

Yearbook

20

22



In diversity
lies our strength.



“In the unity of many lies
the strength that creates
good. To contribute to it is
the duty of everyone.”

Archduke Johann of Austria,
founding father of Grazer Wechselseitige (GRAWE), 1846



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Foreword of the CEO



→ **Christian Jauk**
 CEO GRAWE Banking Group,
 Chairman of the Board of Management at Bank Burgenland,
 Chairman of the Board of Management at Schelhammer Capital

→ 2021 was marked by low interest rates, rising inflation, growing geopolitical tensions between Europe and Russia, and ongoing COVID-19 restrictions. Despite difficult general conditions, we were able to take important strategic steps towards the further development of our GRAWE Banking Group. The merger of Bankhaus Schelhammer & Schattera with Capital Bank has created the most powerful private bank in Austria. Following some organisational changes, we have also succeeded in improving our personal advisory services for our customers offered at a regional level and at the same time have managed to strengthen our profile as an outsourcing specialist in the domestic banking market. With this in mind, we are very pleased with GRAWE Banking Group's results from ordinary activities of EUR 66.9 million.

We are already seeing strong indicators of new challenges for 2022. We are currently experiencing the end of the zero interest rate environment. In the USA, a series of interest rate hikes is expected in 2022, and the ECB is no longer ruling out a rate hike in 2022 either. In March, interest rates on two-year bonds in the USA rose above those on ten-year bonds for the first time. This inverse interest rate curve can be seen as a forewarning of a recession; although it is not an indication in itself, it should certainly be seen as an alarm signal.

At the same time, inflation is hitting new highs. It reached 6.8% in March in Austria. The situation is similar across Europe. In the meantime, the ECB has had to abandon the expectation that the price increases at the end of 2021 would merely be short-term inflation. The sanctions against Russia are exacerbating supply chain problems and are likely to lead to a prolonged increase in the price of energy sources, especially oil and gas, as well as other raw materials. The original optimistic economic outlook for 2022 was corrected significantly downwards by

all economic institutions in the first few months. The GRAWE Banking Group is only marginally affected by the effects of the Ukraine war.

Another major factor that we will be watching closely over the next few months is the end of COVID-19 economic assistance. It was largely due to this that the number of corporate insolvencies in Austria was significantly below the long-term average starting in 2020. In the meantime, however, company bankruptcies have already risen to pre-crisis levels. A challenging economic environment with regard to interest rates and economic development may further intensify this effect. Thanks to our conservative risk policy and our proximity to our clients, we can continue to expect low costs of risk in the financing.

The values of GRAWE Banking Group have not changed since its oldest institution was founded 190 years ago. Our customers are at the centre of everything we do. We are convinced that domestic enterprises are the key to overcoming the current challenges and that they enable a stable society, prosperity and social peace.

As GRAWE Banking Group, we want to be a stable partner for our customers, especially in times of uncertainty. I would therefore like to emphasise the capital strength of our Group in particular, as this is the prerequisite for healthy growth. With eligible capital of EUR 762.2 million at Group level and a Tier 1 capital ratio of 15.5 per cent, we believe we are well prepared for 2022.

It is particularly important for me to thank not only our clients for their trust, but also our employees for their commitment. Our joint commitment and optimism help us to consolidate our position as a strong partner in all financial matters in challenging times.

→ Strong roots

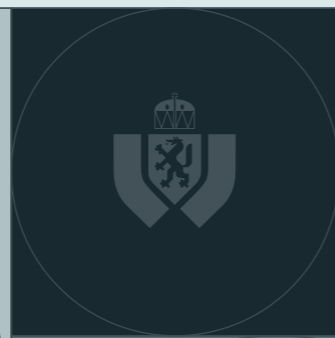
Grown together.

The economy and financial markets have had a successful 2021. GRAWE Banking Group has grown with and supported them as a stable partner.

→ Chapter

01

→ **Stable partner**
GRAWE Banking Group has been operating successfully for more than 190 years and has already overcome many challenges. This positive course also continued in 2021.



GRAWE Group

Stability across borders.

→ **Insurance, financial services and real estate are the core competences at GRAWE. What began as a simple fire insurance company has developed over the past 194 years into an international group in the finance, insurance and real estate industries.**

As early as 1828, Archduke Johann recognised that a strong community combines more strengths than each individual, and thus laid the foundations for Grazer Wechselseitige Versicherung (GRAWE). The original fire insurance company became a multifaceted international company in the banking, insurance and real estate sectors. To this day, insurance, financial services and real estate represent GRAWE's core competences. As a responsible company with over 190 years of tradition, GRAWE's motto is: "The insurance company on your side".

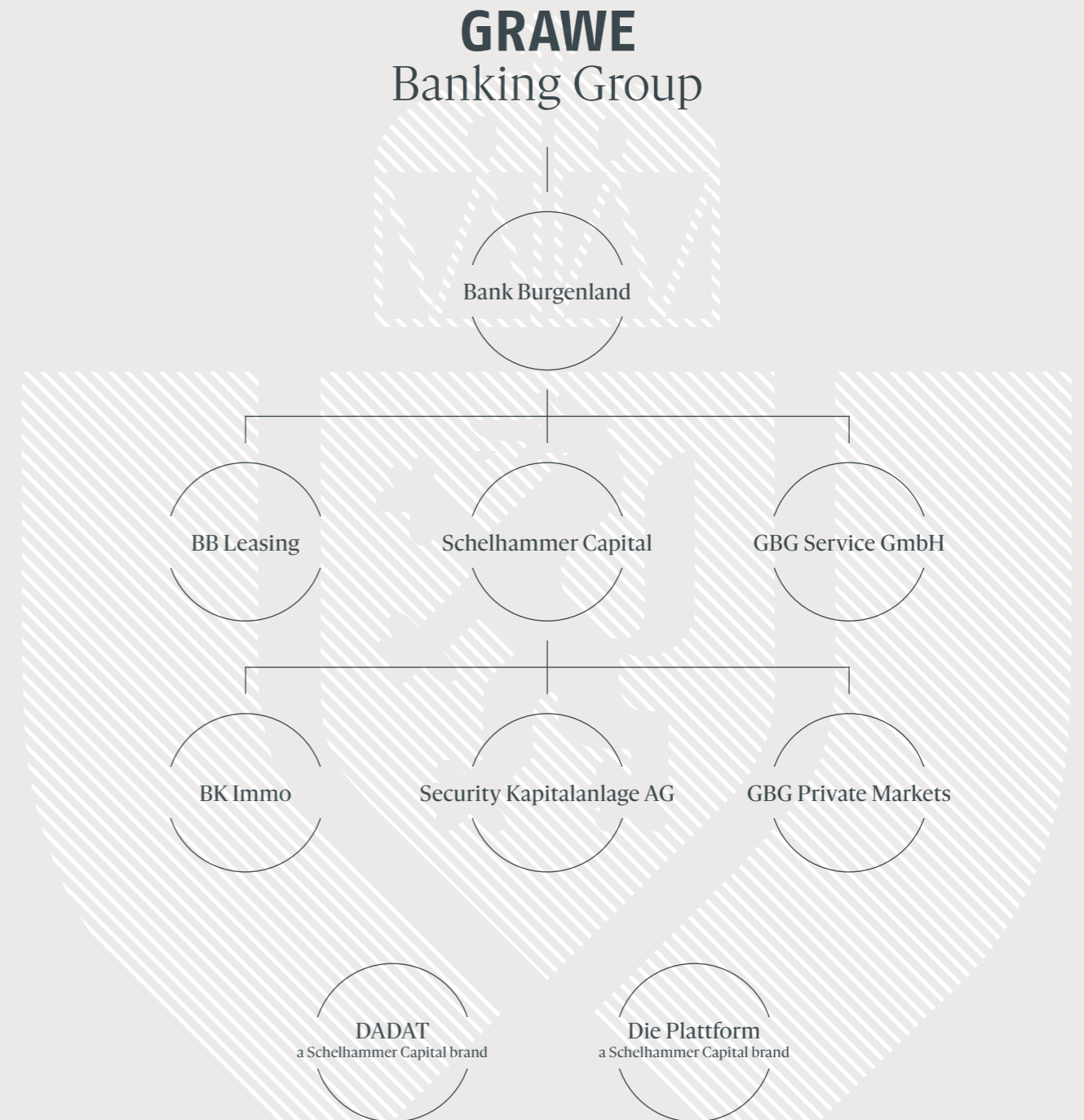
Committed solely to the customer

GRAWE's range of services is constantly being improved and developed. This makes it possible to keep up with the times and structural changes, and often even to be a crucial step ahead. This is precisely what characterises the company: being connected to tradition, being open to innovation.

Internationally successful

However, GRAWE is not only strong in Austria, as the subsidiaries demonstrate their international direction. These are located in 13 countries in Central, Eastern and South-Eastern Europe. They also have an expanding network of branches in addition to the head offices. Offering client-friendly, individual advice coupled with tailored, needs based products, GRAWE is a byword for international quality accompanied by Austrian standards of safety and security.

Organisational structure



Creating together.

GRAWE Banking Group

More than
190 years of
stability and
durability.

GRAWE Banking Group has played a reliable and stable role in the Austrian banking sector for more than 190 years. This stability is also a guarantee for future positive development for Bank Burgenland, Schelhammer Capital, Security KAG, DADAT, Plattform, BK Immo, GBG Private Markets, BB Leasing and GBG Service GmbH.

GRAWE Banking Group plays an active and formative role in the Austrian banking market. This has been the case since 1832, when foundations were laid for the oldest institution in our banking group. GRAWE Banking Group can thus look back on 190 years of corporate history. 190 years of stability, reliability, consistency and flexibility are our guarantee for continued prosperous development. We want to build our future based on these values.

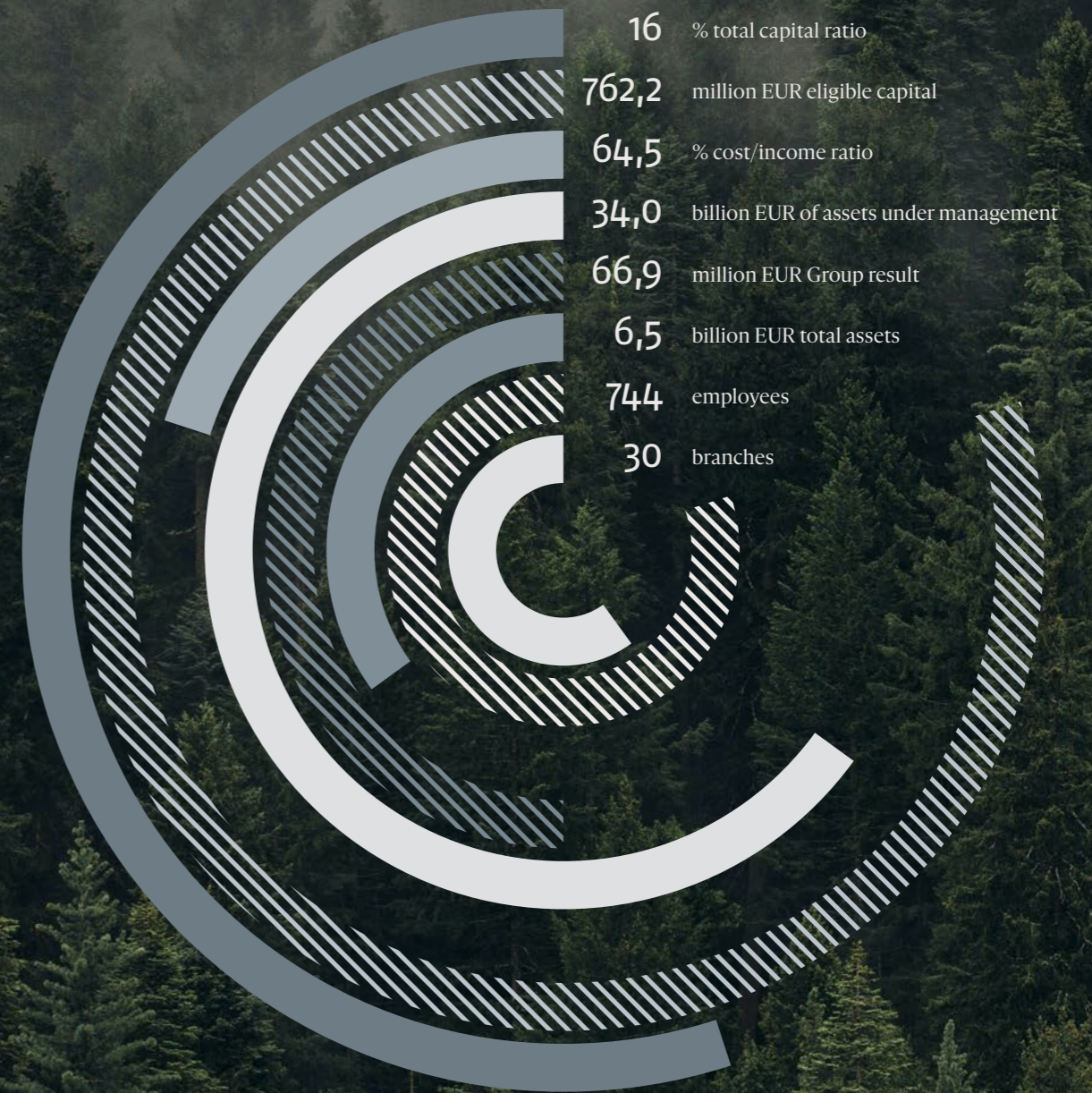
Stable foundation

Both our innovative products and our traditional banking business ensure the success and consistent growth that our customers expect from us. As GRAWE Banking Group, we offer a wide range of services in the areas of financing, savings, private banking, asset management, online trading, fund management and real estate. Our successful financial performance and excellent capital base form the foundation for our independence, allowing us to be exclusively at the service of our clients. After all, the success of the banking business also depends on the trust of our customers.

Investment in our employees

As GRAWE Banking Group, we attach great importance to continuous training and development for our employees. We do not stand still; we continue to develop and, thanks to the high quality of our services, we build up customer relationships over many years. Only those who continue to develop actually grow, while those who stand still just tread water.

