

5. Auditor's report

Report on the financial statements

Audit opinion

We have audited the financial statements of the

Financial Market Authority (FMA), Vienna,

consisting of the balance sheet as at 31 December 2021, the income statement for the financial year then ended, as well as the notes. The statement of costs pursuant to Article 19 FMABG was also part of our audit.

In our opinion, the attached financial statements comply with the legal provisions and give a true and fair view of the net assets and the financial position as at 31 December 2021 as well as the results of operations of the Financial Market Authority (FMA) for the financial year then ended, in accordance with Austrian company law and the special legal provisions in Article 18 FMABG. The statement of costs pursuant to Article 19 FMABG complies with the statutory provisions.

Basis for audit opinion

We conducted our audit in accordance with the Austrian standards of proper auditing. These standards require us to apply the International Standards on Auditing (ISA). Our responsibilities under those provisions and standards are further described in the section "Auditor's responsibilities for the audit of the financial statements" of our auditor's report. We are independent from the Financial Market Authority (FMA), as required in accordance with Austrian company law and professional regulations, and we have fulfilled our other professional obligations in accordance with these requirements. We believe that the audit evidence we have obtained by 7 April 2022 is sufficient and appropriate to provide a basis for our audit opinion up to that date.

Legal representatives' and supervisory board's responsibilities for the financial statements

The legal representatives of the Financial Market Authority (FMA) are responsible for the preparation of the financial statements and for ensuring that they give a true and fair view of the net assets, financial position and results of operations of the FMA in accordance with Austrian company law and the special legal provisions in Article 18 FMABG. The legal representatives are also responsible for any internal control procedures that they deem necessary to enable preparation of financial statements that are free from material misstatement, whether caused by fraud or other irregularity or error.

In preparing the financial statements, the legal representatives are responsible for assessing the Financial Market Authority'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 the legal representatives either intend to liquidate the FMA or to cease operations, or have no realistic alternative but to do so.

The supervisory board is responsible for overseeing the Financial Market Authority'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 are free from material misstatement whether caused by fraud or other irregularity or error, and to issue an auditor's report including our audit opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit carried out in accordance with the Austrian standards of proper auditing, which require us to apply the ISA, will always detect a material misstatement when it exists. These can arise from fraud or error and are considered material if, individually or in the 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 Austrian standards of proper auditing, which require us to apply the ISA, we exercise professional judgment and maintain professional scepticism throughout the entire audit.

Additionally:

- We 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 audit 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 overriding of internal controls.
- We 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 Financial Market Authority's internal control procedures.
- We evaluate the appropriateness of accounting policies used by the legal representatives and the reasonableness of accounting estimates and related disclosures made by the legal representatives.
- We conclude on the appropriateness of legal representatives' 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 Financial Market Authority's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's 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 auditor's report. However, future events or conditions may cause the Financial Market Authority (FMA) to cease operating as a going concern.
- We 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 achieves fair presentation.
- We communicate with the Supervisory Board of the Financial Market Authority (FMA) 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.

Report on management report

Austrian company law requires us to perform audit procedures to determine whether the management report is consistent with the financial statements and whether it has been prepared in accordance with the applicable statutory requirements.

As regards the non-financial statement included in the management report, our responsibility is to verify that it has been prepared, to read it, and to consider whether this additional information is materially inconsistent with the financial statements or our findings obtained

during the audit, or otherwise appears to be materially misstated.

The legal representatives are responsible for the preparation of the management report in accordance with Austrian company law and the special legal provisions in Article 18 FMABG.

We conducted our audit in accordance with the standards of actuarial practice applicable to the audit of the management report.

Opinion

In our opinion, the management report has been prepared in accordance with the applicable statutory requirements and is consistent with the financial statements.

Declaration

Considering the findings obtained during our audit of the financial statements and the appreciation we gained of the Financial Market Authority (FMA) and its environment, we did not identify any material deficiencies in the management report.

Vienna, 7 April 2022

BBW Wirtschaftsprüfungs-
und Steuerberatungsgesellschaft mbH

Bernhard Winter, auditor

Publication or dissemination of the financial statements with our auditor's report is only permitted in the version we have audited. This auditor's report refers exclusively to the complete German version of the financial statements including the management report. With regard to other versions, the provisions contained in Article 281 para. 2 UGB are to be observed.

II. Results of cost allocation (Rounding differences are ignored)

1. Ratios of the FMA for 2020 and 2021 pursuant to Article 19 FMABG

Accounting group	Ratios	
	2021	2020
Banking Supervision	53.23%	53.98%
Insurance Supervision	16.48%	16.14%
Securities Supervision	28.91%	28.08%
Pension Supervision	1.38%	1.80%
Total	100.00%	100.00%

2. Share of FMA entities liable to pay costs for 2020 and 2021 pursuant to Article 19 FMABG (in per cent)

Accounting group	Share of entities liable to pay costs	
	2021	2020
Banking Supervision	55.56%	57.69%
Insurance Supervision	18.85%	17.61%
Securities Supervision	24.02%	22.74%
Pension Supervision	1.57%	1.96%
Total	100.00%	100.00%

3. Overview of FMA advance payments and costs of accounting groups for 2021 pursuant to Article 19 FMABG

Accounting group	Costs 2021	Advance payments/ Lump sum	Balance 2021
Banking Supervision	€ 33,782,286.61	€ 37,896,863.00	-€ 4,114,576.39
Insurance Supervision	€ 11,460,615.15	€ 11,523,895.00	-€ 63,279.85
Securities Supervision	€ 14,603,578.47	€ 15,163,905.00	-€ 560,326.53
Pension Supervision	€ 956,935.48	€ 1,175,187.00	-€ 218,251.52
Total	€ 60,803,415.71	€ 65,759,850.00	-€ 4,956,434.29

