



Annual Financial  
Statements 2023

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This report is a translation of the original report in German, which is solely valid.

### Legend

A rounded actual value of less than 500 Euro is shown as "0" in the tables. If no numerical value is available, the item is shown with "-". Rounding may result in calculation differences.

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## Management report

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### Business activities of OeKB CSD

As the Central Securities Depository (CSD), OeKB CSD GmbH (OeKB CSD) plays an important and central role in Austria's capital market.

- It is licensed as a Central Securities Depository pursuant to Article 17 of Regulation (EU) No. 909/2014 and authorized to provide banking-type ancillary services pursuant to Article 54 of Regulation (EU) No. 909/2014.
- It operates a Securities Settlement System (SSS) in accordance with the Settlement Finality Act in conjunction with the CSDR Service Annex A Point 3.
- It is the operator of essential services in the provision and management of securities accounts at the highest level and the provision of a Securities Settlement System pursuant to Section 7 para. 1 no. 3 lit. a and b NIS Act and the decision of the Federal Chancellery (BKA).
- It uses the TARGET 2-Securities (T2S) IT platform provided by the Eurosystem to perform its custody and settlement functions.

It functions as a services hub for participants in the Austrian capital market.

- It accepts securities from capital-raising issuers for safekeeping and administration on the investors' behalf.
- It accepts securities from capital-raising issuers for safekeeping and administration on the investors' behalf (Settlement).
- It accepts securities from capital-raising issuers for safekeeping and administration on the investors' behalf (Asset Servicing).

The expertise of OeKB CSD is based on its

- Central, competitively neutral, client-focused, and reliable positioning in the Austrian capital market,
- Extensive knowledge of the Austrian capital market, involving in particular the activities of securities safekeeping, securities administration and securities settlement,
- Responsive approach to emerging developments and international standards in our line of business, which we adopt and implement promptly.

The aim and task of OeKB CSD are the long-term fulfilment of its responsibilities as the CSD on the Austrian capital market while generating an appropriately stable profit.

## Business environment 2023

Inflation remained at a very high level in 2023. The European Central Bank has been trying to combat inflation with interest rate increases since summer 2022 and continued this strategy in 2023, most recently with a key interest rate increase to 4.50 % in September 2023. After two years of economic growth of more than 4 %, the Austrian economy slipped into recession in 2023. Despite this, share prices recovered over the course of 2023, with the ATX closing the year up almost 10 %. However, the associated number of securities transactions was lower than in the previous year. The continued high demand for financing had a positive impact on issuing activity for nominally listed securities.

## Business development 2023

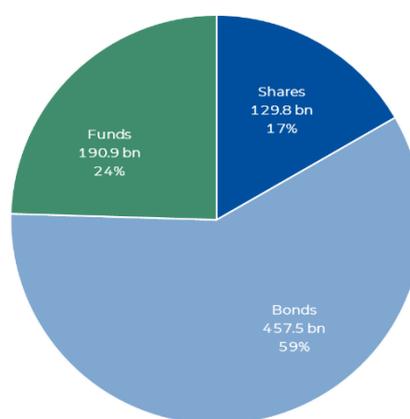
Business development in 2023 was very positive overall. At €24,763,863.96, operating income was significantly 10.4 % higher than in the previous year. Also, the operating profit of €12,070,698.05 exceeded the previous year's value by a notable 17.8 %.

## Safekeeping and administration

		31 Dec 2021	31 Dec 2022	31 Mar 2023	30 Jun 2023	30 Sep 2023	31 Dec 2023	
Securities with a price as percentage of par in € million								
	Issuer CSD	391,991	426,598	451,012	460,647	458,287	456,903	
	Investor CSD	9,123	9,135	8,196	8,381	8,675	8,513	
Securities with a price per unit	Market value in € million	Issuer CSD	306,399	263,587	271,989	273,605	306,433	321,270
		Investor CSD	1,739	1,292	1,366	1,402	1,342	1,372
	Units in million	Issuer CSD	7,748	7,783	7,756	7,779	8,551	8,506
		Investor CSD	277	183	188	191	190	192
Number of securities categories								
	Issuer CSD	14,400	13,342	13,007	14,324	13,816	14,092	
	Investor CSD	1,319	1,297	1,320	1,316	1,305	1,303	

In the case of securities kept and administered as Issuer CSD, a rise in issuing activities led to a 7.1 % increase in the custody volume of securities with a price as percentage of par to €456.9 billion in nominal value. Due to the successful implementation of the Issuer Platform at the end of 2022, a major issuer was persuaded to deposit fund certificates still held in custody by itself with OeKB CSD. Following this delivery and the increase in stock market prices, the market value of the unit-listed securities kept and administered rose by 21.9 % to €321.3 billion over the course of the year.

Issuer CSD  
Custody volume as of 31.12.2023  
Total: €778.2 billion



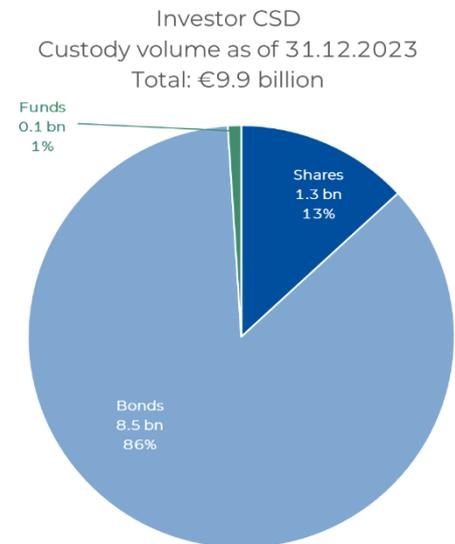
As a result, the custody volume of issuer CSD securities amounted to €778.2 billion at the end of 2023. Bonds accounted for the majority of the volume at 59 %, followed by funds at 24 %, and shares at 17 %.

At the end of the year, the number of securities categories kept and administered as Issuer CSD was 14,092, an increase of 5.6 % compared with the beginning of the year.

In the case of securities kept and administered with a depository and OeKB CSD as Investor CSD, the custody volume of securities with a price as percentage of par decreased by 6.8 % year-on-year to €8.5 billion. The market value of securities with a price per unit increased by 6.2 % to €1.4 billion.

The volume of securities kept and administered with depositories and OeKB CSD as Investor CSD amounted to €9.9 billion at the end of 2023, with bonds accounting for the majority of the volume at 86 %, followed by equities at 13 % and funds at 1 %.

The number of securities categories kept with a depository increased by 0.5 % to 1,303 securities categories.



This results in a total custody volume of €788.1 billion at the end of 2023. In accordance with the business model of OeKB CSD, as the only authorized central securities depository in Austria, 98.7 % of the volume is accounted for by securities that OeKB CSD itself keeps and administers as Issuer CSD.

