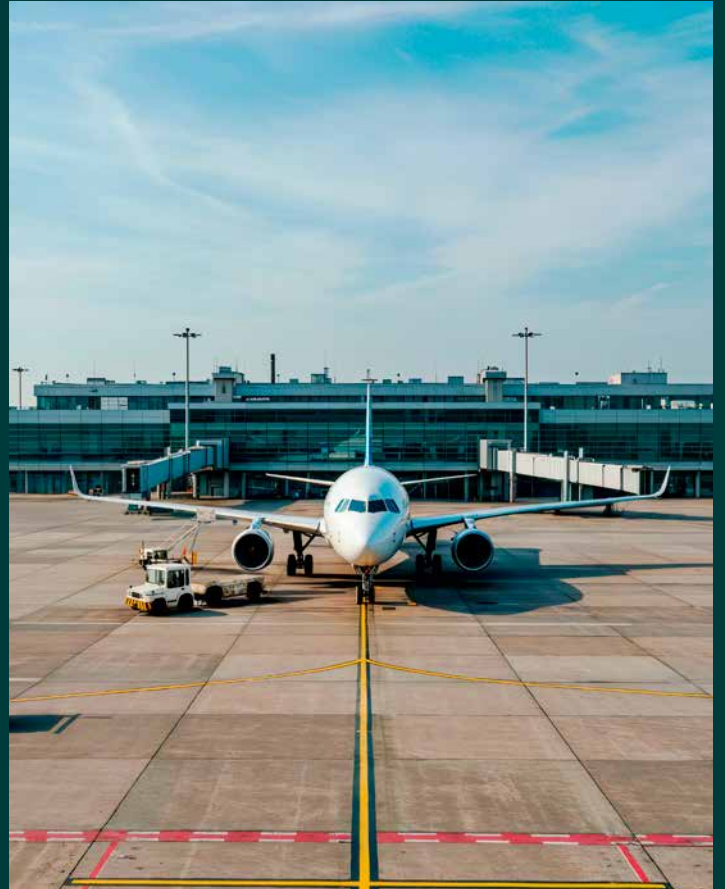


KOMMUNAL
KREDIT

Integrated Annual Report
Kommunalkredit Group 2025

INFRA BANKING EXPERTS



KOMMUNAL KREDIT

As an infra banking expert, Kommunalkredit specializes in financing and advising forward-looking infrastructure projects throughout Europe. It is thus strengthening Europe's resilience, promoting economic growth, and accelerating the green and industrial transition.

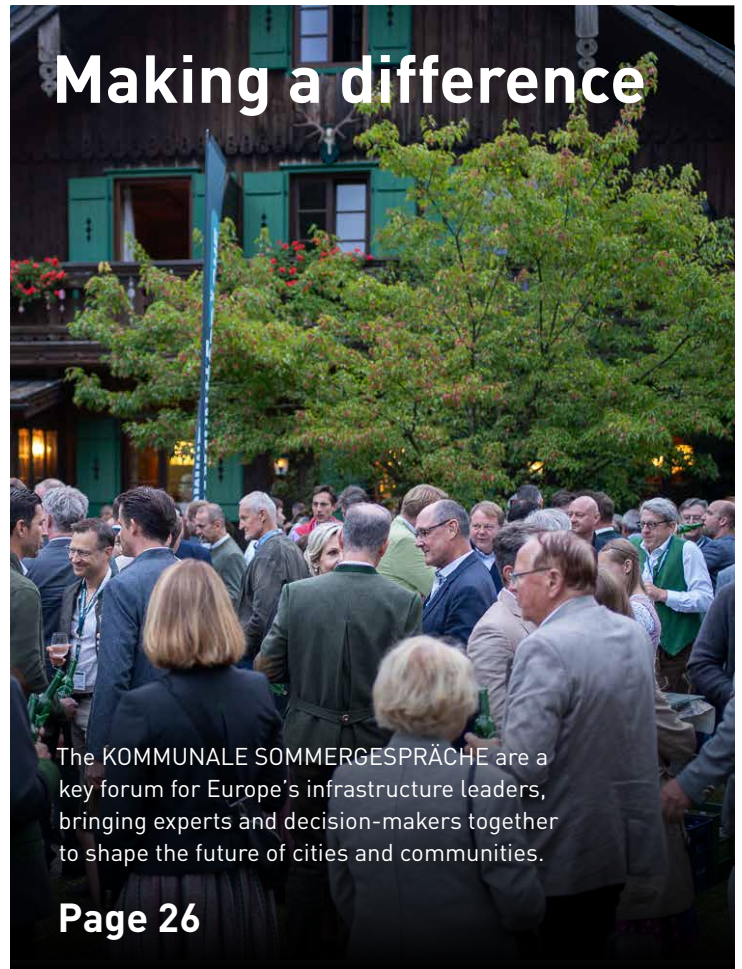
With lending, advisory, asset management, and public finance as its core business fields, the bank supports projects in the areas of Energy & Environment, Communication & Digitalization, Transport, and Social Infrastructure. Kommunalkredit's tailored solutions enable project financing, as well as corporate and acquisition financing in infrastructure and energy.

