

## REPORT REVIEW

# Hypo-Bank Burgenland Impact & Allocation Report

4 September 2025

## VERIFICATION PARAMETERS

### Type(s) of reporting

- Green Bond Allocation and Impact Reporting

### Relevant standard(s)

- Harmonised Framework for Impact Reporting, ICMA, June 2024
- Hypo-Bank Burgenland's Impact & Allocation Report (as of September 3, 2025)
- Hypo-Bank Burgenland's Green Bond Framework (as of November 6, 2024)

### Scope of verification

- Bond(s) identification:

Issue date	ISIN	Maturity date	Amount raised (EUR)
Jan. 30, 2025	AT0000A3HSE3	Jan. 30, 2031	10M
Apr. 22, 2025	AT0000A3L722	Apr. 22, 2032	11.5M

### Lifecycle

- Post-issuance verification
- First year of reporting on Green Bonds

### Validity

- As long as no changes are undertaken by the Issuer to its Impact & Allocation Report (as of September 3, 2025)

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## SCOPE OF WORK

Hypo-Bank Burgenland ("the Issuer" or "Bank Burgenland") commissioned ISS-Corporate to provide a Report Review<sup>1</sup> on its Impact & Allocation Report by assessing:

- The alignment of Hypo-Bank Burgenland's Impact & Allocation Report (as of September 3, 2025) with the commitments set forth in Hypo-Bank Burgenland's Green Bond Framework (as of November 6, 2024).<sup>2</sup>
- Hypo-Bank Burgenland's Impact & Allocation Report, benchmarked against the Harmonised Framework for Impact Reporting (HFIR).
- The disclosure of proceeds allocation and soundness of reporting indicators — whether the impact metrics align with best market practices and are relevant to the Green Bonds issued.

## HYPO-BANK BURGENLAND OVERVIEW

Hypo-Bank Burgenland AG operates as a regional universal bank for private and corporate customers in the Austrian federal states of Burgenland and Carinthia and in the two metropolitan areas of Vienna and Graz. As the central institution of the GRAWE Banking Group, Bank Burgenland concentrates on core areas: providing advice and support for corporate, private and business customers, as well as real estate and project financing. The bank is a wholly owned subsidiary of the independent Grazer Wechselseitige Versicherung AG (GRAWE). In addition to Bank Burgenland, the GRAWE Banking Group includes Schelhammer Capital Bank AG together with the online banking brand DADAT, HYPO-BANK BURGENLAND AG Zweigniederlassung Ungarn, BB Leasing GmbH, GBG Service GmbH, GBG Beteiligungen GmbH, Security KAG, BK Immo GmbH and GBG Private Markets GmbH. The company was founded in 1928 and is headquartered in Eisenstadt, Austria

<sup>1</sup> A limited or reasonable assurance is not provided on the information presented in Bank Burgenland's Impact & Allocation Report. A review of the use of proceeds allocation and impact reporting is solely conducted against ICMA's Standards (Green Bond) core principles and recommendations where applicable, and the criteria outlined in the underlying Framework. The assessment is solely based on the information provided in the allocation and impact reporting. The Issuer is responsible for the preparation of the report including the application of methods and internal control procedures designed to ensure that the subject matter is free from material misstatement.

<sup>2</sup> The Framework was assessed as aligned with the Green Bond Principles as of November 28, 2024.

## ASSESSMENT SUMMARY

REVIEW SECTION	SUMMARY	EVALUATION
<b>Part I</b>  <b>Alignment with the Issuer's commitments set forth in the Framework</b>	<p>Hypo-Bank Burgenland's Impact &amp; Allocation Report meets the commitments set forth in its Green Bond Framework.</p>	<b>Aligned</b>
<b>Part II</b>  <b>Alignment with the HFIR</b>	<p>The Impact &amp; Allocation Report is in line with ICMA's HFIR. The Issuer follows core principles and, where applicable, recommendations.</p> <p>The Issuer has clearly demonstrated a formal internal process for the allocation of proceeds and the expected environmental impacts or outcomes.</p>	<b>Aligned</b>
<b>Part III</b>  <b>Disclosure of proceeds allocation and soundness of reporting indicators</b>	<p>The allocation of the bond's proceeds has been disclosed, with a detailed breakdown across different eligible project categories as proposed in the Framework.<sup>3</sup></p> <p>Hypo-Bank Burgenland's Impact &amp; Allocation Report has adopted an appropriate methodology to report the outcome and impact generated by providing comprehensive disclosure on data sourcing, calculation methodologies and granularity, reflecting best market practices.</p>	<b>Positive</b>

<sup>3</sup> The assessment is based on the information provided in the Issuer's report. The Issuer is responsible for the preparation of the report, including the application of methods and procedures designed to ensure that the subject matter is free from material misstatement.