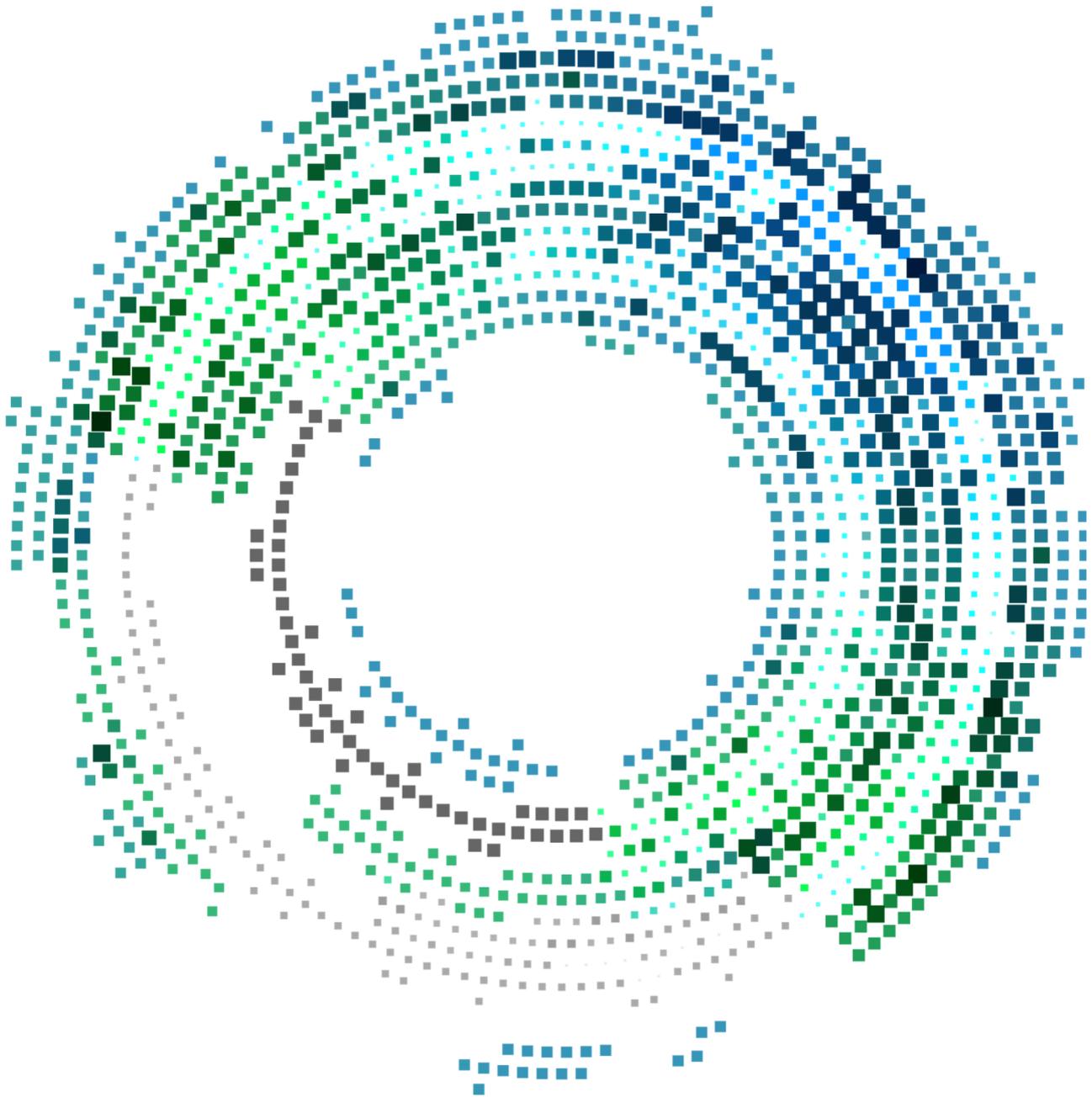
4. Overview of advance payments and costs of sub accounting groups of FMA Banking Supervision for 2021

Sub-accounting group	Costs 2021	Advance payments/ Lump sum	Balance 2021
Banking Supervision			
Pursuant to Article 69a BWG	€ 26,560,788.11	€ 30,386,533.00	-€ 3,825,744.89
Pursuant to Article 160 BaSAG	€ 6,513,045.37	€ 6,822,594.00	-€ 309,548.63
Pursuant to Article 56 ESAEG	€ 708,453.13	€ 687,736.00	€ 20,717.13
Banking Supervision	€ 33,782,286.61	€ 37,896,863.00	-€ 4,114,576.39

5. Overview of advance payments and costs of sub accounting groups of FMA Securities Supervision for 2021

Sub-accounting group Securities Supervision	Costs 2021	Advance payments/ Lump sum	Balance 2021
Institutions subject to reporting obligations	€ 4,806,199.29	€ 5,138,930.00	-€ 332,730.71
Issuers	€ 4,375,633.03	€ 4,152,896.00	€ 222,737.03
Investment service providers/investment firms	€ 3,656,031.90	€ 4,010,889.00	-€ 354,857.10
Market infrastructure *)	€ 500,000.00	€ 500,000.00	€ 0.00
Clearing members	€ 69,463.51	€ 122,599.00	-€ 53,135.49
Managers of collective portfolios	€ 1,156,520.60	€ 1,237,591.00	-€ 81,070.40
Administrators	€ 39,730.14	€ 1,000.00	€ 38,730.14
Securities Supervision	€ 14,603,578.47	€ 15,163,905.00	-€ 560,326.53

*) No pre-payment pursuant to Article 19 para. 5 FMABG has been prescribed. The parties liable to pay costs paid a lump sum amount in 2021



Financial Market Authority

Otto-Wagner-Platz 5
1090 Vienna

Annual Financial Statements as of 31.12.2021

Deloitte Tax Wirtschaftsprüfungs GmbH

Balance sheet as at 31 December 2021

(amounts in EUR)

(rounding differences from previous year disregarded)

<u>Assets</u>		Previous year EUR thousands		<u>Liabilities</u>	Previous year EUR thousands
A. FIXED ASSETS				A. RESERVES PURSUANT TO FMABG	
I. <u>Intangible assets</u>				1. Reserve pursuant to Article 20 FMABG	3,634,129.01
1. industrial property rights and similar rights and licences in such rights	349,250.46	410		2. Reserve pursuant to Article 23a FMABG	553,597.78
II. <u>Tangible assets</u>					4,187,726.79
1. Buildings on third-party land	1,183,146.19	1,001		B. PROVISIONS	
2. Other equipment, operating and office equipment	1,005,063.19	986		1. Provisions for severance pay	2,541,120.95
	<u>2,188,209.38</u>	<u>1,987</u>		2. Other provisions	9,482,444.99
	2,537,459.84	2,397			12,023,565.94
B. CURRENT ASSETS				C. LIABILITIES	
I. <u>Services not yet invoiced to entities liable to pay costs</u>	60,303,415.71	62,273		1. Advance payments received pursuant to Article 19 FMABG	69,530,382.75
II. <u>Receivables and other assets</u>				<i>Amount becoming due and payable within one year</i>	69,530,382.75
1. Trade receivables	1,119,113.32	743		<i>Amount becoming due and payable after more than one year</i>	0.00
<i>Amounts becoming due and payable after more than one year</i>	0.00	0		2. Trade payables	22,377,012.31
2. Other receivables and assets	846,458.94	714		<i>Amount becoming due and payable within one year</i>	11,717,012.31
<i>Amounts becoming due and payable after more than one year</i>	0.00	0		<i>Amount becoming due and payable after more than one year</i>	10,660,000.00
	1,965,572.26	1,457		3. Other liabilities	3,610,301.77
III. <u>Securities and shares</u>				Taxes	739,540.41
1. Austrian government securities	12,000,000.00	12,000		Social security and similar obligations	835,470.57
IV. <u>Cash at bank and in hand</u>	33,497,800.01	26,917		Actual cost accounting for previous years	1,000,626.00
	<u>107,766,787.98</u>	<u>102,647</u>		Other	1,034,664.79
				<i>Amount becoming due and payable within one year</i>	3,610,301.77
				<i>Amount becoming due and payable after more than one year</i>	0.00
					95,517,696.83
				<i>Amount becoming due and payable within one year</i>	84,857,696.83
				<i>Amount becoming due and payable after more than one year</i>	10,660,000.00
					90,658
					79,992
					10,666
C. PREPAID EXPENSES	1,449,761.74	1,404		D. DEFERRED INCOME	25,020.00
	<u>111,754,009.56</u>	<u>106,448</u>			<u>111,754,009.56</u>
					<u>106,448</u>

