

Publication pursuant to section 65a of the Austrian Banking Act

(Most recent update: March 2019)

Disclosures by Kommunalkredit Austria AG (“KA”) pursuant to section 65a of the Austrian Banking Act

Section 5 para. 1 point 6 to section 9a and section 28a para. 5 points 1 to 5 of the Austrian Banking Act – Qualifications required of members of the Executive Board and the Supervisory Board

The statutory fit & proper requirements to be met by members of the Executive Board and the Supervisory Board are assessed on the basis of the bank’s internal guideline (“Fit & Proper Policy”), which is in accordance with the FMA Fit & Proper Circular 8/2018 and the EBA Guideline 2017/12. A special Fit & Proper Office has been established to verify and monitor compliance with these requirements. Moreover, fit & proper training is provided for the members of the Executive Board and the Supervisory Board as well as for holders of key functions at least once a year.

Section 29 of the Austrian Banking Act – Nomination Committee

Within the framework of a reorganization of the committees of the Supervisory Board, it was decided to abolish the nomination committee, as, for the time being, Kommunalkredit is not a systemically important credit institution. The Supervisory Board fulfils the statutory tasks of a nomination committee and deals with the tasks specified in sect. 29 of the Austrian Banking Act at its fourth-quarter meeting.

Sections 39b and 39c and Annex to section 39b of the Austrian Banking Act – Principles of the remuneration policy and remuneration committee

KA has an internal remuneration manual, which sets out the principles of the remuneration policy and practice pursuant to sect. 39b and the Annex thereto. The Supervisory Board of KA established a Remuneration Committee to perform the tasks pursuant to sect. 39b and sect. 39c. The Remuneration Committee prepares resolutions on the topic of remuneration, including those which have an impact on the risks and the risk management of the credit institution and have to be adopted by the Supervisory Board or a supervisory body mandated by law or the articles of association, and it supervises the bank’s remuneration policy, its remuneration practices and the remuneration-related incentive structures.

Section 64 para. 1 points 18 and 19 of the Austrian Banking Act – Additional disclosures in the notes to the annual financial statements regarding branches and return on total assets

KA has a branch “Kommunalkredit Austria AG, Zweigstelle Deutschland“ in Frankfurt am Main, Germany. The bank’s return on total assets is shown in the notes to the annual financial statements of KA.

Vienna, March 2019

Kommunalkredit Austria AG