## REPORT REVIEW ASSESSMENT

### PART I: ALIGNMENT WITH COMMITMENTS SET FORTH IN THE GREEN BOND FRAMEWORK<sup>4</sup>

The following table evaluates the Impact & Allocation Report against the commitments set forth in Hypo-Bank Burgenland's Framework, which are based on the core requirements of the Green Bond Principles (GBP) and best market practices.

GBP	OPINION	ALIGNMENT WITH COMMITMENT
<b>Process for project evaluation and selection</b>	<p>Hypo-Bank Burgenland confirms to follow the process for project evaluation and selection described in Hypo-Bank Burgenland's Green Bond Framework. The Issuer applied the eligibility criteria set in the Framework to determine whether projects fit within the defined categories.</p> <p>ESG risks associated with the project categories are identified and managed appropriately.</p>	✓
<b>Management of proceeds</b>	<p>Hypo-Bank Burgenland confirms to follow the management of proceeds described in Hypo-Bank Burgenland's Green Bond Framework.</p> <p>The proceeds collected are allocated to eligible projects, with no exceptions. The proceeds are tracked appropriately and attested in a formal internal process.</p>	✓
<b>Reporting</b>	<p>The report is in line with the initial commitments set in Hypo-Bank Burgenland's Green Bond Framework.</p> <p><i>Further analysis of this section is available in Part III.</i></p>	✓

<sup>4</sup> Bank Burgenland's Green Bond Framework was assessed as aligned with the GBP as of November 28, 2024.

## PART II: ASSESSMENT AGAINST THE HARMONISED FRAMEWORK FOR IMPACT REPORTING

Reporting is a core component of the Green Bond Principles, and transparency is of particular value in communicating the expected and/or achieved impact of projects in the form of annual reporting. Green bond issuers are required to report on both the use of green bond proceeds and the environmental impacts at least annually until full allocation or maturity of the bond. The HFIR has been chosen as the benchmark for this analysis as it represents the most widely adopted standard.

The table below evaluates Hypo-Bank Burgenland's Impact & Allocation Report against the HFIR.

CORE PRINCIPLES		
HFIR	IMPACT & ALLOCATION REPORT	ASSESSMENT
Report on an annual basis	As reporting is a core component of the GBP, Hypo-Bank Burgenland reported within one year of issuance. The report will be available on Hypo-Bank Burgenland's <a href="#">website</a> .	✓
Formal internal process to allocate proceeds	<p>All proceeds allocated to green projects as of the Impact &amp; Allocation Report date have only been allocated to projects that meet the Framework's eligibility criteria.</p> <p>The Issuer confirms that the verification of green project eligibility for proceeds allocation is integrated into the regular lending operations.</p> <p>The Issuer describes its approach to determining proceeds allocation eligibility in the Impact &amp; Allocation Report.</p>	✓
Transparency on the currency	Allocated proceeds have been reported in a single currency (EUR).	✓
ESG risk management	The Issuer has a system to identify and manage ESG risks connected to the financed projects. Negative effects of projects are disclosed in the <a href="#">annual financial report</a> .	✓

Illustrate the expected environmental impacts or outcomes	<p>The impact report illustrates the expected environmental impacts and outcomes made possible by projects to which green bond proceeds have been allocated. It is based on ex-ante estimates (developed prior to project implementation) of expected annual results for a representative year once a project is completed and operating at normal capacity. The method of estimating the impacts is made transparent.</p> <p>The estimation method was assessed by an external verifier as aligned with best standards and practices for the banking sector.</p> <p>More information can be found in Part III.</p>	✓
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## RECOMMENDATIONS

HFIR	IMPACT & ALLOCATION REPORT	ASSESSMENT
Report at project or portfolio level	Reporting was conducted on a green portfolio, whereby proceeds from all of Hypo-Bank Burgenland's outstanding green bonds funded a portfolio of projects.	✓
Define and disclose period and process for including/removing projects in the report	<p>All of proceeds have been allocated to green assets. Only project financing disbursed and confirmed as eligible up to May 31, 2025, is included in the Impact &amp; Allocation Report</p> <p>As part of its due diligence, the Issuer monitors the projects included in its green bond program. The issuer has confirmed the process used to remove and add projects to the portfolio reported.</p>	✓
Signed amount and amount of green bond proceeds allocated to eligible disbursements	<p>Hypo-Bank Burgenland indicates the total signed amount and the amount of green bond proceeds allocated to eligible disbursements.</p> <p>Signed amount: EUR 108.5M</p> <p>Allocated amount: EUR 21.5M</p>	✓
Approach to impact reporting	The Issuer reports on the overall impacts of the portfolio prorated to the Issuer's share of financing and confirmed that the eligible projects	✓

