

# Corporate Governance Report

90	Supervisory Board Report
92	Commitment to the Austrian Code of Corporate Governance
92	Comply or explain catalogue
94	Members of the Management Board
95	Management Board
96	Supervisory Board
100	Committees
103	Support for women
103	Diversity concept
103	Remuneration

## Supervisory Board

With after-tax profit of €44m, UBM closed the 2021 financial year with results that exceeded expectations at the start of the second pandemic year. This performance was supported by the selected sale of projects, without being involved in their realisation. The consequent focus on *green. smart. and more.* also played an important role. However, successful strategic change not only requires a solid financial basis: UBM has a stronger position than ever before with an equity ratio of 37%.

The Supervisory Board was informed by the Management Board, regularly and in detail, on the progress made in implementing the corporate strategy. The company's strategic orientation was also continuously evaluated and discussed with the Management Board. All necessary resolutions were examined extensively and passed unanimously. In these respects, the Supervisory Board actively accompanied and supported the company's development within the scope of its assigned responsibilities. In accordance with Section 81 of the Austrian Stock Corporation Act, the Management Board provided the Supervisory Board with regular written and verbal reports that contained timely and extensive information on the development of business and the financial position of the Group and its investments, on issues related to employees and planning, and on investment and acquisition projects. The Management Board also discussed the corporate strategy, future business policies and risk management with the Supervisory Board.

The Supervisory Board held five meetings in 2021 at which the necessary resolutions were passed. The approvals were obtained for transactions which require the consent of the Supervisory Board according to Section 95 Para. 5 of the Stock Corporation Act; in urgent cases, the decisions were taken by written vote. The average attendance at the Supervisory Board meetings equalled 98%.

The ESG Committee, which was created by a resolution of the Supervisory Board on 25 February 2021, held two meetings in 2021. The meeting on 22 April included the election of the committee chairwoman and vice-chairwoman. The Management Board reported on the current status of ESG in the company, the related ratings and the ESG Report for 2020

and also provided an outlook on UBM's future development in these areas. The agenda for the meeting on 1 December included a review of 2021 and the handling of ESG issues in the company. Discussions also covered the internal assignment of ESG responsibilities at UBM, the opportunities created by ESG ratings, an outlook and further development as well as the related measures and goals.

The Nomination Committee met once in 2021, on 22 April, where it dealt with the appointment of Martina Maly-Gärtner, MRICS, to the Management Board and the extension of the employment contracts with Thomas G. Winkler, Patric Thate and Martin Löcker.

The Remuneration Committee held two meetings in 2021. Discussions at the meeting on 26 March included the determination of the annual bonus for the members of the Management Board. At the meeting on 24 June, the granting of a special performance bonus for Management Board members Patric Thate and Martin Löcker was discussed.

The Audit Committee met five times during the 2021 financial year. The first meeting was held on 22 February without the Management Board in accordance with Rule 81a of the Austrian Code of Corporate Governance and concentrated on the audit schedule, audit focal points and communication between the auditor and the Audit Committee. In the meeting on 26 March, which also included the Management Board, the auditor reported on the status of the audit of the separate and consolidated financial statements as of 31 December 2020. The meeting on 22 April included the auditor and covered the evaluation of and preparations for the approval of the separate and consolidated financial statements for 2020. At this same meeting, the Supervisory Board discussed the selection of an auditor for the separate and consolidated financial statements as of 31 December, the audit schedule for 2021, the report by the Management Board on related party transactions in 2020 and risk management.

The Audit Committee meeting on 21 September 2021 was also attended by the auditor and dealt, among others, with the report by the Management Board on the effectiveness

of the internal control system, the internal audit system and risk management (fraud) as well as compliance (corruption) in the sense of C-Rules 18 and 18a of the Austrian Code of Corporate Governance and planning for the audit of the separate and consolidated financial statements. The last meeting of the past year was held on 1 December and covered the report by the auditor on the functioning of risk management.

The separate financial statements of UBM Development AG as of 31 December 2021, including the notes and the management report, and the consolidated financial statements as of 31 December 2021, which were prepared in accordance with International Financial Reporting Standards (IFRS), as applied in the EU, together with the Group management report, were audited by BDO Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft. The audit, which was based on the company's bookkeeping and records as well as explanations and documentation provided by the Management Board, indicated that the bookkeeping and the separate and consolidated financial statements comply with legal regulations and provide no grounds for material objections. The management reports for the company and the Group agree with the separate and consolidated financial statements. The above-mentioned auditor therefore issued an unqualified audit opinion for the separate and consolidated financial statements of the 2021 financial year.

All documents related to the financial statements, the corporate governance report, the proposal by the Management Board for the use of profits and the auditor's report were discussed in detail by the Audit Committee together with the auditors on 7 April 2022 and submitted to the Supervisory Board. Following extensive discussion and examination, the Audit Committee and the Supervisory Board approved the annual financial statements as of 31 December 2021, the management report, the corporate governance report and the Management Board's proposal for the use of profits. The separate financial statements as of 31 December 2021 are therefore considered approved. In addition, the Audit Committee and the Supervisory Board approved the consolidated financial statements for 2021, which were prepared in accordance with IFRS, and the Group management report.



The Supervisory Board agrees with the proposal by the Management Board for the use of profits. The agenda for the Annual General Meeting, which will vote on the use of profits for the 2021 financial year, will thereby include a proposal for the payment of a €2.25 dividend per share.

As Chairman of the Supervisory Board, I would like to make several personal remarks against the backdrop of the war in Ukraine. The events of the past weeks have led to substantial uncertainty and make it more difficult to estimate the future, even though UBM has no direct business activities in the countries involved in the war. I can, however, ensure you that UBM has a safe and stable foundation and is optimally positioned for the future. The successful handling of uncertainty was clearly demonstrated during the last two years of the Covid-19 pandemic.