Founded in 1958, Kommunalkredit has enabled new infrastructure and energy financing with a volume of around EUR 12 billion since 2020 alone. The majority shareholder is European private equity firm Altor, which focuses on innovative companies and the green transition, and has raised more than EUR 12 billion since its inception.

INTEGRATED ANNUAL REPORT KOMMUNALKREDIT GROUP 2025

INFRA BANKING EXPERTS

International reach. Sectoral focus.	08
Core markets and sectors	
Spotlight on 2025	12
Key facts and figures	
At the heart of Europe's transition ramp-up	14
Foreword by the CEO	
Continued progress	16
Highlights 2025	
Infra insights	18
Perspectives from our expertise	
Outstanding projects	24
Case studies 2025	
Making a difference	26
A forum for Europe's infrastructure leaders	
A strong team	28
Executive Board	
A solid foundation	30
Ownership and company structure	
Supervisory Board	32
Report by the Supervisory Board	



Continued progress

The 2025 financial year confirmed Kommunalkredit's solid performance and its clear positioning as a key enabler of Europe's infrastructure transformation.

Page 16

Management Report

Economic environment	36
Business review	42
Kommunalkredit on the capital market	48
Equity participations	50
Assets, financial position, and income	54
Employees	58
Other material disclosures	63
Internal control and risk management system	64
Research and development	65
Sustainability	66
Outlook	81

Financials

Consolidated financial statements

Consolidated income statement	86
Consolidated statement of comprehensive income	87
Consolidated statement of financial position	89
Consolidated statement of changes in equity	90
Consolidated statement of cash flows	93
Notes to the consolidated financial statements of Kommunalkredit Group for the 2025 financial year	94
Auditor's report	169
Statement by the legal representatives	175

Outstanding projects

Data centers play a central role in infrastructure. Among other things, Kommunalkredit was involved in the implementation of a 90 MW plant in Norway.

Page 24

Increased capital market presence

Strong capital market presence with successfully executed transactions in 2025 serves as a testament to strong confidence in Kommunalkredit.

Page 48

Owner and publisher

Self-published by
Kommunalkredit Austria AG
Tuerkenstrasse 9, 1090 Vienna, Austria
Phone: +43 1 31631
www.kommunalkredit.at