	are co-financed with other financial institutions, where the Issuer played a catalytic role in financing.	
Report on at least a limited number of sector-specific core indicators	<p>To facilitate comparison and benchmarking of project results, Hypo-Bank Burgenland reports on sector-specific core indicators.</p> <p>The core indicators are:</p> <ul style="list-style-type: none"> <li>▪ Energy savings (MWh/year)</li> <li>▪ CO<sub>2</sub> savings (t CO<sub>2</sub>/year)</li> </ul>	✓
Disclose own methodologies, where there is no single commonly used standard	<p>Where there is no single commonly used standard, the Issuer discloses its own methodologies.</p> <p>To calculate the CO<sub>2</sub> emissions reductions resulting from energy efficiency improvements in buildings, energy demand for each building is interpolated using existing energy performance certificates. Energy savings are then computed by comparing building performance to reference values based on Austrian household energy consumption. These energy savings are converted to CO<sub>2</sub> savings using Austria's energy mix and emission factors from the Federal Environment Agency. Finally, Bank Burgenland's attributable CO<sub>2</sub> reduction is determined by multiplying the total CO<sub>2</sub> savings by its financing share.</p> <p>More information can be found in Part III.</p>	✓
Disclosure of the conversion approach	The disclosure on the conversion approach is not applicable to the Issuer	N/A
Projects with partial eligibility	The Issuer discloses that all projects are 100% eligible for financing.	N/A
Use (and disclosure) of the attribution approach	The impact from the portfolio is achieved by project categories that only have one project component. Therefore, the attribution approach is not applicable.	N/A



Ex-post verification of specific projects	The Issuer does not sample ex-post verification of specific projects.	N/A
Report the estimated lifetime results and/or project's economic life (in years)	To illustrate the impact of the project over its lifetime, the Issuer reports on the estimated project's economic life (in years).	✓

## OPINION

*Hypo-Bank Burgenland follows the HFIR's core principles and key recommendations. The Issuer provides transparency on the level and frequency of expected reporting, in line with best practices. The Hypo-Bank Burgenland has reported within the next fiscal year after issuance, illustrated the environmental impacts, and provided transparency on ESG risk management and transparency on the currency used.*

*Furthermore, the Issuer has reported on at least a limited number of sector-specific core indicators and transparently disclosed the impact indicator calculation methodologies where there is no single commonly-used standard.*

## PART III: DISCLOSURE OF PROCEEDS ALLOCATION AND SOUNDNESS OF THE OUTPUT/OUTCOME/IMPACT REPORTING INDICATORS

### Use of proceeds allocation

Use of proceeds allocation reporting contextualizes impacts by presenting the number of investments allocated to the respective use of proceeds categories.

Allocation reporting occurred within one year of issuance, after full allocation of the proceeds.

### Proceeds allocated to eligible projects/assets

The allocation of proceeds is reported at the portfolio level. The Issuer has provided details about the type of projects included in the portfolio.

The report does not include information about the projects removed from the portfolio. Nonetheless, the client has confirmed the reasons for these removals, which include factors such as loan eligibility concerns related to creditworthiness, terms, data quality, exclusions based on industry, or changes in valuation.

The allocation reporting section of Hypo-Bank Burgenland's Impact & Allocation Report aligns with best market practices by providing information on:

- The total amount of proceeds allocated (EUR)
- Breakdown of green pool allocation by property classification and energy classification
- Breakdown of green pool allocation by industry sector
- Breakdown of green pool allocation by geographic domestic regions

### Output, outcome and impact reporting indicators



The table below presents an independent assessment of the Issuer's report and disclosure on the output, outcome and/or impact of projects/assets using indicators.

ELEMENT	ASSESSMENT
<b>Relevance</b>	<p>The impact indicator chosen by the Issuer for this bond is the following:</p> <p>Energy Efficient New Buildings and Refurbishment</p> <ul style="list-style-type: none"> <li>▪ Energy savings (MWh/year)</li> <li>▪ CO<sub>2</sub> savings (t CO<sub>2</sub>/year)</li> </ul> <p>This indicator is quantitative and material to the use of proceeds categories financed through this bond and in line with the Suggested Impact Reporting metrics for Green Building and Energy Efficiency Projects by the HFIR. This aligns with best market practices.</p>
<b>Data sourcing and methodologies of quantitative assessment</b>	<p>To calculate the CO<sub>2</sub> emissions reductions resulting from energy efficiency improvements in buildings, energy demand for each building is interpolated using existing energy performance certificates, leveraging heating energy requirement based on local climate (HWBK) or primary energy requirement (PEBn.ern.).</p> <p>Energy savings are then calculated leveraging the following energy saving standards HWB-Savings bis 2020 (heating demand) and PEB-Savings ab 2021 (primary energy demand). These standards compare building performance to reference values based on Austrian household energy consumption.</p> <p>These energy savings are converted to CO<sub>2</sub> savings using Austria's emission factors from the Austrian Environment Agency (<a href="#">Umweltbundesamt</a>) and the Federal Ministry for Climate Action (<a href="#">BMK</a>). Finally, Bank Burgenland's attributable CO<sub>2</sub> reduction is determined by multiplying the total CO<sub>2</sub> savings by its financing share.</p>
<b>Baseline selection</b>	<p>There were two baselines used to compute CO<sub>2</sub> emissions reductions stemming from energy savings as a function of heating demand and primary energy demand. For the space heating demand baseline, HWB Referenzgebäude was used referencing building defined by Austrian building codes and energy performance standards prior to 2021. Whereas PEB Referenzgebäude (Primary Energy Demand Reference Building) uses a standardized model (referencing legally</p>