The Supervisory Board would like to thank UBM's customers and shareholders for their confidence in and commitment to the company, and also commend the Management Board and the many men and women who work for UBM Development for their tireless efforts and exceptional performance during the past year.

With my best wishes,

**Karl-Heinz Strauss, MBA, FRICS**  
Chairman of the Supervisory Board

Vienna, April 2022

# Governance

## Commitment to the Austrian Code of Corporate Governance

UBM Development AG views corporate governance as a comprehensive concept within the framework of responsible and transparent management as well as the related system of wide-ranging controls. The Management Board and Supervisory Board work closely together in the interests of the company and its employees to continuously evaluate and coordinate the strategic direction of the UBM Group. An ongoing dialogue with the relevant interest groups builds trust, also for corporate activities, and creates the basis for sustainable growth in the future. A top priority for UBM is to develop and improve its standards for responsible and sustainable corporate management.

The Management Board and Supervisory Board issued a joint formal declaration in August 2016, which commits the UBM Group to compliance with the Austrian Code of Corporate Governance. Section 267b of the Austrian Commercial Code requires UBM, as a listed parent company whose shares are traded on a regulated market, to produce a consolidated corporate governance report as defined in Section 1 (2) of the Austrian Stock Exchange Act of 2018. As the UBM Group does not have any listed subsidiaries, the necessary disclosures are limited to the information required by Section 243c of the Austrian Commercial Code and included in the appropriate sections of this corporate governance report. UBM shares have been listed in the Prime Market, the premium segment of the Vienna Stock Exchange since 22 August 2016. This also formally commits UBM to adherence with increased standards for transparency, quality and publication. UBM is committed to compliance with the behavioural rules defined by the Austrian Code of Corporate Governance – with reference to the deviations listed below in the comply or explain catalogue – and sees the code as a key precondition for responsible corporate management. The latest version of the Austrian Code of Corporate Governance, as issued by the Austrian Working Group for Corporate Governance, is available to the general public on the organisation's website under [www.corporate-governance.at](http://www.corporate-governance.at).

This corporate governance report is published as part of the annual report and is available on the Group's website under [www.ubm-development.com](http://www.ubm-development.com), in the submenu Investor Relations/Financial Reports or under Corporate Governance. In accordance with C-Rule 36 of the Austrian Code of Corporate Governance, the Supervisory Board also conducted a self-evaluation during 2021. The questionnaire used for the evaluation addressed, in particular, the efficiency of the Supervisory Board, its organisation and its working procedures. The findings were evaluated and discussed by the Supervisory Board.

## Comply or explain catalogue

**C-Rule 27:** In accordance with C-Rule 27 of the Austrian Code of Corporate Governance, the company's current remuneration policy states that the remuneration for each of the Management Board members must include fixed and variable components as required by the applicable legal regulations. The variable, performance-based remuneration components are designed to reflect shareholders' interests in the positive development of the company and increase the Management Board's motivation to take actions which lead to the sustainable, long-term and risk-aware optimisation of Group results. Annual variable remuneration is dependent on the attainment of parameters set by the Supervisory Board, which are based on financial or non-financial criteria or a combination of both. The inclusion of non-financial criteria is not mandatory for determining the amount of variable remuneration in order to support the objectiveness, transparency and plausibility of remuneration. The remuneration policy does not include the possibility of demanding the payback of variable remuneration components ("clawback") because this is not required by law and because civil law provides sufficient grounds for the right to claim the return of payments which were based on obviously false data.

**C-Rule 27a:** The contracts with the Management Board members, prior to the implementation of the current remuneration policy in accordance with applicable legal regulations, do not include a specific provision that would limit severance compensation for the premature termination of their function

without good cause to a maximum of twice the total annual remuneration and a maximum of the remaining contract term. Moreover, these contracts currently do not specify that severance payments will not be made when a Management Board contract is terminated prematurely with good cause. The Management Board contracts do not contain any provisions which would require consideration of the circumstances under which a member leaves the company and the economic position of the company in the event of premature resignation. When concluding the existing Management Board contracts, compliance with C-Rule 27a of the Austria Corporate Governance Code was not yet in the foreground. C-Rule 27a of the Austrian Code of Corporate Governance was implemented for the first time in 2021 in connection with the conclusion of the contract for the fourth member of the Management Board.

**C-Rule 38:** The job profile and procedure for appointing Management Board members are established on a case-by-case basis. The Supervisory Board defines a job profile when a Management Board position is to be filled, whereby particular attention is paid to the individual candidates' qualifications, experience and industry knowledge. A formally defined appointment procedure and general job profile are not used in the interests of the company because this could exclude candidates from appointments to the Management Board in spite of their exceptional qualifications and outstanding industry knowledge.

**C-Rule 39:** The establishment of an emergency committee appears to be unnecessary in view of the homogenous business activities of UBM Development AG and the comparatively low number of Supervisory Board members. Circular resolutions are used in urgent cases.

**C-Rule 49:** In line with legal regulations and L-Rule 48 of the Austrian Code of Corporate Governance, the Supervisory Board approves the conclusion of all contracts with its members which commit these persons to performing a service for the company or a subsidiary outside their activities on the Supervisory Board for compensation that exceeds an immaterial value. The company does not, however, publish

the related details for operational and confidentiality reasons. Moreover, the notes to the consolidated financial statements of UBM Development AG include disclosures on related party transactions, which include the remuneration for services by companies in which the Supervisory Board members hold a position on a corporate body and/or an investment outside their activities on the Supervisory Board of UBM Development AG.

**C-Rule 83:** UBM Development AG has decided to appoint an auditor, who is not responsible at the same time for auditing the annual financial statements, to evaluate the effectiveness of risk management. This decision is intended to distribute two separate audit contracts covering different subjects to different experts. The dual control principle is further strengthened, above all through the independence of the auditors. A tender process led to the selection of PwC Wirtschaftsprüfung GmbH as the best bidder, and this firm was subsequently commissioned to evaluate the risk management system.