Facts & Figures 2021





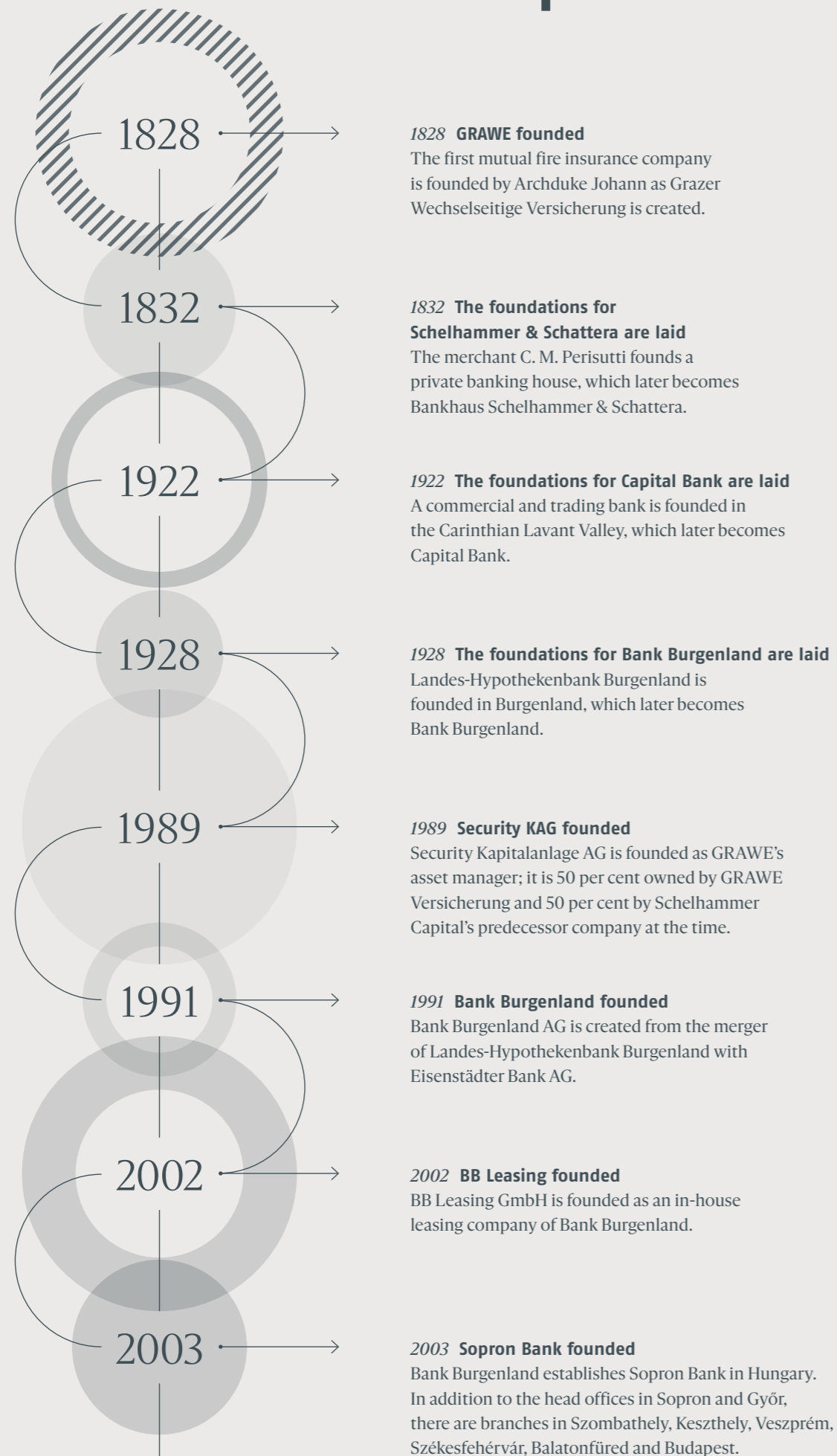
1828

Over 190 years

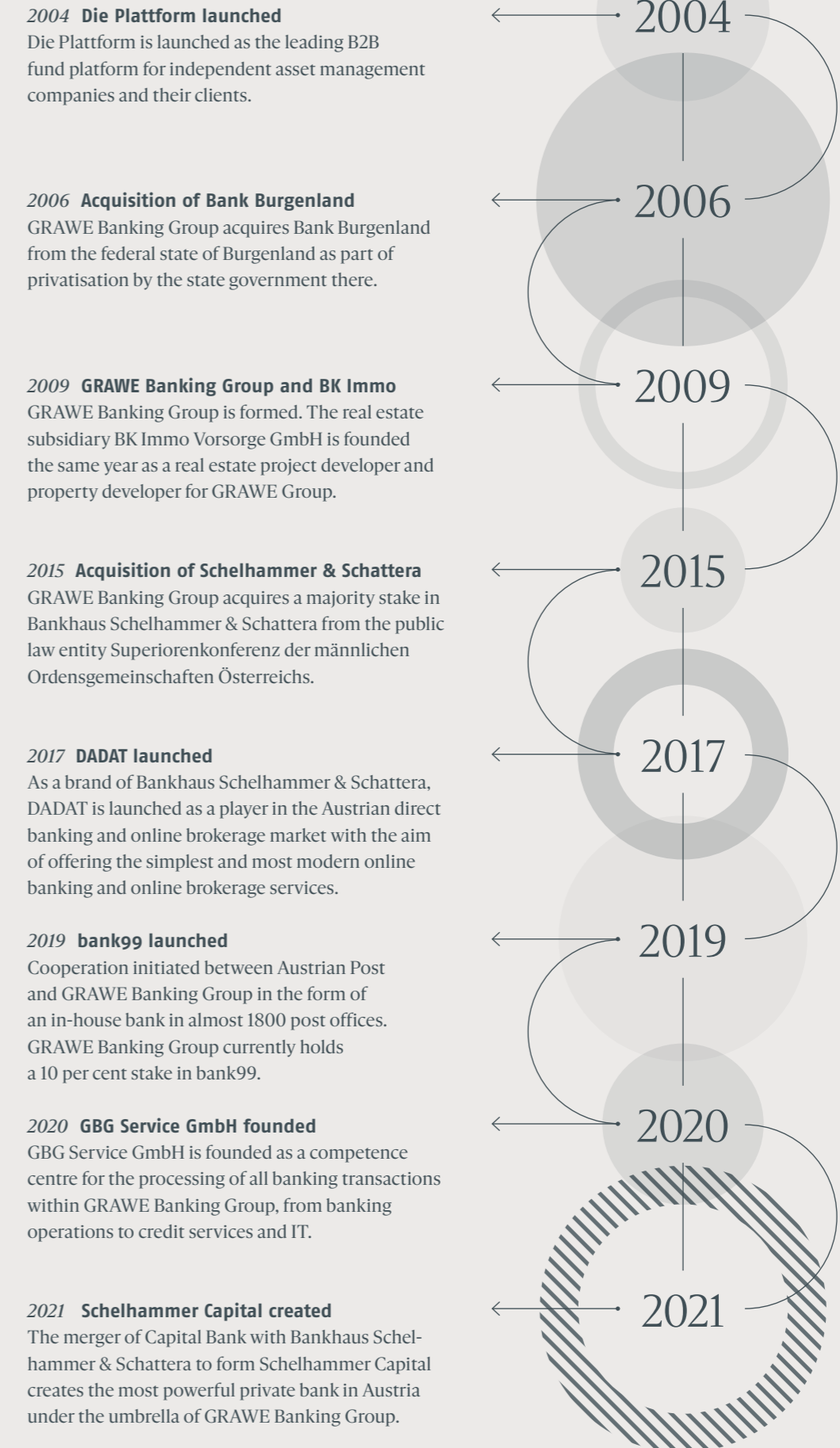
of success

2022

Group



History



GRAWE Banking Group's Management Board

→ **Leadership needs vision. GRAWE Banking Group is managed by outstanding individuals and the team's entrepreneurial foresight truly sets it apart.**

Each member of GRAWE Banking Group's management team has distinct expertise in their specialist area. They are bound together by many years of experience in the financial sector with a shared goal: to make GRAWE Banking Group even more successful.

Altogether, the board members have a total of around 120 years' experience in serving on boards of directors in the financial sector. This means that each member has an average of more than thirteen years of experience, which is exceptionally high for the financial sector, both within and outside Austria.

Making a contribution and bringing about positive change are not just empty phrases for the members of the Board of Management: They actively engage with church-based and charitable organisations.



→ **01 Christian Jauk**
CEO GRAWE Banking Group, Chairman of the Board of Management Bank Burgenland, Chairman of the Board of Management Schelhammer Capital

→ **05 Ernst Huber**
Member of the Board of Management Bank Burgenland and Schelhammer Capital

→ **09 Wolfgang Dörner**
Managing Director
GBG Service GmbH

→ **02 Gerhard Nyul**
Deputy Chairman of the Board of Management Bank Burgenland

→ **06 Constantin Veyder-Malberg**
Member of the Board of Management of Schelhammer Capital

→ **10 Peter Ladreiter**
Member of the Board of Management of Security Kapitalanlage AG

→ **03 Andrea Maller-Weiß**
Member of the Board of Management Bank Burgenland

→ **07 Gerd Stöcklmair**
Member of the Board of Management Schelhammer Capital

→ **11 Paul Swoboda**
Member of the Board of Management Security Kapitalanlage AG

→ **04 Berthold Troiß**
Member of the Board of Management Bank Burgenland

→ **08 Peter Böhler**
Until the end of 2021 – Member of the Board of Management Schelhammer Capital

→ **12 Stefan Winkler**
Member of the Board of Management Security Kapitalanlage AG

→ Highlights 2021

Creating the future.

Progress and connectivity have many facets: from the new headquarters to the merger of the year.

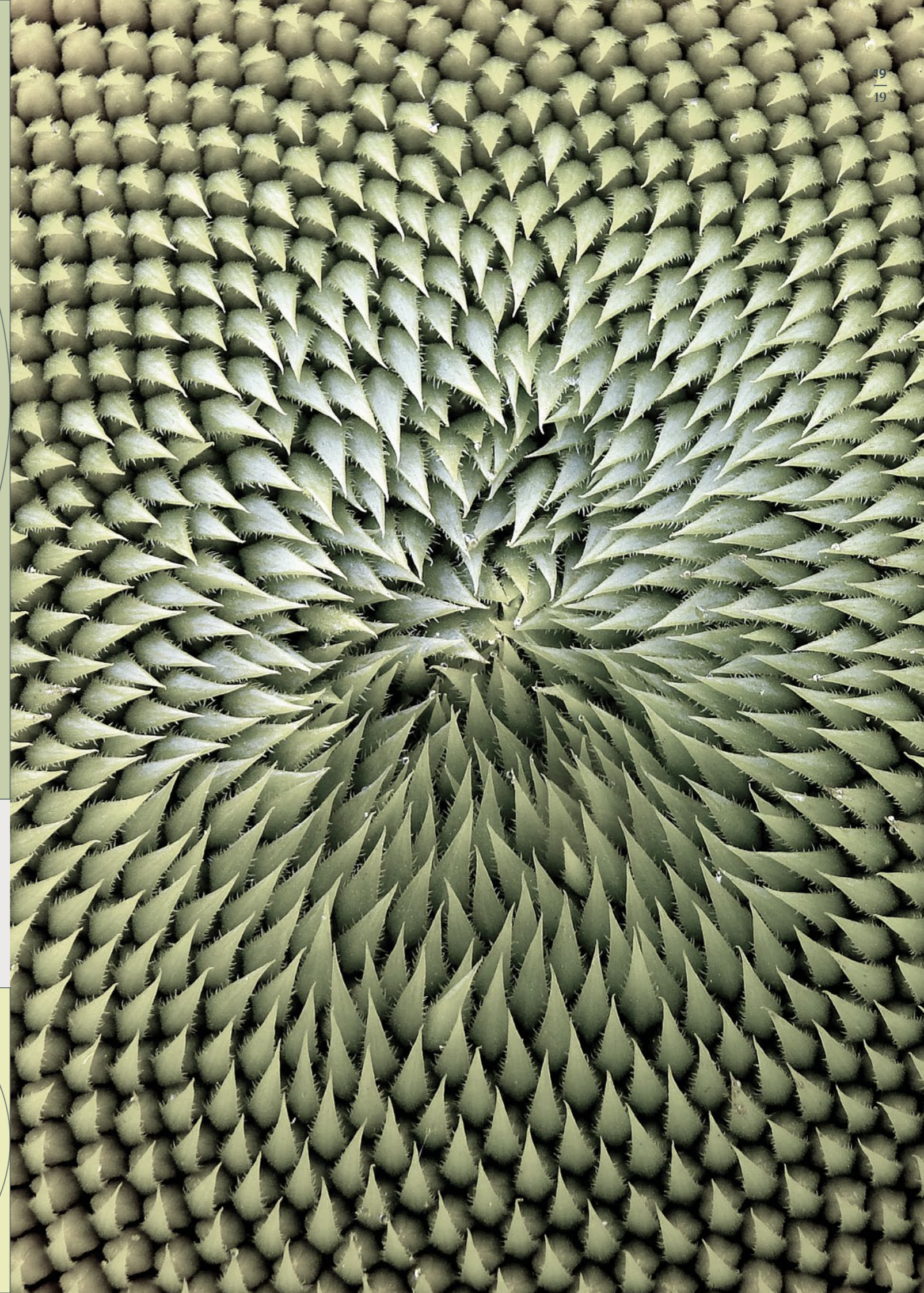
→ Chapter

02



→ **Grown together**

The merger of Schelhammer & Schattera and Capital Bank to form Schelhammer Capital, and therefore the most powerful private bank in Austria, marks a milestone in our corporate history.



Bank Burgenland: new headquarters

The official opening of the new headquarters of Bank Burgenland took place in Eisenstadt in mid-September 2021 – a modern building consistently geared towards sustainability, providing around 200 employees a future-oriented working environment.



After around two years of construction, Bank Burgenland's new headquarters in Eisenstadt were ready to welcome its first occupants in February 2021. A modern and bright building flooded with light was created, which is ecologically oriented towards sustainability and meets the needs of staff and customers alike in a contemporary manner.

Since the previous building in Neusiedler Straße in Eisenstadt had fallen into disrepair and contemporary operation had become increasingly difficult, a decision had to be made between construction of a new building and renovation of the existing building. As the owner of the property, Bank Burgenland opted for the sustainable solution of a comprehensive building renovation with corresponding additions and conversions. The engineering department of GRAWE Immo AG took over the planning work for this project.

Extensive general renovation

As part of the extensive general renovation, the existing building was completely gutted and a spacious new building was added to the existing structure. During the renovation period, all of the approximately 190 employees of the Bank Burgenland headquarters worked temporarily in other specially rented office buildings or, in some cases, from home.

Creating an atmosphere characterised by transparency, openness and responsiveness was one of the most important concerns when planning the new building. To achieve this, a new office concept was developed, with open units for more communication and opportunities for easy interaction. The technology is also state-of-the-art and fit for the digital future.

On the ground floor of the spacious new branch, customers are now welcomed, served and, if necessary, directed to a central information point. Several meeting rooms are available to the relationship managers for personal and confidential consultation. Inviting lounge areas provide a

pleasant way to spend any waiting times. Customers who wish to conduct their daily business in the self-service zone of the new branch can, of course, continue to do so around the clock as usual.

A clear commitment to the region

Around 200 employees now work in the new headquarters on 4,200 square metres of floor space. The new building has created a place where proximity to customers, efficiency and sustainability are just as important as good teamwork, innovation and flexibility. At the same time, Bank Burgenland is clearly committed to Burgenland as a business location through its choice to establish its new headquarters in Eisenstadt.

The official opening of the new headquarters took place on 14 September 2021. GRAWE Banking Group CEO Christian Jauk and Bank Burgenland board members Andrea Maller-Weiß and Gerhard Nyul welcomed around 70 invited guests, who offered their congratulations on the new building and enjoyed the convivial setting.

→ **The new headquarters has around 200 employees working in an area spanning 4,200 square metres. The refurbished building has created a place where proximity to customers, efficiency and sustainability are just as important as good teamwork, innovation and flexibility.**

Bank Burgenland: real estate financing

For the 2021 financial year, Bank Burgenland's Real Estate and Project Finance Division can once again look back on a year of above-average success in a market that remains highly dynamic.

With a team of around 20 employees and a financing volume of about EUR two billion, Bank Burgenland's Real Estate and Project Finance Division is represented at its three locations in Vienna, Eisenstadt and Graz.

Its main tasks include real estate financing in all facets, such as apartment buildings, retail and commercial properties as well as special purpose properties – with a particular focus on affordable housing. Non-profit housing cooperatives are also managed at Eisenstadt, while foreign real estate activities in markets such as Slovakia, Hungary and the southern German region are managed from Vienna.

In addition, customers are advised on and serviced with possible hedging instruments – particularly those instruments concerning interest rate risks. The potential investment needs of customers are covered jointly with the Eisenstadt Investment Centre.

