two indicators of revenue and EBIT on the basis of the audited consolidated annual financial statements.

The target achievement value for the financial targets can fluctuate between 0% and 150%, in which case the lower threshold of target achievement has been set at 50% for the two indicators of revenue and EBIT.

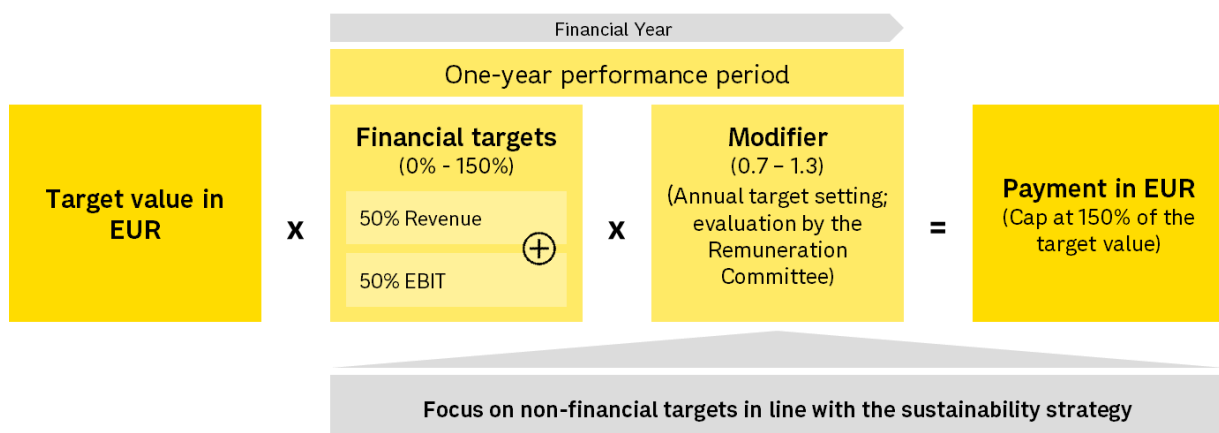
A modifier is used to evaluate financial target achievement. This modifier can impact the target achievement value by no more than +/- 30%. The modifier establishes a direct link to strategic initiatives as well as the sustainability strategy and the ESG indicators. At the beginning of each year, the Remuneration Committee identifies priorities relating to the three aspects of Economy & Customers, Environment & Climate and People & Social Impact which are derived from Österreichische Post AG's current subject areas.

The assessment of the implementation of the priorities specified in the STI modifier is derived from the target setting evaluation carried out by the Remuneration Committee, which is summarised and documented in a report. The modifier is basically set at 1.0 and can vary depending on whether the performance in the described aspects has exceeded or failed to meet expectations.

The actual payment amount for the STI is calculated on the basis of the contractually stipulated target value which corresponds to about 100% of the fixed basic salary. The specific STI payment amount is derived by taking account of the target achievement value for the financial performance indicators as well as the specification of the calculated percentage from the modifier. In terms of the STI, the amount paid is limited to 150% of the defined target value.

The following chart provides an overview of the STI.

Description of the Short-Term Incentive Programme of Österreichische Post



Long-Term Incentive (LTI) Programme

The underlying objective of the Long-Term Incentive (LTI) programme is to reward the long-term, sustainable performance of Management Board members, and also to ensure a positive development of the share price in line with the interests of shareholders. The methodology of this programme strengthens this objective by the required personal investment of the Management Board members in shares of the Company, the long level of retention and the positive share price relation from the beginning to the end of the program after three years.

The starting point of the LTI are Performance Share Units (PSU), which are calculated based on the contractually agreed target value divided by the start reference share price. The target value is defined on an individual basis for each member of the Management Board and is between 75% and 125% of the basic salary depending on the individual's position on the Management Board.

The incentive in the form of the final number of PSU is calculated using the number of PSU at the start of the programme multiplied by the level of target achievement (possible range between 0% and 200%). The end reference share price after the three-year performance period plus the dividends paid is used to determine the amount paid out. The maximum payout value is 200% of the target value for each member of the Management Board.

The target criteria used for the LTI, each of which has a weighting of one-third, are control parameters of importance to the capital market, namely earnings per share as net earnings and basis for the dividend policy, free cash flow as the basis for the ability to pay dividends and the total shareholder return (TSR) of the Company in relation to the TSR of companies listed in the EURO STOXX Total Market Industrial Transportation index since 2019.

The 100% target values as well as the threshold and maximum values for the criteria are defined by the Remuneration Committee of the Supervisory Board at the beginning of the programme and take account of medium-term corporate planning and, if applicable, special effects and the historical development of performance indicators as well as capital market forecasts. The maximum target attainment for the three performance indicators is specified at 200% of the target value. If the level of attainment is below 50%, the target attainment of the indicator is considered to be zero.