Corporate Communication & Marketing

communication@kommunalkredit.at
Phone: +43 1 31631 593

Investor Relations

investorrelations@kommunalkredit.at
Phone: +43 1 31631 434

Creative direction

Rosebud

Layout

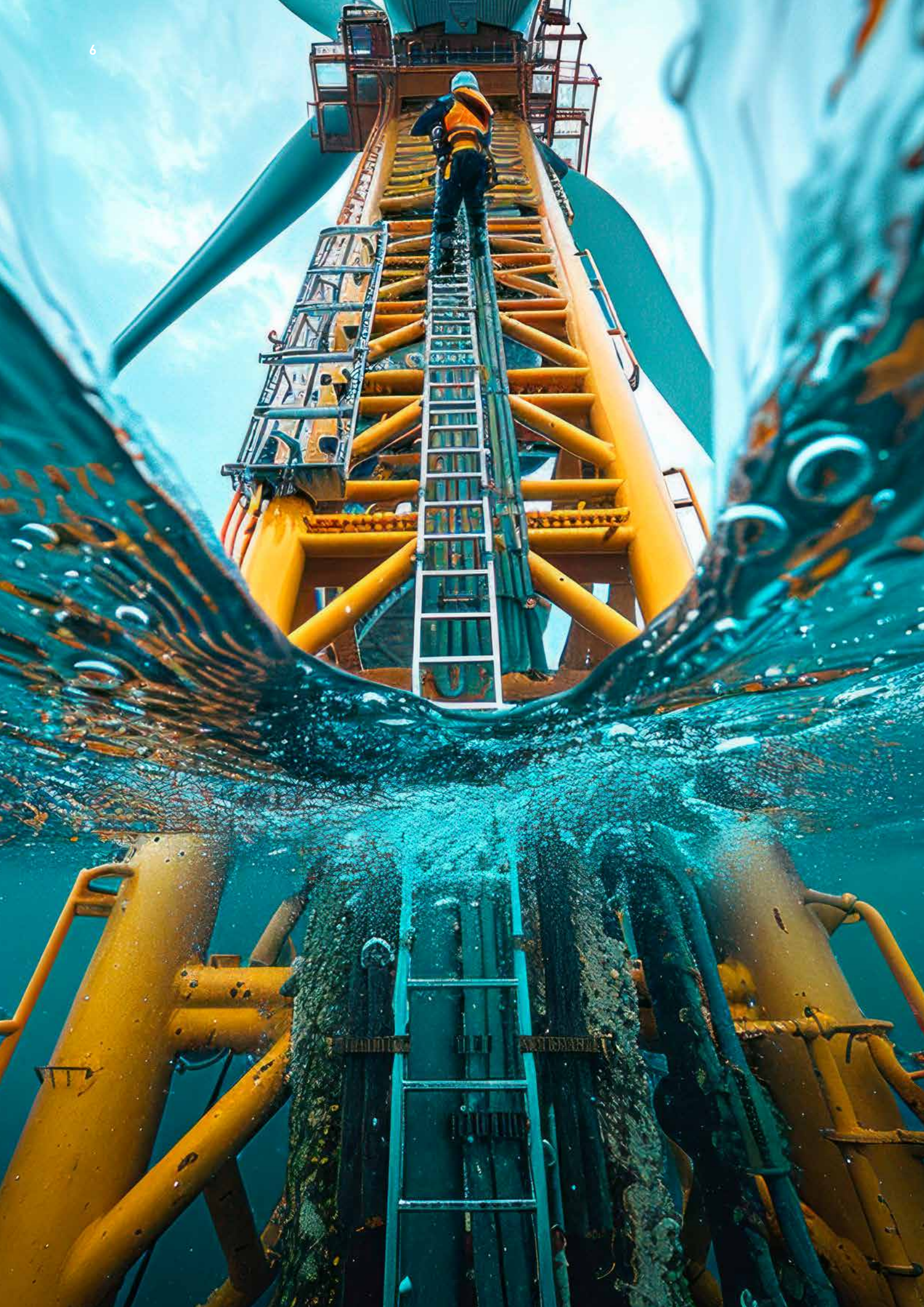
Dechant Grafische Arbeiten

Proofreading & translation

Male Huber Friends

Photos

Adobe Stock (4, 5, 6, 22, 24, 57), Adobe Stock (Maps (c) vukrytas), Adobe Stock (Icons (c) vukrytas, rawku5, peace-fully7, Panuwat, davvodka, Waseem, Cetacon, falticon), Adobe Stock (Flag (c) jehafo, Porcupen), fotowagner.com (4, 14, 17, 26, 27, 28, 29), FRV Fotowatio Renewables Venture (17), Christoph Markus Kleinsasser (52, 53, 59), TheNounProject (Icons), Renalfa Solarpro Group (16), Rosebud x AI. Image created by Rosebud using AI-assisted generative processes (1, 5, 11, 18, 21, 24, 34, 41, 80, 84, 88, 92, 137, 152+153, 157), Südwerk Energie GmbH (25), WU Wien L C (11)



INFRA BANKING EXPERTS

International reach. Sectoral focus.	08
Core markets and sectors	
Spotlight on 2025	12
Key facts and figures	
At the heart of Europe's transition ramp-up	14
Foreword by the CEO	
Continued progress	16
Highlights 2025	
Infra insights	18
Perspectives from our expertise	
Outstanding projects	24
Case studies 2025	
Making a difference	26
A forum for Europe's infrastructure leaders	
A strong team	28
Executive Board	
A solid foundation	30
Ownership and company structure	
Supervisory Board	32
Report by the Supervisory Board	