## Settlement

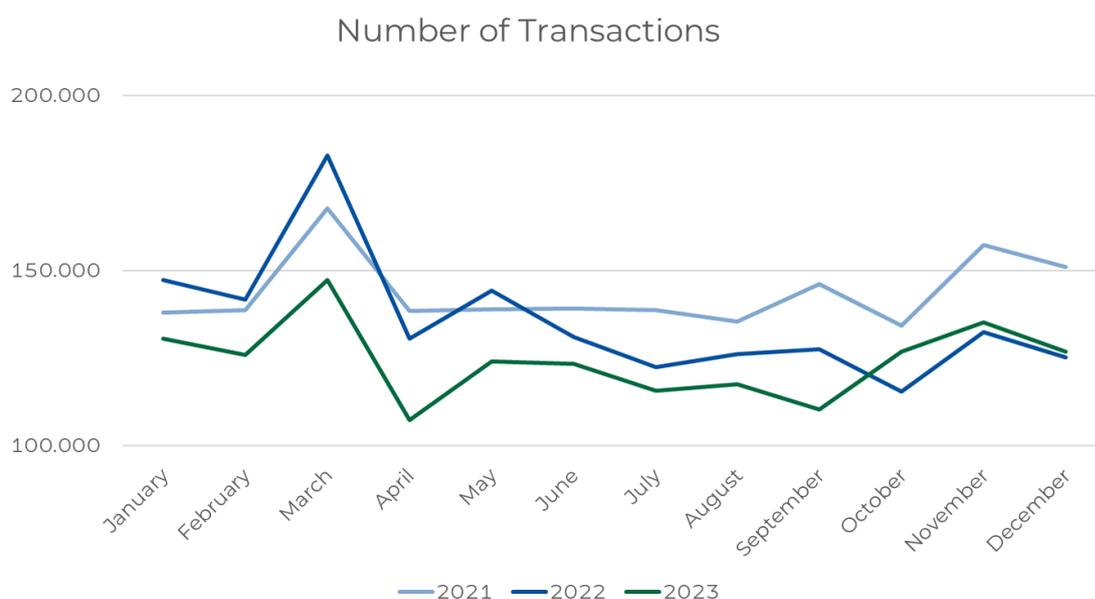
Average values per month		Monthly average 2021	Monthly average 2022	Monthly average 2023	Monthly average 1-3/ 2023	Monthly average 4-6/ 2023	Monthly average 7-9/ 2023	Monthly average 10-12/ 2023
Number of transactions	Intra	137,465	130,985	121,289	130,644	115,576	112,178	126,757
	Cross/ External	6,179	4,573	2,975	3,920	2,662	2,411	2,907
Settled volume in securities with a price as percentage of par in € million	Intra	52,167	63,212	84,941	98,227	95,150	67,536	78,851
	Cross/ External	153	302	305	705	276	145	91
Market value in € million	Intra	21,852	20,137	17,414	18,898	16,777	15,460	18,521
	Cross/ External	235	338	212	362	215	124	147
Securities with a price per unit	Units in million	703	700	577	605	554	539	608
	Cross/ External	30	26	10	14	12	7	8

Absolute values per year			Σ 1-12/2021	Σ 1-12/2022	Σ 1-12/2023
Number of transactions		Intra	1,649,584	1,571,814	1,455,466
		Cross/External	74,143	54,870	35,700
Settled volume in securities with a price as percentage of par in € million		Intra	626,004	758,546	1,019,292
		Cross/External	1,836	3,622	3,654
Securities with a price per unit	Market value in € million	Intra	262,222	241,644	208,967
		Cross/External	2,820	4,061	2,543
	Units in million	Intra	8,435	8,401	6,918
		Cross/External	364	316	121

In 2023, OeKB CSD processed about 1.5 million transactions of the transaction type Intra, which is used for bookings between securities accounts at OeKB CSD, 7.4 % less than in 2022. This equated to a settled volume of €1,019.3 billion nominal value for securities with a price as percentage of par, a 34.4 % increase over 2022, and a 13.5 % year-on-year decrease in the volume of securities with a price per unit to a market value of 209.0 billion.

The number of transactions settled in the types of Cross and External, which are used for deposits and withdrawals on OeKB CSD securities accounts at its depositories, decreased by 34.9 % in annual comparison to 35.700. The settled volume of securities with a price as percentage of par increased by 0.9 % to €3.7 billion compared to 2022 and the volume of securities with a price per unit decreased by 37.4 % to a market value of €2.5 billion.

Most transactions were processed in March 2023. Apart from the last quarter, the transaction numbers were always below the previous year's figures.



## Income statement

**Net interest** result in 2023 amounted to €447,131.63 (2022: €-66 thousand). Due to the changed interest rate situation, there is no negative interest on deposits. The income in net interest result was achieved through deposits at Oesterreichische Kontrollbank Aktiengesellschaft (OeKB AG).

**Net fee and commission income** in 2023 came to €24,095,860.27 and was 7.7 % higher than in 2022 (€22,366 thousand). Safekeeping fees income increased by 11.2 % to €18,798,503.19 (2022: €16.906 thousand) due to increased issuing activity in securities listed as amount in percentage of par value and the delivery of fund certificates previously held in custody by the issuer. Transaction fees income decreased by 7.0 % to €4,705,968.50 (2022: €5,061 thousand) compared to the high level of the previous year. Commission expenses of €-1,172,056.28 were below to the previous year's level (2022: €1,284 thousand).

The result from financial operations amounted to €-124.21 for 2023 (2022: €0 thousand) and resulted from the foreign exchange valuation.

Other operating income increased by 60.1 % to €220,747.85 (2022: €138 thousand), in particular due to input tax adjustments for the previous years and the investment bonus for the Issuer Platform.

**Operating income** amounted to €24,763,863.96 (2022: €22,437 thousand).

**General administrative expenses** increased by 3.8 % to €-12,231,973.55 (2022: €11,780 thousand). The total personnel expenses are 6.6 % above the value of the previous year. In 2023, material expenses amounted to €7,363,818.09 (2022: 7,215 thousand), which mainly included expenses for IT operations, software maintenance and IT workplace equipment totaling €4,638,264.00 (2022: €4,496 thousand). In total, **operating expenses** amounted to €12,693,165.91 (2022: 12,187 thousand).

**Operating profit** was €12,070,698.05 (2022: 10,250 thousand) and corresponds to the earnings before interest and taxes. After income tax, the **net profit for the year** amounted to €9,177,383.57 (2022: €7,680 thousand).

In the 2023 business year, €1,000,000.00 were allocated to the retained earnings (2022: €1,000 thousand). Furthermore, a statutory reserve of €120,000.00 Euro (previous year: €384 thousand) was allocated. The statutory reserve already amounts to 10 % of the share capital and is therefore fully allocated. Including the profit brought forward, the profit available for distribution amounts to €8,058,343.34 (2022: €6,296 thousand).

## Balance sheet

**Total assets** as at 31 Dec 2023 amounted to €60,527,387.67 (31 Dec 2022: €43.569 thousand) and increased by 38.9 %.

As at 31 Dec 2023, the assets of OeKB CSD mainly resulted from cash and cash equivalents in the form of credit balances with central banks amounting to €11,834,064.80 (31 Dec 2022: €23,994 thousand), receivables from other credit institutions amounting to €45,059,839.49 (31 Dec 2022: 15,905 thousand), intangible assets amounting to €1,056,237.18 (31 Dec 2022: €1,309 thousand), and other assets amounting to €2,361,074.59 (31 Dec 2022: 2,158 thousand).

Other assets mainly included receivables from commission income, primarily for safekeeping fees and for transaction fees due from customers for the month of December.

**Liabilities** consisted mainly of liabilities to banks amounting to €19,775,174.29 (31 Dec 2022: 6,010 thousand), in particular from not yet distributed income for securities due (coupons, redemptions, dividends), other liabilities amounting to €1,235,204.21 (31 Dec 2022: 1,283 thousand), provisions amounting to €1,791,538.46 (31 Dec 2022: 1,500 thousand), and the equity of OeKB CSD in the amount of €37,642,312.14 (31 Dec 2022: 34,760 thousand).