After expiration of the three-year performance period, the auditor confirms the level of target achievement as a follow-up to ascertaining the consolidated business results of Österreichische Post AG. On the basis of the target achievement, the degree of target achievement and relevant amounts to be paid out are subsequently resolved upon by the Remuneration Committee. In terms of the LTI, the maximum amount to be paid is limited to 200% of the defined target value.

The following illustration provide an overview of the Long-Term Incentive Programme. This approach has been valid for all ongoing programmes since the year 2019.

Description of the Long-Term Incentive Programme of Österreichische Post



3. Management Board remuneration in 2021

The following section describes the specific application of the remuneration system for the members of the Management Board of Österreichische Post in the 2021 financial year. It includes detailed information on the total remuneration, on objectives and target attainment with respect to the variable remuneration scheme and individualised information on the remuneration of the individual Management Board members for the 2021 financial year.

The following section presents both the remuneration due as well as the remuneration awarded to the Management Board members. On the one hand, the **remuneration due** (contractually owed remuneration) includes the amounts actually paid to the Management Board member within a specified period which are to be assigned to the current period under review. On the other hand, it also includes entitlements definitively acquired in this period, even if payment takes place in a later period. The **remuneration awarded** relates to provisions allocated in a financial year as well as other accrued remuneration components made on the basis of legal or contractual obligations which must be economically allocated in this reporting period although the final specification and payment will take place in subsequent periods. With the exception of the information presented in Section 3.4 "Remuneration awarded from current LTI programmes", all tables contain details on remuneration which is due, in other words, amounts actually received or entitlements definitively acquired. This approach enables a good comparability of annual remuneration.

The only members of the Management Board of Österreichische Post in the 2021 financial year were Georg Pölzl, Walter Oblin and Peter Umundum. In the following section, the type and amount of the individual remuneration components for every Management Board member will be presented along with a subsequent synopsis.

3.1 Fixed remuneration

The fixed remuneration of the Management Board members in the year 2021 consisted of their fixed basic salary, benefits in kind, various insurance policies as well as pension fund contributions.

The benefits in kind included the availability of an automobile for business and private purposes along with a driver, as well as the covering of costs for telephone lines and mobile telephones for business and private purposes.

The benefits also include an accident insurance policy which provides additional insurance coverage in the event of death or in case of invalidity, whether the individual is on duty or off duty. Furthermore, there is the possibility to participate in a management group health insurance scheme.

All members of the Management Board are entitled to contributions made by the Company to a voluntary pension fund concluded with APK Pensionskasse AG. Österreichische Post AG is required to pay 10% of the individual's fixed basic salary into the pension fund each year.

Fixed remuneration

EUR	Georg Pölzl	Walter Oblin	Peter Umundum
Fixed basic salary	700,000	520,000	465,714
Benefits in kind	12,162	11,694	12,894
Group health insurance	3,038		1,215
Accident insurance	3,523	2,902	2,781
Pension fund contribution	71,750	53,300	47,736
TOTAL FIXED REMUNERATION	790,474	587,897	530,340

In addition to the above-mentioned insurance policies, the Members of the Management Board of Österreichische Post are also insured within the context of a Directors and Officers Liability Insurance (D&O). The insurance provides judicial and extrajudicial protection against unfounded claims for damages as well as the settlement of claims considered to be legally justified.

3.2 Short-term variable remuneration 2021 (STI 2021)

This section describes the entitlements acquired in the year 2021 based on the STI agreement concluded at the beginning of 2021. The evaluation of the relevant performance criteria by the Remuneration Committee took place at the beginning of the year 2022 on the basis of the audited annual and consolidated annual financial statements. Payment of the entitlements take place at a later date. The amounts paid in 2021 derived from the STI agreement of 2020 are also presented in the general overview.

In accordance with the Remuneration Policy approved by the Annual General Meeting in 2020, the financial criteria of "revenue" and "EBIT" (each weighted at 50%) were used to assess the short-term variable remuneration, and non-financial criteria in the form of a modifier (multiplier of 0.8 to 1.2 in 2021) were also applied.

Weighting of the criteria

Area	Criteria	Weighting
Financial targets	Revenue	50%
	EBIT (before special effects)	50%
Modifier	A value between 0.8 and 1.2 is defined at the discretion of the Remuneration Committee on the basis of a pre-defined catalogue.	+/- 20% multiplier ¹

¹ A multiplier of +/- 20% was specified for the STI Programme 2021 within the context of the stipulated framework of the Remuneration Policy.

The following table shows the values for the financial criteria of "revenue" and "EBIT" specified by the Remuneration Committee at the beginning of the year 2021 in the event of a 50%, 100% or 150% target attainment. The challenging conditions prevailing as a consequence of the coronavirus pandemic and the resulting revenue and earnings effects were taken into account in defining these target criteria. No adjustments were made to the financial criteria during the course of the year.