Vienna, 7 April 2022

signed by hand by Helmut Ettl

signed by hand by Eduard Müller

Income Statement for the Financial Year
from 01.01.2021 to 31.12.2021
 (Amounts in EUR)
 (Rounding differences from previous year disregarded)

		Previous year EUR thousands
1. Federal Government contribution pursuant to FMABG	4,500,000.00	4,167
2. Share of entities liable to pay costs		
a) Share of entities liable to pay costs (not yet chargeable)	60,303,415.71	62,273
b) Share of entities liable to pay costs (charged)	<u>500,000.00</u>	<u>500</u>
	60,803,415.71	62,773
3. Income from fees and allocation of costs	8,302,047.16	4,846
4. Other operating income		
a) Income from the disposal of fixed assets	9,015.00	0
b) Income from the reversal of provisions	543,652.98	640
c) Other	<u>269,171.98</u>	<u>256</u>
	821,839.96	896
5. Personnel expenses		
a) Salaries	-37,986,923.60	-37,439
b) Social security costs	-10,158,825.49	-9,788
<i>Expenses for old-age provision</i>	-1,683,328.40	-1,610
<i>aa) Expenses for severance pay and contributions to corporate staff provision funds</i>	-647,288.68	-681
<i>bb) Cost of statutory social security, payroll-related taxes and mandatory contributions</i>	-7,590,940.55	-7,322
<i>cc) Other social security costs</i>	<u>-237,267.86</u>	<u>-175</u>
	-48,145,749.09	-47,227
6. Amortisation and write-downs of intangible assets, depreciation and write-downs of tangible assets	-1,165,036.89	-1,199
7. other operating expenses		
a) Costs pursuant to Article 79 para. 4b BWG - Banking Supervision	-8,000,000.00	-8,000
b) Costs pursuant to Article 182 para. 7 VAG - Insurance Supervision	-180,000.00	-170
c) Costs pursuant to Article 3 para. 5 BaSAG - Bank Recovery/Resolution	-2,000,000.00	-2,000
d) Costs pursuant to Article 6 para. 6 ESAEG - Deposit Guarantees	-480,000.00	-496
e) Other	<u>-13,919,304.90</u>	<u>-13,210</u>
	-24,579,304.90	-23,876
8. <u>Subtotal of items 1 to 7</u>	537,211.95	379
9. Other interest income	304.16	1
10. Interest expenses	-139,789.03	-57
11. <u>Subtotal of items 9 to 10</u>	-139,484.87	-56
12. Release of reserves pursuant to FMABG	358,742.73	0
13. Appropriation to reserves pursuant to FMABG	-756,469.81	-323
14. <u>PROFIT OR LOSS FOR THE YEAR</u>	<u>0.00</u>	<u>0</u>

Vienna, 7 April 2022

signed by hand by Helmut Ettl

signed by hand by Eduard Müller

NOTES
pursuant to Article 236 UGB

(amounts in €)

A. GENERAL INFORMATION

1. The FINANCIAL MARKET AUTHORITY (FMA) is an institution under public law and was established by the Financial Market Authority Act (FMABG; *Finanzmarktaufsichtsbehördengesetz*) (Federal Law Gazette I No. 97/2001) on 22 October 2001. The official competence of the FMA commenced on 1 April 2002. The FMA is in charge of banking supervision, insurance supervision, securities supervision and pension supervision.

As at 31 March 2002, the Austrian Securities Authority was incorporated into the FMA by way of universal legal succession pursuant to Article 1 of the Securities Supervision Act (WAG; *Wertpapieraufsichtsgesetz*).

2. The financial statements have been prepared in conformity with the generally accepted accounting principles and the general principle of giving a true and fair view of the net assets, financial position and results of operations. In accordance with Article 18 FMABG, the provisions of the Corporate Code (UGB; *Unternehmensgesetzbuch*) were applied accordingly to the present financial statements.
3. The accounting policies applied to the individual items of the financial statements were based on the general provisions of Articles 193 to 211 UGB, taking the special provisions for large corporations into account.
4. The financial statements were prepared in accordance with the going concern principle.
5. Where a value was determined on the basis of an estimate, those estimates were based on prudent assessment. Where empirical values were available, the assessment was based on those values.

B. INFORMATION ON THE BALANCE SHEET INCLUDING THE DESCRIPTION OF THE ACCOUNTING POLICIES

1. Fixed assets

The changes in fixed assets and the breakdown of the annual depreciation according to individual items can be seen in the Annex to the Notes (Changes in fixed assets).

Depreciation is calculated on a straight-line basis.

The useful life of the individual asset groups is as follows:

- | | |
|---|---------------|
| 1. Industrial property and similar rights
and licences in such rights: | 3 years |
| 2. Buildings on third-party land: | 8 to 16 years |
| 3. Other equipment, operating and office equipment: | 3 to 10 years |

There was no need for depreciation pursuant to Article 204 para. 2 UGB as there was no impairment loss.

The low-value assets pursuant to Article 13 of the Income Tax Law (EStG; *Einkommensteuergesetz*) with individual acquisition values of less than € 800.00 each (previous year: € 800.00) were reported as disposals in their year of acquisition.

The Improvements to leased buildings include a landlord subsidy for the renovation of the conference room in the amount of € 22 198.98 (previous year: € 0k) and for the renewal of the ventilation system in the staff canteen in the amount of € 63 520.00 (previous year: € 0k) in 2021.

Additions to the assets were valued at cost; disposals of assets were recognised at carrying amounts.