Other liabilities as at December 31, 2023 mainly consisted of liabilities from deliveries and services to affiliated companies in the amount of €561,036.46 (31 Dec 2022: €102 thousand), liabilities from deliveries and services to foreign credit institutions in the amount of €110,238.73 (31 Dec 2022: €412 thousand) and liabilities to the tax office and the Vienna Regional Health Insurance Fund in the amount of €474,992.59 (31 Dec 2022: €568 thousand).

As at 31 Dec 2023 provisions existed in the amount of €170,529.00 (31 Dec 2022: €124 thousand) for severance payments, in the amount of €894,550.00 (31 Dec 2022: €744 thousand) for taxes, and in the amount of €726,459.46 (31 Dec 2022: €632 thousand) for other provisions, including management bonuses and premiums.

### **Financial performance indicators**

The capital requirements pursuant to Regulation (EU) No 909/2014 (CSDR) and Articles 1-7 of the Commission Delegated Regulation EU 2017/390 amounted to €16,132,542.60 (2022: €15,712 thousand) as at 31 Dec 2023. A detailed breakdown can be found in the appendix.

The eligible capital pursuant to Regulation (EU) No. 575/2013 (CRR) corresponds to the tier 1 capital and amounted to €27,527,731.62 as at 31 Dec 2023 (2022: €26.155 thousand). Pursuant to article 3 para. 1(12) of the Austrian Banking Act (BWG), OeKB CSD is exempt from parts 3, 5, 6, and 7 of the CRR and therefore did not calculate capital requirements pursuant to the CRR.

In the 2023 business year, retained earnings in the amount of €1,000,000.00 (2022: €1,000 thousand) and the statutory reserve in the amount of €120,000.00 (2021: €384 thousand).

The equity ratio (equity/total capital) was 62.2 % in 2023 (2022: 79.8 %).

The return on equity (profit for the year after taxes/average equity) was 25.4 % in 2023 (2022: 22.9 %).

The cost-income ratio (operating expenses/operating income) was 51.3 % as at the reporting date (2022: 54.3 %).

### **Branches**

As in the previous year, OeKB CSD did not have any branch offices in this business year.

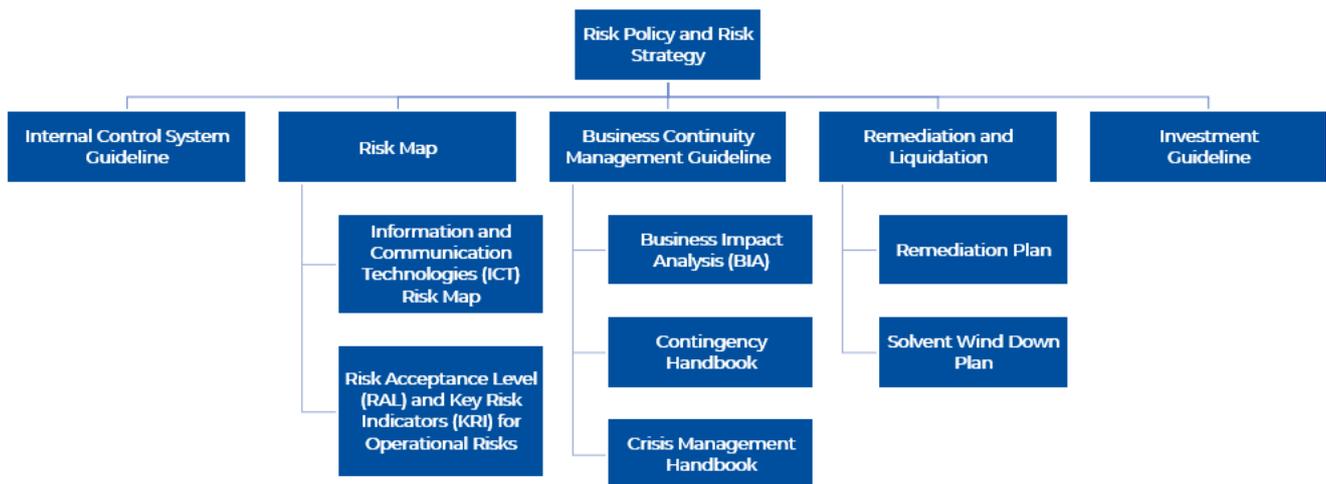
### **Research and development**

Due to the nature of the company's business activities, no research and development were carried out.

## OeKB CSD risk management system (RMS)

### Overview RMS

The following documents, which define and govern the risk management of OeKB CSD, present the processes and structures of the RMS:



Due to the special business and risk profile of OeKB CSD as a system relevant financial market infrastructure, measures to manage operational risks in the handling of business processes are of particular importance. In this respect, OeKB CSD's risk strategy aims to reduce these risks as far as possible and economically justifiable through concrete risk-reducing measures or to hedge them through other measures (e.g. insurance) so that OeKB CSD is only exposed to low or no net risks. In addition, obligations to indemnify customers for damages in a calendar year caused by slightly negligent acts or omissions of OeKB CSD employees and contractors are limited to a maximum amount of €5 million per year according to OeKB CSD's General Terms and Conditions (GTC).

Due to restrictions in its business model and optimised processes, OeKB CSD has no or extremely low classical banking risks, such as market, credit, or liquidity risk. In addition, assets may only be invested in money or highly liquid financial instruments with minimal market and credit risks. This excludes investments in shares and derivatives. Climate risks are also expected to have no or very little impact.

### Summary of the risk situation 2023

In the risk analysis, detailed risks were identified and documented in the risk map for the 2023 business year. In addition, short-term non-financial risks were assessed on a quarterly basis in ARIS Risk & Compliance Manager.

The financial risks remain stable at a low rating level. Here, the individual risk categories in the risk map – with the exception of business risk (“medium”) – are rated as “minimal” or “low”.

Regarding the risk situation of non-financial risks, 4 of the 5 information and communication technology (ICT) risks, the systemic risk and the employee risk are rated as “medium”.

The number of loss events and the costs of covering the loss events fell to zero in 2023 (in 2022 there were 4 loss events with costs of €11,381.00)

#### Loss events

	Number of loss events	2023	Number of loss events	2022
		€		€ thousand
Near loss	0	0.00	2	0
Indirect loss	0	0.00	1	1
Direct loss	0	0.00	1	10
<b>Total loss events</b>	<b>0</b>	<b>0.00</b>	<b>4</b>	<b>11</b>

To specify and manage the risk acceptance levels, OeKB CSD has defined Key Risk Indicators with corresponding threshold values for the risks documented in the risk map. These are monitored on a quarterly basis.

OeKB CSD has an effective internal control system (ICS), which is regulated in the ICS guideline of OeKB CSD and subjects risk-critical processes to an in-depth process analysis and a risk and control assessment.

In addition to the regular audits by the Internal Audit in accordance with the audit plan, an external audit of the ICS and risk management was carried out from June to July 2023 in accordance with the provisions of the Central Securities Depository Regulation (Regulation (EU) No. 909/2014).

#### Risk in the context of managing the bank group

Pursuant to article 39a para. 4 of the Austrian Banking Act (BWG), OeKB CSD is not required to apply article 39a paras. 1 and 2 BWG, because OeKB AG as its parent bank complies with these requirements on the basis of the consolidated financial situation. OeKB CSD does not prepare a solo ICAAP, but is integrated into the group ICAAP of OeKB Group.