## Members of the Management Board

**Thomas G. Winkler** was born in Salzburg, Austria, in 1963. He completed his law degree at Salzburg University, Austria, in 1985, and graduated as Master of Laws (LL.M.) in 1987 from the University of Cape Town, South Africa. After graduating, he started his career at Erste Bank AG (formerly: Girozentrale); from 1990 he was an authorised signatory, head of Investor Relations and Corporate Spokesperson at Maculan Holding AG. From 1996 to 1998 he served as Vice President, Head of Special Projects at Magna (Europe) Holding AG. He was Head of Investor Relations at Deutsche Telekom AG in Bonn from 1998 to 2001 before moving to T-Mobile International AG & Co. KG, where he was responsible for finance as a member of the Executive Board. Mr. Winkler worked as a freelance consultant in London from 2007 to 2009. He was CFO of Lenzing AG from 2010 to 2013 and additionally served on the Supervisory Board of ÖIAG Österreichische Industrieholding AG from 2012 to 2015, finally as Deputy Chairman. He was also Chairman of the Audit Committee and an independent member of the Supervisory Board of Bashneft JSOC, Russia, up to April 2015. Since 2014 he has served as a Senior Advisory Board Member at Minsait, Spain. Thomas G. Winkler was appointed Chairman of the Management Board of UBM Development AG on 1 June 2016. As the Chairman of the Management Board and CEO, he is responsible for Strategy & Corporate Development, Investor Relations & ESG, Corporate Communications, Transactions & Market Research and Legal & Compliance.

**Martin Löcker** was born in Leoben, Austria, in 1976. He graduated in industrial engineering and construction from the Technical University in Graz, Austria, in 2000 and subsequently received a postgraduate degree in real estate economics from the European Business School in Munich, Germany, in 2005. He joined the PORR Group and its subsidiary UBM AG in 2001 where he was responsible for projects in Austria, France and Germany. Since 2007 he has held management positions at UBM AG and UBM Development Deutschland GmbH (formerly: Münchner Grund). He has been a member of the Management Board since 1 March 2009. In accordance with the rules of procedure for the Management Board, Martin

Löcker is responsible for Project Acquisition Controlling, Operational Project Controlling, Technical Competences, Green Building, Quality Management and the newly created department Timber Construction.

**Patric Thate** was born in Bergisch Gladbach, Germany, in 1973. After studying economics at Wuppertal and Nottingham Universities, he started his career at Deutsche Telekom in Bonn during 1999, where he held various management positions in finance until the end of 2010. He was then responsible for finance at Lenzing AG, Austria, as Vice President Global Finance until 2015. Patric Thate was also substantially involved in major international capital market transactions, including the Re-IPO of Lenzing AG. In his most recent position, he served as Head of Finance and a member of the Executive Committee of UBM Development AG. He was appointed CFO of UBM on 1 July 2017, where he is responsible for Financial Controlling & Reporting, Accounting & Consolidation, Treasury, Tax and IT.

**Martina Maly-Gärtner** was born in Vienna in 1975 and gained hotel management operating experience at the beginning of her career with well-known international hotel chains in America, the Near East and Europe. She then served for eight years as the Vienna managing director for Michaeler & Partner, a tourism consulting and hotel development company focused on Europe. Her international professional activities since 2018 included responsibility as COO for the hotel portfolio and strategy development of Arabella Hospitality, which is headquartered in Germany. She was appointed to the Management Board of UBM Development AG as COO on 1 September 2021. In accordance with the rules of procedure for the Management Board, Martina Maly-Gärtner, MRICS, is responsible for Hotel Operations, Human Resources, Work Safety and Insurance.

## Management Board

The Management Board must have between two and six members as defined in Section 6 of the Statutes. In 2021, the Management Board had three members up to 31 August and, following the appointment of Martina Maly-Gärtner, MRICS, increased to four members as of 1 September. The Supervisory Board can designate one member as chairman and one member as deputy chairman of the Management Board. The Management Board passes resolutions by a simple majority of the votes cast. If the Supervisory Board appoints one member as chairman of the Management Board, this person casts the deciding vote in the event of a tie. The members of the Management Board are appointed by the Supervisory Board for a maximum term of five years, whereby the renewal or extension of this appointment (in each case, for a maximum of five years) is permitted. The Supervisory Board can dismiss a member of the Management Board before the end of his or her term in office for an important reason, i.e. for a serious breach of duty or if the Annual General Meeting passes a vote of no confidence in the Management Board member. The Management Board is required to conduct its business activities in line with the rules defined by the Austrian Stock Corporation Act, the Statutes, other laws and the rules of procedure. The Supervisory Board is responsible for determining the assignment of Management Board responsibilities while, at the same time, maintaining the overall responsibility of the Management Board. The Management Board requires the prior approval of the Supervisory Board before entering into the transactions listed in Section 95 Para. 5 of the Austrian Stock Corporation Act (current version). To the extent permitted by Section 95

Para. 5 of the Austrian Stock Corporation Act, the Supervisory Board sets the monetary limits for transactions which do not require its approval. The Supervisory Board is also entitled to add additional transactions to the list of legally defined cases which require its approval (Section 95 Para. 5 of the Austrian Stock Corporation Act). The Supervisory Board is required to issue appropriate rules of procedure for the Management Board, and the Management Board must report regularly to the Supervisory Board on its activities.

Activities on behalf of the company must represent the principal occupation for the members of the Management Board. They must manage the company's business with the care of responsible and conscientious managers and in accordance with the interests of shareholders, the staff and the general public. The members of the Management Board may not take on any other employment without the approval of the Supervisory Board and may not take on an executive function in any companies which are not part of the UBM Group.