After the submission of the annual and consolidated annual financial statements and the confirmation by the auditor, the Remuneration Committee of Österreichische Post evaluated the level of target achievement. The revenue of Austrian Post in 2021 amounted to EUR 2,519.6m, and the reported EBIT equalled EUR 204.7m. Due to the surpassing of the designated targets, the level of target attainment for both criteria was set at 150%.

Target attainment of the criteria

EUR m	50% target	100% target	150% target	Actual value	Target attainment	Weighted target attainment
Revenue	2,200	2,320	2,440	2,520	150.0%	75.0%
EBIT	130	160	190	205	150.0%	75.0%
ATTAINMENT OF FINANCIAL TARGETS						150.0%

In addition to the financial criteria of "revenue" and "EBIT", the modifier also plays a significant role in determining the total level of attainment in the Short-Term Incentive Programme. The Remuneration Committee defined a catalogue of criteria for the 2021 financial year, which, in particular, took account of the strategic priorities and especially the ESG indicators. More than 50% of the indicators follow the objectives defined in the "Sustainability Master Plan" of Österreichische Post. The modifier was specified in the range of 0.8 to 1.2 for the 2021 financial year and can thus impact the degree of target attainment by +/- 20%. What follows is a description of the specified criteria of the modifier and their degree of target attainment.

- Delivery quality in the core business: in addition to the profitability of its services, Österreichische Post also focuses, above all, on the quality of its services. The defined objective for delivery quality in the mail business in the past financial year could be surpassed, with the Company achieving a delivery speed of 96.3% for "J+1". The delivery speed for parcels amounted to 94.5% for "J+1", thus slightly below the designated target.
- bank99: The defined goal for the past financial year was to achieve a significant customer ramp-up and improved earnings. The planned number of customers of bank99 was organically below the targeted value but could be increased to more than 200,000 due to the acquisition of the private customer business of ING in Austria. Accordingly, this means that the specified goal was exceeded. Earnings from the business activities of bank99 equalled minus EUR 34.9m, which matched the targeted performance.
- Post App 2.0: The Post App makes a major contribution towards fulfilling the current needs of our customers. The transition to a new technology as well as the expansion of the features being offered are aimed at further improving service. The implementation of the defined contents for the App release enabled this target to be exceeded.
- Increase of the company's in-house personalisation in key digital competencies: against the backdrop of the steadily increasing importance of digitalisation, the best possible in-house competencies in this area are of crucial importance. The specified goal was substantially surpassed thanks to the expansion of personnel capacities by more than 200 employees.
- Audit of "reasonable assurance" of environmental indicators. Österreichische Post places high demands on its sustainability reporting and evaluation of non-financial indicators. The defined goal for the year was achieved on the basis of the range of indicators which could be audited with reasonable assurance.
- Improvement in the level of specific CO₂ emissions: based on the prior-year value of 120 g/transported tonne, emissions could be reduced to 116 g/transported tonne, thus achieving the 100% target.
- The development and initial application of an employee satisfaction measurement in the form of a sampling system was also defined as an objective. The sample survey as well as the evaluation of results were carried out in line with the defined concept. The process involved in determining the measures to be taken was launched before the end of 2021 so that the target for the year could be slightly exceeded.
- Diversity is an important sustainability issue for Österreichische Post. Within the context of an inter-company project, the percentage of women in executive positions is to be steadily increased. The proportion of women in management positions equals 35.9% (average value in December 2021), thus significantly exceeding the stated objective.
- Österreichische Post attaches great importance to customer satisfaction. The customer satisfaction index determined within the context of a regular survey equalled or exceeded the level of 71 in all four quarterly periods in 2021, thus comprising an improvement from the initial value.

The Remuneration Committee reviewed the target attainment of the modifier (range of 0.8 to 1.2) at the beginning of 2022. On the basis of the documentation presented at the time and due to the fact that the performance in the specified criteria was achieved, all things considered, a modifier of 1.1 was defined. Accordingly, the total degree of target attainment for the Short-Term Incentive 2021 equalled 165%.

The individual, contractually specified target amount multiplied by the percentage of total target attainment (financial targets and modifier) equals the acquired entitlements for the past 2021 financial year and the amount which is to be paid in the following year. Due to the fact that the entitlement to remuneration from variable salary components is limited and a maximum of 150% of the target value is paid for the short-term incentive programme, the Management Board members are entitled to the amounts listed below.

