



**Report of the Management Board  
of  
Österreichische Post Aktiengesellschaft (Austrian Post)  
Vienna, FN 180219 d,  
on the  
authorisation granted to the Management Board to acquire treasury shares off-  
exchange or to sell the acquired treasury shares in a way other than via stock  
exchanges or a public offering  
(Item 11 on the agenda)**

All members of the Management Board submit the following report of the Management Board of Österreichische Post Aktiengesellschaft, whose headquarters are in Vienna, in accordance with Section 65 Para. 1b Austrian Stock Corporation Act (AktG) in connection with Section 170 Para. 2 AktG and with Section 153 Para. 4 (2) AktG to the Annual General Meeting of Österreichische Post AG on 18 April 2024.

1. Österreichische Post AG's headquarters are in Vienna. Its corporate address is 1030 Vienna, Rochusplatz 1. The company is entered into the Commercial Register of the Commercial Court of Vienna under the number FN 180219 d. The company has issued 67,552,638 non-par value ordinary shares (non-par value shares) equipped with voting rights. The company's share capital currently amounts to EUR 337,763,190.00.
2. At the Annual General Meeting of 21 April 2022, a resolution was passed on item 9 of the agenda authorising the Management Board to acquire own shares (treasury shares) pursuant to Section 65 AktG. This authorisation to purchase expires on 31 October 2024.

The Management Board of the Company intends to propose the passing of the following resolution to the Annual General Meeting convening on 18 April 2024 applying to item 11 of the agenda:

- a) In accordance with Section 65 Para. 1 (4) and (8) as well as Para. 1a and 1b AktG, the Management Board is authorised to acquire non-par value bearer or registered shares of the company, with this to amount to up to 10% of the company's share capital, with this authorisation to be for the period lasting from 1 November 2024 to 31 October 2026, and with this to be performed on or outside exchanges, and with these to be offered for purchase in such cases to individual shareholders or to a single shareholder, with this especially to Österreichische Beteiligungs AG, and with this to be at a lowest equivalent value of EUR 10.00 (ten euros) per share, and with this to be at a highest equivalent value of EUR 60.00 (sixty euros) per share.

The trading in treasury shares is excluded as the objective of the acquisition. The authorisation can be completely or partially exercised or also in several partial amounts and for the purposes of realising one or more than one objective of the company. This realisation may also be undertaken by a subsidiary (Section 228 Para. 3 Austrian Commercial Code) or by a third party on behalf of the company. The undertaking of the acquisition by the Management Board may especially be performed in cases in which the shares are to be offered to employees, executives and members of the Management Board of the company or of one affiliated with it in conjunction with an employee participation programme, with a stock option programme and/or for purposes of being issued to a private foundation, whose primary purpose is to hold and administer shares for one or more of the above-mentioned persons (for example an employee participation foundation pursuant to Section 4d Para. 4 Income Tax Act).

- b) The Management Board of Österreichische Post AG can resolve to make this acquisition on a stock exchange. In such cases, the Supervisory Board has to be informed on an ex post facto basis of this resolution. An acquisition not made via an exchange requires the prior approval of the Supervisory Board. In a case of an acquisition not made on the exchange, this acquisition can be undertaken in a way excluding the proportionate right of sale (converse exclusion of right of procurement).
- c) The Management Board is authorised for a term of five years, with this starting upon the passing of the resolution, with this according to Section 65 Para. 1b AktG, with this requiring approval by the Supervisory Board, and with this not demanding the Annual General Meeting's passing of a resolution, to pass a resolution stipulating that treasury shares are to be sold or used in a way other than their sale via an exchange or via the making of a public offer, with this to appropriately heed the rules established for the exclusion of subscription rights held by shareholders, with this especially applying to shares to be offered to employees, executives and members of the Management Board of the company or of one affiliated with it in conjunction with an employee participation programme or with a stock option programme and/or issued to a private foundation constituted for purposes of employee participation (for example an employee participation foundation pursuant to Section 4d Para. 4 Income Tax Act). The Management Board is also authorised to establish the conditions of sale. The authorisation can be completely or partially exercised or also in several partial amounts and for the purposes of realising one or more than one objective of the company. This realisation may also be undertaken by a subsidiary (Section 228 Para. 3 Austrian Commercial Code) or by a third party on behalf of the company.
- d) The Management Board is also authorised, should the Supervisory Board so consent and should such be required, to reduce the share capital. This is to be undertaken through the withdrawal of treasury shares and does

not require the Annual General Meeting's passing a resolution, in accordance with Section 65 Para. 1 (8) last sentence and in connection with Section 122 AktG. The Supervisory Board is authorised to resolve amendments to the Articles of Association arising from the withdrawal of shares.