	compliant standard) to assess the energy performance of a real building based on the same geometry, orientation, and use as the actual building as a baseline comparison.
<b>Scale and granularity</b>	The impact data is presented at the use of proceeds portfolio level for the indicator(s).

### High-level mapping of the impact indicators with the U.N. Sustainable Development Goals

Based on the project categories financed and refinanced by the bonds as disclosed in the Issuer's Impact & Allocation Report, the impact indicator(s) adopted by Bank Burgenland for its Green Bonds can be mapped to the following SDGs, according to ISS ESG's SDG Solutions Assessment, a proprietary methodology designed to assess the impact of an Issuer's product or services on the U.N. SDGs.

IMPACT INDICATORS	SUSTAINABLE DEVELOPMENT GOALS
<b>Energy Savings (MWh/year)</b> <b>CO<sub>2</sub> Savings (t CO<sub>2</sub>/year)</b>	 

### OPINION

*The allocation of the bond's proceeds has been disclosed, with a detailed breakdown across different eligible project categories as proposed in the Framework. The Impact & Allocation Report has adopted an appropriate methodology to report the impact generated by providing comprehensive disclosure on data sourcing, calculation methodologies, and granularity, reflecting best market practices. In addition, the impact indicators used align with best market practices using the HFIR's recommended metrics.*

## DISCLAIMER

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## ANNEX 1: Methodology

### Review of the post-issuance reports

The ISS-Corporate Report Review provides an assessment of labeled transactions reporting against international standards using ISS-Corporate's proprietary methodology.

### High-level mapping to the SDGs

The 17 Sustainable Development Goals (SDGs) were endorsed in September 2015 by the United Nations and provide a benchmark for key opportunities and challenges toward a more sustainable future. Using a proprietary methodology based on ICMA's Green, Social and Sustainability Bonds: A High-Level Mapping to the Sustainable Development Goals, the extent the Issuer's reporting and project categories contribute to related SDGs is identified.

## ANNEX 2: Quality management processes

### ISSUER'S RESPONSIBILITY

The Issuer's responsibility was to provide information and documentation on:

- Impact & Allocation Report
- Green Bond Framework
- Proceeds allocation
- Reporting impact indicators
- Methodologies and assumptions for data gathering and calculation
- ESG risk management

### ISS-CORPORATE'S VERIFICATION PROCESS

Since 2014, ISS Group, which ISS-Corporate is part of, has built up a reputation as a highly reputed thought leader in the green and social bond market and has become one of the first CBI-approved verifiers.

This independent Report Review has been conducted by following ICMA's Guidelines for Green, Social, Sustainability and Sustainability-Linked Bonds External Reviews, and its methodology, considering, when relevant, the ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information.

The engagement with Bank Burgenland took place from August to September 2025.

### ISS-CORPORATE'S BUSINESS PRACTICES

ISS-Corporate conducted this verification in strict compliance with the ISS Group Code of Ethics, which lays out detailed requirements in integrity, transparency, professional competence and due care, professional behavior and objectivity for the ISS business and team members. It is designed to ensure that the verification is conducted independently and without any conflicts of interest with other parts of the ISS Group.

## About this Report Review

Companies turn to ISS-Corporate for expertise in designing and managing governance, compensation, sustainability and cyber risk programs that align with company goals, reduce risk and manage the needs of a diverse shareholder base by delivering best-in-class data, tools and advisory services.

ISS-Corporate assesses the alignment of the Issuer's report with external principles (e.g., the Green/Social Bond Principles), assesses the alignment of the Issuer's report against the commitments in the respective Framework, and analyzes the disclosure of proceeds allocation, data source and calculation methodologies of the reporting indicators against best market practices. Following these guidelines, we draw up an independent Report Review so investors are as well-informed as possible about the proceeds allocation and the impact of the sustainable finance instrument(s).

Please visit ISS-Corporate's [website](#) to learn more about our services for bond issuers.

For information on Report Review services, please contact [SPOsales@iss-corporate.com](mailto:SPOsales@iss-corporate.com).

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