UBM is represented by two Management Board members, or by one Management Board member together with one authorised signatory. The company can also be represented by two authorised signatories, with certain legal restrictions. Any deputy Management Board members have the same rights of representation as regular Management Board members.

The following table lists the Management Board members, their dates of birth, their positions, the date of their initial appointment and the expected end of their term in office.

### Members of the Management Board

Name	Date of birth	Position	Member since	Appointed until
Thomas G. Winkler	24.6.1963	Chairman of the Management Board	1.6.2016	20.4.2026
Martin Löcker	13.3.1976	Management Board	1.3.2009	20.4.2026
Patric Thate	25.5.1973	Management Board	1.7.2017	20.4.2026
Martina Maly-Gärtner	3.1.1975	Management Board	1.9.2021	30.4.2026

**Supervisory Board positions or comparable functions in Austrian or foreign companies (which are not included in the financial statements):**

Thomas G. Winkler served as a Senior Advisory Board Member at Minsait by Indra Business Consulting S.L.U. (Spain) up to the end of 2021. The Management Board members Martina Maly-Gärtner, Martin Löcker and Patric Thate do not serve on any supervisory boards or hold comparable functions in any Austrian or foreign companies (which are not included in the financial statements).

**Executive and non-executive board positions in material subsidiaries:**

The Management Board members Thomas G. Winkler, Martina Maly-Gärtner, Patric Thate and Martin Löcker have executive functions in individual project companies, but do not have any executive or supervisory board positions in material subsidiaries.

**Supervisory Board**

The UBM Supervisory Board is composed of members elected by the Annual General Meeting. In addition, the Works Council is authorised by Section 110 Para. 1 of the Austrian Labour Constitutional Act to delegate a specific number of members to the Supervisory Board. Section 9 of the Statutes states that the Supervisory Board must have a minimum of three and a maximum of 12 members elected by the Annual General Meeting. In 2021, the Supervisory Board had eight members elected by the Annual General Meeting plus four additional members designated by the Works Council as employee representatives.

The members of the Supervisory Board are elected up to the end of the Annual General Meeting which votes on the release from liability of the Supervisory Board for the fourth financial year after their election, unless the Annual General Meeting specifies a shorter term for one or all of the elected members; the financial year in which the Supervisory Board member is elected does not count towards this term. The re-election of a board member is permitted, also for retiring

members. If an elected Supervisory Board member retires before the end of his or her term, a substitute must only be elected at the next Annual General Meeting. However, an Extraordinary General Meeting must be held within six weeks to elect a substitute if the number of Supervisory Board members falls below three. A substitute member is elected for the remaining term of the former Supervisory Board member, unless decided otherwise by the Annual General Meeting.

The Annual General Meeting can recall a Supervisory Board member before the end of his or her term with a resolution based on a simple majority of the votes cast. Any member of the Supervisory Board can resign, without due cause, by notifying the chairman of the Supervisory Board in writing, subject to a notice period of 21 days. This notice period can be shortened by the chairman of the Supervisory Board, or his or her deputy in the event the chairman resigns.

A substitute member can be elected concurrently with a regular Supervisory Board member, whereby the substitute would fill the seat effective immediately if the Supervisory Board member retires before the end of his or her term. If multiple substitutes are elected, the order in which they are to replace a retiring Supervisory Board member must be determined. A substitute member can also be elected for multiple Supervisory Board members to fill a seat on the Supervisory Board if any of these members steps down prematurely. The term of office of a substitute member ends with the election of a successor to the former Supervisory Board member or, at the latest, with the end of the term of the former Supervisory Board member. If the term of office of a substitute member ends because a successor to a former Supervisory Board member has been elected, the substitute member can still serve as a substitute for the other Supervisory Board members he or she has been chosen to represent.

The Supervisory Board elects a chairman and one or more deputies from among its members each year at a meeting held after the Annual General Meeting. If there are two deputies, the order in which they are to substitute for the chairman must be determined. Their terms of office end with the next Annual General Meeting. A replacement must be elected

immediately if the chairman or one of the elected deputies resigns. If, in this election, no candidate receives a simple majority of the vote cast, a run-off must be held between the people who received the most votes. If the run-off results in a tie, lots will be drawn to decide the election. If the chairman or one of the elected deputies resigns, the Supervisory Board must immediately hold a new election to appoint a successor. The chairman and deputies can resign at any time by notifying the Supervisory Board in writing and in keeping with a 14-day notice period; however, they are not required to resign from the Supervisory Board at the same time.

Every deputy chairman has the same rights and responsibilities as the chairman he or she represents. This also applies to casting the decisive vote for resolutions and in elections. If the chairman and his deputies are prevented from carrying out their duties, this obligation passes to the oldest Supervisory Board member (in terms of age) for the duration of the impairment. Declarations of intent by the Supervisory Board and its committees must be submitted by the chairman of the Supervisory Board, or by his deputy if he or she is incapacitated.

The Supervisory Board issues rules of procedure in line with the responsibilities defined by law and the Statutes. Resolutions by the Supervisory Board on its rules of procedure require a simple majority of the members elected by the Annual General Meeting and must also comply with the general requirements for resolutions.

The Supervisory Board can form committees from among its members. Their responsibilities and powers as well as their general rules of procedure are determined by the Supervisory Board. The authority to take decisions can also be delegated to the committees, which can be established as permanent bodies or for individual tasks. The employee representatives on the Supervisory Board are entitled to designate voting members to the committees based on the ratio specified by Section 110 Para. 1 of the Austrian Labour Constitutional Act. This does not apply to meetings and voting which involve relationships between the company and the Management Board members, with the exception of resolutions on the

appointment or recall of a Management Board member as well as resolutions granting options in company shares.