3. The possibility of acquiring treasury shares in a way not involving stock exchanges as stipulated in Section 65 Para. 1 (4) and (8) AktG as well as the sale of treasury shares acquired, in accordance with Section 65 Para. 1 (4) and (8) AktG, in a way other than involving stock exchanges or the making of a public offering, requires the Management Board, in accordance with Section 65 Para. 1b AktG in connection with Section 170 Para. 2 AktG and Section 153 Para. 4 S 2 AktG, to submit a written resolution on the reasons underlying the related exclusion of subscription rights and for any exclusion of the proportionate right of sale (reverse exclusion of subscription rights) and of any purchase not involving stock exchanges.
4. The Management Board of the Company requires the prior consent of the Supervisory Board in order to acquire treasury shares. This approval is also requisite for the Management Board's selling of treasury shares acquired by the company in a way not involving stock exchanges or the making of a public offering. The Management Board of Österreichische Post AG is entitled to resolve to make purchases on stock exchanges. However, this requires the ex post facto notification of the Supervisory Board.
5. The treasury shares acquired, as stipulated in Section 65 Para. 1 (4) and (8) and Para. 1a and Para. 1b AktG, may be sold in a way not involving stock exchanges or the making of public offerings, in cases in which this sale of shares constitutes the consideration for the acquisition of companies, operations, parts thereof or stakes in one or more than one company in Austria or in neighbouring countries, i.e., by means of incorporating strategic investments, companies, operations and parts thereof as the in-kind contributions.

From a legal perspective, such acquisitions of other companies, operations or parts thereof, or of certain assets (and liabilities) of a company, operations or parts thereof (so-called "asset deals") or, in the case of the purchasing of stakes in a company (so-called "share deals"). Both forms of purchases of corporations and of operations (or parts thereof) will be subsequently summarized and referred to as "corporate acquisitions."

In the case of corporate acquisitions, the consideration paid can take the form of money or of shares of the company making the purchase. Undertaking the latter can be in the interests of both Österreichische Post AG (the purchaser) and of the seller. An acquisition of a company taking the form of a payment of cash gives rise to an outflow of liquidity on the part of the purchaser. This does not occur in the case of a company's being acquired for in-kind contributions. The company (Österreichische Post AG) acquiring another company in this way

will not register an outflow of liquidity but an increase in equity instead. Cases may arise in which strategy dictates that it is necessary and appropriate to enable the seller of the company to take a minor-sized stake in Österreichische Post AG, or in which the seller demands a participation in the company in exchange for the sale.

The limitations placed upon the purchasing of treasury shares – which come to a total of (for nearly all cases governed by Section 65 AktG) 10% of the share capital of the company – mean that a seller cannot leverage this transaction into the attainment of a significant stake in Österreichische Post AG. In cases in which the company has acquired treasury shares at an earlier point in time and in which these shares' share price has since risen, the company realises savings upon its employing of treasury shares as consideration in the acquisition of a company. This is because the measurement of the consideration used in the acquisition of a company entails the treasury shares being deployed as (part of) the consideration's being valued at the current (average) share price or, in some cases, at its intrinsic value, should that be greater – but not at the lower historic costs of procurement.

An acquisition of a company taking the form of the provision of consideration and the exclusion of the rights of subscription held by the other shareholders in the company is generally viewed as being an appropriate justification for the imposition of such an exclusion. Österreichische Post AG's potential for growth gives rise to an interest on its part in enabling the acquisition of companies through the provision of consideration and through the exclusion of the rights of procurement. This is because this approach conserves the company's liquidity. The granting of consideration taking the form of treasury shares enables the company to display the requisite speed and flexibility when conducting such transactions.