Development of carrying amounts:

	Carrying amount as at 1 Jan.2021	Additions	Carrying amount of asset disposals	Depreciation	Carrying amount as at 31 Dec.2021
Intangible assets					
Industrial property and similar rights and licences in such rights	410,260.84	269,623.45	960.00	329,673.83	349,250.46
<i>Other IT software</i>	<i>406,990.44</i>	<i>253,802.66</i>	<i>960.00</i>	<i>322,942.64</i>	<i>336,890.46</i>
<i>Electronic filing system</i>	<i>2,636.80</i>	<i>15,820.79</i>	<i>0.00</i>	<i>6,097.59</i>	<i>12,360.00</i>
<i>Website</i>	<i>633.60</i>	<i>0.00</i>	<i>0.00</i>	<i>633.60</i>	<i>0.00</i>
Tangible assets					
Buildings on third-party land	1,000,840.42	331,935.94	0.00	149,630.17	1,183,146.19
<i>Improvements to leased buildings (Otto Wagner Pl.)</i>	<i>968,692.70</i>	<i>325,590.22</i>	<i>0.00</i>	<i>139,893.77</i>	<i>1,154,389.15</i>
<i>Dedicated lines</i>	<i>32,147.72</i>	<i>6,345.72</i>	<i>0.00</i>	<i>9,736.40</i>	<i>28,757.04</i>
Other equipment, operating and office equipment	986,251.87	672,509.55	128.71	653,569.52	1,005,063.19
<i>IT equipment (hardware)</i>	<i>776,054.60</i>	<i>534,676.49</i>	<i>128.71</i>	<i>566,026.04</i>	<i>744,576.34</i>
<i>Office furniture</i>	<i>112,728.50</i>	<i>13,252.80</i>	<i>0.00</i>	<i>34,371.82</i>	<i>91,609.48</i>
<i>Other office equipment</i>	<i>71,104.29</i>	<i>27,308.25</i>	<i>0.00</i>	<i>43,562.95</i>	<i>54,849.59</i>
<i>Office machines, devices and systems</i>	<i>26,364.48</i>	<i>97,272.01</i>	<i>0.00</i>	<i>9,608.71</i>	<i>114,027.78</i>
Low-value assets	0.00	32,163.37	0.00	32,163.37	0.00
Total	2,397,353.13	1,306,232.31	1,088.71	1,165,036.89	2,537,459.84

2. Intangible assets

	31 Dec.2021	31 Dec.2020
I. Services not yet invoiced to entities liable to pay costs	60,303,415.71	62,272,951.04
II. Receivables and other assets	1,965,572.26	1,457,000.57
III. Securities and shares	12,000,000.00	12,000,000.00
IV. Cash at bank and in hand	33,497,800.01	26,917,071.64
Total	107,766,787.98	102,647,023.25

I. Services not yet invoiced to entities liable to pay costs

This item comprises the expenses still to be borne by the entities liable to pay costs pursuant to Article 19 FMABG in the amount of € 60 303 415.71 (previous year: € 62 273k); specifically overall costs minus the federal grant pursuant to Article 19 para. 4 FMABG, authorisation fees pursuant to Article 19 para. 10 FMABG, as well as other income. The statement of costs is prepared according to the procedures stipulated under Article 19 FMABG.

In accordance with Article 19 FMABG, the FMA apportions cost shares as directly as possible to the accounting groups of banking supervision, insurance supervision, securities supervision and pension supervision. Costs that cannot be directly allocated are apportioned to the accounting groups based on the ratio of directly allocable costs (Article 19 para. 2 FMABG).

The 2021 cost shares for the four accounting groups are as follows:

	2021 in €	2020 in € thousands
1. Banking Supervision costs	33,782,286.61	36,212
2. Insurance Supervision costs	11,460,615.15	11,055
3. Securities Supervision costs	14,603,578.47	14,275
4. Pension Supervision costs	956,935.48	1,231
Total	60,803,415.71	62,773

(Rounding differences are ignored.)

After deduction of the costs of € 500 000.00 (previous year: € 500k), for the sub-accounting group Market Infrastructure in the Securities Supervision accounting group that were already charged in 2021, an amount of € 60 303 415.71 (previous year: € 62 273k) remains to be charged.

The allocation of costs to the individual entities liable to pay costs, and the offsetting against the advance payments made by the entities liable to pay costs in the 2021 financial year, are based on the reference data as listed in the relevant supervisory laws and reported to the FMA; this data is only available once the financial statements have been prepared.

II. Receivables and other assets

This item comprises the following sub-items:

	31 Dec. 2021	31 Dec.2020
1. Trade receivables	1,119,113.32	743,094.30
2. Other receivables and assets	846,458.94	713,906.27
Total	1,965,572.26	1,457,000.57

1. Trade receivables

The receivables amounting to € 1 119 113.32 (previous year: € 743k) are carried at nominal values and show a residual maturity of less than a year. Individual valuation allowances were recognised for identifiable risks in the measurement of receivables.

Trade receivables in the amount of € 204 472.82 (previous year: € 13k) constitute receivables pursuant to Article 74 para. 5 no. 2 of the Bank Recovery and Resolution Act (BaSAG; *Bankensanierungs- und Abwicklungsgesetz*).

Receivables of € 1 072 690.59 (previous year: € 735k) are still being carried from the actual cost accounting of previous years. Itemised valuation allowances of € 79 719.09 (previous year: € 5k) as well as a general allowance of € 78 331.00 (previous year: € 0k) were recognised for receivables from actual cost accounting.

Valuation allowances developed as follows:

As at 1 Jan. 2021	€ 4,539.00
Allocation	€ 153,511.09
Use	€ 0.00
Release	€ 0.00
As at 31 Dec. 2021	€ 158,050.09

2. Other receivables and assets

Other receivables totalling € 846 458.94 (previous year: € 714k) include mostly receivables from orders imposing fees, administrative penalties, penalty interest, trustee fees, as well as transitory items concerning the ELAK electronic filing system.

The itemised valuation allowance for Other receivables, administrative penalties and coercive penalties amounts to € 3 000.00 (previous year: € 7k).

III. Securities and shares

Securities and shares show investments in Austrian government securities (as at 13 January 2022) in the amount of € 12 000 000.00 (previous year: € 12 000k).

IV. Cash at bank and in hand

As at 31 December 2021 the Financial Market Authority held liquid assets in the amount of € 33 497 800.01 (previous year: € 26 917k). The year-on-year increase is primarily attributable to an increase in the advance payments for the following year as well as to the rise in advance payments prescribed by administrative decision in general (see the information under Point B.6).