#### Capital requirements pursuant to CSDR and risk bearing capacity

OeKB CSD is exempt from parts 3, 5, 6, and 7 of Regulation (EU) No 575/2013 (CRR, Capital Requirements) pursuant to article 3 para. 1(12) of the Austrian Banking Act (BWG). However, as regards capital requirements, it is subject to the CSDR and Articles 1-7 of the Commission Delegated Regulation (EU) 2017/390. The corresponding calculated capital requirements as at 31 Dec 2023 were €16.13 million (31 Dec 2022: €15.7 million).

OeKB CSD prepared a resolution plan in the first half of 2023, which was approved at the Extraordinary General Meeting on September 26, 2023. In this context, the limits for the activation of the remediation plan and for the implementation of the solvent wind-down were adjusted in accordance with the resolution plan.

The current values from the financial statements as at December 31, 2023 are as follows:

Indicator	Equity requirement in accordance with CSDR & Delegated Regulation	Threshold value Implementation Solvent Wind Down (SWD)	Threshold value Activation Remediation Plan/ Preparation SWD	Threshold value pre-warning level Remediation Plan	Available capital instruments acc. to CSDR & Delegated Regulation
Equity base	€16.3 million	€17.75 million	€20.17 million	€24.20 million	€29.58 million
Return on equity (RoE)	-	-	2.5 %	7.5 %	25.4 %

## Non-financial performance indicators

### Environmental and sustainability (ESG)

As part of OeKB Group's sustainability management, operational ecology indicators for the Strauchgasse offices are carefully observed and monitored (Eco-Management and Audit Scheme [EMAS], Global Reporting Initiative [GRI]). These can be found in the Sustainability Report 2023 of OeKB Group.

Since November 2021, OeKB CSD has been a member of the UN Global Compact (UNGC, [www.globalcompact.at](http://www.globalcompact.at)). Furthermore, OeKB CSD is represented in the working group of OeKB Group which employs the WEP Gender Gap Analysis Tool and continuously develops suggestions for improvement on the basis of the findings.

### Personnel

As at 31 Dec 2023, OeKB CSD had 35 employees (31 Dec 2022: 38), of whom 2 were delegated from OeKB AG (31 Dec 2022: 4) and 1 was on leave (31 Dec 2022: 2).

All employees are subject to the bank collective agreement.

Article 26(1) of the CSDR provides that the CSD shall have its own remuneration policy. The remuneration policy of OeKB CSD is equally applied to the employees delegated from OeKB AG. The remuneration policy takes into account that the variable salary components depend both on individual performance as well as on various company performance indicators. Emphasis is placed on a balanced ratio of fixed and variable compensation.

In order to promote individual performance, internal and external training was offered and encouraged. A total of €50,296.58 (previous year: €29 thousand) was spent on continuing education measures. Due to the pandemic, many training courses continued to take place in the form of virtual events. In addition, there are annual staff appraisals in which the previous work period is analyzed, constructive feedback is given, and goals are set for the new year.

OeKB CSD offers its employees a number of fringe benefits, e.g. the use of a staff restaurant, use of a medical centre and a company doctor on the premises, health budget, participation in vaccination campaigns, participation in a wide range of sports courses, use of the OeKB sports centre, group accident insurance, an intercompany pension fund, special conditions for supplementary health insurance, and the Employee Assistance Program.

OeKB CSD also offers its employees a flexible working time model. In addition, a company agreement on home office was concluded in 2021, which lets employees work at home for up to 50 % of the working days per month. Managers can set further framework conditions for their organizational unit, such as in-person attendance on certain days if it is necessary for business.

#### OeKB CSD employees

	31 Dec 2023	31 Dec 2022
Total employees *	33	34
<i>Of which part-time employees</i>	7	6
Full-time employee equivalent	30.74	32.35
Average number of full-time employees	33.67	32.27
Average age	48.26	46.83
Sick days full-time per year per employee	9.93	8.23
Total share of women	42.42 %	44.11 %
Share of women in management positions **	33.33 %	16.67 %

\* Excl. 1 employee on leave (2022: 2)

Excl. 2 employees delegated from OeKB AG (2022: 4)

\*\*Management positions include managing directors and group leaders

## Preview for 2024

In 2024, OeKB CSD is planning an initiative for issuers to convert their already issued physical global certificates into digital global certificates at OeKB CSD in order to integrate as much of the old portfolio of securities as possible into the digital processes of the Issuer Platform. This will significantly reduce the required vault space and the manual manipulation effort. Another focus is on expanding the electronic interfaces for issuers and their agents to register securities master data and forward data.

The implementation of the standards defined in the Single Collateral Management Rulebook for Europe (SCoRE), which began with the "MegaCor 12/SCoRE 2/ISO 20022" project, will be continued in 2024 in order to ensure timely implementation for the ECMS (European Collateral Management System, planned to go live in November 2024) project operated by the Eurosystem. From 17.01.2025, OeKB CSD is required to have the digital operational resilience (ability to ensure and verify its operational integrity and operational reliability) required by the DORA (Digital Operational Resilience Act, Regulation (EU) 2022/2554). Therefore, a focus in 2024 will be the implementation of the DORA requirements.

Due to inflation, OeKB CSD expects a further increase in material and personnel costs in 2024. Currently, no significant price increase on the stock exchanges is expected in 2024, combined with continued low securities transaction figures. Furthermore, a decline in issuing activity in the area of nominally listed securities is expected compared to 2023.

We wholeheartedly thank all our employees for their commitment and their contribution to the success of our business.

Vienna, 1 March 2024

OeKB CSD GmbH

Managing Directors

Peter Felsing

Georg Zinner

# Annual Financial Statements 2023

## Balance sheet as at 31 December 2023

Assets		31 Dec 2023	31 Dec 2022
		€	€ thousand
<b>01</b>	<b>Cash and balances at central banks</b>	<b>11,834,064.80</b>	<b>23,994</b>
<b>02</b>	<b>Receivables from banks</b>	<b>45,059,839.49</b>	<b>15,902</b>
	Repayable on demand	45,059,839.49	15,902
	<i>Of which: to affiliated companies</i>	<i>25,252,898.34</i>	<i>9,858</i>
<b>03</b>	<b>Equity investments</b>	<b>1,000.00</b>	<b>1</b>
<b>04</b>	<b>Non-current intangible assets</b>	<b>1,056,237.18</b>	<b>1,309</b>
<b>05</b>	<b>Property and equipment</b>	<b>2,714.45</b>	<b>1</b>
<b>06</b>	<b>Other assets</b>	<b>2,361,074.59</b>	<b>2,158</b>
	<i>Of which: to affiliated companies</i>	<i>7,864.29</i>	<i>6</i>
<b>07</b>	<b>Prepayments and accrued income</b>	<b>177,906.39</b>	<b>178</b>
<b>08</b>	<b>Active deferred taxes</b>	<b>34,550.77</b>	<b>25</b>
	<b>Total assets</b>	<b>60,527,387.67</b>	<b>43,569</b>
	<b>Memo items</b>		
<b>1</b>	<b>Foreign assets</b>	<b>1,053,693.10</b>	<b>913</b>