The success of the golden mean

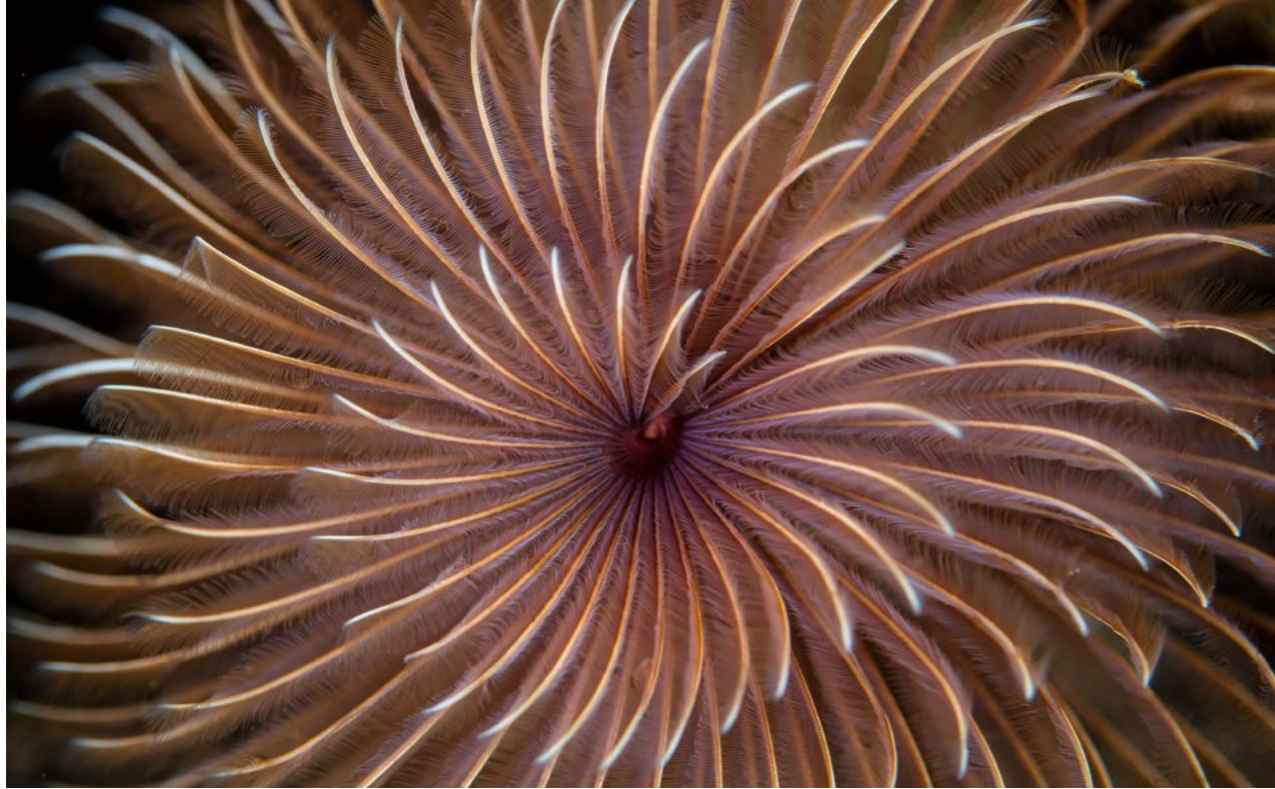
"We can once again look back on a year of above-average success," sums up Alexander Glatz, division manager of the Bank Burgenland Real Estate Centre in Vienna. "Demand remains high for affordable housing in particular," explains Glatz, "and since we are not committed to the luxury segment in real estate financing, but rather position ourselves in the golden mean, our growth is correspondingly steady and stable."

Stability and consistency are also the qualities that are particularly appreciated by clients of the Real Estate and Project Finance business unit, Alexander Glatz emphasises: "We by no means see ourselves as an assembly line company, but rather position ourselves as a manufacturer with high-quality standards and a special personal quality when it comes to communication and advice. Our customer relationships have often grown over many years, we score highly with our special proximity to the market and, last but not least, also with our extremely low staff turnover, thus guaranteeing long-term personal contacts.

Scoring highly with speed and proximity to the customer

"2021 was characterised by continued very high levels of market dynamism," Alexander Glatz summarises the development of the past business year: "Since the real estate sector often requires correspondingly fast and timely action, we can clearly score highly against our competitors with particularly short and direct decision-making paths, as well as with special flexibility, implementation speed and proximity to the customer. That is why we were able to successfully expand our portfolio once again in 2021, while adhering to our thoroughly ambitious financing targets."

→ **The demand for affordable housing in particular remains high. Given that we are committed to neither the luxury nor the low-cost segment in the real estate finance segment, but position ourselves in the golden mean. As a result, our growth is correspondingly steady and stable.**



Merger: fusing together to become the most powerful private bank in Austria

In September, Bankhaus Schelhammer & Schattera and Capital Bank officially became Schelhammer Capital – a logical step, especially since both institutions have been part of GRAWE Banking Group since 2015. This created the most powerful private bank in Austria.

→ At GRAWE Banking Group, 2021 was dominated by the merger of Bankhaus Schelhammer & Schattera and Capital Bank. The merger was the logical consequence in the hotly contested domestic private banking sector and the best of all decisions for both banks as well as for GRAWE Banking Group and its customers. It was also logical because GRAWE Banking Group had already held a stake in Bankhaus Schelhammer & Schattera since 2015 and this step finally combined the strengths of both institutions.

The two well-known private banking brands became the most powerful private bank in Austria, which at the end of 2021 had EUR 318.5 million in eligible capital, total assets of EUR 2.4 billion and assets under management of EUR 30 billion. The newly created Schelhammer Capital also continues to be owned by Grazer Wechselseitige Versicherung (GRAWE) and is part of GRAWE Banking Group.

The best of both worlds

Both banks have always been united by private Austrian ownership, a strong connection to Austria, independence from the capital market and politics, and an awareness of their long-term responsibility for future generations. Now the best of both worlds has been combined: Capital Bank has always acted as a high-performance partner that has avoided short-term trends. As Vienna's oldest private bank on the other hand, Bankhaus Schelhammer & Schattera has scored particularly highly with decades of professional expertise in sustainability investments and consistent values.

St. Stephen's Cathedral in the logo

Bankhaus Schelhammer & Schattera was founded in 1832 and was Vienna's oldest private bank. When St. Stephen's Cathedral burned down in 1945, the bank building on Stephansplatz also fell victim to the flames. The bank was re-established

in the adjacent Goldschmiedgasse, dedicating itself to church reconstruction and playing a leading role in financing hospitals and schools run by religious congregations in Austria. Schelhammer Capital will also be a presence in the future with its headquarters in Goldschmiedgasse, adjacent to Stephansplatz. Schelhammer Capital will continue to feature St. Stephen's Cathedral proudly in its logo out of a sense of solidarity with the bank's history – a history that is inextricably linked with this landmark of Vienna.

Pioneering private banking for generations

Schelhammer Capital's aim is to inspire investors in the long term and to support them with a financially secure future. High expertise in investment forms the foundation for lasting prosperity, especially in the current environment of interest rate reversals, rising inflation and geopolitical crises. The demand for high-quality advice is higher than ever before, both in order to increase wealth as well as to preserve it. More and more discerning private investors and institutional clients are becoming long-term partners.

The Family Office Division, which specialises in servicing high-net-worth individuals, private foundations and family businesses, is also showing pleasing growth rates. Numerous well-known family owned businesses and a rising number of private foundations rely on the service provided by this specialist unit at Schelhammer Capital.

Financing as an economic driver

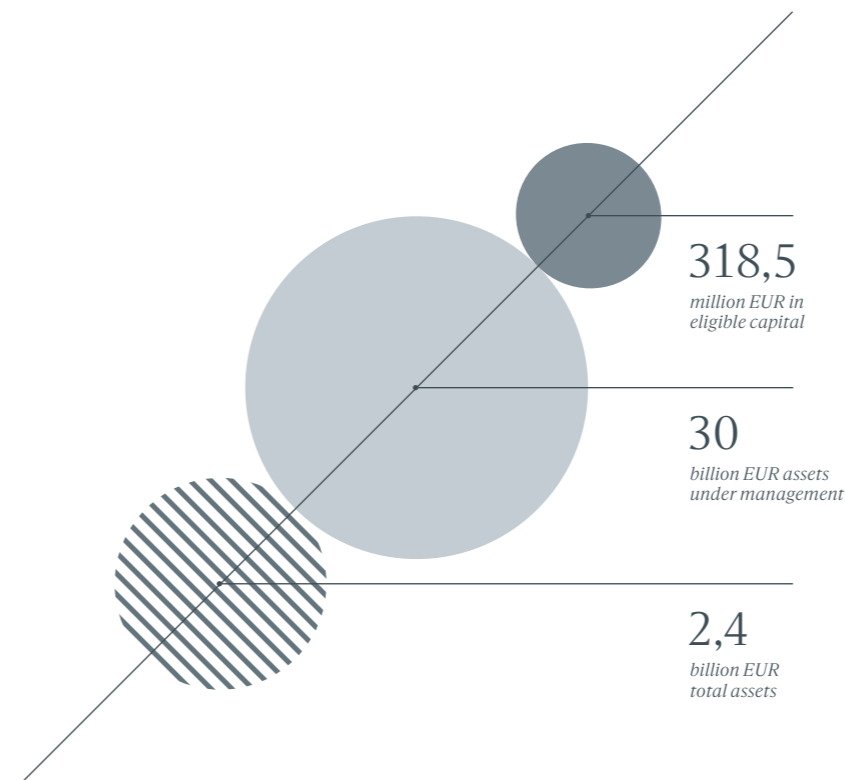
Schelhammer Capital has unique strengths in the lending business when it comes to financing. From the financing of residential properties and real estate projects to more complex transactions and securities Lombard loans: the bank offers high levels of expertise for individual ideas with future prospects if the value system is the right one for the partnership. Because success always thrives where people understand each other best and where the focus is on solutions.

Gold – safe custody and trading

For many years, Schelhammer Capital has established itself as a trading centre for gold and other precious metals for investors in material assets and provides comprehensive expert advice. At the same time, material assets can be stored in the most effective way possible in Vienna's state-of-the-art safe facility, mysafe, with 24-hour access to stored valuables – from coins and bars to other valuables.

Looking to the future with courage

Archduke Johann recognised so long ago that a strong community combines more strengths than individuals can alone. We are pursuing this idea with the merger of the two private banks in GRAWE Banking Group to form Schelhammer Capital. We proudly look back on 190 years of history. Because only those who know where they come from can shape the future with determination and courage.



→ **Schelhammer Capital in numbers** | Status: Year-end 2021

→ **The merger of the two well-known private banking brands resulted in the formation of the most powerful private bank in Austria, which, at the end of 2021, had more than EUR 318.5 million in eligible capital, total assets of EUR 2.4 billion and assets under management of EUR 30 billion.**

Schelhammer Capital: sustainable financing

In several financing stages, Schelhammer Capital enabled implementation of an almost unique international beacon project for ecological energy use: the Krieau power plant in Vienna's Leopoldstadt district, developed and implemented by the innovative Viennese energy provider Beyond Carbon Energy.

→ “Even before the merger of Schelhammer & Schattera and Capital Bank to form Schelhammer Capital, the topic of sustainability enjoyed a long tradition with us,” says Dominik Schneider, Senior Director and Head of Financing at Schelhammer Capital. “Financing of the Krieau power plant for the Viennese energy provider Beyond Carbon Energy has enabled us to implement one particular highlight of our sustainable philosophy. This is because the project is one of the world's first pioneering projects to make an entire city district largely energy self-sufficient and climate neutral in a particularly environmentally friendly way.”

Huge sustainable potential for the future

The Krieau power plant is not only an almost unique plant of its kind in Europe, but is also causing a great stir internationally: “The Krieau power plant is the only project implemented of its kind to be named in the Fit-for-Net-Zero study in the Bill Gates Breakthrough Energy Fund”, says Dominik Schneider about the exemplary financing project. “If you look at current developments on the energy markets and the major problem of dependence on fossil energy sources such as oil and gas, then we have enabled the financing of a particularly valuable and important part of future solution strategies with the Krieau

power plant”, says Dominik Schneider, proud of the major relevance of the project.

Up to 100 per cent CO₂-free energy supply

The Krieau power plant intelligently links sustainable energy sources such as geothermal energy, groundwater and photovoltaics. As a result, it is able to supply the Viertel Zwei urban quarter in Vienna's Leopoldstadt district, which was developed by Value One and has a usable floor space of approximately 140,000 square metres, with environmentally friendly energy generated directly on site. This saves more than 1,000 tonnes of CO₂ per year, with emission-free coverage of around 70-80 per cent of heating and cooling demands. New projects by Beyond Carbon Energy already meet the aspiration of “100 per cent CO₂-free”, which is one of the reasons why the showcase project is already moving to the next stage: “We are currently financing another large-scale project for Beyond Carbon Energy in Vienna in the urban development area of Seestadt Aspern”, says Dominik Schneider regarding the continuation of the successful cooperation, which will supply another city district with consistently sustainable energy over around 18,000 square metres of net floor space from next year.

→ **The Krieau power plant is currently the only project of its kind implemented in the forward-looking Fit-for-Net-Zero study of the Bill Gates Breakthrough Energy Fund as a global showcase project.**

GBG Private Markets: private equity for new target groups

With GBG Private Markets, GRAWE Banking Group is providing successful responses to the increasing demand from private investors for private equity investments and is making this asset class available with its many years of expertise, optimal advisory quality and new, innovative investment products.

→ With the newly registered GBG Private Markets as a specialised subsidiary of Schelhammer Capital since 2020, GRAWE Banking Group has a new manager of alternative investment funds. GBG Private Markets focuses on the selection of private equity funds, i.e. funds that acquire companies away from stock exchanges.

As an issuer of innovative sustainable products such as the *A&P Sustainable Linked Note*¹, GBG Private Markets sets new standards for alternative investments in the balance between value development and sustainability. At the same time, as one of the leading private equity pioneers in Austria, it is also one of the first partners to grant qualified private clients access to this asset class as an alternative form of investment with an interesting potential for returns.

Growing appetite for private equity

“Private equity used to be a somewhat exclusive asset class. However, the current situation on the traditional markets means that private investors want a broader base for their assets. This makes private equity increasingly attractive for private investors as well,” says Bernadette Ules, Managing Director of GBG Private Markets. “However, the advice requirements surrounding private equity are often fairly intensive for qualified private clients who are starting to show an interest in the topic. By combining our long-standing private equity expertise with the high quality of advice provided by Schelhammer Capital, we make private equity even more accessible, especially to new target groups and interested parties.

At the same time, as Bernadette Ules points out, the growing appetite for this asset class is also increasing awareness of sustainability: “We are providing the right responses to both of these trends with new products such as our *A&P Sustainable Linked Note* and the *Schelhammer Capital Private Equity Portfolio Linked Note*. This is because on the one hand, the *Schelhammer Capital Private Equity Portfolio Linked Note* was launched as an emphatically broadly diversified private equity product specifically for qualified private clients. On the other hand, as a linked note, it significantly lowers the investment entry threshold compared with conventional private equity investments.”