3. Prepaid expenses

The item Prepaid expenses amounting to € 1 449 761.74 (previous year: € 1 404k) comprises in particular prepaid expenses for rent, insurance expenses, royalties and maintenance fees, membership fees, as well as subscriptions.

4. Reserve pursuant to FMABG

1. Reserve pursuant to Article 20 FMABG

Article 20 FMABG specifies the option of establishing a reserve in the amount of 1% of the FMA's total costs based on the latest adopted financial statements as at 31 December 2020 (1% of

the FMA's total costs in 2020 in the amount of € 72 682 580.27 is € 726 825.80). The maximum amount of the reserve may not, however, exceed 5% of the FMA's total costs based on the latest adopted financial statements as at 31 December 2020 (5% of the FMA's total costs in 2020 in the amount of € 72 682 580.27 is € 3 634 129.01). As at 31 December 2020 the reserve totalled € 3 633 006.00.

In 2021, € 358 742.73 (previous year: € 0k) of the reserve was released/used to cover extraordinary supervision expenses for the benefit of the sub-accounting group pursuant to the Austrian Banking Act (BWG; *Bankwesengesetz*) in the accounting group Banking Supervision. The allocation to the reserve pursuant to Article 20 FMABG amounts to € 359 865.74 (previous year: € 166k) for 2021; the reserve pursuant to Article 20 FMABG therefore totalled € 3 634 129.01 (previous year: € 3 633k) as at 31 December 2021.

2. Reserve pursuant to Article 23a para. 8 FMABG (regulatory sandbox)

In accordance with Article 23a para. 8 FMABG, the Government makes a ring-fenced contribution of € 500 000.00 (previous year on a pro rata basis: € 167k), which is to be used by the FMA to cover the costs of the regulatory sandbox. Any surplus will have to be allocated to a reserve. The costs for 2021 amounted to € 103 395.93 (previous year: € 10k), which is why an amount of € 396 604.07 (previous year: € 157k) was allocated to the reserve. The total reserve amounted to € 553 597.78 (previous year: € 157k) as at 31 December 2021.

Please refer to Point 1. Federal Government contribution pursuant to FMABG/Information on the income statement for more information on the Federal Government's contribution of € 500 000.00 (previous year: 167k).

5. Provisions

Provisions are established taking the prudent person principle pursuant to Article 211 para. 1 UGB into account.

	31 Dec. 2021	31 Dec.2020
I. Provisions for severance pay	2,541,120.95	2,550,968.95
II. Other provisions	9,482,444.99	9,427,313.15
Total	12,023,565.94	11,978,282.10

I. Provisions for severance pay

	2021 in €	2020 in € thousands
As at 1 Jan. 2021	2,550,968.95	2,420
Use	-94,399.12	-48
Allocation/Reversal	84,551.12	179
As at 31 Dec. 2021	2,541,120.95	2,551

(Rounding differences are ignored.)

The provisions for severance pay were calculated as in the previous year in accordance with actuarial principles using the entry age normal method and taking account of the current actuarial assumptions for pension insurance "AVOe 2018-P" (previous year: AVOe 2018-P). These assumptions are based on an interest rate of 1.35% (previous year: 1.60%) and a salary increase of 3.00% (previous year: 3.16%). The assumed interest rate corresponds to a 7-year average rate for a residual maturity of 15 years. The retirement age was assumed to be the pension age as set forth in the General Social Insurance Act (ASVG; *Allgemeines Sozialversicherungsgesetz*), also applying the transitional provisions of the Budget Accompanying Act 2003 (BBG 2003; *Budgetbegleitgesetz*). The raised retirement age for women as of 2024 was taken into account.

The provision for severance pay relates to employees and contractual employees of the FMA. Any allocations to or reversals of the provision are posted under Personnel expenses.

As at 31 December 2021, 47 (previous year: 50) employees were entitled to severance pay claims, with a provision having to be established for those claims. Of these employees, 16 (previous year: 18) have already transferred to the new severance pay scheme. Severance pay claims have been "frozen" for those employees as per the date of their transfer.

II. Other provisions

Other provisions were determined in accordance with the prudent person principle and include all risks identifiable as at the balance sheet date and all liabilities as yet uncertain in terms of their amount or reason, all contingent losses from pending business, as well as expenses that are essential in accordance with sound business judgement. These provisions were recognised with their respective settlement amounts.

	As at 1 Jan.2021	Use	Reversal	Allocation	As at 31 Dec.2021
Anniversary bonuses	182,357.00	72,557.00	0.00	8,839.00	118,639.00
Provisions for annual bonuses	2,235,310.11	2,235,310.11	0.00	2,321,880.03	2,321,880.03
Unused holiday entitlement	5,123,368.23	285,029.82	0.00	0.00	4,838,338.41
Overtime to be paid	25,650.77	25,650.77	0.00	45,523.65	45,523.65
Additional hours	288,758.87	5,217.60	0.00	0.00	283,541.27
Remaining other provisions	1,191,882.80	467,709.26	115,987.73	937,035.86	1,545,221.67
Provision actual costs Banking Supervision 2019	379,985.37	0.00	379,985.37	0.00	0.00
Provision actual costs Banking Supervision 2020	0.00	0.00	0.00	329,300.96	329,300.96
Total	9,427,313.15	3,091,474.56	495,973.10	3,642,579.50	9,482,444.99

Provision for anniversary bonuses

The provision for anniversary bonuses was calculated as in the previous year in accordance with actuarial principles using the entry age normal method and taking account of the current actuarial assumptions for pension insurance "AVOe 2018-P" (previous year: AVOe 2018-P). These assumptions are based on an interest rate of 1.35% (previous year: 1.60%) and a salary increase

of 3.00% (previous year: 3.16%). The assumed interest rate corresponds to a 7-year average rate for a residual maturity of 15 years. The retirement age was assumed to be the pension age as set forth in the ASVG also applying the transitional provisions of the BBG 2003. The raised retirement age for women as of 2024 was taken into account. For contractual employees non-wage labour costs were recognised at a rate of 3.9% (previous year: 3.9%) and social security contributions on a pro rata basis.

Provision for annual bonuses

Provisions were made for annual bonuses, based on the percentage of employees’ gross monthly salary to be paid if agreed targets are reached or exceeded.

Provision for unused holiday entitlement

This provision was set aside for obligations relating to holiday entitlement that had not been used up by the reporting date.

Provision for overtime to be paid

This provision covers overtime hours that have been worked but will only be paid in 2022.

Provision for additional hours

This item is for employees’ additional working time that will not be paid but transferred to the following year, subject to a maximum limit of 16 hours.