Liabilities and equity		31 Dec 2023	31 Dec 2022
		€	€ thousand
<b>01</b>	<b>Payables to banks</b>	<b>19,775,174.29</b>	<b>6,010</b>
	Repayable on demand	19,775,174.29	6,010
	<i>Of which: to affiliated companies</i>	<i>300.00</i>	<i>0</i>
<b>02</b>	<b>Payables to customers (Others)</b>	<b>12,971.87</b>	<b>16</b>
	Repayable on demand	12,971.87	16
<b>03</b>	<b>Other liabilities</b>	<b>1,235,204.21</b>	<b>1,283</b>
	<i>Of which: to affiliated companies</i>	<i>561,036.46</i>	<i>102</i>
<b>04</b>	<b>Prepayments and accrued income</b>	<b>70,186.70</b>	<b>-</b>
	<b>Investment bonus</b>	<b>70,186.70</b>	
<b>05</b>	<b>Provisions</b>	<b>1,791,538.46</b>	<b>1,500</b>
	a) Provisions for severance payments	170,529.00	124
	b) Tax provisions	894,550.00	744
	c) Other provisions	726,459.46	632
<b>06</b>	<b>Subscribed share capital</b>	<b>20,000,000.00</b>	<b>20,000</b>
<b>07</b>	<b>Unallocated capital reserves</b>	<b>773,968.80</b>	<b>774</b>
<b>08</b>	<b>Retained earnings</b>	<b>8,810,000.00</b>	<b>7,690</b>
	a) Statutory reserve	2,000,000.00	1,880
	b) Other reserves	6,810,000.00	5,810
<b>09</b>	<b>Profit available for distribution</b>	<b>8,058,343.34</b>	<b>6,296</b>
	<b>Total liabilities and equity</b>	<b>60,527,387.67</b>	<b>43,569</b>
	<b>Memo items</b>		
1	Eligible capital purs. to Part 2 of Regulation (EU) No. 575/2013	27,527,731.62	26,155
2	Capital requirement purs. to Art. 92 of Regulation (EU) No. 575/2013 *	0.00	-
3	Foreign liabilities	5,895,093.63	6,356

\* OeKB CSD GmbH is exempt from parts 3, 5, 6, and 7 of Regulation (EU) No. 575/2013 purs. to Article 3 para. 1(12) BWG (central securities depository).

## Income statement for the business year 2023

		2023	2022
		€	€ thousand
01.	Interest and similar income	447,153.09	31
02.	Interest and similar expenses	(21.5)	(98)
<b>I.</b>	<b>Net interest income</b>	<b>447,131.63</b>	<b>(67)</b>
03.	Fee and commission income	25,267,916.55	23,650
04.	Fee and commission expenses	(1,172,056.28)	(1,284)
05. ±	Income/expenses from financial operations	124.21	0
06.	Other operating income	220,747.85	138
<b>II.</b>	<b>Operating income</b>	<b>24,763,863.96</b>	<b>22,437</b>
07.	General administrative expenses	(12,231,973.55)	(11,780)
	a) Personnel expenses	(4,868,155.46)	(4,565)
	<i>aa) Salaries and wages</i>	(3,360,066.06)	(3,278)
	<i>bb) Expenses for statutory social security contributions and other levies and compulsory contributions based on the amount of compensation</i>	(717,496.43)	(717)
	<i>cc) Other social security contributions</i>	(132,179.43)	(136)
	<i>dd) Expenses for pensions and other old-age benefits</i>	(94,330.48)	(85)
	<i>ee) Expenses for severance payments and payments to company insurance plans</i>	(100,668.46)	(108)
	<i>ff) Personnel costs passed on</i>	(463,414.60)	(241)
	b) Other administrative expenses (material expenses)	(7,363,818.09)	(7,215)
08.	Impairment losses on asset items 4 and 5	(345,819.59)	(291)
09.	Other operating expenses	(115,372.77)	(117)
<b>III.</b>	<b>Operating expenses</b>	<b>(12,693,165.91)</b>	<b>(12,187)</b>
<b>IV.</b>	<b>Operating profit</b>	<b>12,070,698.05</b>	<b>10,250</b>
<b>V.</b>	<b>Profit before tax</b>	<b>12,070,698.05</b>	<b>10,250</b>
10. -	Income tax	(2,893,314.48)	(2,570)
<b>VI.</b>	<b>Profit for the year</b>	<b>9,177,383.57</b>	<b>7,680</b>
11. -	Transfer to reserves	(1,120,000.00)	(1,384)
<b>VII.</b>	<b>Unallocated profit for the year</b>	<b>8,057,383.57</b>	<b>6,296</b>
12. +	Profit brought forward from the previous year	959.77	0
<b>VIII.</b>	<b>Profit available for distribution</b>	<b>8,058,343.34</b>	<b>6,296</b>

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## Notes to the Annual Financial Statements

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### Legal basis

OeKB CSD GmbH (OeKB CSD) is a limited liability company with its registered office in 1010 Vienna, Austria.

OeKB CSD is a central securities depository (CSD) pursuant to Regulation (EU) No 909/2014 (CSDR). By decision of 1 August 2018, the Financial Market Authority (FMA) granted OeKB CSD a license as a central securities depository pursuant to Art 17 of the CSDR and a license to provide banking-type ancillary services pursuant to Art 54 of the CSDR, as well as a license "to provide cash accounts to participants in a securities delivery and settlement system and holders of securities accounts, and to accept deposits from these parties within the meaning of Annex I No 1 of Directive 2013/36/EU (CRD IV)" according to section C(a) of the Annex to the CSDR in conjunction with article 1 para. 1 of the Austrian Banking Act (BWG).

The securities delivery and settlement system operated by OeKB CSD is recognized under the Settlement Finality Act.

OeKB CSD is a company of public interest pursuant to Art 189a of the Austrian Uniform Commercial Code (UGB).

### Accounting and valuation methods

The annual financial statements as at 31 December 2023 were prepared by the company's management in accordance with the provisions of the Austrian Uniform Commercial Code (UGB) and the Austrian Banking Act (BWG), each as amended. Where applicable, the classification corresponds to Annex 2 of article 43 of the Austrian Banking Act (BWG).

The annual financial statements were prepared in accordance with generally accepted accounting principles and the general standards of presenting a true and fair view of the company's net assets, financial position, and earnings situation. The principle of completeness was observed in the preparation of the annual financial statements.

The valuation was based on the assumption that the company will continue as a going concern and the principle of individual valuation was applied to the assets and liabilities.

The principle of prudence was observed, in particular by only reporting profits realized as at the balance sheet date. All identifiable risks and impending losses that arose up to the balance sheet date were taken into consideration.

The accounting, valuation and identification methods used so far have been retained.

The business year ended corresponded to the calendar year.

### Balances with central banks, receivables from banks and other assets

Balances with central banks, receivables from banks and other assets are recognized at their nominal values. Individual value adjustments are made for identifiable risks.

### **Non-current intangible assets**

Intangible assets are recognized on the balance sheet only if they have been acquired against payment. They are recognized at acquisition cost less scheduled depreciation and impairment charges.

Scheduled depreciation is applied on a straight-line basis assuming a useful life of 3 to 5 years.

Impairment charges are applied to bring the asset in question to its lower fair value when the reasons for the impairment are expected to be permanent. Write-ups are made if the reasons for the impairment no longer apply.

### **Property and equipment**

Scheduled depreciation is applied on a straight-line basis assuming a useful life of 3 to 10 years.

Low-value assets (individual acquisition cost below €1,000; 2022: €800) are immediately recognized as expenses.

Impairment charges are applied to bring the asset in question to its lower fair value when the reasons for the impairment are expected to be permanent. Write-ups are made if the reasons for the impairment no longer apply.

### **Equity investments**

Equity investments are recognized at acquisition cost less any impairment charges made to recognize material impairment that is permanent. Write-ups are made if the reasons for the impairment no longer apply.

### **Liabilities**

Liabilities are recognized at their settlement amount.