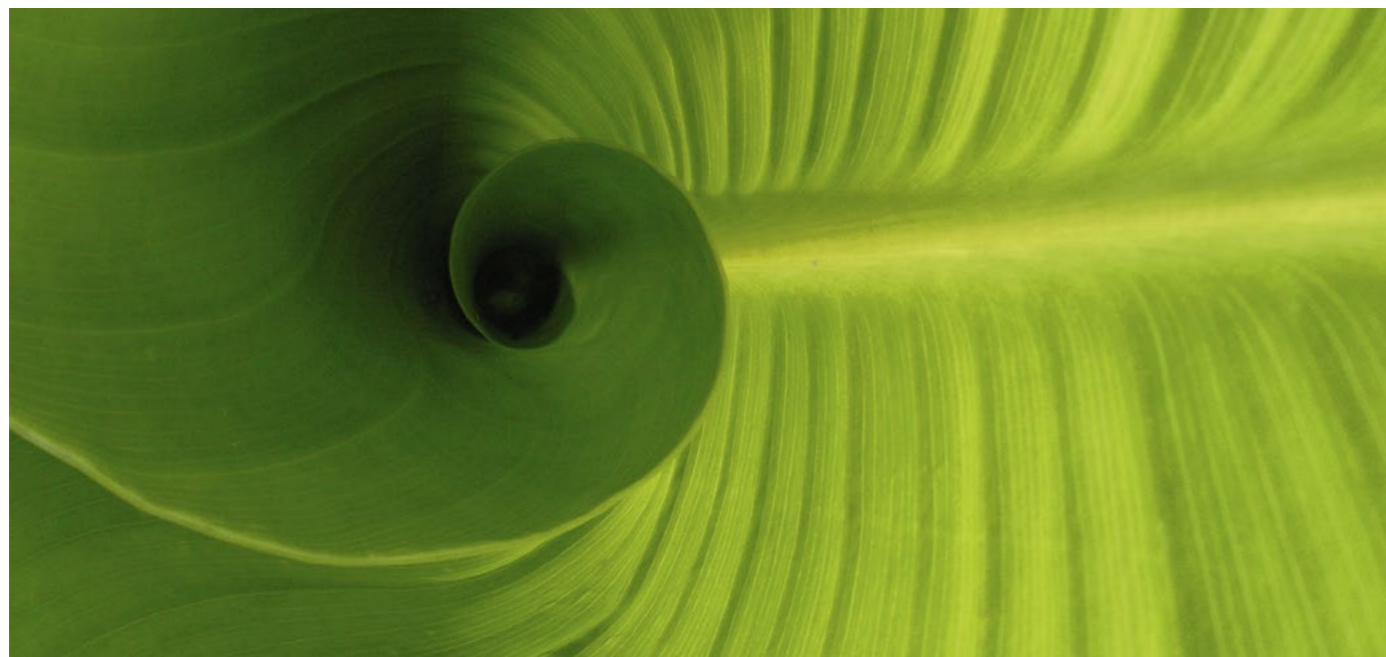
→ **Following the successful launch of three linked notes in 2021, GBG Private Markets will now launch between three and four new linked notes per year specifically for qualified private investors.**

In addition, during the draft phase for the *A&P Sustainable Linked Note* together with our fund managers, the most careful attention was paid to the sustainable quality of the product: in selecting the target investments, the attention paid to compliance with the relevant ESG criteria and the corresponding commitment of the fund managers was highly meticulous. Investors can therefore safely rely on exclusion criteria, such as problematic business practices and business areas, social and environmental incompatibility, fossil fuels and much more, which should be expected from a seriously sustainably designed investment product.

Three to four new products per year

Following the successful launch of three linked notes in 2021, GBG Private Markets will now launch between three and four new linked notes each year in order to make GRAWE Banking Group's more than 20 years of expertise in the private equity sector available as a successful strategy for the future, specifically for qualified private clients.

¹ Subscription no longer possible



→ GRAWE Banking Group

Sharing common ground.

With values based on genuine partnership and connections between one person and the next.



→ Chapter

03

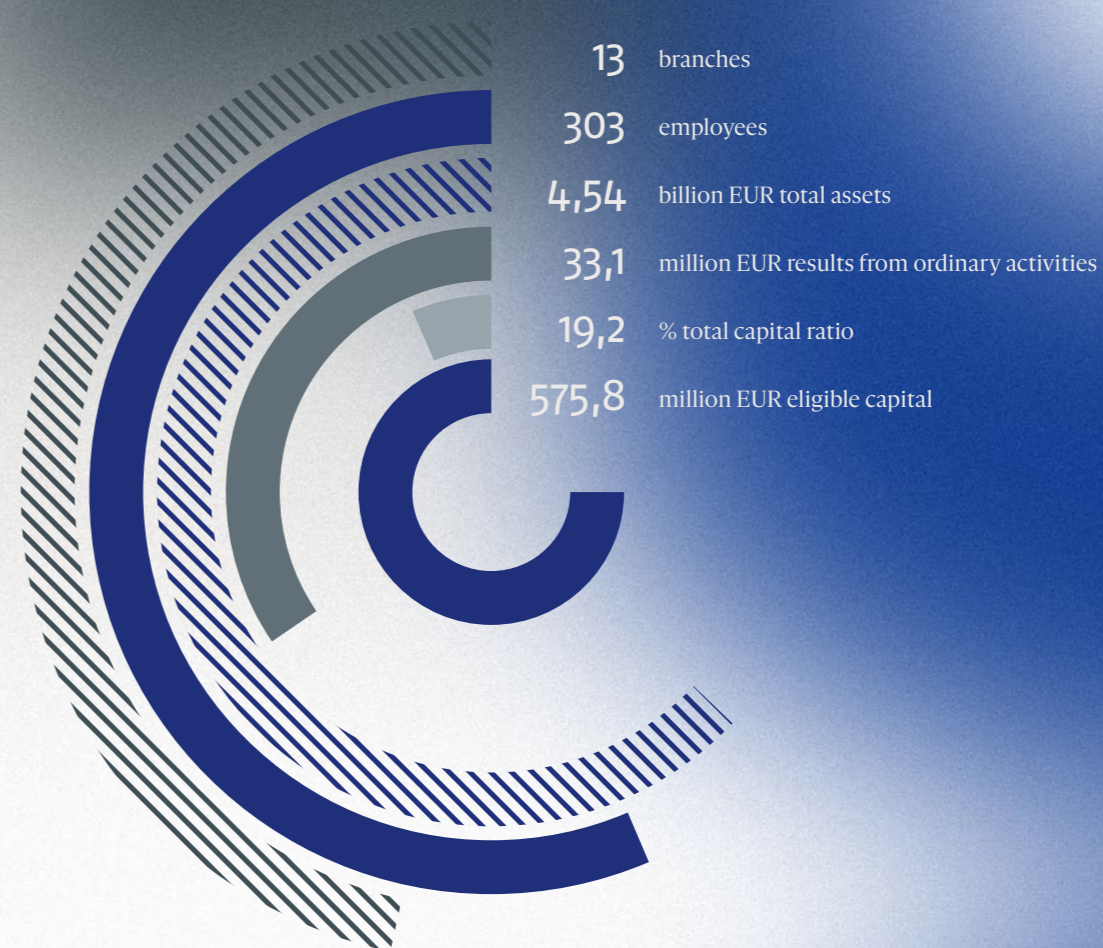


→ **Building bridges**
A corporate culture of partnership on equal terms is our top priority as an essential prerequisite for joint success.

Bank Burgenland

Our responsibility:
accompanying generations –
as one of the country’s
leading regional banks.

Facts & Figures 2021



→ Institution

01



→ **Regional with vision.**
We focus on our customers and their needs. This consistent focus on the customer makes us one of the leading regional banks in Austria.

Bank Burgenland

is the central institution of GRAWE Banking Group. Its core competencies are professional advice and support for corporate, private and business clients as well as real estate and project financing with great flexibility and implementation speed.

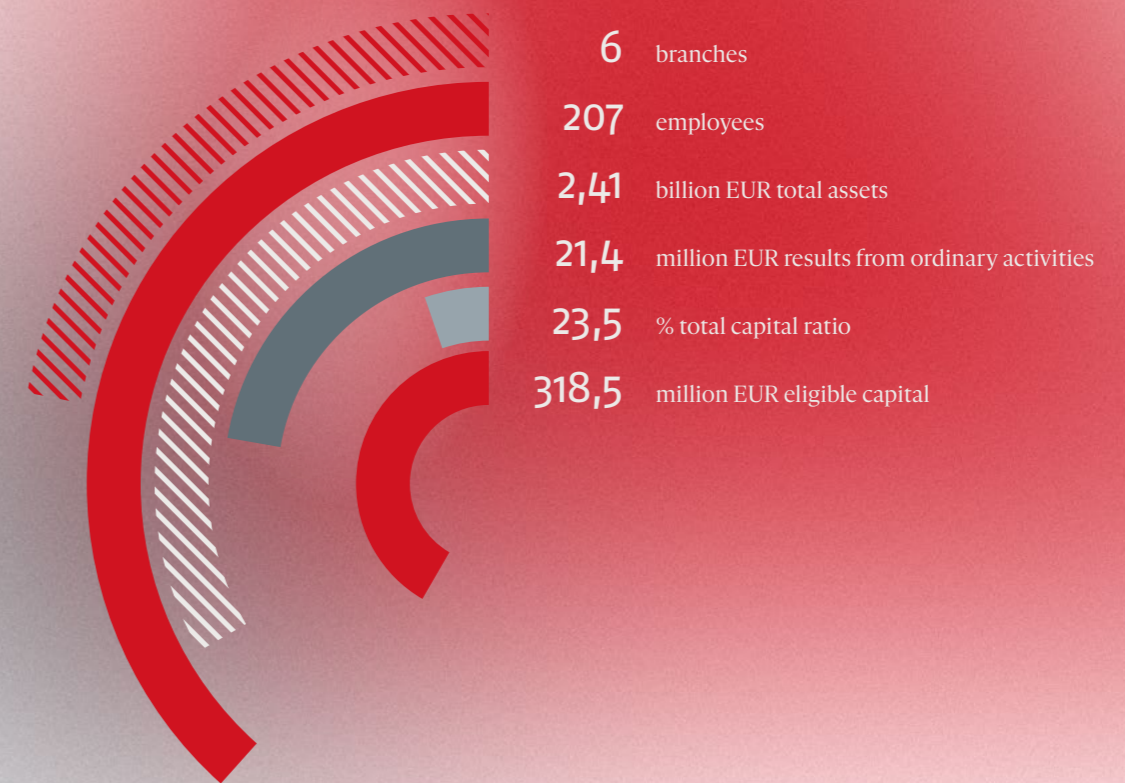
As a reliable partner, Bank Burgenland supports business owners on all paths of their business life: whether working capital loans, investment loans or equity financing – Bank Burgenland is always available as an expert contact and focuses on individual solutions as well as tailor-made financing concepts. Many years of experience and comprehensive expertise give the Bank Burgenland team the right feel for

trends on financial markets and make them the ideal contacts for all money market transactions.

A wide range of contemporary investment products is therefore just as much a part of the support provided as, for instance, the development and structuring of large-volume investment strategies for corporate and real estate clients. In addition, the Capital Markets division acts as the “interest factory” for GRAWE Banking Group. Supported by a strong international customer network, the well-coordinated team of specialists develops capital market products to meet requirements and offers its clients both personal support and access to electronic trading.

Schelhammer Capital
Preserving and increasing
existing achievements:
sustainable for generations
and with the right answers
for tomorrow.

Facts & Figures 2021



→ Institution

02

 **Schelhammer
Capital 1832**



→ **Sustainable** *with a future.*
As the most powerful private
bank in Austria, we act
responsibly, transparently,
honestly and independently.

Schelhammer Capital

is the result of the 2021 merger of Bankhaus Schelhammer & Schattera and Capital Bank. As the most powerful private bank in Austria, we think and act responsibly for generations. We focus on long-term relationships instead of short-term investment trends. We develop forward-looking ideas to preserve and increase existing achievements. Sustainable and responsible investment is deeply embedded in our DNA. We were the first Austrian bank to offer a sustainable fund back in 1989, long before current trends. Developing sustainable and responsible capital investment more than 30 years ago was real pioneering work. We have

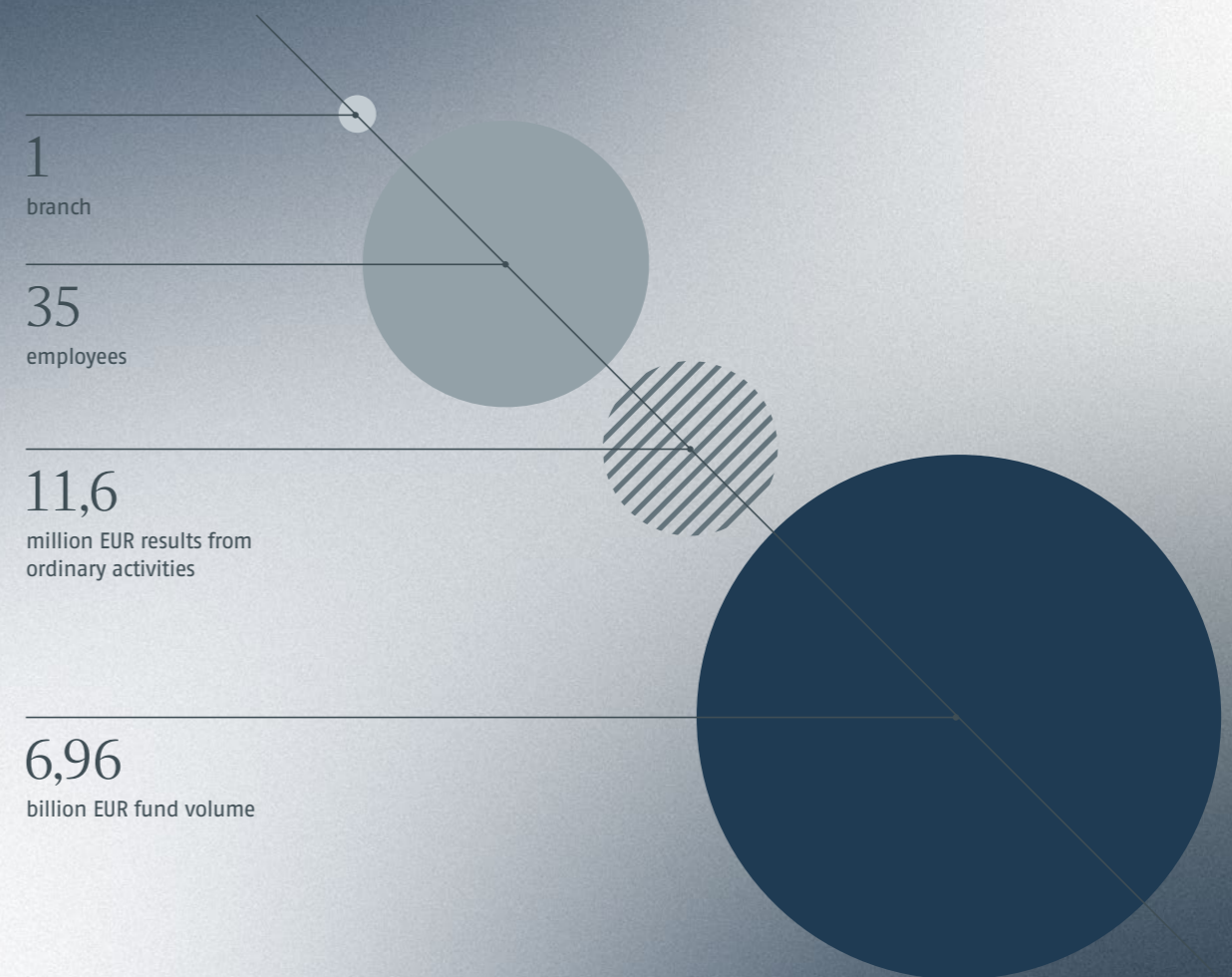
been growing our knowledge and expertise in sustainable investment ever since in order to ensure that your investment is future-proof.

Our claim to being the most powerful private bank in Austria is manifested by particularly high capital of almost EUR 300 million. This means that we have almost twice as much eligible capital as the next placed bank. With GRAWE, we also have a strong Austrian owner. This makes us independent of politics and the stock market. We have the freedom to focus on what really counts: our customers.

Security Kapitalanlage AG

Precise analysis is our strength: for sustainable asset management with a multi-award-winning range of funds.

Facts & Figures 2021



→ Institution

03

SECURITY
Kapitalanlage AG



→ **In serenity lies strength.**
Based on this motto, we act analytically and with foresight – for successful investment approaches that are sure to survive even the storms of time.

Security KAG

is the investment company of GRAWE Banking Group and operates based on the following motto: “We take responsibility for people and their needs – and not just for their money.” Security KAG has been in existence since 1989 and manages 58 investment funds for private and institutional investors with a value of EUR 6.96 billion.

In recent years, the company and its investment approach have been focused even more strongly on sustainability. Security KAG therefore pursues innovative investment approaches that generate added value from both an economic and ethical/sustainable perspective. The extensive range of

funds extends from fiduciary investment funds to Eastern European equity funds. With its multiple award-winning investment funds, Security KAG is now one of the largest providers of sustainable mutual funds in Austria and one of the fastest growing investment companies, meaning it has been able to significantly expand its market share in recent years.