Short-Term Incentive Programme 2021

EUR		Georg Pölzl	Walter Oblin	Peter Umundum
Target value ¹		700,000	520,000	465,714
Overall target attainment	150.00%			
STI 2021²		1,050,000	780,000	698,571

¹ Fixed basic salary 2021

² Payment in the year 2022

3.3 Long-term variable remuneration 2019-2021 (LTI 2019-2021)

The following section presents the long-term, share-based remuneration component, the Long-Term Incentive, relevant for the past 2021 financial year. The entitlements acquired in the past financial year arose as a result of the Long-Term Incentive Programme 2019-2021, whose three-year performance period expired at the end of 2021. The parameters of the LTI 2019-2021 were defined by the Remuneration Committee at the beginning of the term of this programme and reviewed with respect to their degree of target attainment after submission of the annual and consolidated annual financial statements for 2021. The payment of entitlements will take place in 2022.

Participation in the LTI programme is contingent upon individual Management Board members making their own one-time investment, which is determined in relation to their basic salaries. This amounts to 80% for the Chair of the Management Board, 70% for the Deputy Chair of the Management Board and 60% for other members of the Management Board. The personal investment must be retained uninterrupted until the end of the year following the expiration of the performance period. The required shares of the LTI Programme 2019-2021 must be retained until the end of 2022 and are shown in the table below.

Personal investment

	Required number of shares	Equivalent value in EUR ¹
Georg Pözl	14,895	500,025
Walter Oblin	9,801	329,020
Peter Umundum	7,686	258,019

¹ On the basis of the average share price in Q4 2018

The performance criteria underlying the LTI Programme 2019-2021 (earnings per share, free cash flow and total shareholder return) should optimally take account of the long-term increase in the Company's value. These indicators reflect the ability of the Company to make investments and pay dividends as well as the Company's overall performance and are of major importance to the long-term Group management of Österreichische Post AG.

The weighting of the criteria and the setting of annual interim targets is shown in the following table.

Weighting of the criteria

Criteria	Weighting	Annual target attainment weighting during the three-year performance period
Earnings per share	1/3	20%/20%/60%
Free cash flow	1/3	20%/20%/60%
Relative total shareholder return	1/3	20%/20%/60%

The 100% target values as well as the threshold and maximum values for the criteria were defined by the Remuneration Committee of the Supervisory Board at the beginning of 2019. It takes account of medium-term corporate planning and, if applicable, special effects and the historical development of performance indicators as well as market forecasts by the capital market.

Indicator 1 "Earnings per share" (target range between 0% and 200% is possible):

In the years 2019 to 2021, the range of the target value was between EUR 1.62/share (0% target attainment) and EUR 2.60/share (200% target attainment). Adjusted for special effects, the actual values in this three-year period were between EUR 1.93/share and EUR 2.55/share.

Indicator 2 "Operating free cash flow" (target range between 0% and 200% is possible):

In the years 2019 to 2021, the range of the target value was between EUR 119m (0% target attainment) and EUR 189m (200% target attainment). Adjusted for special effects, the actual values were between EUR 178m and EUR 250m.

Indicator 3 "Relative total shareholder return":

The target values of the total shareholder return each year is ranked in comparison with the total shareholder return of the companies listed in the EURO STOXX Total Market Industrial Transportation index and the relative positioning of Österreichische Post on the basis of the achieved percentile (percentile ranking). In the years 2019-2021, the range of the targeted value was between the 25th percentile (0% target attainment) and the 75th percentile (200% target attainment). The actual values in the three-year performance period were between the 35th percentile and the 83rd percentile.

After the submission of the annual and consolidated annual financial reports and confirmation by the auditor, the Remuneration Committee evaluated the degree of target attainment of the individual LTI criteria. The degree of target attainment calculated on the basis of the actual values, adjusted for selected special effects to ensure the comparability of target and actual values, is shown in the table below. The total degree of target attainment consists of the level of achievement of the subgoals for each individual indicator every year. On balance, the three-year period of the LTI programme which expired in 2021 showed a total target attainment level of 166.7%.

Target attainment of the criteria

Target attainment in %	2019	2020	2021
Earnings per share	8.3%	8.1%	38.3%
Free cash flow	13.3%	11.8%	40.0%
Total shareholder return (relative to the index)	4.7%	13.3%	28.9%
ANNUAL TARGET ATTAINMENT	26.3%	33.2%	107.2%
TOTAL TARGET ATTAINMENT			166.7%

The bonus granted in recognition of total target achievement takes place on the basis of Performance Share Units (PSU, bonus shares) as the calculated parameter. The number of PSU at the beginning of the programme, determined by multiplying the contractually stipulated target value with the reference share price in Q4 2018, is used to calculate the final number of PSU by multiplying the initial number by the degree of target attainment. The model calculated values for payment of the long-term incentive programme are determined on the basis of the calculated level of target attainment of 166.7% and by making use of the relevant share price in Q4 2021 (plus the dividends paid during the three-year performance period) as the basis for payment.

In principle, payment of the Performance Share Units takes place in the form of Österreichische Post shares or in cash. For the LTI programme 2019-2021, the decision about the form of payment was at the discretion of the Remuneration Committee of the Supervisory Board, which decided to make the payments in cash.