### **Provisions for severance payments**

Provisions for severance payments are calculated according to recognized actuarial principles using the projected unit credit method in accordance with IAS 19. Actuarial gains and losses are recognized in profit or loss. Interest expenses relating to provisions for severance payments and the effects of actuarial gains and losses are recognized in personnel expenses. The actuarial interest rate for provisions for severance payments is derived by the actuary from the interest rate on the balance sheet date based on market interest rates of companies with high credit ratings. The basis for the calculation is:

- An actuarial interest rate of 3.24 % (2022: 3.75 %), a salary trend of 3.70 % (2022: 3.70 %) and a pension trend of 3.20 % (2022: 3.20 %),
- A retirement age of 65 years for women (gradually until 2033) and men (2022: 65 years), and
- The calculation tables of AVÖ 2018-P.

### **Provisions**

In accordance with the principle of prudence, the provisions take into consideration, in addition to the tax provisions, all risks identifiable at the time the balance sheet is prepared, as well as liabilities of uncertain

amount and origin, at the amounts deemed necessary based on prudent business judgement. Long-term provisions are discounted if the discount amount is material.

### Foreign currency translation

The reporting currency is Euro. Foreign currency items are valued using the ECB reference rate as at 31 December 2023.

### Deferred taxes

Deferred taxes are formed in accordance with article 198 paras. 9 and 10 of the Austrian Uniform Commercial Code (UGB) using the balance sheet-oriented concept and without discounting on the basis of the current corporate tax rate.

## Notes to the balance sheet

### Receivables from banks

Receivables repayable on demand in € (2022: € thousand)	31 Dec 2023	31 Dec 2022
Denominated in EUR	25,308,080.85	9,912
In foreign currencies	19,751,758.64	5,990
<b>Total</b>	<b>45,059,839.49</b>	<b>15,902</b>

### Non-current intangible assets, property and equipment, and equity investments

The changes in the individual non-current asset items and a breakdown of the depreciation and amortization in the business year by asset item are presented in the statement of changes in non-current assets.

#### Non-current assets in 2023 - Cost

€	1 Jan 2023	Additions	Transfers	Disposals	31 Dec 2023
Software	2,765,171.88	(27,483.75)	0.00	0.00	2,737,688.13
Assets under construction	200,090.25	117,337.50	0.00	0.00	317,427.75
<b>Non-current intangible assets</b>	<b>2,965,262.13</b>	<b>89,853.75</b>	<b>0.00</b>	<b>0.00</b>	<b>3,055,115.88</b>
Fixtures, fittings, and equipment	5,085.98	2,477.08	0.00	0.00	7,563.06
<b>Property and equipment</b>	<b>5,085.98</b>	<b>2,477.08</b>	<b>0.00</b>	<b>0.00</b>	<b>7,563.06</b>
<b>Equity investments</b>	<b>1,000.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1,000.00</b>
<b>Total</b>	<b>2,971,348.11</b>	<b>92,330.83</b>	<b>0.00</b>	<b>0.00</b>	<b>3,063,678.94</b>

### Non-current assets in 2023 - Depreciation and amortisation

€	1.1.2023	Additions	Disposals	31 Dec 2023
Software	1,655,844.75	343,033.95	0.00	1,998,878.70
Assets under construction	0.00	0.00	0.00	0.00
<b>Non-current intangible assets</b>	<b>1,655,844.75</b>	<b>343,033.95</b>	<b>0.00</b>	<b>1,998,878.70</b>
Fixtures, fittings, and equipment	4,462.30	386.31	0.00	4,848.61
<b>Property and equipment</b>	<b>4,462.30</b>	<b>386.31</b>	<b>0.00</b>	<b>4,848.61</b>
<b>Equity investments</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>Total</b>	<b>1,660,307.05</b>	<b>343,420.26</b>	<b>0.00</b>	<b>2,003,727.31</b>

### Non-current assets in 2023 - Net book value

€	31 Dec 2022	31 Dec 2023
Software	1,109,327.13	738,809.43
Assets under construction	200,090.25	317,427.75
<b>Non-current intangible assets</b>	<b>1,309,417.38</b>	<b>1,056,237.18</b>
Fixtures, fittings, and equipment	623.68	2,714.45
<b>Property and equipment</b>	<b>623.68</b>	<b>2,714.45</b>
<b>Equity investments</b>	<b>1,000.00</b>	<b>1,000.00</b>
<b>Total</b>	<b>1,311,041.06</b>	<b>1,059,951.63</b>

The assets under construction relate to the "MegaCor 12/SCoRE 2/ISO 20022" project, which will go live in 2024.

### Deferred taxes

The deferred tax assets as at the balance sheet date were formed for temporary differences of €150,220.74 (2022: €110 thousand) between the tax valuation and the commercial valuation as regards the other provisions and the provision for severance payments. The resulting deferred tax assets as at 31 Dec 2023 (23 %) amount to €34,550.77 (2022: €25 thousand).

### Other assets

€ (2022: € thousand)	31 Dec 2023	31 Dec 2022
Other domestic receivables	1,316,939.47	1,249
Other foreign receivables	1,044,096.73	910
Others	38.39	0
<b>Total</b>	<b>2,361,074.59</b>	<b>2,158</b>

The item "Other assets" essentially contains receivables from commission income, primarily for income from safekeeping fees and transaction fees due from customers for the month of December. All other assets are payable in the following year and, as in the previous year, have a remaining time to maturity of less than one year.

## Liabilities

### Payables to banks

Liabilities repayable on demand in € (2022: € thousand)	31 Dec 2023	31 Dec 2022
Denominated in EUR	42,175.71	42
In foreign currencies	19,732,998.58	5,968
<b>Total</b>	<b>19,775,174.29</b>	<b>6,010</b>

### Payables to customers

Liabilities repayable on demand in € (2022: € thousand)	31 Dec 2023	31 Dec 2022
Denominated in EUR	11,839.07	11
In foreign currencies	1,132.80	5
<b>Total</b>	<b>12,971.87</b>	<b>16</b>

### Other liabilities

€ (2022: € thousand)	31 Dec 2023	31 Dec 2022
Other domestic liabilities	724,129.52	248
Other foreign liabilities	111,874.29	540
Liabilities due to tax authorities	399,199.86	495
Others	0.54	0
<b>Total</b>	<b>1,235,204.21</b>	<b>1,283</b>

The item "Other domestic liabilities" mainly includes liabilities from the service agreement with OeKB AG, which are payable in the following year (€561,036.46; 2022: €102 thousand), as well as from the invoicing of commission expenses of foreign credit institutions. As in the previous year, all other liabilities have a remaining time to maturity of up to one year. The liabilities to the tax authority mainly consist of VAT liabilities.

### Provisions for severance payments

The provision for severance payments was calculated according to actuarial principles and amounts to €170,529.00 (2022: €124 thousand).

### Tax provisions

The tax provisions as at 31 Dec 2023 and 2022 exclusively relate to corporate income tax.

## Other provisions

The other provisions break down as follows:

€ (2022: € thousand)	31 Dec 2023	31 Dec 2022
Legal consulting, tax consulting, and financial auditing	37,548.00	26
Performance-related compensation	344,300.00	418
Unused holiday and overtime credits	103,448.80	81
Safekeeping fees and other fees	97,156.08	93
Other provisions	144,006.58	14
<b>Other provisions</b>	<b>726,459.46</b>	<b>632</b>

## Equity

The share capital of OeKB CSD totals €20,000,000.00.