INTERNATIONAL REACH COMMITTED TO EUROPE

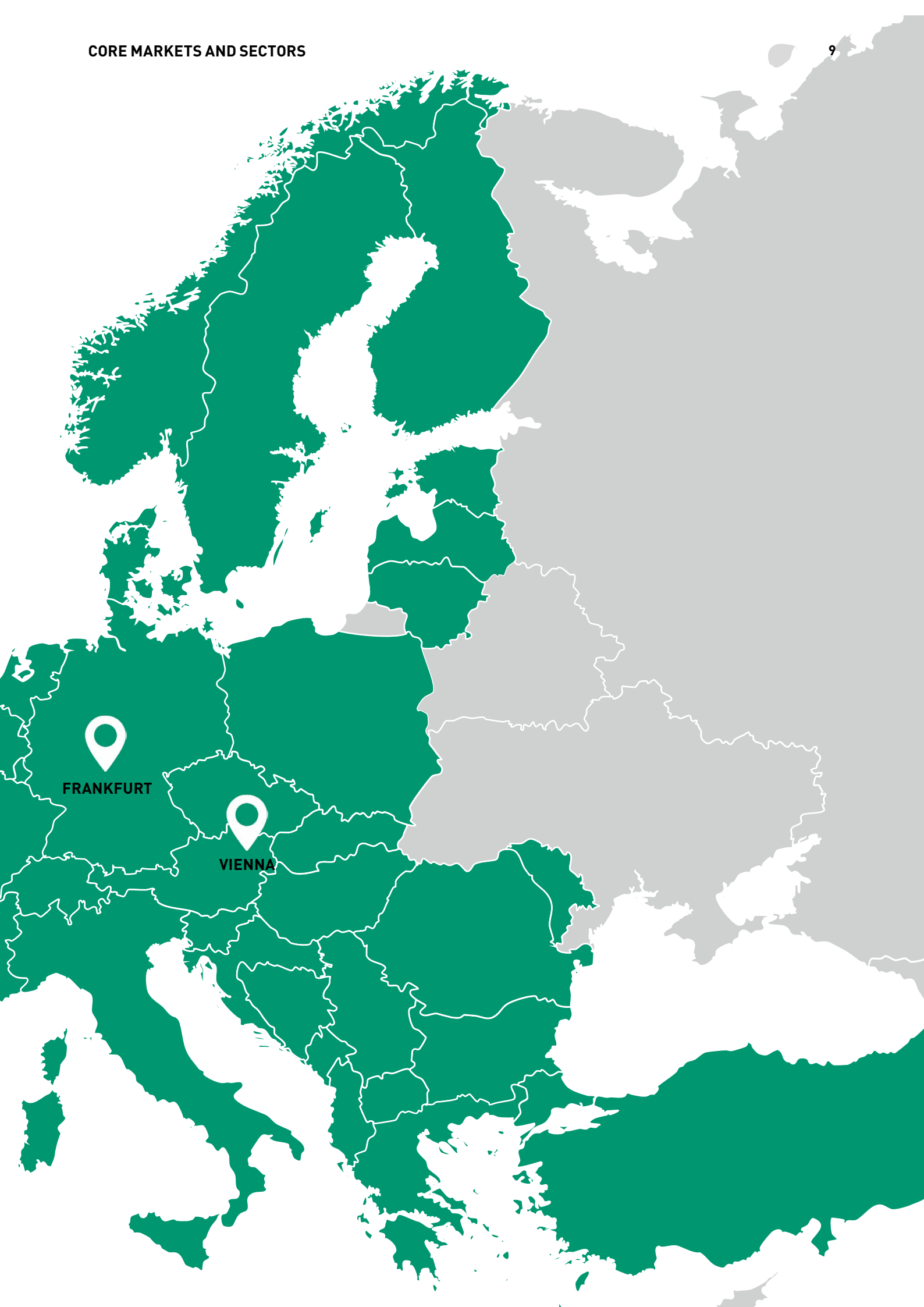
Centered in the heart of Europe, we bring our expertise across the entire continent, which consistently represents one of the world's most dynamic regions for infrastructure investment. From sustainable energy supply and modern transport networks to crucial social infrastructure, thereby contributing decisively to improving people's lives and fostering economic prosperity.

 OUR TARGET MARKETS

 OUR OFFICES



Kommunalkredit also provides selected structured export financings in countries such as the USA, Angola, Benin, Côte d'Ivoire, Egypt, and Ghana, secured by Export Credit Agencies (ECAs).



SECTORAL FOCUS DRIVING LONG-TERM PROGRESS

Efficient infrastructure is a key prerequisite for sustainable economic development. Through our specialized financing solutions and comprehensive advisory services, we contribute to the efficient and economically viable implementation of forward-looking infrastructure projects.

Two financing pillars for greater resilience

With a client base spanning both private and public institutions, Kommunalkredit combines the agility of the private sector with the stability of public debt. This balanced approach strengthens the bank's resilience, ensuring long-term stability across its diverse portfolio.