The remaining other provisions comprise the following items:

Maintenance and other IT expenses	542,181.34
Consulting costs and external services	354,781.12
Personnel expenses	174,354.92
IT costs	127,292.18
Operating expenses	92,500.00
Exemption levy for non-employment of disabled persons	77,164.00
Expenses FMA Annual Report	61,300.00
Events	60,000.00
CPD expenses	28,187.26
Other expenses	27,460.85
Total	1,545,221.67

As in the previous year, these other provisions do not include any provisions established for the long term.

Provision for actual costs of Banking Supervision in 2019:

The provision established pursuant to Article 69a BWG in one financial year must be reversed in the following financial statements of the FMA, i.e. the provision established in the 2020 financial statements for the actual costs incurred in 2019 was reversed/used in the 2021 financial statements of the FMA; by way of derogation to Article 19 para. 4 FMABG, the resulting income is only to be deducted from the costs of accounting group 1.

Provision for actual costs of Banking Supervision in 2020:

Pursuant to Article 69a BWG the difference between the calculated cost shares and the minimum amounts to be paid by the credit institutions for 2020 is to be allocated to a provision in the 2021 financial statements.

6. Liabilities

The liabilities are computed with the settlement amount taking the prudent person principle into account. All liabilities, with the exception of some amounts to be repaid to the OeNB (see Point 6.II.), have a residual maturity of up to one year.

	31 Dec. 2021	31 Dec.2020
I. Advance payments received (Article 19 FMABG)	69,530,382.75	62,698,343.50
II. Trade payables	22,377,012.31	22,727,726.29
III. Other liabilities	3,610,301.77	5,232,097.75
Total	95,517,696.83	90,658,167.54

I. Advance payments received pursuant to Article 19 FMABG

	31 Dec. 2021	31 Dec.2020
Prepayments by entities payment notices	65,259,850.00	62,108,033.00
Advance payments from entities follow. year	4,466,919.50	703,608.00
Item. val. allow. for receivables advance paym.	1,250.00	12,514.75
Receiv./excess paym. by entities advance paym.	-197,636.75	-125,812.25
Total	69,530,382.75	62,698,343.50

Amounts becoming due and payable within one year: € 69 530 382.75 (previous year: € 62 698k).

For the 2021 financial year, the entities liable to pay costs had to make advance payments in the amount of € 65 259 850.00 (previous year: € 62 108k) as prescribed by administrative decision. Itemised valuation allowances of € 1 250.00 (previous year: € 13k) were recognised for the amounts not yet paid.

The 2021 advance payments are compared with the cost share to be borne by the entities liable to pay costs within the scope of preparing the statement of costs. The resulting difference is either charged or repaid to the entities liable to pay costs.

As at 31 December 2021, € 4 466 919.50 (previous year: € 704k) had already been paid in advance for the 2022 financial year.

II. Trade payables

Trade payables comprise the following items:

	31 Dec. 2021	31 Dec.2020
Mand. OeNB costs pursuant to Article 79 para. 4b BWG	16,000,000.00	16,000,000.00
Mand. OeNB costs pursuant to Article 3 para. 5 BaSAG	4,000,000.00	4,000,000.00
Mand. OeNB costs pursuant to Article 6 para. 6 ESAEG	975,749.13	964,917.37
Mand. OeNB costs pursuant to Article 182 para. 7 VAG	349,208.20	380,813.48
Summary account trade payables	977,302.47	970,681.31
Incoming invoices not yet received	74,752.51	411,314.13
Total	22,377,012.31	22,727,726.29

Amounts becoming due and payable within one year: € 11 717 012.31 (previous year: € 12 062k).

Amounts becoming due and payable after more than one year: € 10 660 000.00 (previous year: € 10 666k).

For 2020 (to be reimbursed by 31 March 2022 each)

Reimbursement amounts pursuant to Article 79 para. 4b BWG – € 8 000 000.00

Reimbursement amounts pursuant to Article 182 para. 7 VAG – € 169 208.20

Reimbursement amounts pursuant to Article 3 para. 5 BaSAG – € 2 000 000.00

Reimbursement amounts pursuant to Article 6 para. 6 ESAEG – € 495 749.13

For 2021 (to be reimbursed by 31 March 2023 each)

Reimbursement amounts pursuant to Article 79 para. 4b BWG – € 8 000 000.00

Reimbursement amounts pursuant to Article 182 para. 7 VAG – € 180 000.00

Reimbursement amounts pursuant to Article 3 para. 5 BaSAG – € 2 000 000.00

Reimbursement amounts pursuant to Article 6 para. 6 ESAEG – € 480 000.00

The incoming invoices not yet received are for trade payables of 2021.

III. Other liabilities

	31 Dec. 2021	31 Dec.2020
Taxes	739,540.41	713,378.29
Social security and similar obligations	835,470.57	812,554.87
Actual cost accounting for previous years	1,000,626.00	531,444.00
Others	1,034,664.79	3,174,720.59
Total	3,610,301.77	5,232,097.75

Composition of liabilities relating to taxes	31 Dec. 2021	31 Dec.2020
Offset account tax office non-wage costs	721,198.81	691,567.66
Amount payable to tax office	14,931.60	18,444.63
Municipality of Vienna	3,410.00	3,366.00
Total	739,540.41	713,378.29

The liabilities relating to social security amount to € 835 470.57 (previous year: € 813k) and are primarily comprised of contributions to the district health insurance funds.

Liabilities carried from the actual cost accounting of previous years and amounting to € 1 000 626.00 (previous year: € 531k) essentially cover balances from the allocation of costs that are due to the entities liable to pay costs. The FMA repays such balances to the entities liable to pay costs upon being requested to do so by the entities.

The remaining Other liabilities totalling € 1 034 664.79 (previous year: € 3 175k) are mainly composed of fees and self-balancing items that the FMA collects and then passes on to the competent authority.

Expenses in the amount of € 567 028.71 (previous year: € 550k) that will only become due after the balance sheet date are also included here.

7. Deferred income

	31 Dec. 2021	31 Dec.2020
Deferred Income	25,020.00	21,815.00
Total	25,020.00	21,815.00

The item of Deferred income shows the prepayments on authorisation fees for investment funds pursuant to the Investment Fund Act 2011 (InvFG 2011; *Investmentfondsgesetz*) and the Alternative Investment Fund Managers Act (AIFMG; *Alternatives Investmentfonds Manager-Gesetz*).

8. Contingent liabilities

As at 31 December 2021 there were no contingent liabilities or guarantees.

9. The liabilities from the use of tangible assets not shown in the balance sheet amount to approximately € 4 224 920.00 (previous year: € 4 081k) for the following year and a total of approximately € 20 931 600,00 (previous year: € 20 407k) for the following five years.