Unallocated capital reserves relate to shareholder contributions of OeKB AG in the course of the spin-off in 2015. The statutory reserve increased to €2,000,000.00 as at 31 Dec 2023 (2022: €1,880 thousand) as a result of the allocation of an amount of €120,000.00 (2022: €384 thousand) from the profit for the year and already amounts 10 % of the share capital and is therefore fully endowed. Other retained earnings increased to €6,810,000.00 as at 31 Dec 2023 (2022: €5,810 thousand) due to the allocation of an amount of €1,000,000.00 (2022: €1,000 thousand) from the profit for the year.

The profit for the year of €8,057,383.57 (2022: €6,296 thousand), including the profit brought forward from the previous year of €959.77 (2022: €318.93), resulted in a profit available for distribution as at 31 Dec 2023 of €8,058,343.37 (2022: €6,296 thousand). The return on total capital (net profit/total assets) for 2023 amounted to 15.2 % (2022: 17.6 %).

## Proposal for the appropriation of profits

€ (2022: € thousand)	2023	2022
Unallocated profit for the year	8,057,383.57	6,296
Profit brought forward from the previous year	959.77	0
<b>Profit available for distribution</b>	<b>8,058,343.34</b>	<b>6,296</b>
<b>Use</b>		
Disbursement of a dividend of	8,050,000.00	6,295
To be carried forward	8,343.34	1

## Notes to the income statement

### Fee and commission income and expenses

€ (2022: € thousand)	2023	2022
Fee and commission income from safekeeping fees	18,798,503.19	16,906
Fee and commission income from transaction fees	4,705,968.50	5,061
Other fee and commission income from securities services	209,398.74	145
Other fee and commission income (cash account management, communication fees, minor differences)	1,554,046.12	1,539
<b>Fee and commission income</b>	<b>25,267,916.55</b>	<b>23,650</b>
Fee and commission expenses from safekeeping fees	(1,035,968.29)	(1,095)
Other fee and commission expenses from securities services	(126,463.76)	(179)
Other fee and commission expenses (payment transactions)	(9,624.23)	(10)
<b>Fee and commission expenses</b>	<b>(1,172,056.28)</b>	<b>(1,284)</b>
<b>Net fee and commission income</b>	<b>24,095,860.27</b>	<b>22,366</b>

Fees are calculated in a separate billing module. The raw data for calculating the fees are provided to the billing module by the peripheral systems, in particular by the account management and settlement system. Invoicing and booking of commission income are carried out in SAP and are again based on the data from the billing module.

### Personnel expenses

Total personnel expenses increased by 6.6 % to €4,868,155.46 (2022: €4,565 thousand).

The passed-on expenses increased by 92.6 % to €463,414.60 (2022: €241 thousand). This increase resulted in an allocation to existing personnel provisions for the delegated employees. 2 employees (2022: 4 employees) will continue to be delegated and overcharged by OeKB AG under employment law.

The average number of full-time employees according to UGB for 2023 is 33.67 (2022: 32.27).

Personnel expenses also include allocations for severance payments, bonuses, and premiums.

### Other administrative expenses

Other administrative expenses are mainly related to expenses for IT operations, software maintenance and IT workplace equipment.

Costs of €31,290.00 (2022: €37.8 thousand) were incurred for the previous year's auditor in the 2023 financial year.

## Taxes on income and earnings

€ (2022: € thousand)	2023	2022
Corporate income tax	2,904,108.00	2,577
Corporate income tax for previous years	(1,529.00)	(1)
Change in deferred tax assets	(9,264.52)	(6)
<b>Income tax</b>	<b>2,893,314.48</b>	<b>2,570</b>

## Supplementary disclosures

### Obligations from the use of off-balance sheet property and equipment

Future rental obligations from the use of property and equipment not recognized in the balance sheet amount to €320,734.47 for 2024 (2022 for 2023: €295 thousand) and €918,754.44 for the next five years (2024-2028; 2023-2027: €1,475 thousand). As in the previous year, these obligations are exclusively towards OeKB AG. A reduction in rental obligations over the next 5 years will result from the reduction in required office space.

### Disclosures on derivative financial instruments

As in the previous year, the company held no derivative financial instruments at the reporting date.

### Trading book

The company does not hold a trading portfolio and therefore has no trading book.

### Disclosures on off-balance sheet transactions pursuant to article 238 para. 1(10) of the Austrian Uniform Commercial Code (UGB)

The company had no contingent liabilities at the reporting date.

### Total assets and liabilities denominated in foreign currencies

The company had foreign currency items with the following equivalent values in Euro at the reporting date:

- Assets: €19,754,529.53 Euro (2022: €5,992 thousand)
- Passiva: €19,734,13,92 Euro (2022: €5,974 thousand)

The difference between the assets and liabilities results from cash account administration, which is an ancillary service to the administration of securities accounts. For this, OeKB CSD holds the foreign currency amounts received from customers in corresponding accounts (in the name of OeKB CSD) at credit institutions. In addition, OeKB CSD holds cash buffers in these foreign currency accounts to ensure ongoing business operations.

### Associated and affiliated companies pursuant to article 238 para.1(12) of the Austrian Uniform Commercial Code (UGB)

OeKB CSD has its registered office in Vienna (FN 428085m, Vienna Commercial Court), is a 100 % subsidiary of Oesterreichische Kontrollbank Aktiengesellschaft (OeKB AG, FN 85749 b, Vienna Commercial Court), and is included in the consolidated financial statements of the bank group by way of full consolidation.

The disclosures pursuant to Part 8 of the Regulation (EU) No. 575/2013 (CRR) are made in the Disclosure Report prepared by OeKB AG. Further information on this can be found on the OeKB AG website ([www.oekb.at](http://www.oekb.at)).

All transactions with associated and affiliated companies in the business year were concluded with OeKB AG and were conducted at arm's-length terms.

OeKB CSD has concluded service agreements with OeKB AG which regulate the provision of services by OeKB AG. These agreements cover areas such as the rental of office space, delegation of personnel, accounting, controlling, personnel management and IT services.

### Action for damages

As at the reporting date, there are no known claims for damages and outstanding proceedings.

### Events after balance sheet date

There were no events that required reporting after the balance sheet date.

## Additional disclosures

### Eligible capital pursuant to Part 2 of Regulation (EU) No. 575/2013 (CRR)

OeKB CSD is exempt from parts 3, 5, 6, and 7 of the CRR pursuant to article 3 para. 1(12) of the Austrian Banking Act (BWG).

€ (2022: € thousand)	31 Dec 2023	31 Dec 2022
Share capital	20,000,000.00	20,000
Retained earnings and reserves	9,583,968.80	8,464
Less transfer to retained earnings <sup>1</sup>	(1,000,000.00)	(1,000)
Non-current intangible assets	(1,056,237.18)	(1,309)
<b>Common equity tier 1 (CET 1)</b>	<b>27,527,731.62</b>	<b>26,155</b>
<b>Total regulatory capital resources</b>	<b>27,527,731.62</b>	<b>26,155</b>
Surplus regulatory capital	27,527,731.62	26,155

<sup>1</sup> Pursuant to Art 26 para. 2 CRR, earnings for the year are included in common equity tier 1 only after the official adoption of the final annual financial statements.

## Capital requirements pursuant to CSDR and Delegated Regulation 2017/390 Articles 1-7

The CSDR establishes supervisory requirements for central securities depositories to ensure that they are on solid footing and that they meet the capital requirements at all times. These capital requirements, which can be found in the Delegated Regulation 2017/390 Articles 1-7, ensure that central securities depositories have adequate capital resources at their disposal at all times. This serves to protect against risks to which they are exposed and, if necessary, to ensure the orderly winding down or restructuring of their business activities.

