REPORT OF THE SUPERVISORY BOARD

Dear Shareholders,

In the 2025 financial year, the Supervisory Board performed the duties incumbent on it under the law, the Articles of Association and the Rules of Procedure. In six meetings in the year under review (five ordinary meetings and one constituent meeting), the Supervisory Board and the Executive Board discussed the company's economic situation and strategic development as well as significant events, investments, personnel development and possible acquisitions. The discussions also focused on the challenging developments in the ongoing business due to the increasingly unstable geopolitical conditions. In addition, structural and strategic measures to strengthen competitiveness for further growth and to increase the quality of earnings were discussed in depth.

As part of its ongoing monthly reporting, the Executive Board has provided the Supervisory Board with comprehensive written information on the business and financial position of the Group and its shareholdings. In addition, the Chairman and the Vice-Chairwoman of the Supervisory Board discussed the monthly reports of the Executive Board in monthly and mostly personal meetings with the Chairman of the Executive Board and the Chief Financial Officer. The Chairman of the Supervisory Board was also informed directly about special events of great importance.

At the meetings of the Supervisory Board, the medium-term planning of all business units (divided into one or two areas per meeting) was also discussed with the Executive Board. The managers of the respective divisions presented their results and plans in person and answered questions from the Supervisory Board. This resulted in a good opportunity to get to know possible successor candidates better. At the December meeting, the Group's overall strategy was presented, and discussed in depth.

Compliance with the company's ESG targets, in particular emissions, consumption and health & safety, i.e. issues relating to occupational safety, accident statistics, research into the causes and measures against occupational accidents, were on the agenda at every regular meeting. In particular, there was a report and discussion on the extent to which the goals adopted are reached in each case, e.g. in how far the measures to prevent accidents at work have taken effect. The targets set in this area are part of the ESG targets published by ANDRITZ and are therefore also part of the compensation policy. In addition, the topics of compliance, litigation and competition monitoring were also on the agenda in several meetings.

With the consent of all members, the meetings were held with virtual participation. With a few exceptions, the members participated in person. The personal participation rate was 93%; including virtual participation it amounted to 96%. The Executive Board and the Supervisory Board have always met at the five regular meetings. The cooperation of the capital and employee representatives on the Supervisory Board took place in a constructive atmosphere.

The Chairman and the Vice-Chairwoman of the Supervisory Board and the Nomination and Remuneration Committee represented the company in Executive Board matters.

The Nomination and Remuneration Committee held five meetings. Attendance was 100% at all meetings, both in person and virtual. Topics included drafting a proposal for the election of a new member of the Supervisory Board, determining the procedure with regard to expiring contracts of individual members of the Executive Board, setting short- and medium-term goals for the Management Board, and preparing for the Governance Roadshow, which was held again this year.

When drafting the nomination for a new member of the Supervisory Board, consideration was given to ensuring a sufficient distribution of skills, previous experience, and gender balance.

In the case of upcoming contract extensions for members of the Executive Board, their performance to date, their plans for the coming years, and possible external candidates were discussed.

The Nomination and Remuneration Committee calculated the bonuses for the Executive Board taking into account the medium-term targets communicated to the capital market.

Based on the positive experience of the previous year, another governance roadshow was held with major investors and proxy advisors.

Under the leadership of the Chairman and the Vice-Chairwoman of the Supervisory Board, ANDRITZ AG conducted a Corporate Governance Roadshow in November and December 2025. The major topics presented to institutional investors and proxy advisors ISS and Glass Lewis were the Supervisory Board (composition, diversity, committee work, major initiatives & achievements since 2022), the structure and succession planning of the Executive Board, the updated Executive Remuneration Policy, ESG (progress and new 2030 targets), as well as an overview of Risk Management, Cyber Security and Artificial Intelligence. The valuable feedback collected in this way will be taken into account in the design of future corporate governance instruments, including in the preparation of the remuneration report 2025, which will be submitted to the Annual General Meeting for resolution in 2026.