The Supervisory Board passes resolutions in its regular meetings. These meetings are to be held as often as required by the interests of the company and at least once each quarter. Five regular Supervisory Board meetings were held in 2021. The chairman determines the form of the meeting, the way in which resolutions are passed outside of meetings and the procedure for counting votes. The Management Board members attend all meetings of the Supervisory Board and its committees, unless otherwise decided by the person chairing the meeting.

A member of the Supervisory Board can designate another member in writing to represent him or her at a meeting. A member represented in this way is not included in determining the quorum for the meeting. The right to chair the meeting cannot be delegated. A member who is unable to attend a meeting of the Supervisory Board or its committees is entitled to submit his or her vote on individual agenda items in writing through another board or committee member.

The Supervisory Board is considered to have a quorum when all members have been correctly invited to attend and when at least three members, including the chairman or deputy, participate in the decision-making process. A topic of negotiation which is not on the agenda can only be ruled on by the Supervisory Board if all members are present or represented and no member objects. The Supervisory Board passes its resolutions by simple majority of the votes cast, whereby abstentions are not counted as votes. In the case of a tie - also in elections - the chairman casts the deciding vote. A deputy chairman representing the chairman is also entitled to cast the deciding vote on resolutions and in elections; this also applies to committee chairmen.

**Members of the Supervisory Board**

Name	Date of birth	Position	Member since	Appointed until
Karl-Heinz Strauss <sup>1</sup>	27.11.1960	Chairman	14.4.2011	AGM 2024
Iris Ortner <sup>2</sup>	31.8.1974	Deputy Chair	14.4.2011	AGM 2024
Susanne Weiss <sup>3</sup>	15.4.1961	Member	15.1.2015	AGM 2024
Klaus Ortner <sup>4</sup>	26.6.1944	Member	15.1.2015	AGM 2024
Ludwig Steinbauer <sup>3</sup>	26.10.1965	Member	15.1.2015	AGM 2024
Paul Unterluggauer	28.4.1967	Member	15.1.2015	AGM 2024
Bernhard Vanas <sup>3</sup>	10.7.1954	Member	15.1.2015	AGM 2024
Birgit Wagner <sup>3</sup>	9.1.1972	Member	29.5.2019	AGM 2024
Anke Duchow	19.1.1968	Member	27.5.2019	n/a <sup>5</sup>
Martin Kudlicska	14.2.1972	Member	30.6.2016	n/a <sup>5</sup>
Hannes Muster	28.11.1967	Member	30.6.2016	n/a <sup>5</sup>
Günter Schnötzing	20.8.1973	Member	30.6.2016	n/a <sup>5</sup>

<sup>1</sup> Karl-Heinz Strauss was Deputy Chairman of the Supervisory Board from 27 February 2013 until 18 September 2014 and has been Chairman since 18 September 2014

<sup>2</sup> Iris Ortner has been Deputy Chairwoman of the Supervisory Board since 18 September 2014 and previously served a member of the Supervisory Board from 2 July 2003 to 5 May 2010

<sup>3</sup> Independent member who does not hold more than 10% of the shares (C Rule 54)

<sup>4</sup> Klaus Ortner was previously a member of the Supervisory Board from 18 March 2000 to 14 May 2014

<sup>5</sup> Appointed by the Works Council on 30 June 2016 as well as on 27 May 2019 in accordance with Section 110 Paragraph 1 of the Austrian Labour Constitutional Act

**Composition of the Supervisory Board**

The following table shows the members elected to the Supervisory Board in 2019 together with their date of birth, their position, the date of their initial appointment to the Supervisory Board and the expected end of their term. As of 31 December 2021, the members of UBM's Supervisory Board held additional positions on supervisory boards or exercised comparable functions in Austrian and foreign companies (which are not included in the consolidated financial statements). These positions are listed in the table on page 100.

**Criteria for independence**

C-Rule 53 of the Austrian Code of Corporate Governance requires the majority of the Supervisory Board members elected by the Annual General Meeting or appointed by shareholders in line with the Statutes to be independent of the company and its Management Board. A Supervisory Board member is considered to be independent if he or she does not have any business or personal relationships with the company or its Management Board which would constitute a material conflict of interests and could therefore influence the member's behaviour.

These principles form the basis for the independence criteria established by the UBM Supervisory Board, which are available for review by the general public on the UBM website:

- a) The Supervisory Board member did not serve as a member of the Management Board or key employee of UBM or one of its subsidiaries during the past five years.
- b) The Supervisory Board member does not at the present time or did not during the past year have any business relationships with UBM or one of its subsidiaries in a scope material for that member. The same applies to relationships with companies in which a member of the Supervisory Board has a considerable economic interest, but does not apply to functions in UBM corporate bodies; knowledge of Group issues and the mere exercise of activities as a management board member or managing director by a Supervisory Board member do not, as a rule, lead to the involved company being viewed as a "company in which a member of the Supervisory Board has a considerable economic interest" as long as circumstances do not give rise to speculation that the Supervisory Board member gains a direct personal benefit from a business transaction with these companies. The approval of individual transactions by the Supervisory Board pursuant to Rule 48 does not automatically lead to classification as not independent.
- c) The Supervisory Board member did not serve as an auditor of UBM or as a shareholder or employee of the company which audited UBM during the past three years.
- d) The Supervisory Board member is not a member of the management board of another company in which a member of the UBM Management Board serves on that supervisory board.
- e) The Supervisory Board member has not served on the Supervisory Board for more than 15 years. This does not apply to Supervisory Board members who are shareholders with a direct investment in the company or who represent the interests of such shareholders.
- f) The Supervisory Board member is not a close family member (direct offspring, spouse, life partner, parent, uncle, aunt, sibling, niece, nephew) of a member of the UBM Management Board or a person to whom any of the aforementioned items (a to e) items apply.