Security KAG's primarily institutional clients particularly appreciate its unique expertise in the area of complex investment strategies. The focus at all times is on precise analytical assessment of opportunities and risks according to strict financial criteria, which ensures prudent action even in turbulent times.

DADAT BANK

The best direct bank in Austria – with leading innovations for a simple financial life.

→ Institution

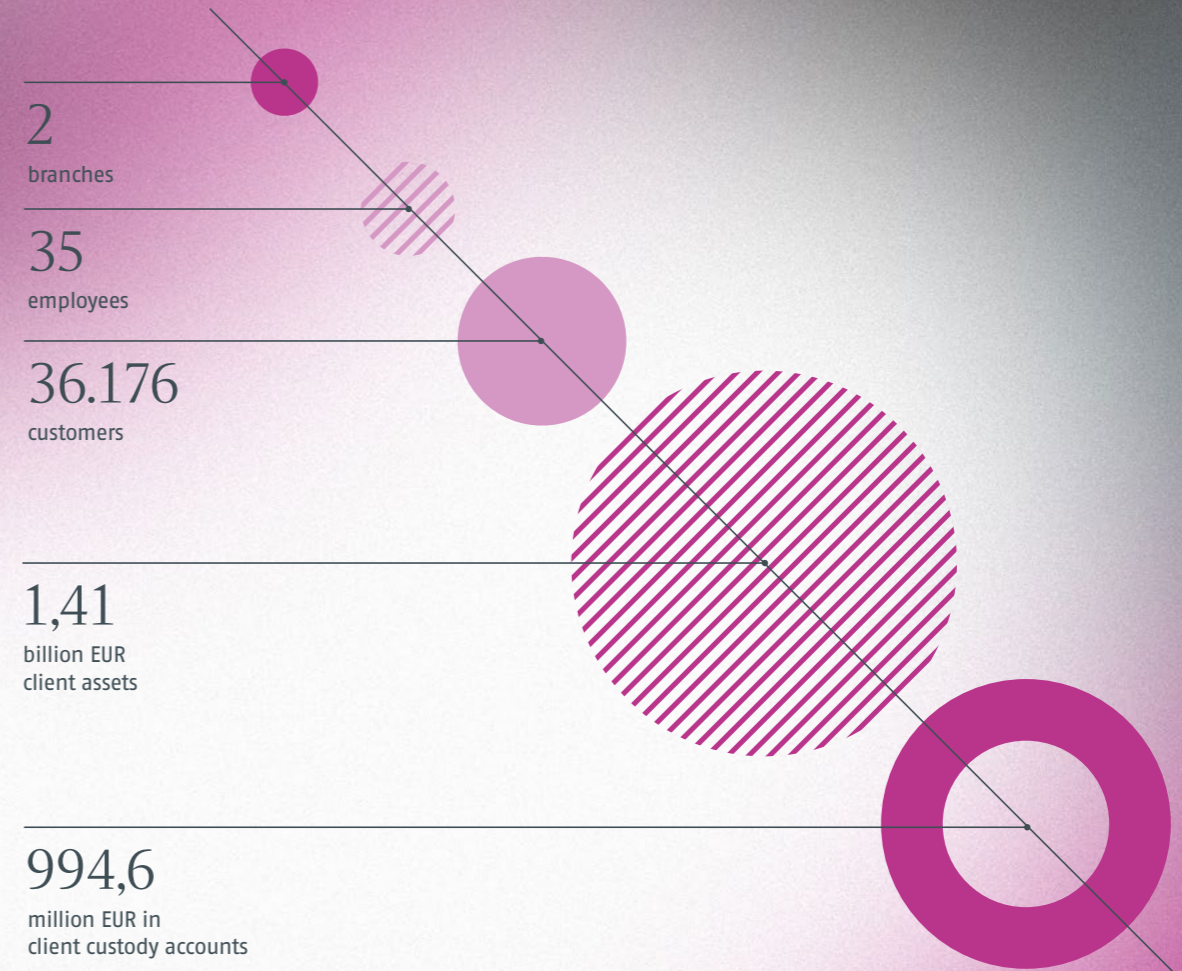
04

DADAT
BANK



→ **Our future is simple.**
We want to offer the simplest and most modern banking and brokerage services in Austria – as innovation leader in all our products and services.

Facts & Figures 2021



DADAT

is the modern, forward-looking direct bank of GRAWE Banking Group and a Schelhammer Capital brand. It offers private customers a comprehensive, straightforward range of products and services in the areas of banking, savings, loans and trading. DADAT pursues a clear and transparent goal in all of its services: to offer the simplest as well as most modern banking and brokerage services in Austria and, in doing so, to inspire its customers with all its products and services in order to establish itself also as a primary bank.

In addition to the online current account and various investment and trading products, the wide range of products

therefore e. g. also includes an online asset management in ETFs and a flexible instalment loan. With a team specifically experienced in the partner business, DADAT is also the right partner for licensed securities firms and securities services companies that require an innovative and cost-effective settlement platform or custodian bank.

DADAT is now considered one of the strongest growing direct banks in Austria and acts as an absolute benchmark, especially in the custody area. In 2021, it was also named the best direct bank in the country for the second time in a row by the Austrian Society for Consumer Studies (ÖGVS) and the best online broker in Austria for the second time in 2020.

Die Plattform

The leading business-to-business fund platform in Austria – simple, professional and unbeatable.

→ Institution

05

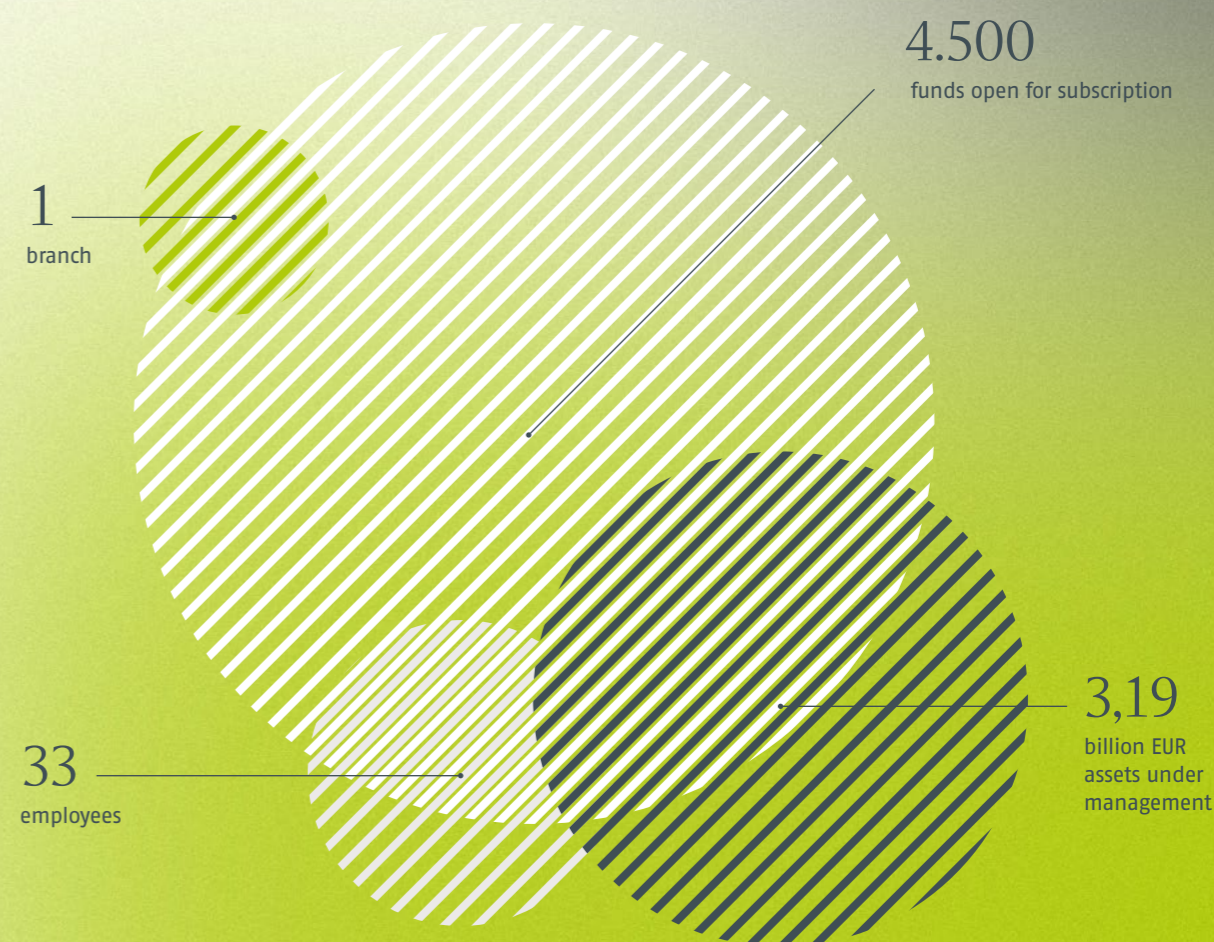
d/p die plattform



→ **One custodian for all securities.**

As an innovative service of Schelhammer Capital, we offer a custody account for all securities – with a selection from around 4,500 listed investment funds and with professional personal investment advice from our sales partners.

Facts & Figures 2021



Die Plattform

is the leading B2B fund platform in Austria and a Schelhammer Capital brand. Originally run as the Fund Support department of Security KAG, die Plattform was first launched in 2004 as an independent fund platform for clients of financial advisers. Positioned as an innovation leader from the outset, it was the first company to offer an all-in-one custody account for the simple settlement of securities orders in thousands of financial instruments.

Ever since it was first founded, die Plattform has consistently focused on cooperation with investment firms and securities service providers – with a business model based on three pillars: die Plattform exclusively handles B2B business and no di-

rect client business. It offers simplified settlement for clients combined with expert service for financial advisers. It also strives for the greatest possible product neutrality – with the aim of offering one custodian account for all securities. The “Konto plus” interest account product completes the offer.

With its combination of simple settlement and professional advice, die Plattform offers clients an unbeatable proposition and enables the basis for a successful investment. Another convincing advantage: with Schelhammer Capital's online information system, clients and investment advisors have access to the custodian account, regular account and all transactions at any time.

GBG Service GmbH

Innovation and efficiency are our business: for economic, competitive and forward-looking banking.

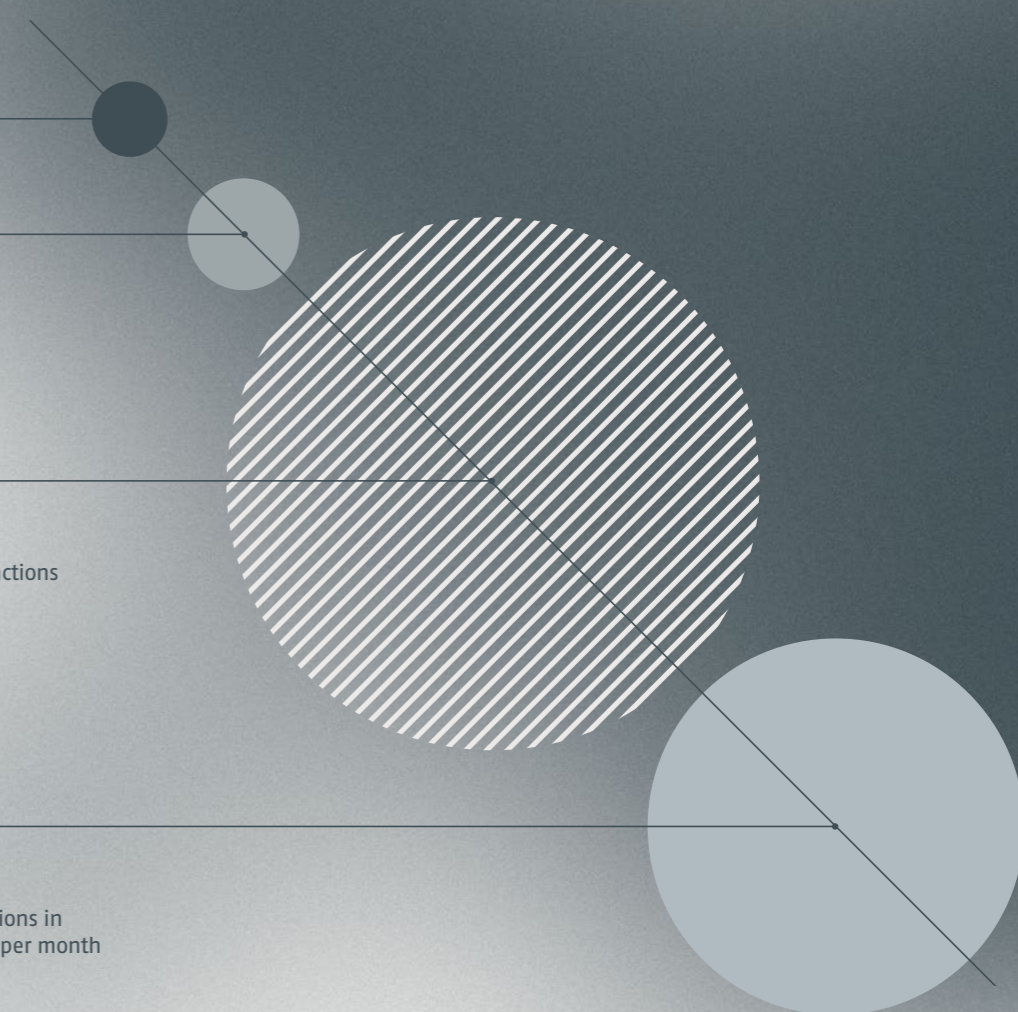
Facts & Figures 2021

4
branches

166
employees

10.125
securities transactions
per day

1,4
million transactions in
payment traffic per month



→ Institution

06



→ **Service is our expertise.**
Our experts settle all payment transactions as well as all securities and financing transactions at the highest level. In addition, there are accompanying activities along the entire settlement process, such as data quality management, collateral management and loan restructuring.

GBG Service GmbH

is the competence centre for settling a wide range of banking transactions in GRAWE Banking Group. These include Group banking operations with services such as payment transactions, securities settlement, treasury back office and data quality management. It also includes the Group credit service with contract service, collateral management, balance sheet analysis as well as restructuring and debt collection. Furthermore, the entire IT and operational development area is located in GBG Service GmbH.