C. INFORMATION ON THE INCOME STATEMENT

1. Federal Government contribution pursuant to FMABG

The Federal Government contribution pursuant to FMABG for the 2021 financial year amounts to € 4 500 000.00 (previous year: € 4 167k) and is composed of the Federal Government's contribution pursuant to Article 19 para. 4 FMABG of € 4 000 000.00 (previous year: € 4 000k), which is used to cover part of the costs incurred during the 2021 financial year, and the Federal Government's contribution pursuant to Article 23a para. 8 FMABG of € 500 000.00 (previous year: € 167k), which is used to cover the costs of the regulatory sandbox.

2. Share of entities liable to pay costs

The share of entities liable to pay costs for 2021 amounting to € 60 803 415.71 (previous year: € 62 773k) is made up of the not yet chargeable share amounting to € 60 303 415.71 (previous year: € 62 273k), which will be settled with them at the 2022 year-end, as well as the share already charged in 2021 for the sub-accounting group Market infrastructure for 2021 amounting to € 500 000.00 (previous year: € 500k).

Please refer to Point B.2. I. Services not yet invoiced to entities liable to pay costs for further information.

3. Income from fees and the allocation of costs

Income from fees and the allocation of costs amounted to € 8 302 047.16 (previous year: € 4 846k) and included the following income:

	31 Dec. 2021	31 Dec.2020
Income from fees pursuant to InvFG 2011 and AIFMG	3,790,141.65	3,490,448.67
Income FMA from authorisation fees	2,810,770.00	713,870.00
Income FMA from prospectus audits	414,750.00	416,400.00
Cost contribution VASPs	772,947.00	7,500.00
Other	513,438.51	217,639.30
Total	8,302,047.16	4,845,857.97

Other fees and allocations of costs essentially comprise income pursuant to Article 74 para. 5 no. 2 BaSAG, as well as contributions to criminal proceedings and from fee income.

4. Other operating income

Other operating income made up € 821 839.96 (previous year: € 896k) and comprised the following income:

	31 Dec. 2021	31 Dec.2020
a) Income from the disposal of fixed assets	9,015.00	0.00
b) Income from the reversal of provisions	543,652.98	640,448.78
c) Other	269,171.98	255,555.62
Total	821,839.96	896,004.40

a) Income from the disposal of fixed assets

The item Income from the disposal of fixed assets amounts to € 9 015.00 (previous year: € 0k) and covers proceeds from the sale of the FMA's tangible assets.

b) Income from the reversal of provisions

	31 Dec. 2021	31 Dec.2020
Income from the reversal of provisions	543,652.98	640,448.78
Total	543,652.98	640,448.78

Income from the reversal of provisions concerns the provision for the actual costs of Banking Supervision in 2019, at € 379 985.37 (previous year: € 447k), with the remaining amount essentially being due to reversals of provisions for personnel, insurance and IT expenses.

c) Other income

Other income amounts to € 269 171.98 (previous year: € 256k) and includes income from transitory items concerning the ELAK electronic filing system, training costs, allowances for semi-retired employees and rental income.

5. Personnel expenses

	31 Dec. 2021	31 Dec.2020
a) Salaries	37,986,923.60	37,438,546.71
b) Social security costs	10,158,825.49	9,788,137.80
Total	48,145,749.09	47,226,684.51

a) Salaries

The amount of € 37 986 923.60 (previous year: € 37 439k) posted under a) in the income statement mainly covers salaries including special payments and civil servants' salaries.

Expenses for severance pay and pensions, the average number of employees and the remuneration for the Executive Directors are presented in detail under Point D/Other information.

b) Social security costs

Social security costs amount to € 10 158 825.49 (previous year: € 9 788k) and essentially comprise social security contributions, employer's contribution, occupational retirement provision and contributions for staff provision.

Expenses for old-age provision amounting to € 1 683 328.40 (previous year: € 1 610k) concern expenses for occupational retirement provision for FMA employees.

aa) Expenses for severance pay and contributions to corporate staff provision funds

	31 Dec. 2021	31 Dec.2020
Contributions to staff prov. funds	513,439.64	489,177.28
Allocation to provision for severance pay	132,231.00	191,710.00
Severance pay expenses	1,618.04	158.00
Total	647,288.68	681,045.28

bb) Cost of statutory social security, payroll-related taxes and mandatory contributions

This item amounts to € 7 590 940.55 (previous year: € 7 322k) and includes the following taxes and contributions:

	31 Dec. 2021	31 Dec.2020
Social security contributions	6,112,338.22	5,795,302.26
Employer's contribution	1,383,839.11	1,325,905.44
Exemption levy for non-employment of disabled persons	77,164.00	67,660.01
Underground tax	44,410.00	43,544.00
Contributions to civil servants' insurance institution	13,500.74	13,349.17
Allocation/Use prov. for non-wage labour costs	-40,311.52	76,692.76
Total	7,590,940.55	7,322,453.64

cc) Other social security costs

Other social security costs of € 237 267.86 (previous year: € 175k) are mainly attributable to subsidised meals in the staff canteen as well as other voluntary social security costs.

6. Amortisation and write-downs of intangible assets, depreciation and write-downs of tangible assets

The depreciation, amortisation and write-downs amount to € 1 165 036.89 (previous year: € 1 199k) and cover the following items:

	31 Dec. 2021	31 Dec.2020
Ordinary depreciation	1,132,873.52	1,122,515.01
Low-value assets	32,163.37	76,351.72
Total	1,165,036.89	1,198,866.73

These are presented in detail under Point B.1 Fixed assets/Information on the balance sheet.

7. Other operating expenses

	31 Dec. 2021	31 Dec.2020
Costs pursuant to Article 79 para. 4b BWG – Banking Supervision	8,000,000.00	8,000,000.00
Costs pursuant to Article 182 para. 7 VAG – Insurance Supervision	180,000.00	170,000.00
Costs pursuant to Article 3 para. 5 BaSAG – Bank Recovery/Resolution	2,000,000.00	2,000,000.00
Costs pursuant to Article 6 para. 6 ESAEG – Deposit Guarantees	480,000.00	496,000.00
Other	13,919,304.90	13,210,439.95
Total	24,579,304.90	23,876,439.95

Other operating expenses include the following costs for services rendered by the OeNB in 2021 pursuant to:

- Article 79 para. 4b BWG: € 8 000 000.00 for Banking Supervision (previous year: € 8 000k)
- Article 182 para. 7 VAG: € 180 000.00 for Insurance Supervision (previous year: € 170k)
- Article 3 para. 5 BaSAG: € 2 000 000.00 for Bank Recovery/Resolution (previous year: € 2 000k)
- Article 6 para. 6 ESAEG: € 480 000.00 for Deposit Guarantees (previous year: € 496k).