Long-Term Incentive Programme 2019-2021 (model calculated values)

EUR		Georg Pözl	Walter Oblin	Peter Umundum
Target value ¹		812,000	394,800	331,100
Share price Q4 2018	33.57			
Bonus shares at the beginning		24,188	11,761	9,863
Total target attainment	166.7%			
Bonus shares at the end		40,331	19,610	16,446
Share price Q4 2021	37.24			
Total accumulated dividends paid ²	5.76			
LTI 2019-2021 MODEL CALCULATED VALUE		1,734,233	843,230	707,178

¹ Specified in the agreement for the LTI programme 2019-2021

² Dividends in the individual years: EUR 2.08/share paid in 2019; EUR 2.08/share paid in 2020; EUR 1.60/share paid in 2021

As specified in the Remuneration Policy for the Management Board, the employment contracts for the Management Board members define maximum amounts for total remuneration for a given financial year. These upper limits, hereafter known as "salary caps," are to be taken into account in determining the amounts to be paid within the context of the Long-Term Incentive Programme. This is because any potential exceeding of the designated salary caps would lead to a reduction in the amount to be paid for the Long-Term Incentive Programme.

The salary cap for the 2019 financial year is applied in assessing the relevant maximum amounts for payment within the context of the LTI programme which expired in 2021. This is comprised of (i) the fixed basic salary for 2019, (ii) the remuneration for the STI 2019 (paid in 2020) and (iii) the remuneration for the LTI 2019-2021 (paid in 2022).

The following table shows the maximum potential entitlements of the Management Board members when applying the specified "salary caps" and the actual amounts paid for LTI 2019-2021 on the basis of the contractually stipulated maximum amounts.

Long-Term Incentive 2019-2021 (entitlements)

EUR	Georg Pölzl	Walter Oblin	Peter Umundum
Maximum "salary caps" for 2019	2,535,000	1,598,000	1,419,000
Fixed basic salary 2019	628,571	470,000	431,429
STI 2019 ¹	937,514	701,005	643,476
LTI 2019-2021 ENTITLEMENTS PURSUANT TO THE "SALARY CAP"²	968,914	426,995	344,096

¹ Payment in the year 2020

² Payment in the year 2022

3.4 Remuneration awarded from current LTI programmes

Since the introduction of the share-based remuneration programme in the year 2010 a new, three-year LTI tranche has begun each financial year. All three Management Board members were participating in the LTI tranches 10 (2019-2021), 11 (2020-2022) and 12 (2021-2023) as of 31 December 2021.

The expected number of Performance Share Units (calculated amount) assigned to the individual tranches as of 31 December 2021 is as follows:

Bonus shares

Number	Georg Pölzl	Walter Oblin	Peter Umundum
Tranche 10 (LTI 2019-2021)	24,188	11,761	9,863
Tranche 11 (LTI 2020-2022)	25,883	13,184	10,406
Tranche 12 (LTI 2021-2023)	29,857	15,209	12,479

In principle, as already described, the payment of the Performance Share Units takes place in the form of shares in Österreichische Post AG or in cash. The decision as to the form of payment is made by the Remuneration Committee of the Supervisory Board. Past business practices have shown that payment in cash is to be expected, for which purpose the accounting takes place as share-based payments with cash settlement.

For the expected cash payments, provisions are allocated for the expected future total costs of all existing and ongoing LTI programmes at the balance sheet date on the basis of their fair values.

Carrying amount of provisions

EUR	Georg Pözl	Walter Oblin	Peter Umundum
Tranche 10 (LTI 2019-2021)	968,915	426,995	344,095
Tranche 11 (LTI 2020-2022)	754,600	372,110	288,100
Tranche 12 (LTI 2021-2023)	336,037	154,941	122,496

The total costs reported for the share-based remuneration of the Management Board members in the 2021 financial year is assigned to the individual tranches as follows:

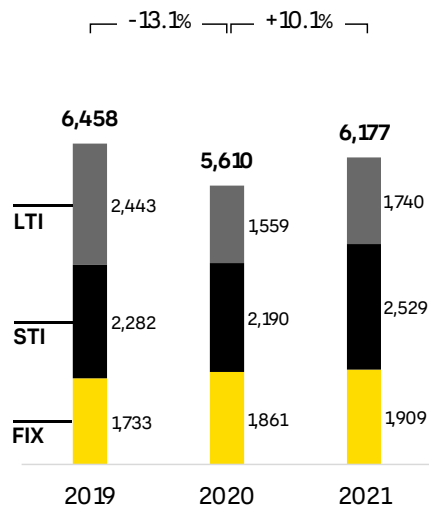
Total cost

EUR	Georg Pözl	Walter Oblin	Peter Umundum
Tranche 10 (LTI 2019-2021)	68,553	-10,767	-23,035
Tranche 11 (LTI 2020-2022)	238,755	109,345	80,709
Tranche 12 (LTI 2021-2023)	336,037	154,941	122,496