In 2025, the Audit Committee held two ordinary meetings – each with the participation of the auditor – to discuss the reports of the Executive Board on the ongoing business development, the reports on the internal control system, risk management and internal auditing, as well as the measures taken to ensure the independence of the auditor by restricting the provision of permissible non-audit services. Furthermore, the audit priorities proposed by the Austrian Financial Reporting Panel and defined by the Financial Market Authority and reporting in accordance with the EU Taxonomy and CSRD were discussed. The Audit Committee has always met in its entirety, and in some cases other members of the Supervisory Board were present as guests. ANDRITZ Group's long-standing annual auditor, KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, was present at every ordinary meeting of the Audit Committee. Since a new auditor will have to be elected at the Annual General Meeting 2026, two further extraordinary meetings of the Audit Committee were held in the reporting year in the absence of the current auditor, at which various potential auditors were discussed and three renowned auditing firms were then given the opportunity to present their offers. Following these presentations, the Audit Committee decided after the hearing on 26 November 2025 and at its meeting on 11 December 2025 to recommend Deloitte Audit Wirtschaftsprüfungs GmbH to the Supervisory Board as the preferred candidate for the 2026 annual audit and as the auditor of the sustainability report, and Grant Thornton Austria Audit GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft as the second-ranked alternative. The Supervisory Board approved the recommendation and preference of the Audit Committee at its meeting on 11 December 2025.

The annual financial statements and consolidated financial statements as of 31.12.2024 prepared by the Executive Board, including the management report and the Group management report, were discussed in detail together with the Executive Board and the auditor at the meeting on 05.03.2025. The Audit Committee took note of the audit results of KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft with approval and recommended it to the Supervisory Board for approval. The Audit Committee endorsed the Executive Board's proposal on the distribution of profit and recommended it to the Supervisory Board. Furthermore, the Audit Committee recommended to the Supervisory Board that KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft be proposed as the auditor of the financial statements for the 2025 financial year and as the auditor of the sustainability report, insofar as this is required by the statutory provisions for the 2025 financial year.

At the Audit Committee meeting on 11.12.2025 the process, schedule and audit of the 2025 consolidated and annual financial statements were discussed with the responsible auditors of KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft and subsequently monitored.

In March 2026, the annual financial statements and management report of ANDRITZ AG as well as the consolidated financial statements for 2025 were audited in accordance with IFRS, including accounting, by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna, which was elected by the Annual General Meeting in 2025 as auditor, and issued an unqualified audit opinion. The accompanying consultations and the examination of completeness also included the non-financial report, which is now required by law.

In the financial year 2025, ANDRITZ's compliance with the Austrian Corporate Governance Code was audited by the law firm BINDER GRÖSSWANG Rechtsanwälte GmbH, Vienna in accordance with C-Rule 62 of the Austrian Corporate Governance Code. According to the results of this external evaluation, ANDRITZ AG complied with all C-Rules of the Austrian Corporate Governance Code.

The Supervisory Board reviewed the documents pursuant to Section 96 of the Austrian Stock Corporation Act (AktG) as well as the non-financial report and the corporate governance report, approved the proposals to the Annual General Meeting and approved the annual financial statements, which are thus adopted in accordance with Section 96 (4) of the Austrian Stock Corporation Act. The Supervisory Board also reviewed the profit distribution proposal submitted by the Executive Board and gave it its approval. According to their final result, the examinations carried out did not give rise to any objections.

On behalf of the entire Supervisory Board, I would like to take this opportunity to express my gratitude and appreciation to the Executive Board and the 30,000 employees of the ANDRITZ Group for their high level of commitment and the results achieved in the past financial year. The Supervisory Board would also like to thank the shareholders and customers of the ANDRITZ Group for their continued trust

Graz, March 2026

On behalf of the Supervisory Board

Dr. Wolfgang Leitner
Chairman of the Supervisory Board of Andritz AG