Portfolio by borrower

68% Private debt

The enormous investment needs of European infrastructure cannot be met by the public sector alone. The majority of our business evolves around enabling financing for private corporates and utilities as well as private project financing.



32% Public debt

Around 32% of our portfolio consists of municipal projects in Austria and across Europe focusing on projects such as building and refurbishment of nurseries and schools, expansion of water supply and wastewater systems as well as municipal housing.

■ Private debt
■ Public debt



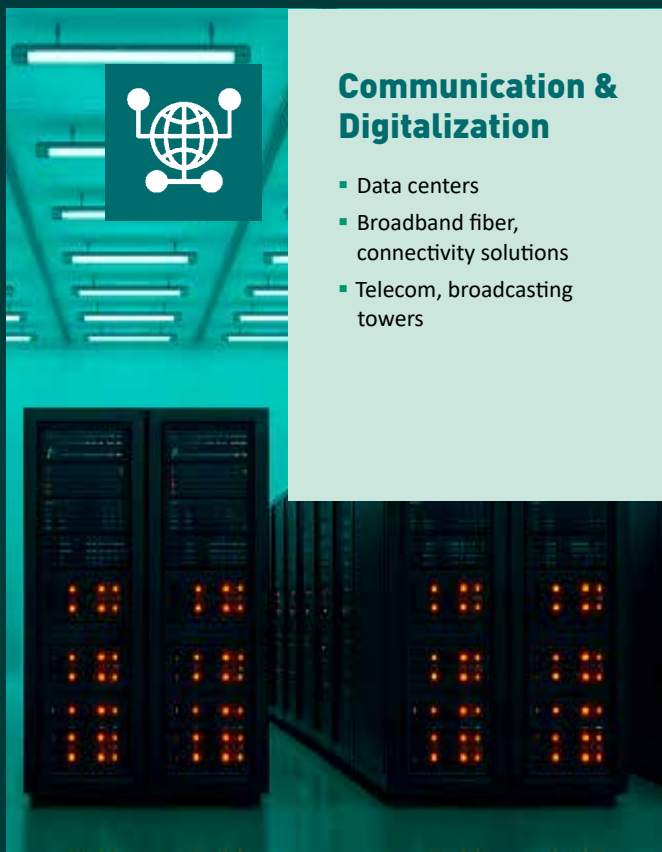
Energy & Environment

- Energy supply
- Renewable energy
- Water supply
- Waste management
- Hydrogen
- LNG terminals
- Pipelines
- Energy storage



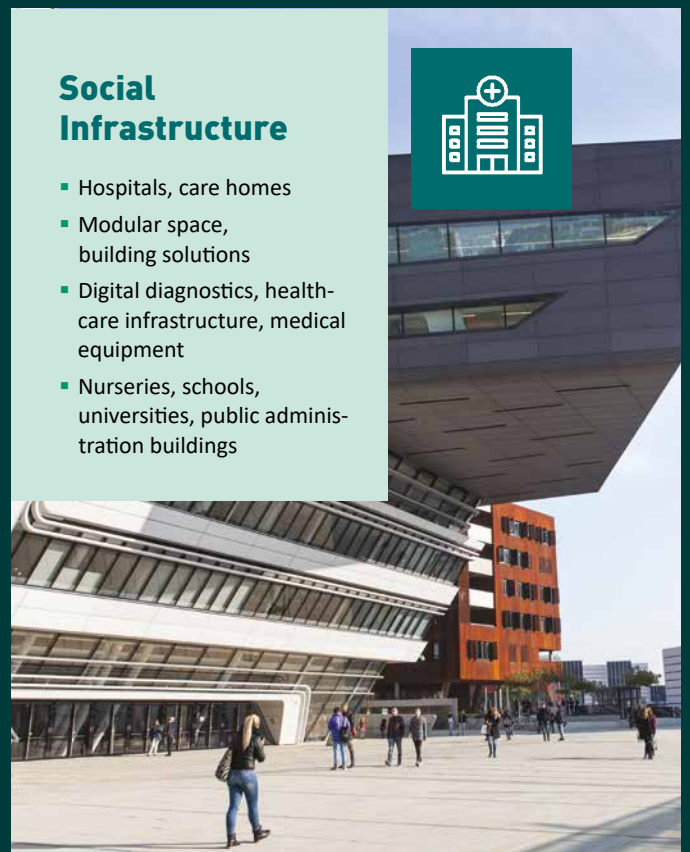
Transport

- Roads, bridges, tunnels
- Airports
- Ports, waterways
- Rail transport
- Public transport
- Specialized logistics solutions (cold storage etc.)