On average, more than 10,000 securities transactions are currently processed per day and 1.4 million payment transactions are booked monthly. With continuously optimised, highly efficient processes, state-of-the-art automation

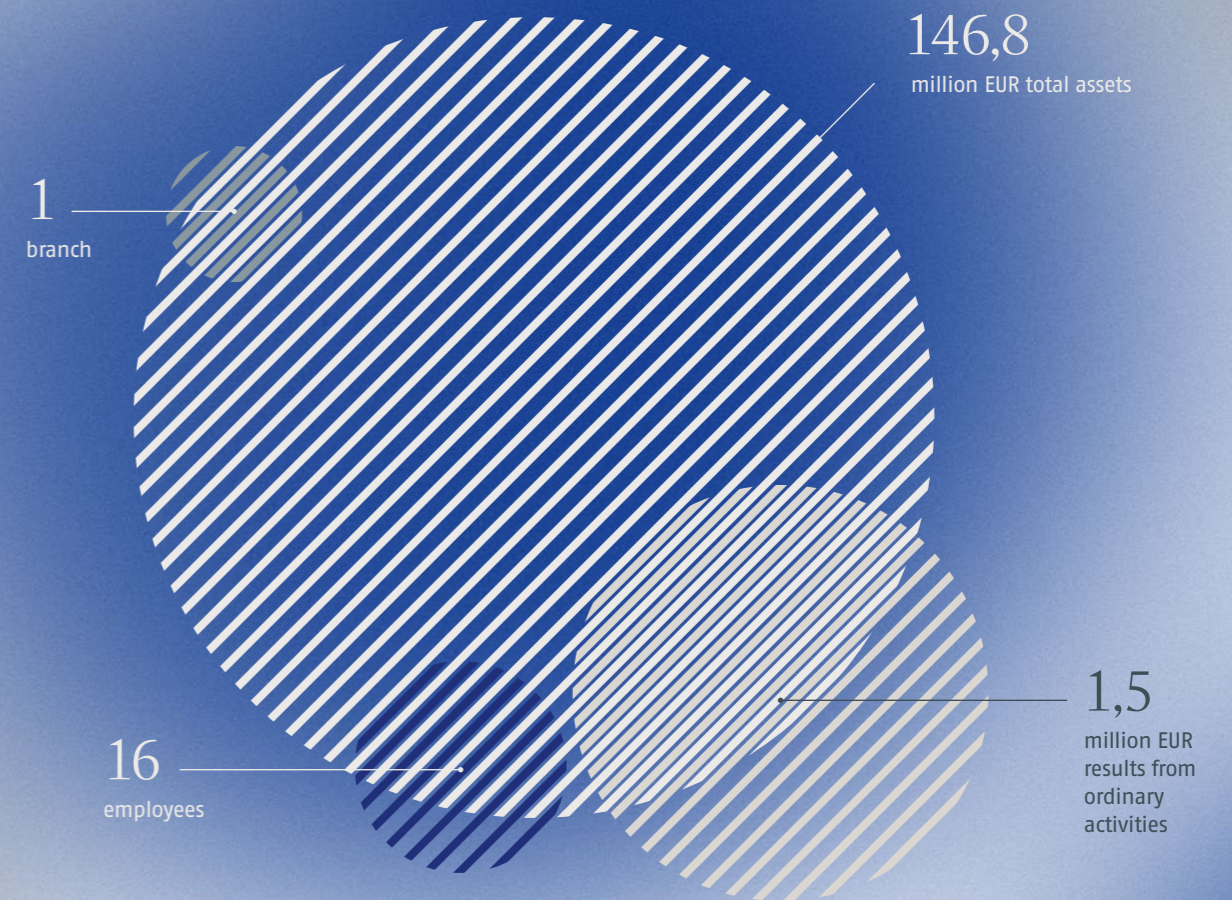
and ever larger quantities, GBG Service GmbH provides sound answers to the ongoing cost pressure in the banking business and ensures sustainable competitiveness – for the institutions of GRAWE Banking Group and now also for other Austrian banks that value expert and economical outsourcing.

The services outsourced to GBG Service GmbH can be agreed on an individual basis. The entire payment transactions for some Austrian credit institutions are e.g. already processed by GBG Service GmbH today. However, call centres are also operated for customers and employees, and support is offered in the treasury business. The number of other banks using our services is growing continuously.

BB Leasing

Meeting all requirements with individual solutions. And always there to support our customers and their issues.

Facts & Figures 2021



→ Institution

07



→ **Proximity to customers.** With in-depth industry and product expertise, BB Leasing's employees are genuine personal partners on equal terms with customers.

BB Leasing

was founded in 2002 as a subsidiary of Bank Burgenland and offers individual, customised leasing services with a focus on movable assets, commercial vehicles, agricultural machinery and medical technology. Its particular focus is not on mass business, but on solution-oriented corporate client business requiring intensive consultation with perfect industry and product expertise.

Based on the motto "Close to the customer. And with individual solutions that meet all requirements", the focus for services at all times is on careful cultivation of long-term partnerships through personal contacts as well as maximum customer proximity. Genuine human and professional con-

tact on equal terms guarantees the highest personal quality of advice on all leasing issues – from fast processing to the precise, customer-focused consideration of individual issues such as liquidity requirements or tax issues.

With its customised services for the public sector, the company also demonstrates a high level of regional commitment: by offering beneficial municipal leasing solutions for its immediate environment, BB Leasing GmbH makes a crucial contribution to the modernisation and growth of regional municipalities and sustainably supports the strengthening of Burgenland as a business location.

GBG Private Markets

New, more sustainable paths in alternative investments with high future potential.

→ Institution

08

GBG
PRIVATE
MARKETS



→ **Successful alternatives.**
As a leading private equity pioneer, we open up access to this alternative asset class for new target groups – in a sound, personal and trustworthy manner.

Facts & Figures 2021

4
private equity funds
subscribed

41,7
million EUR value

3
employees

GBG Private Markets

is part of Schelhammer Capital. As a registered alternative investment fund manager, it focuses on the selection of private equity funds, i. e. funds that acquire companies that are not on the stock exchange. And as one of the leading private equity pioneers in Austria, it is one of the first partners to also open up access to this asset class with interesting return potential to qualified private clients.

As an issuer of innovative products, such as the *A&P Sustainable Linked Note*, GBG Private Markets is setting new Austrian standards in the balance of performance and sustainability in alternative investments. Clients benefit on the one

hand from decades of experience in the private equity sector and from the strong network of GRAWE Banking Group on the other: highly qualified specialists select suitable private equity funds as part of a careful review, and the management teams behind them stand out due to their proven success.

In addition, GBG Private Markets offers qualified clients the attractive opportunity of regularly participating in the performance of selected private equity funds via linked notes, with a significant reduction in the minimum investment required as well as a corresponding spread and distribution across several funds or fund managers and their management styles.

BK Immo

We build values that are more sustainable in the long term, both in terms of yield and architecture.

→ Institution
09

BK >>> IMMO



→ **Economical and beautiful.** Convincing investments with appealing architectonic quality: this is our consistent motto for sustainable real estate development with a future.

Facts & Figures 2021

1
branches

8
employees

27
completed projects

14
projects currently in progress

BK Immo

has been the forward-looking project and property developer of GRAWE Banking Group since 2009. In addition to the construction of new flats for investors, its focus is on the refurbishment and revitalisation of old buildings which are processed using property developer models. Participation in a property developer model in particular can be an extremely profitable real estate investment for investors, particularly due to the subsidies that can be obtained in the context of renovation projects and the associated tax effects.

With the security of a highly experienced partner and sustainable, professional real estate management, BK Immo Vorsorge GmbH continuously generates attractive invest-

ment opportunities for investors, especially for customers of GRAWE Banking Group, in the subsidised residential construction sector as well as in new buildings.

In cooperation with partners from the real estate, finance and construction industries, BK Immo also not only ensures solid real estate investments with high returns on its own: in addition to their economic quality, the properties completed should also stand out through their architectural qualities and become an attractive highlight of the surrounding area – a special challenge for architects and participating construction companies as well as for BK Immo as a versatile and committed property developer.

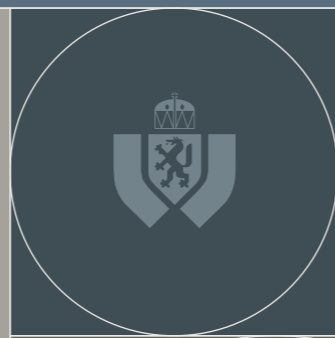
→ Business development and outlook

2021 in figures.

Strong performance
in all institutions.

→ Chapter

04



→ **Steps to success**
Reliability and continuity
determine our actions
and our strategy. We
methodically take one
step after the other for
sustainable success.



Consolidated statement of financial position Bank Burgenland

→ Assets

in EUR '000	31 Dec. 2021	31 Dec. 2020	Divergence in %	Absolute divergence
1. Cash in hand, balances with central banks and postal giro offices	944,708	928,515	2%	16,193
2. Public sector debt instruments and bills of exchange for refinancing at the central bank	163,457	150,067	9%	13,390
Public sector debt instruments and similar securities	163,457	150,067		
3. Loans and advances to banks	178,431	171,969	4%	6,462
a. Repayable on demand	69,959	76,783		
b. Other loans and advances	108,472	95,186		
4. Loans and advances to customers	4,415,677	4,118,484	7%	297,193
5. Bonds and other fixed-interest securities	252,272	292,945	-14%	-40,673
a. From public issuers	24,228	23,766		
b. From other issuers	228,044	269,179		
6. Shares and other variable-yield securities	199,093	200,512	-1%	-1,419
7. Equity investments including in banks	40,035	34,740	15%	5,295
	14,114	8,806		
8. Shares in affiliated companies including in banks	2,255	2,255	0%	0
	0	0		
9. Intangible fixed assets	1,074	1,293	-17%	-219
10. Property and equipment including land and buildings used by the bank in the course of its own operations	109,167	111,242	-2%	-2,075
	28,429	29,364		
11. Other assets	180,690	160,436	13%	20,254
12. Prepaid expenses	3,388	3,622	-6%	-234
13. Deferred tax assets	42,833	37,060	16%	5,773
TOTAL ASSETS	6,533,080	6,213,140	5%	319,940
Below-the-line items				
1. Foreign assets	1,397,041	1,296,328	8%	100,713

→ All the companies belonging to GRAWE Banking Group guarantee the product diversity expected of a financial services provider, with offers of financing, investments, private banking, investment banking and asset management, as well as insurance products within the Group.

In the securities area, investments were made primarily in bonds with very good credit ratings that are ECB-eligible and can be used for refinancing

with the European Central Bank. The nostro volume at the end of the year was EUR 703.0 million, a reduction of 5.0 per cent compared to the previous year's value of EUR 740.1 million.

At the end of the year, total refinancing via securities (excluding subordinated capital) rose from EUR 891.2 million to EUR 1,020.4 million. The Group thus continues to have a comfortable liquidity position.

→ Equity and liabilities

in EUR '000	31 Dec. 2021	31 Dec. 2020	Divergence in %	Absolute divergence
1. Liabilities to credit institutions and postal giro offices	688,433	663,142	4%	25,291
a. repayable on demand				
b. with agreed maturity or notice period	30,030	28,154		
	658,404	634,988		
2. Deposits from customers	3,855,172	3,745,861	3%	109,311
a. Savings deposits	796,272	774,556		
aa. repayable on demand	486,435	468,934		
ab. with agreed maturity dates or notice period	309,837	305,622		
b. Other deposits	3,058,900	2,971,305		
ba. repayable on demand	2,579,098	2,538,709		
bb. with agreed maturity or notice period	479,802	432,596		
3. Liabilities evidenced by certificates	1,020,409	891,151	15%	129,258
a. Bonds issued	6,904	0		
b. Other liabilities evidenced by certificates	1,013,505	891,151		
4. Other liabilities	55,030	51,736	6%	3,294
5. Deferred income	2,435	2,240	9%	195
6. Provisions	136,723	133,913	2%	2,810
a. Provisions for severance payments	24,122	25,564		
b. Provisions for pensions	7,432	8,096		
c. Tax provisions	19,777	25,525		
d. Other provisions	85,392	74,728		
7. Supplementary capital pursuant to Part 2 Title I Chapter 4 of EU Regulation no. 575/2013	12,233	12,233	0%	0
8. Subscribed capital	18,700	18,700	0%	0
9. Capital reserves	363,491	363,491	0%	0
10. Retained income	5,471	6,023	-9%	-552
11. Liability reserve pursuant to section 57 (5) of the Austrian Banking Act	66,788	66,788	0%	0
12. Net profit or loss for the year	308,244	257,908	20%	50,336
13. Shares of other shareholders	-49	-46	7%	-3
TOTAL EQUITY AND LIABILITIES	6,533,080	6,213,140	5%	319,940

Off-balance sheet items	2021	2020	Divergence in %	Absolute divergence
1. Contingent liabilities	161,526	115,529	40%	45,997
Liabilities from guarantees and liabilities from the provision of collateral	161,526	115,529		
2. Commitments	629,854	544,325	16%	85,529
3. Liabilities from trust transactions	37,849	34,314	10%	3,535
4. Eligible capital according to Part 2 of Regulation (EU) No 575/2013	762,183	677,087	13%	85,096
Supplementary capital according to Part 2 Title 1 Chapter 4 of Regulation (EU) No 575/2013	24,174	16,099		
5. Capital requirements pursuant to 92 (1a-c) of EU Regulation no. 575/2013	4,771,092	4,230,172	13%	540,920
Capital requirements pursuant to Article 92 (1) (a) to (c) of Regulation (EU) No. 575/2013:				
a. Common Equity Tier 1 capital ratio	15.5%	15.6%		-0.1%
b. Tier 1 capital ratio	15.5%	15.6%		-0.1%
c. Total capital ratio	16.0%	16.0%		-0.0%
6. Foreign liabilities	485,887	544,123	-11%	-58,236

Consolidated Income Statement Bank Burgenland

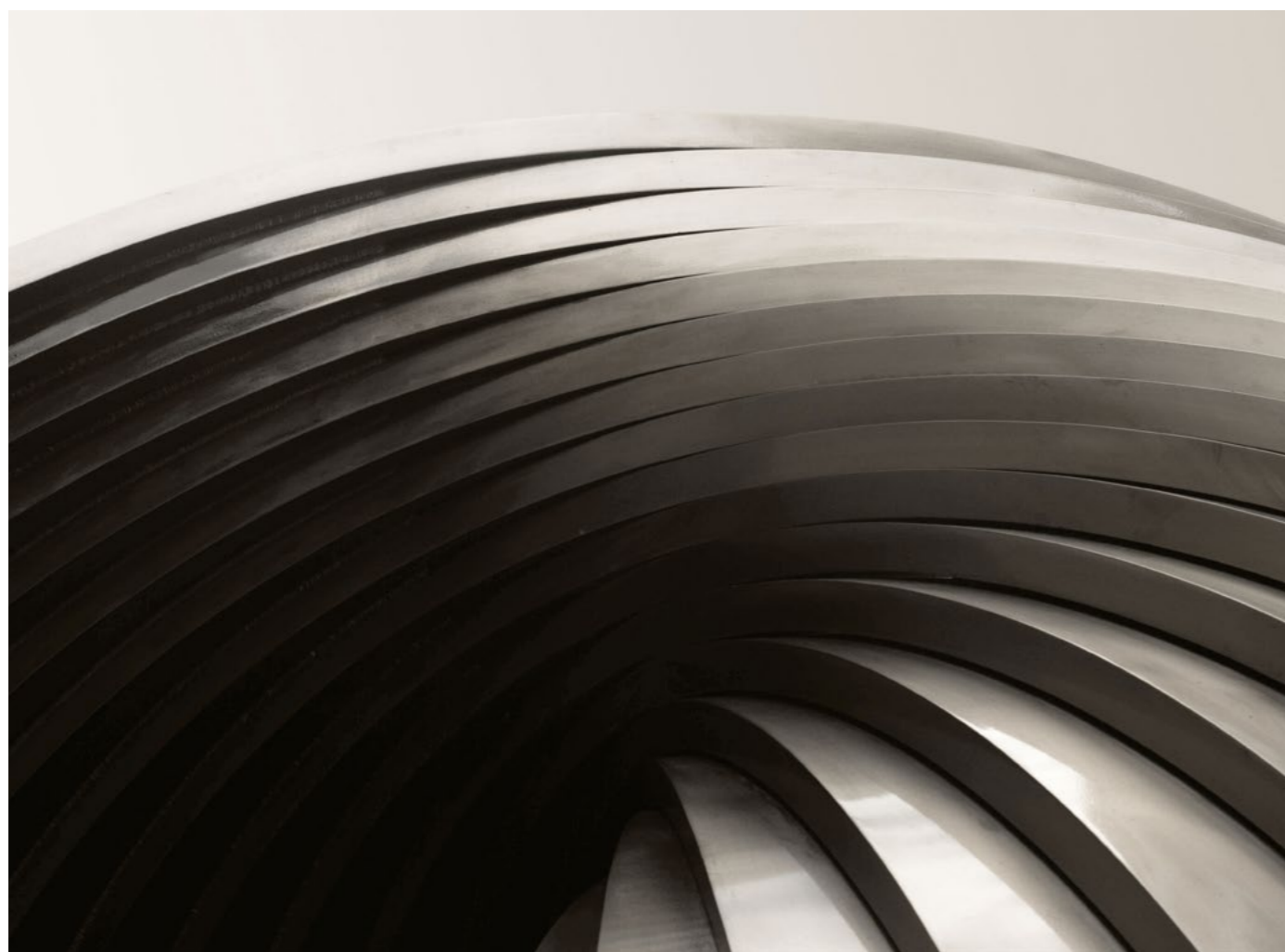
GRAWE Banking Group was able to generate a very good result from ordinary activities of EUR 66.9 million.