In accordance with these criteria, the following Supervisory Board members have declared themselves as independent: Karl-Heinz Strauss, FRICS (Chairman), Birgit Wagner, Ludwig Steinbauer, Bernhard Vanas and Susanne Weiss.

**Additional functions of the Supervisory Board members**

<b>Name</b>	<b>Company</b>	<b>Function</b>
Karl-Heinz Strauss	PORR Bau GmbH PORR GmbH & Co. KGaA PORR SUISSE AG	Chairman of the Supervisory Board Chairman of the Supervisory Board President of the Administrative Board
Iris Ortner	ELIN GmbH PORR AG <sup>1</sup> OEBAG TKT Engineering Sp. z.o.o. (Polen) Blue Code International AG (Switzerland)	Chairwoman of the Supervisory Board Supervisory Board member Supervisory Board member Deputy Chairwoman of the Supervisory Board Supervisory Board member
Susanne Weiss	ROFA AG PORR AG <sup>1</sup> Wacker Chemie AG <sup>1</sup> Spielvereinigung Unterhaching Fußball GmbH & Co. KGaA	Chairwoman of the Supervisory Board Supervisory Board member Supervisory Board member Supervisory Board member
Klaus Ortner	ELIN GmbH PORR AG <sup>1</sup>	Supervisory Board member Deputy Chairman of the Supervisory Board
Ludwig Steinbauer	Klinikum Austria Gesundheitsgruppe GmbH	Supervisory Board member
Paul Unterluggauer	ELIN GmbH	Deputy Chairman of the Supervisory Board
Bernhard Vanas	PORR AG <sup>1</sup> Wolfgang Denzel Holding AG Bankhaus Denzel AG Wolfgang Denzel AG Wolfgang Denzel Auto AG	Supervisory Board member Supervisory Board member Supervisory Board member Supervisory Board member Supervisory Board member
Birgit Wagner	-	-
Anke Duchow	-	-
Martin Kudlicska	-	-
Hannes Muster	-	-
Günter Schnötzing	-	-

<sup>1</sup> Listed**Committees**

The Statutes allow the Supervisory Board to establish committees from among its members. To support and ensure the efficient handling of complex issues, the Audit Committee, Nomination Committee and Remuneration Committee were established in 2021. An ESG Committee was also created by the Supervisory Board on 25 February 2021.

**Audit Committee:** The responsibilities of the Audit Committee include (i) monitoring the accounting process and issuing recommendations or suggestions to ensure its reliability; (ii) monitoring the effectiveness of the Group's internal control system, internal audit system (where appropriate) and risk management system; (iii) monitoring the auditing of the separate and consolidated financial statements under consideration of the findings and conclusions in the reports pub-

lished by the Regulatory Authority on Auditors in accordance with Section 4 Para. 2 (12) of the Supervision of Auditors Act (APAG); (iv) assessing and monitoring the independence of the chartered auditors, in particular as regards any additional services they may have provided for UBM (in accordance with Section 5 of EU Regulation No. 537/2014 and Section 271a Para. 6 of the Austrian Commercial Code); (v) reporting to the Supervisory Board on the results of the audit, stating how the audit contributed to the reliability of financial reporting and the role played by the Audit Committee in this process; (vi) assessing the annual financial statements and preparing their approval, evaluating the proposal for the use of profit, the management report and the corporate governance report, and reporting on the audit findings to the Supervisory Board; (vii) examining the consolidated financial statements, the Group management report and the consolidated corporate governance report as well as reporting to the Supervisory Board on the audit findings; and (viii) conducting the procedures for the selection of the auditor under consideration of the appropriateness of the fee and preparing the Supervisory Board's recommendation for the appointment of the auditor (Section 16 of EU Regulation No. 537/2014 applies).

The Audit Committee met five times during the 2021 financial year. The first meeting of the Audit Committee during the reporting year was held on 22 February 2021 without the Management Board in accordance with Rule 81a of the Austrian Code of Corporate Governance and concentrated on the audit schedule, audit focal points and communication between the auditor and the Audit Committee. In the meeting on 26 March, which also included the Management Board, the auditor reported on the status of the audit of the separate and consolidated financial statements as of 31 December 2020. The meeting on 22 April 2021 included the auditor and covered the evaluation of and preparations for the approval of the separate and consolidated financial statements. At this same meeting, the Supervisory Board dealt with the selection of an auditor for the separate and consolidated financial statements as of 31 December 2021, the audit schedule for 2021 and the reports by the Management Board on related party transactions in 2020 and risk management.

The Audit Committee meeting on 21 September 2021 was also attended by the auditor and dealt, among others, with the report by the Management Board on the effectiveness of the internal control system, the internal audit system and risk management (fraud) as well as compliance (corruption) in the sense of C-Rules 18 and 18a of the Austrian Code of Corporate Governance and planning for the audit of the separate and consolidated financial statements. The last meeting of the reporting year was held on 1 December 2021 and dealt with the report by the Management Board on the functioning of risk management. The members of the Audit Committee are Karl-Heinz Strauss, FRICS (Chairman), Iris Ortner, Bernhard Vanas (financial expert) and Susanne Weiss.

**Nomination Committee:** The responsibilities of this committee are as follows: (i) to prepare appointments to the Management Board, including succession planning: in advance of an appointment to Management Board, the Nomination Committee defines a profile for the position, which also reflects the corporate strategy and state of the company, and prepares the decision for the full Supervisory Board; (ii) to recommend candidates for positions on the Supervisory Board when seats become available: the Nomination Committee is involved in planning for appointments to the Supervisory Board. It proposes candidates for positions on the Supervisory Board; after approval by the full Supervisory Board, these recommendations are presented to the Annual General Meeting for a decision. Recommendations for appointments to the Supervisory Board must be based on the qualifications and personal skills of the members and be selected to achieve a balance of specialists in line with UBM's structure and business. Appropriate consideration must also be given to diversity with regard to gender, age and internationality. Persons who have been convicted of a crime which questions their professional reliability are excluded from recommendations for appointments to the Supervisory Board.