The selling of treasury shares in a way not involving stock exchanges or the making of a public offering when acquiring companies is required by the fact that, on the one hand, the only way for the company to acquire another company without suffering a corresponding loss of liquidity is through the provision of a consideration for such transaction, and, on the other hand, the seller is frequently only prepared to agree to transfer possession of a company or of stakes in it in cases in which they receive a participation in the company whose value is equivalent to the former. Österreichische Post AG foresees the possibility of strategic or organisational reasons making it necessary to incorporate the seller into the Group by ensuring that the seller becomes a shareholder. The acquisition of a company through the provision of consideration entails the seller's (and in-kind contributor's) being able to attain the participation striven for only upon its receiving new shares. This is because a seller wants to achieve a stake (expressed as a percentage) in Österreichische Post AG that corresponds to the relationship between its in-kind contribution and the corporate value of Österreichische Post AG, and that gives it the

corresponding quantity of voting rights (and thus rights of participation in decisions) in the company.

The exclusion of the rights of subscription and the disposal of treasury shares in a way not involving stock exchanges or the making of public offerings are appropriate in the final analysis, as it facilitates the attaining of the special interest shown by Österreichische Post AG in the acquisition in the company involved or in stakes in it. The safeguarding of the interests of the existing shareholders is ensured by the appropriate granting of shares in cases of acquisitions of companies, with this generally occurring after the valuation of the company. The value of the company to be incorporated into the Group (or of stakes in it) is compared to that of Österreichische Post AG. The resulting ratio governs the in-kind contributor's receipt of the shares in Österreichische Post AG issued for this purpose. Furthermore, in the future the shareholders will partake of the profits earned by the company to be acquired which are generally liable to increase as a result of the realisation of synergies arising between the company acquired and Österreichische Post AG.

6. Österreichische Post Aktiengesellschaft does not currently have an employee participation programme. This means that the employees of Österreichische Post AG do not generally have the means possessed by shareholders of partaking in the successes achieved by the company. The Management Board's pursuit of the objective of ensuring the long-term success of the company leads it to aim at forging closer ties between the company and its employees and ensuring that employees orient their actions towards serving the best interests of shareholders. This is done by the launching of such an employee participation programme, which, in turn, would thus be of benefit to all stakeholders of the company. The concrete parameters of the programme cannot yet be delineated at this point in time.

In this regard, it is important to note that the authorisation to acquire treasury shares as explained in the corresponding resolution will especially be deployed to satisfy stock options; to directly issue shares to employees, executives and members of the Management Board of the Company and of a company affiliated with it; and to issue shares to a private foundation of Österreichische Post AG whose purpose is enabling employee participation in line with Section 4d Para. 4 Income Tax Act.

In accordance with Section 153 Para. 5 AktG, the primary issuance of shares to employees, executives and members of the Management Board or of the Supervisory Board of the Company and of one affiliated with it constitutes sufficient reasons for the exclusion of subscription rights. Moreover, pursuant to Section 65 Para. 1b last line AktG, the sale of own shares to employees, executives and/or members of the Management Board of the Company or of one affiliated with it within the context of a share option programme is justified. According to the views held by the Management Board, the same applies to the issuance of own shares to a private foundation, whose primary purpose is to

hold and administer shares for one or more of the above-mentioned persons. This is because the transfer of ownership of these issued shares comprised performance incentives for employees and the effects arising from the exclusion of subscription rights to shareholders are identical in both cases.