→ Eligible capital at Group level reached EUR 762.2 million at the end of the year and increased by EUR 85.1 million to EUR 677.1 million compared to 2020. The total capital ratio, i.e. the ratio of eligible capital to total risk, was 16.0 per cent at

the end of the year and has therefore not changed compared to 2020. The cost-income ratio, i.e. the ratio of operating expenses to operating income, was 64.5 per cent in the past year and also remains unchanged compared to 2020.

→ Consolidated income statement

in EUR '000	2021	2020	Divergence in %	Divergence absolute
1. Interest and similar income including from fixed-interest securities and postal giro offices	99,380	93,666	6%	5,714
2. Interest payable and similar expenses	-7,354	-8,246	-11%	892
I. NET INTEREST INCOME	92,026	85,420	8%	6,606
3. Income from securities and equity investments	1,560	1,720	-9%	-160
a. Income from shares, other equity interests, and variable-yield securities	2,829	3,109		
b. Income from equity investments	-1,569	-1,689		
c. Income from shares in affiliated companies	300	300		
4. Commissions receivable	164,926	128,255	29%	36,671
5. Commissions payable	-78,887	-55,371	42%	-23,516
6. Net profit or net loss on financial operations	12,303	8,746	41%	3,557
7. Other operating income	13,928	17,192	-19%	-3,264
II. OPERATING INCOME	205,856	185,962	11%	19,894
8. General and administrative expenses	-115,539	-104,700	10%	-10,839
a. Personnel expenses	-72,494	-70,103		
aa. Wages and salaries	-58,334	-54,625		
ab. Expenses for statutory social security contributions and payroll-related taxes and statutory contributions	-12,314	-11,530		
ac. Other social security expenses	-1,342	-1,107		
ad. Expenses for pensions and and employee benefit costs	-703	-1,320		
ae. Allocation/reversal of pension provisions	288	-96		
af. Expenses for severance payments and contributions to occupational pension funds for employees	-89	-1,425		
b. Other expenses (administrative expenses)	-43,045	-34,597		
9. Value adjustments on the assets listed under asset items 9 and 10	-6,367	-6,392	0%	25
10. Other operating expenses	-10,879	-8,815	23%	-2,064
III. OPERATING EXPENSES	-132,785	-119,907	11%	-12,878
IV. OPERATING PROFIT	73,071	66,055	11%	7,016
11. Balance from value adjustments on receivables and allocation to reserves for contingent liabilities and for credit risks as well as revenue from the reversal of value adjustments on receivables and from reserves for contingent liabilities	-1,319	-22,251	-94%	20,932
12. Balance from value adjustments on investments and shares in affiliated companies as well as revenue from value adjustments on receivables valued as financial assets	-4,835	22,886	-121%	-27,721
V. RESULTS FROM ORDINARY ACTIVITIES	66,917	66,690	0%	227
13. Income tax	-12,537	-15,558	-19%	3,021
14. Other taxes not reported under item 13	-1,046	-716	46%	-330
VI. CONSOLIDATED ANNUAL PROFIT before minority interests	53,334	50,416	6%	2,918
15. Minority interests in the consolidated annual profit	-3	2	-234%	-5
VII. CONSOLIDATED ANNUAL PROFIT after minority interests	53,337	50,414	6%	2,923



Outlook GRAWE Banking Group

We want to be a stable partner for our customers, particularly in challenging times.

→ GRAWE Banking Group was able to generate a very good result in 2021 with results from ordinary activities of EUR 66.9 million. For our institutions, the year was marked by the merger of Bankhaus Schelhammer & Schattera with Capital Bank, the economic upswing despite partial COVID-19 restrictions, and the increased customer interest in investment products in view of the ECB's zero interest rate policy. These dynamics enabled us to achieve good results in all institutions.

We are assuming strong customer growth for DADAT for the 2022 financial year. DADAT will work at full pace on the further development of the services and applications offered and try to maintain or further expand its innovation leadership in Austria. Due to the major interest shown in our online asset management, a further development is planned for the first quarter of 2022. In addition to the basic investment of at least EUR 10,000, there will also be a savings option in online asset management in the future.

The market of B2B fund platforms is still in a state of flux. Some suppliers have already withdrawn from the market. The area of "Die Plattform" has succeeded in taking an active role in this ongoing consolidation phase. We are convinced that we will also be able to benefit from inorganic growth in 2022 and further increase the number of deposits as well as our market leadership.

Following the completion of various projects in the past few years which have had a strong

influence on the corporate structure of GRAWE Banking Group, a strategic consolidation is planned for the coming financial year. This involves in particular optimisation of internal structures and processes and adaptation of these to the requirements of the Banking Group for the benefit of our customers.

The topic of sustainability is also of particular importance within the banking group. In addition to expanding resources, cooperation with external specialists is also conceivable in order to implement the regulatory requirements. In particular, work will be carried out throughout GRAWE Banking Group in 2022 on establishing sustainability indicators in accordance with the EU Taxonomy Regulation.

From an operational point of view, Bank Burgenland was able to continue the successful development of recent years. This positive trend is expected to continue in 2022 by maintaining the current business and risk strategy. The coming year will thus be characterised by continuing a risk- and margin-adequate business policy in financing and achieving ambitious targets in net commission income, with a dependency on developments in the capital markets and the economic area in which Bank Burgenland operates.

Provided that no fundamental, macroeconomic distortions occur, we assume that there is a stable outlook for 2022 in view of the firm position and the long-term orientation of Bank Burgenland's business model and that of the entire GRAWE Banking Group.

→ Assets

Assets	31 Dec. 2021		31 Dec. 2020		Divergence	
	EUR '000	EUR '000	EUR '000	EUR '000	in %	absolute in EUR '000
1. Cash in hand, balances with central banks and postal giro offices		507,056	646,080	646,080	-22%	-139,024
2. Public-sector debt instruments and bills of exchange for refinancing at the central bank	102,491	102,491	97,073	97,073	6%	5,418
a) Public-sector debt instruments and similar securities						
3. Loans and advances to banks						
a) Repayable on demand	10,887		21,731			
b) Other loans and advances	84,422	95,309	84,603	106,334	-10%	-11,025
4. Loans and advances to customers		3,286,701		3,127,557	5%	159,144
5. Bonds and other fixed-interest securities						
a) From public issuers	4,581		4,593			
b) Issued by other borrowers	128,158	132,739	154,567	159,160	-17%	-26,421
6. Shares and other variable-yield securities		31,661		39,682	-20%	-8,021
7. Equity investments including in banks	660	1,058	660	1,058	0%	0
8. Shares in affiliated companies including in banks	294,923	295,541	154,779	232,228	27%	63,313
9. Intangible fixed assets		11		74	-85%	-63
10. Property and equipment including land and buildings used by the bank in the course of its own operations		21,788		22,346	-2%	-558
	17,467		17,884			
11. Other assets		45,403		46,875	-3%	-1,472
12. Prepaid expenses		1,756		1,706	3%	50
13. Deferred tax assets		17,997		14,273	26%	3,724
TOTAL ASSETS		4,539,511		4,494,446	1%	45,065
Off-balance sheet items						
1. Foreign assets		574,318		538,014	7%	36,304

→ Comments on the statement of financial position

Investments in securities serve to diversify and optimise earnings. As at year-end 2021, the nostro volume amounted to EUR 324.8 million, which represents a reduction of 8.9 per cent compared to the previous year's value of EUR 356.7 million.

Loans and advances to banks as at 31 December 2021 were EUR 966.4 million compared to EUR 1,077.4 million in 2020. At the end of the year, liabilities evidenced by certificates amounted to EUR 777.0 million compared to EUR 677.9 million in the previous year. The increase is largely due to issues in the senior bond segment.

Despite the persistently low interest rate level, the volume of savings deposits was again expanded from EUR 645.8 million in the 2020 financial year to EUR 686.7 million in the reporting year. The total position of deposits from customers increased by 1.7 per cent compared to the previous year from EUR 2,076.7 million to EUR 2,111.1 million.

Derivative transactions are primarily concluded to hedge underlying transactions by forming valuation units. On the assets side, customer transactions and securities positions, and on the liabilities side, liabilities to customers (non-banks)

and own issues are hedged by interest rate, currency, equity and other instruments. Market value limits per counterparty are defined for all derivative transactions as part of the treasury limit system. These apply to all types of derivative transactions, with netting between positive and negative market values when determining the default risk, and this is reduced to a minimum through cash collateral agreements with the partners.

Tier 1 capital reached EUR 565.8 million at the end of the year (previous year: EUR 547.6 million). As at 31 December 2021, the Tier 1 capital ratio, i.e. the ratio of Tier 1 capital to total risk in accordance with the CRR, was 18.9 per cent. This was 19.1 per cent in the previous year.

The cost-income ratio, i.e. the ratio of operating expenses to operating income, was 53.6 per cent at year-end (2020: 51.3 per cent). The operating profit margin, i.e. the ratio of operating profit to average total assets, was 1.0 per cent in 2021 compared to 1.1 per cent in 2020.

→ Equity and liabilities

Equity and liabilities	31 Dec. 2021		31 Dec. 2020		Divergence	
	EUR '000	EUR '000	EUR '000	EUR '000	in %	absolute in EUR '000
1. Liabilities to credit institutions and postal giro offices						
a. repayable on demand	26,229		71,988			
b. with agreed maturity or notice period	940,212	966,441	1,005,422	1,077,410	-10%	-110,969
2. Deposits from customers						
a. Savings deposits	410,534		386,917			
aa. repayable on demand	276,122		258,924			
ab. with agreed maturity or notice period	686,656		645,841			
b. Other deposits	1,086,698		1,138,851			
ba. repayable on demand	337,772		292,046			
bb. with agreed maturity or notice periods	1,424,470	2,111,126	1,430,897	2,076,738	2%	34,388
3. Liabilities evidenced by certificates						
a. Bonds issued	0		0			
b. Other liabilities evidenced by certificates	776,9557	776,955	677,917	677,917	15%	99,038
4. Other liabilities		14,872		25,976	-43%	-11,104
5. Accruals and deferred income		825		921	-10%	-96
6. Provisions						
a. Provisions for severance payments	9,158		8,675			
b. Provisions for pensions	6,274		7,033			
c. Tax provisions	10,606		7,976			
d. Other provisions	38,468	64,506	32,738	56,422	14%	8,084
7. Supplementary capital pursuant to Part 2 Title I of EU Regulation no. 575/2013		10,233		10,233	0%	0
8. Subscribed capital		18,700		18,700	0%	0
9. Capital reserves						
a. Unappropriated reserves	232,990	232,990	232,990	232,990	0%	0
10. Retained earnings						
a. Statutory reserve	1,870		1,870			
b. Other reserves	20,184	22,054	20,184	22,054	0%	0
11. Liability reserve pursuant to section 57 (5) of the Austrian Banking Act		52,467		50,966	3%	1,501
12. Distributable profit of which profit carried forward	241,120	268,344	222,968	244,119	10%	24,225
TOTAL EQUITY AND LIABILITIES		4,539,511		4,494,446	1%	45,065
Off-balance sheet items						
1. Contingent liabilities						
a. Guarantees and assets pledged as collateral security	144,276	144,276	90,815	90,815	59%	53,461
2. Commitments		420,150		428,317	-2%	-8,167
3. Liabilities from trust transactions		7,144		5,222	37%	1,922
4. Eligible capital according to Part 2 of Regulation (EU) No 575/2013		575,854		557,816	3%	18,038
Supplementary capital according to Part 2 Title I Chapter 4 of Regulation (EU) No 575/2013		10,071		10,233	-2%	-162
5. Capital requirements pursuant to 92 (1a-c) of EU Regulation no. 575/2013						
Capital requirements pursuant to Article 92 (1) (a) to (c) of Regulation (EU) No. 575/2013:		2,995,908		2,864,642	5%	131,266
a. Common Equity Tier 1 capital ratio		18.9%		19.1%		-0.19
b. Tier 1 capital ratio		18.9%		19.1%		-0.19
c. Total capital ratio		19.2%		19.5%		-0.19
6. Foreign liabilities		137,295		178,169	-23%	-40,874

Income Statement Individual Bank Burgenland

Income statement	2021		2020		Divergence	
	EUR '000	EUR '000	EUR '000	EUR '000	in %	absolute in EUR '000
1. Interest and similar income including from fixed-interest securities	4,189	66,862	5,461	63,589	5%	3,273
2. Interest payable and similar expenses		-6,914		-7,671	-10%	757
I. NET INTEREST INCOME		59,947		55,918	7%	4,029
3. Income from securities and equity investments		6,253		12,213	-49%	-5,960
a. Income from shares, other equity interests, and variable-yield securities	662		809			
b. Income from equity investments	41		104			
c. Income from shares in affiliated companies	5,550		11,300			
4. Commissions receivable		20,584		17,153	20%	3,431
5. Commissions payable		-2,698		-1,864	45%	-834
6. Net profit or net loss on financial operations		8,230		6,290	31%	1,940
7. Other operating income		8,960		3,601	149%	5,359
II. OPERATING INCOME		101,276		93,311	9%	7,965
8. General and administrative expenses						
a. Personnel expenses						
aa. Wages and salaries	-21,090		-20,556			
ab. Expenses for statutory social security contributions and payroll-related taxes and statutory contributions	-5,142		-5,149			
ac) Other social security expenses	-472		-441			
ad. Expenses for pensions and employee benefit costs	-334		-768			
ae. Release of pension provision	382		108			
af. Expenses for severance payments and contributions to occupational pension funds for employees	264		-523			
	-26,392		-27,329			
b. Other expenses (administrative expenses)	-22,160		-16,443			
		-48,552		-43,772	11%	-4,780
9. Value adjustments on the assets listed under asset items 9 and 10		-1,367		-1,210	13%	-157
10. Other operating expenses		-4,319		-2,956	46%	-1,363
III. OPERATING EXPENSES		-54,238		-47,938	13%	-6,300
IV. OPERATING PROFIT		47,038		45,373	4%	1,665
11./12. Balance from the sale and the valuation of loans and securities and provisions for contingent liabilities		-14,246		-18,141	-21%	3,895
13./14. Balance from the sale and the valuation of transferable securities valued as financial assets, participating interests and shares in affiliated undertakings		310		728	-57%	-419
V. RESULT FROM ORDINARY ACTIVITIES		33,102		27,960	18%	5,142
15. Taxes on income		-3,590		-4,340	-17%	750
16. Other taxes not reported under item 15		-788		-619	27%	-169
VI. PROFIT OR LOSS FOR THE YEAR		28,724		23,001	25%	5,723
17. Changes in reserves including allocation to the liability reserve and release of the liability reserve	-1,500 0	-1,500	-1,850 0	-1,850	-19%	350
VII. NET INCOME FOR THE YEAR		27,224		21,151	29%	6,073
18. Profit or loss brought forward		241,120		222,968	8%	18,152
VIII. NET PROFIT OR LOSS FOR THE YEAR		268,344		244,119	10%	24,225

Outlook Bank Burgenland

The ECB will reassess its policy of cheap money in view of the high inflation rates. Bank Burgenland

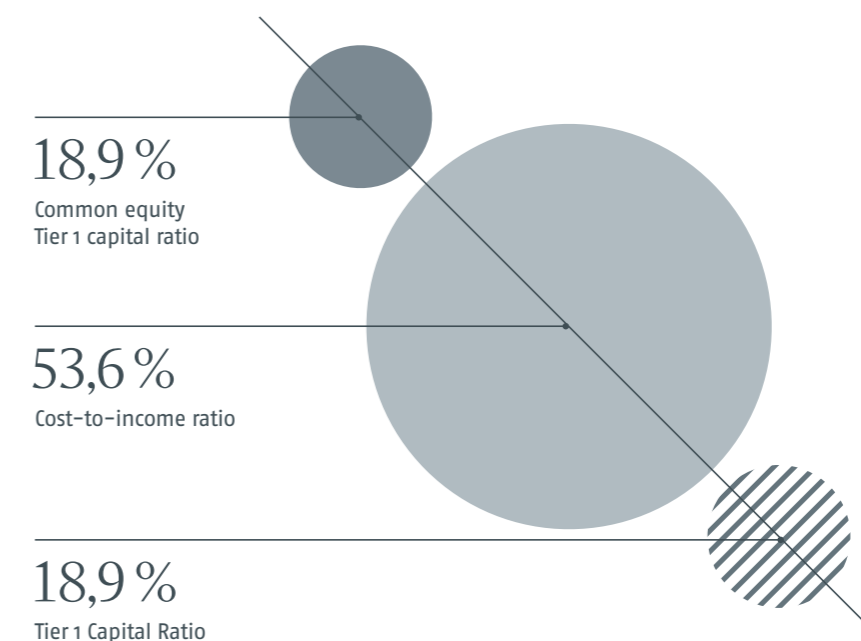
is well prepared for this due to a conservative and disciplined credit risk analysis.