The remaining Other operating expenses amount to € 13 919 304.90 (previous year: € 13.210k) and essentially include facility and IT expenses, membership fees for international supervision organisations, travel expenses, expenses for continuing professional development and expenses related to contested payment notices.

Audit expenses

Other operating expenses include the following expenses related to the statutory audit carried out by the auditing firm BBW Wirtschaftsprüfungs- und Steuerberatungsgesellschaft mbH in accordance with Article 18 para. 2 FMABG:

	€
Audit of the financial statements of the Financial Market Authority	31,200.00
Audit of the resolution financing arrangement pursuant to Article 123d para. 2 BaSAG	3,120.00
Total	34,320.00

8. Other interest and similar income

Credit interest is shown with an amount of € 304.16 (previous year: € 1k).

9. Interest and similar expenses

Interest expenses of € 139 789.03 (previous year: € 57k) exclusively comprise negative interest on bank balances.

10. Reserve pursuant to Article 20 FMABG

Please refer to Point B.4 Reserve pursuant to Article 20 FMABG/Information on the balance sheet for details about the use/release of the reserve amounting to € 358 742.73 (previous year: € 0k) as well as about the allocation to the reserve amounting to € 359 865.74 (previous year: € 166k).

11. Reserve pursuant to Article 23a para. 8 FMABG

Please refer to Point B.4 2. Reserve pursuant to Article 23a para. 8 FMABG/Information on the balance sheet for details about the allocation to the reserve in the amount of € 396 604.07 (previous year: € 157k), which is composed of the Federal Government's contribution less the expenses incurred for running the regulatory sandbox in the financial year of 2021.

D. OTHER INFORMATION1. Significant events after the balance sheet date

No significant events took place after the balance sheet date. Any necessary reporting (quarterly reports, annual report) was carried out in good time.

2. Average number of staff pursuant to Article 239 UGB:

	2021	2020
Civil servants	11	13
Employees (incl. contractual employees)	<u>460</u>	<u>450</u>
Staff total	<u>471</u>	<u>463</u>

3. Management of the FMA pursuant to Article 6 FMABG

Eduard Müller was appointed by the Federal President on 6 July 2020 to serve as a member of the FMA's Executive Board for a term of office from 6 July 2020 to 5 July 2025.

Helmut Ettl was reappointed by the Federal President on 14 February 2018 to serve as a member of the FMA's Executive Board from 14 February 2018 to 13 February 2023.

4. Expenses for severance pay and pensions

The expenses for severance pay and pensions, broken down by members of the Executive Board including executive employees and by other employees, are as follows for the respective financial years:

	2021 in €	2020 in € thousands
Executive Directors and executive employees	130,131.98	132
Other employees	2,200,485.10	2,158
Total	2,330,617.08	2,291

(Rounding differences are ignored.)

5. Remuneration of the members of the Executive and Supervisory Boards

The remuneration of the two Executive Directors of the FMA consists solely of fixed components (no variable components) and amounted to € 286 868.40 gross in 2021 per director and year.

The costs of any contractual old-age pension provision for the Executive Directors amounted to € 23 523.22 per individual in 2021.

The remuneration paid to the eight voting members of the Supervisory Board totals € 19 700.00 per year. This amount can be broken down as follows:

- Chairperson: € 3 600.00
- Vice-Chairperson: € 2 900.00
- Member: € 2 200.00

The remuneration of the members appointed by the Oesterreichische Nationalbank is not paid to the members themselves but to the OeNB, in accordance with the terms of their employment contracts. The members co-opted by the Austrian Federal Economic Chamber do not receive any remuneration.

The members of the Supervisory Board did not receive any advance payments or loans.

Members of the Supervisory Board appointed by the Federal Ministry of Finance:

Alfred LEJSEK (Chairperson)
Federal Ministry of Finance

Robert HOLZMANN (Vice-Chairperson)
Governor of the Oesterreichische Nationalbank

Gottfried HABER
Vice Governor of the Oesterreichische Nationalbank; Director of Financial Stability, Banking Supervision and Statistics at the OeNB

Gabriela De Raaij
Head of the Off-Site Supervision Division – Significant Institutions at the OeNB

Dietmar SCHUSTER
Federal Ministry of Finance

Elisabeth GRUBER
Federal Ministry of Finance

Beate SCHAFFER
Federal Ministry of Finance

Karin TURNER-HRDLICKA
Director of the Department for the Supervision of Significant Institutions at the OeNB

The co-opted members were nominated by the Austrian Federal Economic Chamber.

Walter KNIRSCH (co-opted member)
Sworn auditor and tax consultant

Franz RUDOERFER (co-opted member)
Managing Director of the Bank and Insurance Division, Federal Economic Chamber

Vienna, 7 April 2022

.....
Helmut Ettl, signed in person

Vienna, 7 April 2022

.....
Eduard Müller, signed in person

Statement of changes in fixed assets pursuant to Article 226 para. 1 UGB

	Acquisition Costs			Cumulated depreciations				Carrying amounts		
	As at 01.01.2021 EUR	Additions EUR	Disposals EUR	As at 31.12.2021 EUR	As at 01.01.2021 EUR	Additions EUR	Disposals EUR	As at 31.12.2021 EUR	As at 01.01.2021 EUR	As at 31.12.2021 EUR
Fixed assets										
I. Intangible assets										
1. Industrial property and similar rights and benefits and licences in such rights	4,769,925.01	269,623.45	617,159.58	4,422,388.88	4,359,664.17	329,673.83	616,199.58	4,073,138.42	410,260.84	349,250.46
II. Tangible assets										
1. Buildings on third-party land	2,620,143.06	331,935.94	0.00	2,952,079.00	1,619,302.64	149,630.17	0.00	1,768,932.81	1,000,840.42	1,183,146.19
2. Other equipment, operating and office equipment	6,835,306.30	672,509.55	1,199,650.30	6,308,165.55	5,849,054.43	653,569.52	1,199,521.59	5,303,102.36	986,251.87	1,005,063.19
3. Low-value assets	0.00	32,163.37	32,163.37	0.00	0.00	32,163.37	32,163.37	0.00	0.00	0.00
	9,455,449.36	1,036,608.86	1,231,813.67	9,260,244.55	7,468,357.07	835,363.06	1,231,684.96	7,072,035.17	1,987,092.29	2,188,209.38
	14,225,374.37	1,306,232.31	1,848,973.25	13,682,633.43	11,828,021.24	1,165,036.89	1,847,884.54	11,145,173.59	2,397,353.13	2,537,459.84