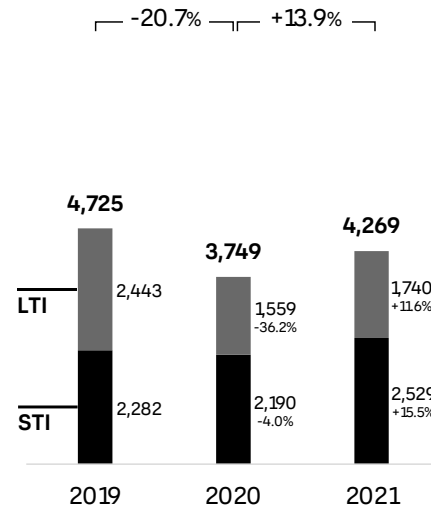
3.5 Overview of Management Board remuneration

The following explanations and tables below provide an overview of Management Board remuneration. The entitlements arising in the 2021 financial year for the Members of the Management Board of Österreichische Post equal about EUR 6.2m (2020: EUR 5.6m). This consists of EUR 1.9m for the non-performance-related fixed salary components (2020: EUR 1.9m). The success-oriented variable salary components consist of the short-term variable remuneration of EUR 2.5m (2020: EUR 2.2m) and long-term variable remuneration of EUR 1.7m (2020: EUR 1.6m).

Total remuneration (EUR k)



Variable remuneration (EUR k)



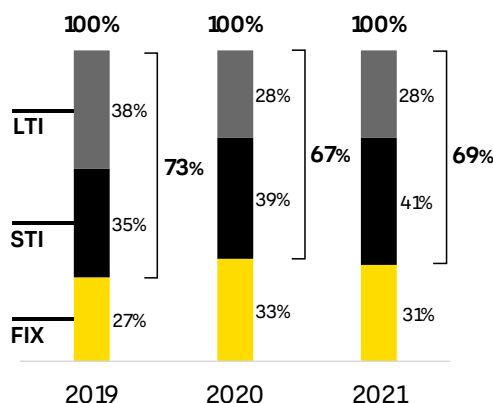
On balance, the total remuneration for the Management Board increased by 10.1% compared to the prior-year level. The fixed basic salary rose by 2.5% due to contractually stipulated adjustments. The variable remuneration components showed a rise in the acquired entitlements of 13.9%. Accordingly, bonus payments in the STI programme were up 15.5% from the prior-year level. Entitlements from the LTI programme 2019-2021 climbed by 11.6% compared to the last year's tranche.

The strong correlation between remuneration and Company success characterising the underlying remuneration system can be clearly seen in the overall development. Following a very turbulent 2020 financial year, which was shaped by the challenges posed by the COVID-19 pandemic, Österreichische Post succeeded in increasing revenue and earnings in the 2021 financial year.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) was up by 22.3% in the 2021 financial year to EUR 370.4m. EBIT increased by 27.5% to EUR 204.7m compared to EUR 160.6m in the previous year. This improvement is reflected in the bonus from the variable remuneration components, which rose by 13.9% compared to the prior-year level.

The development of total remuneration of the Management Board for the year 2021 showed a relatively stable development compared to the previous year with respect to the structural distribution of the remuneration components. The share of fixed remuneration components fell slightly to 31% in 2021 from 33% in the previous year. In turn, the variable remuneration components, consisting of the STI and LTI components, were up slightly in the same period from 67% to 69%. The share held by the Long-Term Incentive Programme remained the same at 28%, whereas the Short-Term Incentive Programme accounted for 41% of total remuneration, comprising a slight increase from the prior-year level of 39%.

Distribution of remuneration components (%)



As a summary, the total acquired entitlements in the year 2021 are presented in the table below.¹ In addition to the salaries of the individual Management Board members, the relative share of fixed and variable remuneration components is listed.

Total remuneration in 2021

EUR	Georg Pölzl	Walter Oblin	Peter Umundum	Total
Fixed remuneration in 2021	790,474	587,897	530,340	1,908,711
Variable remuneration				
STI 2021 ¹	1,050,000	780,000	698,571	2,528,571
LTI 2019-2021 ¹	968,914	426,995	344,096	1,740,005
Total variable remuneration	2,018,914	1,206,995	1,042,667	4,268,577
TOTAL	2,809,388	1,794,892	1,573,007	6,177,287
Relative share of fixed remuneration (%)	28.1	32.8	33.7	
Relative share of variable remuneration (%)				
STI 2021	37.4	43.5	44.4	
LTI 2019-2021	34.5	23.8	21.9	

¹ Payment in the year 2022

In comparison, the following table shows the total acquired entitlements of the Management Board in 2020, from which the fixed basic salary was paid in 2020 and the variable salary components were paid in 2021. In comparison with the Remuneration Report 2020, it shows that the actual amounts paid for the LTI 2018-2020 slightly deviated from the amounts presented in the Remuneration Report 2020. As described in the previous year, the difference is due to the fact that the share price (average from 1 January 2021 to 8 April 2021) relevant for the payment of the LTI 2018-2020 was first available after the point in time in which the report was prepared. The amounts presented below for the LTI 2018-2020 show the actual amounts paid on the basis of the relevant share price of EUR 34.31.