The exclusion of the rights of subscription and the sale of treasury shares in ways not involving stock exchanges or the making of a public offering are also appropriate and justified because

- (i) the introduction of an employee participation plan and its being secured are in the interests of Österreichische Post AG. Participation by employees in the company and thus in its successes can enhance the motivation of the employees and their identification with the company. The measures foreseen constitute an essential and important component of the fostering of the commitment and dedication displayed by employees. The positive ramifications of these will also benefit individual shareholders;
- (ii) the exclusion of the rights of subscription and the sale of treasury shares in ways not involving stock exchanges or the making of a public offering are capable of providing the security needed by an employee participation programme. A further factor is the lack of an alternative featuring a preclusion of this exclusion of subscription rights and yielding a comparable kind and extent of this security for the company, and
- (iii) the exclusion is appropriate. This is due to the limited scope of the authorisation. As far as the Management Board is aware, the relatively minor scope of shares involved will hardly or only slightly impair the company's non-controlling interests. No new non-controlling interests will come into being as a result of this measure. According to the Management Board, the resulting pecuniary prejudice will be more than offset by the results of establishing performance incentives ensuing from the employee participation programme and the related positive effects on the company's business results. The link between the Management Board and the company and its interests is secured by the Board's only being permitted to issue treasury shares in connection with this authorisation with the approval of the Supervisory Board, which also has to consent to the conditions of issuance.

7. In accordance with Section 65 Para. 1 (4) and (8) and Para. 1a and Para. 1b AktG, the sale of treasury shares acquired in ways not involving stock exchanges or the making of a public offering requires the Management Board to publish this fact no later than two weeks prior to the Supervisory Board's passing of a resolution on the matter (the Supervisory Board's consent has to be secured for any sales not involving stock exchanges or public offerings). Amongst other things, this report has to justify the reasons underlying the issue price of the shares (Section 65 Para. 1b in connection with Section 171 Para. 1 AktG).
8. The Management Board is to be granted the high level of flexibility and speed required to make any acquisitions. For this purpose, it may be necessary to

quickly possess the requisite amount of acquisition currency. This could entail the purchasing a package of own shares from individual shareholders or from one shareholder, especially from Österreichische Beteiligungs AG, which would be done on an off-market basis. The expeditious availability of such a currency – taking the form of treasury shares – for the purposes elucidated above in this report constitutes the justification for the reverse exclusion of subscription rights. This entails the exclusion of the proportionate rights of sale held by shareholders.

9. Finally, it should be mentioned that the authorisation granted to the Management Board to acquire treasury shares, provided that the Supervisory Board so consent on a prior basis, or to sell treasury shares acquired in ways not involving stock exchanges or the making of a public offering, and to do so without the Annual General Meeting's approving a new resolution, and in any case for purposes of issuing the shares so as to constitute consideration to be employed in the acquisition of companies or to be provided to employees, executives and members of the Management Board of this company or of one affiliated with it, or to a private foundation set up to enable employee participation, is a procedure that is customary and recognised by a large number of publicly listed companies in Austria (and in Germany). This is also reflected in Section 5 Para. 2 (7) Austrian Publication Ordinance. This regulation stipulates that the publication to be made at the specified time has to contain the kind and objective of the buy-back and/or of the sale of the treasury shares, with this particularly specifying whether the buy-back and/or the sale is to be made via and/or outside the stock exchange.

As elucidated above, it is to be emphasised once again in this regard that the sale of treasury shares and the purchase of such in ways not involving stock exchanges or the making of public offerings is possible without the Annual General Meeting's passing of a resolution. However, the approval of the Supervisory Board is required. In these cases, the Management Board of Österreichische Post AG is not authorised to make such decisions on its own.

10. The objectives and intentions of the Management Board of Österreichische Post Aktiengesellschaft, underpinned by the corresponding resolution on item 9 of the agenda passed by the Annual General Meeting held on 21 April 2022, remain unchanged. Even if the Management Board did not exercise this authorisation granted by the resolution on item 9 of the agenda approved by the Annual General Meeting on 21 April 2022, the Management Board is of the opinion that a renewed resolution makes sense, and that this is a common and generally accepted practice among many publicly traded Austrian companies.

11. In summary, the Management Board of Österreichische Post AG has come to the conclusion that an authorisation of the Management Board of the Company to acquire treasury shares in a way not involving stock exchanges, or to sell treasury shares acquired in ways not involving stock exchanges or the making of public offerings, in accordance with Section 65 Para. 1 (4) and (8) and Para. 1a and Para. 1b AktG and with the consent of the Supervisory Board, completely adheres to the applicable legal regulations.

Vienna, March 2024

The Management Board