OeKB CSD was granted the licence as a central depository according to the CSDR by FMA on 1 August 2018. Thus, the capital requirements set out below apply:

### Capital requirements purs. to Delegated Regulation 2017/390 Articles 1-7

€ (2022: € thousand)	31 Dec 2023	31 Dec 2022
Capital requirements for		
Operational risks purs. to Article 4	3,417,916.88	3,168
Investment risks purs. to Article 5	527,236.85	289
Business risks purs. to Article 6	3,046,847.22	3,064
Settlement risks purs. to Article 7	9,140,541.65	9,192
<b>Capital requirements</b>	<b>16,132,542.60</b>	<b>15,712</b>

This means that the capital requirements are lower than the existing capital instruments in accordance with article 2 of the Delegated Regulation 2017/390 in the amount of €29,583,968.80 (31 Dec 2022: €28,464 thousand).

## Officers of the company

### Managing Directors

Peter Felsing  
Georg Zinner

The company is jointly represented by two managing directors. The compensations for the managing directors are included in the personnel expenses. The breakdown of the compensation for the management board is omitted with reference to article 242 (2) of the Austrian Uniform Commercial Code (UGB).

### Members of the Supervisory Board

Angelika Sommer-Hemetsberger (Chairwoman)  
Helmut Bernkopf (Deputy Chairman)  
Maria Doralt  
Anneliese Blasl-Müller

Attendance fees of €8,000.00 (2022: 8 thousand) were paid out for the 2023 business year.

### Delegates of the works council

Clemens Gajics  
Christian Pinetz (since 18.01.2024)  
Petra Zettel (until 21.12.2023)

The following members of the Supervisory Board are on the **Audit Committee**:

Helmut Bernkopf (Chairman)  
Angelika Sommer-Hemetsberger  
Clemens Gajics

The following members of the Supervisory Board are on the **Remuneration Committee**:

Angelika Sommer-Hemetsberger (Chairwoman)  
Helmut Bernkopf  
Petra Zettel (until 21.12.2023)  
Clemens Gajics (since 18.01.2024)

The following members of the Supervisory Board are on the **Risk Committee**:

Angelika Sommer-Hemetsberger (Chairwoman)  
Anneliese Blasl-Müller  
Clemens Gajics (until 18.01.2024)  
Christian Pinetz (since 18.01.2024)

Vienna, 1 March 2024

OeKB CSD GmbH  
Managing Directors  
Peter Felsing

Georg Zinner

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# Independent Auditor's Report

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## Report on the Audit of the Annual Financial Statements

### Opinion

We have audited the annual financial statements of OeKB CSD GmbH, Vienna, which comprise the statement of financial position as of 31 December 2023, the income statement, and the notes to the financial statements.

In our opinion, the accompanying financial statements comply with legal requirements and give a true and fair view of the financial position of the Company as of 31 December 2023, and of its financial performance for the year then ended in accordance with Austrian Generally Accepted Accounting Principles and the Austrian Banking Act.

### Basis for Opinion

We conducted our audit in accordance with the Regulation (EU) No. 537/2014 and the Austrian Standards on Auditing. Those standards require the application of the International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with laws and regulations applicable in Austria and we have fulfilled our other professional responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained until the date of our opinion is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

## Recording of fee and commission income

### *Description and Issue*

The commission income of OeKB CSD GmbH results primarily from custody account fees as well as transaction fees and amounts to EUR 25,268 thousand in 2023. The management describes the procedures for recording fee and commission income in the chapter “Notes to the income statement – Fee and commission income and expenses” in the notes to the financial statements. Due to importance of the amount of fee and commission income, the complexity of the IT systems associated with fee and commission income and the scope of the data volumes to be processed, we have identified the recording of fee and commission income as a key audit matter.

### *Our response*

During the audit of fee and commission income, we particularly performed the following audit procedures:

- We observed the processes of the calculation of fee and commission income and assessed whether these processes and the controls therein are suitable to ensure the complete, correct and accrual-correct based recording of fee and commission income.
- Thereby, we have examined the relevant processes in the departments and the key controls relevant to the preparation of the financial statements with regard to their design, implementation and tested on a sample basis with regard to their operating effectiveness.
- With the involvement of our IT specialists, we focused on controls in the area of automatic calculation of fee and commission income in the system and the complete and correct transfer of data into the accounting system.
- Furthermore, we analysed the development of fee and commission income over the course of the year, to identify unexpected deviations or developments compared to the previous year and to clarify their causes.
- In addition, we performed substantive analytical procedures with respect to fee and commission income.

## **Responsibilities of Management and the Audit Committee for the Financial Statements**

Management is responsible for the preparation of the financial statements that give a true and fair view of the financial position of the Company and of its financial performance for the year then ended in accordance with Austrian Generally Accepted Accounting Principles and the Austrian Banking Act. Furthermore, management is responsible for such internal control as they have determined necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company’s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Company’s financial reporting process.

## **Auditor’s Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our

opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with EU rules and Austrian Generally Accepted Auditing Standards, which require the application of the ISAs, will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Regulation (EU) 537/2014 and with Austrian Generally Accepted Auditing Standards, which require the application of the ISAs, we exercise professional judgement and maintain professional skepticism throughout the audit.

We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that give a true and fair view.

We communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide the audit committee with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### Report on the Management Report

Pursuant to Austrian Commercial Code, the management report is to be audited as to whether it is consistent with the financial statements and whether it has been prepared in accordance with the applicable legal requirements.

Management is responsible for the preparation of the management report in accordance with the Austrian Commercial Code.

We conducted our audit in accordance with laws and regulations applicable with respect to the management report.

### Opinion

In our opinion, the management report attached is prepared in accordance with the applicable legal requirements, the disclosures pursuant to section 243a UGB are appropriate, and it is consistent with the financial statements.

### Statement

Based on the findings during the audit of the financial statements and due to the thus obtained understanding concerning the Company and its circumstances no material misstatements in the management report came to our attention.

### Additional Information in Accordance with Article 10 of EU Regulation (EU) 537/2014

We were elected as auditor of the Company at the annual general shareholders' meeting on 17 March 2022 for the fiscal year ending on 31 December 2023 and mandated by the chairman of the Supervisory Board on 17 March 2022. Furthermore, we were elected as auditor at the annual general shareholders' meeting on 16 March 2023 for the subsequent fiscal year and mandated by the chairman of the Supervisory Board on 28 March 2023. We are the auditor of the Company since the financial year ending 31 December 2022.

We confirm that the audit opinion in the section "Report on the Financial Statements" is consistent with the additional report to the audit committee referred to in article 11 of the EU regulation.

We declare that no prohibited non-audit services (article 5 par. 1 of the EU regulation) were provided by us and that we remained independent from the Company in conducting the audit.

Vienna

1 March 2024

**Deloitte Audit Wirtschaftsprüfungs GmbH**

Mag. Wolfgang Wurm

Certified Public Accountant

Publication or sharing with third parties of the financial statements together with our auditors' opinion is only allowed if the financial statements and the management report are identical with the audited version. This audit opinion is only applicable to the German and complete financial statements with the management report. Section 281 para 2 UGB applies to alternated versions.

This translation is for convenience purposes only.  
Only the German original is legally valid and binding.

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These individual financial statements are published on the Internet together with an English translation.

Gender-neutral formulations were not used in the interests of readability. All functions, offices, and references are intended in a gender-neutral manner unless a specific person is being referred to.

Produced in-house with firesys.

The information in this report is current as of 1 March 2024.