Total remuneration in 2020

EUR	Georg Pölzl	Walter Oblin	Peter Umundum	Total
Fixed remuneration in 2020	790,333	560,334	510,609	1,861,277
Variable remuneration				
STI 2020 ¹	933,100	659,835	596,993	2,189,928
LTI 2018-2020 ¹	732,656	446,373	379,880	1,558,909
Total variable remuneration	1,665,756	1,106,208	976,874	3,748,838
TOTAL	2,456,089	1,666,542	1,487,483	5,610,114

¹ Payment in the year 2021

As described in the Remuneration Report 2020, the former Management Board member Walter Hitziger acquired an entitlement from the Long-Term Incentive Programme 2018-2020 in the year 2020. The actual amount paid in the year 2021 amounted to EUR 542,716. Otherwise there were no other payments to former Management Board members.

¹ The presentation deviates from the mandatory disclosures supplied in the notes to the consolidated financial statements in line with the Austrian Commercial Code and IFRS (payments to active and former Management Board members) due to different reporting regulations. For this reason, it is only comparable to a limited extent.

Pursuant to Section 78c AktG, the annual change in total remuneration of the Management Board, the business success of the Company and the average salaries of other employees of the Company on a full-time equivalent basis should be illustrated in a comparative presentation.

Earnings before interest, taxes, depreciation and amortisation (EBITDA) and earnings before interest and taxes (EBIT) are the most important performance indicators of Austrian Post used to measure the success of business operations. The profitability of revenue is expressed as a percentage and shows how successful the operational business is managed. EBITDA in the 2021 financial year increased 22.3% to EUR 370.4m and EBIT rose 27.5% year-on-year to EUR 204.7m in 2021.

As a comparative figure for the salaries earned by other employees, the salaries/wages and bonuses for employees of Österreichische Post AG who were continuously employed throughout the financial year are used on a full-time equivalent basis.

Annual change			
Total	2019	2020	2021
Change (%)		vs 2019	vs 2020
Total remuneration (EUR)			
Georg Pözl	2,774,126	2,456,089	2,809,388
		-11.5%	14.4%
Walter Oblin	1,918,902	1,666,542	1,794,892
		-13.2%	7.7%
Peter Umundum	1,764,898	1,487,483	1,573,007
		-15.7%	5.7%
Economic performance indicators (EUR m)			
Revenue	2,022	2,192 ¹	2,520
		8.4%	14.9%
EBITDA	319	303	370
		-5.0%	22.3%
EBIT	201	161	205
		-19.9%	27.5%
Remuneration paid to other employees on a full-time equivalent basis (EUR)			
Civil servants	53,144	54,772	55,507
		3.1%	1.3%
Salaried employees - General Service Regulation/Special contract	44,500	46,138	46,579
		3.7%	1.0%
Salaried employees - New collective labour agreement	35,364	37,299	38,489
		5.5%	3.2%

¹The presentation of financial services in the consolidated income statement was adjusted. The income from financial services is reported under revenue, the expenses for financial services are reported separately (previously reported on a net basis in revenue of income and expenses from financial services).

4. Remuneration of the Supervisory Board in 2021

The Remuneration Policy applying to the Supervisory Board of Österreichische Post stipulates a fixed remuneration that is independent of performance. Variable remuneration components are not included, in light of the fact that the Supervisory Board does not have any responsibility for the earnings of Österreichische Post. The remuneration for Supervisory Board members consists of an annual basic remuneration and a committee remuneration as well as attendance fees paid for each Supervisory Board meeting attended. Furthermore, every Supervisory Board member is entitled to be reimbursed for appropriate cash expenditures, especially relevant travel costs. The remuneration system provides for different levels of remuneration, depending upon the individual's position as the chair, deputy chair or member of the Supervisory Board.