Capital and
success ratios

Status:
year-end 2021

Bank Burgenland can also report a
stable Tier 1 capital ratio and a healthy
Tier 1 capital ratio to total risk in 2021.



Sooner or later the ECB will also have to reassess the policy of cheap money against the current background of rising inflation figures. Due to our conservative planning, our disciplined approach to credit risk analysis and our prudent risk policy, we are convinced that Bank Burgenland's Banking Group is well prepared for this scenario.

The Hungarian subsidiary Sopron Bank was sold in the first quarter of 2022. However, this does not mean a complete withdrawal from the Hungarian market. In particular, the real estate and project financing segment, in which Sopron Bank has been very successful, is still considered attractive and the intention is to continue this by means of an EU branch of Bank Burgenland in Hungary. Additionally a portfolio transfer of the real estate and project financing segment is planned. A project is currently underway to establish this EU branch in Hungary, with the operational start targeted for mid-2022.

In addition to improving internal processes and modernising our range of services for our customers, positioning Bank Burgenland as an outsourcing partner for third-party banks is an essential strategic cornerstone. There is an agreement with bank99 AG under which extensive banking services are provided for bank99 AG by GRAWE Banking Group (in particular via the Group company GBG Service GmbH). Further cooperation agreements were entered into in 2021, and the bank plans to further broaden this business segment during the 2022 financial year.

The general renovation of the central building of Bank Burgenland in Neusiedler Straße in Eisenstadt is now followed by the comprehensive renovation of the office premises in Joseph-Haydn-Gasse in Eisenstadt. A modern working environment is being created here that will provide space for over 70 employees across approx. 1,070 square metres of floor space. The ecological focus is placed in particular on the issue of heating and thermal insulation. The redevelopment is scheduled to be completed over the course of 2022.

Statement of financial position

of Schelhammer Capital

→ Assets

Assets	31 Dec. 2021		31 December 2020 *		Divergence	
	EUR '000	EUR '000	EUR '000	EUR '000	in %	absolute in EUR '000
1. Cash in hand, balances with central banks and postal giro offices		432,383		279,036	55%	153,347
2. Public-sector debt instruments and bills of exchange for refinancing at the central bank		60,966		52,994	15%	7,972
a) Public-sector debt instruments and similar securities	60,966		52,994			
3. Loans and advances to banks		533,214		604,585	-12%	
a) Repayable on demand	62,030		98,525			
b) Other loans and advances	471,183		506,060			-71,371
4. Loans and advances to customers		944,641		869,849	9%	74,792
5. Bonds and other fixed-interest securities		101,266		116,043	-13%	-14,777
a) From public issuers	1,380		1,431			
b) Issued by other borrowers	99,886		114,612			
6. Shares and other variable-yield securities		99,031		104,954	-6%	-5,923
7. Equity investments including in banks	13,454	22,163	11,854	20,576	8%	1,587
8. Shares in affiliated companies including in banks	10,901	25,787	10,901	25,811	0%	-23
9. Intangible fixed assets		456		474	-4%	-18
10. Property and equipment including land and buildings used by the bank in the course of its own operations	4,705	14,535	4,817	13,128	11%	1,407
11. Other assets		149,491		139,864	7%	9,627
12. Prepaid expenses		872		948	-8%	-77
13. Deferred tax assets		23,772		21,904	9%	1,868
TOTAL ASSETS		2,408,578		2,250,166	7%	158,412
Off-balance sheet items						
1. Foreign assets		544,830		491,829	11%	53,001

* For comparability purposes, combined and consolidated comparative figures based on the audit reports as at 31 December 2020 of Bankhaus Schelhammer & Schattera AG and Capital Bank – GRAWE Gruppe AG (see Appendix III to the Notes for reconciliation).

→ With respect to the key figures in the statement of financial position, it should be noted that the merger of Bankhaus Schelhammer & Schattera and Capital Bank took place in September 2021. The statements of financial position and income statements of the institutions were consolidated retrospectively and provide full information. For comparability purposes, combined and consolidated comparative figures based on the audit reports as at 31 December 2020 of Bankhaus Schelhammer & Schattera AG and Capital Bank – GRAWE Gruppe AG were used.

Due to its business model as an asset manager, Schelhammer Capital focuses on generating commission income in the securities area. At the same time, good performance in the financing sector is generating significant interest income and thus diversifying the income side. The bank's long-term goal is to generate risk-adequate returns in the interest of the owner and thus to further increase the profitability of the company.



Statement of financial position

of Schelhammer Capital

→ Equity and liabilities

Equity and liabilities	31 Dec. 2021		31 December 2020 *		Divergence	
	EUR '000	EUR '000	EUR '000	EUR '000	in %	absolute in EUR '000
1. Liabilities to credit institutions and postal giro offices		151,789		101,578	49%	50,211
a. Repayable on demand	9,983		8,329			
b. With agreed maturity or notice period	141,806		93,249			
2. Deposits from customers		1,576,648		1,499,745	5%	76,904
a. Savings deposits	109,616		128,785			
aa. repayable on demand	75,902		82,084			
ab. with agreed maturity or notice period	33,715		46,700			
b. Other deposits	1,467,032		1,370,960			
ba. repayable on demand	1,366,583		1,274,805			
bb. with agreed maturity or notice period	100,449		96,155			
3. Liabilities evidenced by certificates		244,606		221,289	11%	23,317
Other liabilities evidenced by certificates	244,606		221,289			
4. Other liabilities		51,523		41,976	23%	9,547
5. Accruals and deferred income		1,362		1,126	21%	237
6. Provisions		47,971		53,864	-11%	-5,892
a. Provisions for severance payments	9,495		11,538			
b. Provisions for pensions	1,158		1,064			
c. Tax provisions	0		7,960			
d. Other provisions	37,318		33,302			
6a. Fund for general banking risks		16,570		16,570	0%	0
7. Supplementary capital		2,000		2,000	0%	0
8. Subscribed capital		50,000		50,000	0%	0
9. Capital reserves		65,916		65,916	0%	0
a. Appropriated reserves	35,083		35,083			
b. Unappropriated reserves	30,833		30,833			
10. Retained earnings		64,425		64,425	0%	0
a. Statutory reserves	6,505		57,920			
b. Other reserves	57,920					
11. Liability reserve pursuant to section 57 (5) of the Austrian Banking Act		20,597		20,597	0%	0
12. Distributable profit		115,170		111,081	4%	4,089
a. Profit carried forward	99,4452		77,065			
b. Net profit for the year	15,724		34,016			
TOTAL EQUITY AND LIABILITIES		2,408,578		2,250,166	7%	158,412
Off-balance sheet items						
1. Contingent liabilities						
Liabilities from guarantees and liabilities from the provision of collateral		14,058		21,245	-34%	-7,187
2. Commitments		189,830		124,060	53%	65,769
3. Liabilities from trust transactions		30,705		29,092	6%	1,613
4. Eligible capital according to Part 2 of Regulation (EU) No 575/2013		318,490		299,780	6%	18,710
Supplementary capital according to Part 2 Title I Chapter 4 of Regulation (EU) No 575/2013		2,773		5,866	-53%	-3,093
5. Capital requirements pursuant to 92 (1a-c) of EU Regulation no. 575/2013		1,358,252		1,410,988	-4%	-52,736
Capital requirements pursuant to Article 92 (1) (a) to (c) of Regulation (EU) No. 575/2013:						
a. Common Equity Tier 1 capital ratio		23.24%		20.8%	12%	2.41%
b. Tier 1 capital ratio		23.24%		20.8%	12%	2.41%
c. Total capital ratio		23.45%		21.3%	10%	2.20%
6. Foreign liabilities		88,353		114,073	-23%	-25,720

* For comparability purposes, combined and consolidated comparative figures based on the audit reports as at 31 December 2020 of Bankhaus Schelhammer & Schattera AG and Capital Bank – GRAWE Gruppe AG (see Appendix III to the Notes for reconciliation).

Income statement

Schelhammer Capital

Income statement	2021		2020 *		Divergence	
	EUR '000	EUR '000	EUR '000	EUR '000	in %	absolute in EUR '000
1. Interest and similar income including from fixed-interest securities	2,075	23,103	2,542	21,995	5%	1,107
2. Interest payable and similar expenses		-519		-1,040	-50%	520
I. NET INTEREST INCOME		22,583		20,956	8%	1,628
3. Income from securities and equity investments		4,884		6,189	-21%	-1,305
a. Income from shares, other equity interests, and variable-yield securities	1,337		1,489			
b. Income from equity investments	2,115		3,400			
c. Income from shares in affiliated companies	1,432		1,300			
4. Commissions receivable		106,936		79,044	35%	27,892
5. Commissions payable		-58,151		-39,154	49%	-18,997
6. Net profit or net loss on financial operations		1,460		2,083	-30%	-6,239
7. Other operating income		1,914		10,489	-82%	-8,575
II. OPERATING INCOME		79,627		79,607	0%	19
8. General and administrative expenses		-55,464		-50,190	11%	-5,274
a. Personnel expenses	-23,794		-28,174			
aa. Wages and salaries	-19,532		-22,275			
ab. Expenses for statutory social security contributions and payroll-related taxes and statutory contributions	-3,159		-4,030			
ac) Other social security expenses	-355		-321			
ad. Expenses for pensions and employee benefit costs	-363		-460			
ae. Allocation to pension provisions	-95		-197			
af. Expenses for severance payments and contributions to occupational pension funds for employees	-290		-891			
b. Other expenses (administrative expenses)	-31,670		-22,016			
9. Value adjustments on the assets listed under asset items 9 and 10		-1,478		-1,621	-9%	143
10. Other operating expenses		-2,348		-1,396	68%	-953
III. OPERATING EXPENSES		-59,290		-53,207	11%	-6,084
IV. OPERATING PROFIT		20,336		26,401	-23%	-6,064
11./12. Balance from the sale and the valuation of loans and securities and provisions for contingent liabilities		13,704		-2,393	-673%	16,097
13./14. Balance from the sale and the valuation of transferable securities valued as financial assets, participating interests and shares in affiliated undertakings		-12,640		18,517	-168%	-31,156
V. PROFIT FROM ORDINARY ACTIVITIES		21,401		42,525	-50%	-21,124
15. Taxes on income		-5,442		-8,396	-35%	2,954
16. Other taxes not reported under item 15		-235		-73	221%	-162
VI. PROFIT OR LOSS FOR THE YEAR		15,724		34,056	-54%	-18,332
17. Change in reserves including allocation to the liability reserve and release of the liability reserve	0	0	-40	-40	-100%	40
	0		0			
VII. NET PROFIT FOR THE YEAR		15,724		34,016	-54%	-18,292
18. Profit or loss brought forward		99,445		77,065	29%	22,380
VIII. NET PROFIT OR LOSS FOR THE YEAR		115,170		111,081	4%	4,089

* For comparability purposes, combined and consolidated comparative figures based on the audit reports as at 31 December 2020 of Bankhaus Schelhammer & Schattera AG and Capital Bank – GRAWE Gruppe AG (see Appendix III to the Notes for reconciliation).

Statement of financial position Schelhammer Capital

→ Comments on the statement of financial position

The positive effects of the merger were already visible in Q4 2021.

→ Schelhammer Capital achieved results from ordinary activities of EUR 21.4 million in the 2021 financial year, which is around EUR 21.1 million below the previous year's level of EUR 42.5 million. This decline in earnings is due to one-off effects on the income side in the 2020 financial year. The income side was developed significantly in the reporting year. At EUR 50.2 million, the commission and financial result is significantly higher than the previous year by around 19.7 per cent. The growth in lending volume is also reflected in net interest income, which increased from EUR 21.0 million to EUR 22.6 million.

While personnel expenses fell significantly from EUR 28.2 million to EUR 23.8 million, operating expenses

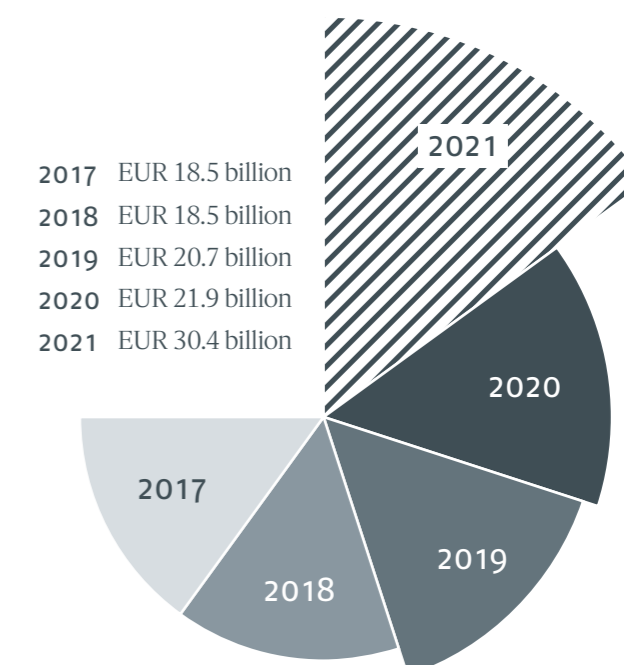
rose substantially by EUR 9.7 million to EUR 31.7 million over the course of the year. The decrease in personnel expenses resulted from the transfer of numerous employees from Schelhammer Capital to staff and service areas of the Group. They continue to provide services for Schelhammer Capital under outsourcing agreements. The remuneration for these services led to a corresponding increase in operating expenses.

Schelhammer Capital generated an operating result of EUR 20.3 million in 2021. This corresponds with a decrease of 23.0 per cent compared with the operating result of EUR 26.4 million from 2020. The cost-to-income ratio changed from 66.8 per cent to 74.5 per cent on the previous year.

Outlook Schelhammer Capital

→ The development of the assets under management of Schelhammer Capital since 2017

→ The repositioning of Schelhammer Capital as the most powerful private bank in Austria in the course of the merger triggered a noticeable dynamic. Strength represents an attractive force, both for customers and employees. The positive effects of this attractive force were already clearly visible in the fourth quarter of 2021. The positioning of the Schelhammer Capital brand will be further strengthened in the coming year, in particular through active brand communication and tailored marketing activities. Against this backdrop, Schelhammer Capital's clear objective is to further expand its business volume in order to compensate for negative effects from declining margins and rising regulatory costs. On the cost side, significant potential for expense reductions was identified in the course of the merger. The realisation of all defined cost targets will be consistently pursued in 2022 and should be fully completed by the end of 2023.



The assets under management invested have increased by almost 65 per cent since 2017.



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 Supervisory authority: Financial Market Authority
 Legal form: Aktiengesellschaft (public limited company)
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