The Nomination Committee met once in 2021, on 22 April 2021. The agenda covered the appointment of Martina Maly-Gärtner, MRICS, to the Management Board as well as the extension of the employment contracts with Management Board members Thomas G. Winkler, Patric Thate and Martin Löcker.

The members of the Nomination Committee are Karl-Heinz Strauss, FRICS (Chairman), Iris Ortner and Susanne Weiss.

**Remuneration Committee:** This committee is responsible for the following duties in connection with the current remuneration policy and in accordance with applicable legal regulations: (i) matters related to the remuneration of the Management Board members and the content of the employment contracts with these persons, in particular, the definition and implementation of the underlying principles for the remuneration of the Management Board members and the criteria for the variable remuneration components in line with Rules 27 (above all, the preparation of a catalogue for the variable remuneration components), 27a and 28 of the Austrian Code of Corporate Governance; (ii) evaluating the remuneration policy for the Management Board members at regular intervals; (iii) approving the assumption of side-line activities by the Management Board members.

The Remuneration Committee held two meetings during the reporting year. Consultations at the meeting on 26 March 2021 included the determination of the annual bonus for the members of the Management Board. At the meeting on 24 June 2021, the granting of a special bonus to Management Board members Patric Thate and Martin Löcker was discussed. The members of the Remuneration Committee are Karl-Heinz Strauss, FRICS (Chairman), Iris Ortner and Susanne Weiss (remuneration expert).

**ESG Committee:** The activities of the ESG Committee include the analysis of sustainability criteria and social responsibility concepts in corporate processes - in particular, identifying the most important environmental, social and governance factors (ESG) that are determined by the company's sector affiliation and business model and subject to regional influence. ESG focuses on including the factors which result from a company's influence on or through the environment (ecological), society and corporate governance. The ESG Committee is responsible for overseeing and supporting actions in line with the ESG catalogue of measures with clear assignment of responsibilities at the Management Board and Supervisory Board levels. It also monitors and evaluates the implemented

ESG measures - above all, the impact of procurement and development processes on ecosystems, on the use of resources and on the direct and indirect neighbourhood, and on good corporate management.

The ESG Committee met twice in 2021. The committee chairwoman and her deputy were elected at the meeting on 22 April 2021. The Management Board also reported on the current status of ESG issues at UBM, the related ratings and the ESG Report for 2020 and provided an outlook of UBM's future development in these areas. The meeting on 1 December 2021 included a review of events in 2021 and treatment of ESG issues at UBM. The internal assignment of ESG responsibilities at UBM, opportunities connected with ESG ratings, the outlook and further development as well as the related measures and goals were also discussed. The members of the ESG Committee are Iris Ortner (Chairwoman), Susanne Weiss (Deputy Chairwoman), Birgit Wagner and Anke Duchow.

## Support for women

UBM is reinforcing its efforts to increase the share of women in its organisation. In comparison with other companies in the real estate sector, the UBM Group had a positive standing with 24 women in key positions (Supervisory Board, managing directors, authorised signatories and key staff at UBM Development AG and its major subsidiaries) as of 31 December 2021 (31 December 2020: 24). As a company which believes in sustainable operations, UBM places high priority on socially relevant topics which include equal opportunities in the workplace. Activities to achieve and maintain equal opportunities are focused, in particular, on the identification of suitable female candidates when managers and staff are recruited. Sixty-five new employees were hired during 2021: 38 women and 27 men (excluding hotel employees). There are no salary differences between men and women who perform the same activity and have the same qualifications. Women are specifically addressed in job advertisements. In order to support the work-life balance, the company offers flexible working hours through a flexi-time system.

UBM is proactively and sustainably committed to a working environment free of discrimination and a culture of mutual respect and appreciation among all employees. The company treats all employees equally - regardless of gender, social background, sexual orientation, nationality, religion or age. Any form of discrimination is categorically opposed.

## Diversity concept in connection with appointments to the Management Board and Supervisory Board

With regard to the composition of the Management and Supervisory Boards, the Supervisory Board does not follow a specific diversity concept. UBM is increasing its efforts to raise the percentage of women in the overall workforce and in management positions. Moreover, employees - regardless of their function and hierarchical level - are never discriminated against because of their gender, social background, sexual orientation, nationality, religion or age.

The Supervisory Board therefore views the establishment of diversity targets for control bodies to be neither expedient nor useful. Education and professional experience play a significant role because a person under consideration for a Supervisory Board position must be capable of optimally performing his or her duties. These preconditions are not defined in advance in an abstract manner but evaluated on a case-by-case basis. Consequently, the expertise and specific requirements for the respective employment situation are the only deciding factors in preparing proposals for the Annual General Meeting. The Supervisory Board also believes these same principles apply to the composition of the Management Board.

## Remuneration

### Remuneration of the Management Board members

The remuneration for the members of the UBM Management Board implements the remuneration policy in accordance with legal regulations and consists of non-performance-related components (fixed salary, pension fund/employee welfare fund contributions), performance-related components (variable performance bonus) and one-off payments as well as severance compensation for departing members.

**Fixed remuneration:** The fixed salary of each Management Board member is based on the scope of duties as defined in the plan for the assignment of corporate responsibilities. Any side-line activities by Management Board members require the approval of the Supervisory Board. The fixed remuneration is paid as non-performance-linked, basic compensation in the form of a monthly salary. The Management Board members also receive additional, non-cash fringe benefits (company car, telephone, travel expenses) which are, in principle, equally available to all Management Board members. The year-on-year increase in the fixed remuneration of the Management Board members is based on an offer to waive one month's salary during the three-months in which the staff were on short-time work during the first COVID-19 lockdown. This waiver was not necessary in 2020 because there was no reduction to employees' salaries.