The amount of remuneration paid to Supervisory Board members is resolved upon by the Annual General Meeting for the particular previous financial year. The Annual General Meeting held on 15 April 2021 specified the remuneration for Supervisory Board members for the 2020 financial year as follows:

Renumeration of the Supervisory Board

EUR

Chair	30,000
Deputy Chair	25,000
For every other Supervisory Board member	20,000
Committee Chair	14,000
Deputy Chair of the Audit Committee	12,000
For every other committee member	10,000

Committee remuneration is limited to membership on one committee and is thus paid only once even if a member of the Supervisory Board belongs to several committees. In addition, every Supervisory Board and committee member residing in Austria is paid an attendance fee of EUR 600 per person and meeting. The attendance fee for every international expert has been set at EUR 1,600 per member and Supervisory Board session attended. Remuneration is made on a pro rata (daily) basis if a member did not belong to the Supervisory Board or a committee for the entire year.

The following change to the composition of the Supervisory Board took place during the course of the past financial year: Richard Köhler was designated by the Central Works Council of Österreichische Post AG as the successor to Martin Palensky on the Supervisory Board pursuant to Section 110 Austrian Labour Constitution Act, effective 1 September 2021.

The shareholder representatives of the Supervisory Board hold the following positions on the committees:

- Nomination Committee: Edith Hlawati (Chair), Maximilian Schnödl
- Remuneration Committee: Edith Hlawati (Chair), Maximilian Schnödl
- Audit Committee: Maximilian Schnödl (Chair), Stefan Szyszkowitz (Deputy Chair, financial expert), Huberta Gheneff, Peter E. Kruse
- Parcel & Logistics Committee: Peter E. Kruse (Chair), Chris E. Muntwyler
- Banking Committee: Maximilian Schnödl (Chair), Felicia Kölliker

In the year 2021, all the Supervisory Board members attended all of the meetings, both of the entire Supervisory Board and its committees as well, with the exception of two Audit Committee meetings. What follows is the remuneration for each individual Supervisory Board member paid in the 2021 financial year.

Remuneration of Supervisory Board members in EUR

Shareholder representatives	Granted in 2020 and payable in 2021			Total
	Basic remuneration	Committee remuneration	Attendance fees 2021	
Edith Hlawati (Chair)	30,000	14,000	6,000	50,000
Maximilian Schnödl (Deputy Chair) ^{1,2}	13,524	7,574	11,400	32,498
Huberta Gheneff	20,000	10,000	6,600	36,600
Felicia Kölliker ¹	10,820	5,410	13,200	29,430
Peter E. Kruse	20,000	14,000	18,400	52,400
Chris E. Muntwyler	20,000	10,000	10,600	40,600
Sigrid Stagl ¹	10,820		4,200	15,020
Stefan Szyszkowitz	20,000	11,082	6,000	37,082
Jochen Danninger ³	3,178	1,589		4,767
Edeltraud Stiftinger ⁴	11,544	6,464		18,008
Herta Stockbauer ⁴	9,235	5,541		14,776
				331,181

¹ First appointed 17 June 2020

² Supervisory Board remuneration and attendance fees were transferred to Österreichische Beteiligungs AG

³ Retired from the Supervisory Board effective 27 February 2020 – therefor pro-rata share of remuneration

⁴ Retired from the Supervisory Board effective 17 June 2020 – therefor pro-rata share of remuneration

The Management Board and Supervisory Board will propose to the Annual General Meeting scheduled for 21 April 2022 to leave the Supervisory Board remuneration unchanged for the 2021 financial year. Providing that the Annual General Meeting in 2022 approves the corresponding resolution, the Supervisory Board members will be entitled to the following remuneration for their work in the 2021 financial year. Payment will take place following the Annual General Meeting in 2022.

Remuneration of Supervisory Board members EUR

Shareholder representatives	Granted in 2021 and payable in 2022		Total
	Basic remuneration	Committee remuneration	
Edith Hlawati (Chair)	30,000	14,000	44,000
Maximilian Schnödl (Deputy Chair) ¹	25,000	14,000	39,000
Huberta Gheneff	20,000	10,000	30,000
Felicia Kölliker	20,000	10,000	30,000
Peter E. Kruse	20,000	14,000	34,000
Chris E. Muntwyler	20,000	10,000	30,000
Sigrid Stagl	20,000		20,000
Stefan Szyszkowitz	20,000	12,000	32,000
			259,000

¹ Supervisory Board remuneration and attendance fees will be transferred to Österreichische Beteiligungs AG

The employee representatives perform their duties on the Supervisory Board on an honorary basis and are compensated for their involvement in the Central Works Council in accordance with their respective employment contracts. As a result, they only receive attendance fees.

Remuneration of Supervisory Board members in EUR

Employee representatives	Attendance fees 2021
Maria Klima	4,200
Richard Köhler ¹	600
Helmut Köstinger	12,000
Martin Palensky ²	3,600
Manfred Wiedner	6,600
SUMME	27,000

¹ Appointed by the Central Works Council effective 1 September 2021

² Retired from the Supervisory Board at the end of day on 31 August 2021

10 March 2022

Edith Hlawati m.p.
Chair of the Supervisory Board

Georg Pölzl m.p.
Chairman of the Management Board