**Management Board remuneration 2021 (in €)**

Name	Salary	Variable remuneration <sup>1</sup>	Special bonus	Cash payment LTIP	Non-cash benefits	Pension fund/ employee welfare fund	Total
Thomas G. Winkler	540,000.00	360,000.00	-	1,010,000.00	11,569.32	29,399.98	1,950,969.30
Martin Löcker	360,000.00	240,000.00	20,000.00	495,304.00	13,582.56	27,724.04	1,156,615.60
Patric Thate	360,000.00	240,000.00	40,000.00	404,000.00	13,332.60	16,177.21	1,073,509.81
Martina Maly-Gärtner <sup>2</sup>	120,000.00	80,000.00	-	-	3,554.59	1,496.76	205,051.35

<sup>1</sup> Probable variable remuneration for 2020, payable in 2021

<sup>2</sup> Since 1.9.2021

**Variable/performance-based remuneration:** The variable performance bonus for the chairman of the Management Board equals 2.5% of EBT, up to a maximum of €360,000.00 gross per year. If annual earnings equal or exceed the amount defined by the Remuneration Committee, the chairman of the Management Board is entitled to the maximum amount of the variable performance bonus. If earnings are lower than the defined target, the chairman is entitled to receive a proportional amount. Management Board members Martin Löcker and Patric Thate also receive a variable performance bonus in line with the above scheme, but each up to a maximal of €240,000.00 gross per year. In accordance with the remuneration policy approved by the Annual General Meeting of UBM

Development AG on 28 May 2020, the following additional performance bonuses were approved for the 2021 financial year: Martin Löcker received €20,000.00 for the realisation of the Timber Pioneer project in Frankfurt and Patric Thate received €40,000.00 for activities connected with the sustainability-linked bond.

**Long-Term Incentive Programme for managers:** UBM introduced a stock option programme for key managers and the Management Board in 2017. This scheme required the eligible persons to make a personal investment in UBM shares, at the latest, by the date on which the options were granted. The personal investment must remain in place without inter-

**Supervisory Board remuneration 2021 (in €)**

Name	Fixed remuneration <sup>1</sup>	Attendance fee
Karl-Heinz Strauss (Chairman)	50,000.00	10,000.00
Iris Ortner (Deputy Chairwoman)	40,000.00	10,000.00
Klaus Ortner	30,000.00	10,000.00
Ludwig Steinbauer	30,000.00	10,000.00
Paul Unterluggauer	30,000.00	10,000.00
Bernhard Vanas	30,000.00	10,000.00
Birgit Wagner	30,000.00	10,000.00
Susanne Weiss	30,000.00	10,000.00

<sup>1</sup> Payment within four weeks following the 2022 Annual General Meeting

ruption until the options are exercised by the participants and be verified when the options are exercised. Five share options were allocated for each personal investment share at a strike price of €36.33 per share. The options could be exercised from 1 September 2020 to 26 October 2020 or from 1 September 2021 to 26 October 2021, if (i) the unweighted average of the closing price of the UBM share equalled at least €40.00 on at least 15 consecutive trading days during the period from 1 September 2019 to 31 August 2020 and (ii) the ratio between the market capitalisation and net debt as of 31 December 2019 did not exceed 1:2.40. During the period from 1 September 2021 to 26 October 2021, Thomas G. Winkler exercised 125,000 options, Martin Löcker 61,300 options and Patric Thate 50,000 options. The company settled the exercised stock options in cash (cash settlement) in agreement with the terms and conditions of the programme. This involved the payment of the difference between the exercise price (€ 36.329/share) and the unweighted average of the closing price of the share in the second exercise window (€ 44.41/share), less the required withholding tax.

**Pension rules:** Annual payments are made to a pension fund for individual Management Board members. The amount of the contribution is based on the member's age and length of service with the company.

**D&O insurance:** D&O liability insurance has been contracted to cover the members of the Management Board, whereby the costs are borne by the company.

**Principles of remuneration for major subsidiaries:** The remuneration of the board members of major subsidiaries also consists of performance-related and non-performance-related components. These persons also receive non-cash fringe benefits (company car, parking space).

#### **Remuneration of the Supervisory Board members**

Supervisory Board members receive an annual payment for his or her services as well as reimbursement of expenses and an attendance fee for each meeting. The amount of the attendance fee and the annual payment are determined by the Annual General Meeting, which can also establish the

total remuneration for the Supervisory Board and designate the chairman of the Supervisory Board to decide on its allocation to the individual members.

Additional compensation can be approved by the Annual General Meeting in cases where members of the Supervisory Board, in this capacity, take on special activities in the interests of the company.

The Supervisory Board members are covered by an appropriate level of D&O liability insurance in the interests of the company, whereby the costs are borne by UBM. A resolution by the Annual General Meeting on 29 May 2019 established the following remuneration for members of the Supervisory Board: the chairman of the Supervisory Board receives fixed remuneration of €50,000.00 per year, the deputy chairman of the Supervisory Board fixed remuneration of €40,000.00 per year and the other members fixed remuneration of €30,000.00 per year. The attendance fee for meetings was set at €2,000.00 per meeting of the Supervisory Board or one of its committees. Members of the Supervisory Board who do not reside in Austria receive an additional reimbursement for Austrian withholding tax from the company. The fixed remuneration is payable annually in arrears, within four weeks of the Annual General Meeting. The attendance fee for meetings is payable within four weeks after the respective Supervisory Board meeting.

The Supervisory Board members appointed by the Works Council in accordance with Section 110 Para. 1 of the Austrian Labour Constitutional Act do not receive any additional payment for their work on the Supervisory Board.