Communication & Digitalization

- Data centers
- Broadband fiber, connectivity solutions
- Telecom, broadcasting towers



Social Infrastructure

- Hospitals, care homes
- Modular space, building solutions
- Digital diagnostics, health-care infrastructure, medical equipment
- Nurseries, schools, universities, public administration buildings



SPOTLIGHT ON 2025



EUR 12bn

New business volume from
I&E financing since 2020



17.6%

Tier 1 ratio
(bank stand-alone)

EUR 2.1bn

New business volume incl. Public Finance
in 2025



38.9%

Cost-income ratio

SELECTED PERFORMANCE INDICATORS in EUR m or %	IFRS				
	2021	2022	2023	2024	2025
Net interest income	78.9	125.7	192.4	185.0	160.7
Operating result*	60.1	85.2	134.3	127.0	119.0
Profit for the period before tax	67.1	99.3	135.7	126.6	18.3
Profit for the period after tax	48.9	78.2	100.5	96.3	13.5
Cost/income ratio**	47.6%	42.8%	36.7%	39.1%	38.9%
Return on equity after tax	14.2%	22.3%	33.8%	19.1%	2.0%
CET1-Ratio (of Satere Group under AT GAAP)	17.0%	15.9%	17.1%	18.0%	15.6%

* Profit of the year before tax under IFRS, adjusted for the net provisioning for impairment losses and measurement gains/losses.

** Result from subsidiary KPC (cost plus model) netted in CIR calculation to provide a fair view on efficiency of the group.

EUR 13.5m

Consolidated profit after tax
(according to IFRS)



EUR 500m

Senior preferred bond
(2.6 times oversubscribed)

PRIME STATUS

ISS ESG rating

BBB+

Average rating of
overall portfolio

EUR 119.0m

Operating result***



EUR 150m

Tier II bond issue
(3.6 times oversubscribed)

BBB ↘

S&P Global Ratings
Long-term issuer credit rating

AA+ ↘

S&P Global Ratings
Covered bond rating
(Upgrade by 2 notches as of 29/01/2026)

*** Before tax and adjusted for net provisioning
and measurement gains/losses



AT THE HEART OF EUROPE'S INFRASTRUCTURE RAMP-UP

After four months at the helm of Kommunalkredit, this annual report is a good occasion for me to step back and tell you how convinced I am of the incredible potential of this bank. What I see internally every day, and what our clients consistently tell me, confirms that our positioning and our expertise are spot on. We are focused, agile and fast, solution-oriented, with lean management structures and a cost-income ratio of around 40%, which in challenging times is one of the strongest assets a bank can have. Our growth strategy is clear and will enable us to gradually be the indisputable go-to bank for Infrastructure and Energy projects in Europe.

Strong operating income enabling continuous investment

Kommunalkredit has generated EUR 2.1 billion of new business in 2025, through a large number of landmark transactions across its core infrastructure sectors. Selected examples include financing critical transport and logistics assets in Ireland, supporting 100% renewable-powered digital infrastructure in Norway, or enabling large-scale renewable energy and storage projects in Germany and Finland. In addition, we acted as a financial advisor on several major transactions, including a cross-border renewable platform in Central and Eastern Europe, combining advisory excellence with lending capabilities.

These transactions are representative of our broader activity and underline our commitment to delivering sustainable, resilient infrastructure across Europe.

From a revenue standpoint, 2025 was a year of normalization, with the disappearance of the tailwind effects of falling interest rates in 2024. We knew this would happen and that our true performance needed to be assessed without it. On that aspect, we can be more than satisfied, as strong commercial activity, with a strong ramp-up in the last quarter, enabled us to increase our core revenues by 4%. As we kept our costs under strict control, our operating result¹ reached EUR 119.0 million: a very substantial amount.

This strong operating result has certainly not been achieved at the detriment of investing for the future. To the contrary, 2025 was a year of organizational transformation, marked by targeted investments to further strengthen the bank's long-term readiness and operational resilience. Kommunalkredit continued to invest in its people, operating model and core IT capabilities, with a strong focus on digitalization, data management, cyber security and IT security, further enhancing our operational and regulatory robustness.

¹ Operating result before tax and adjusted for net provisioning and measurement gains/losses

Sector-specific challenges impacting net result but not capital strength

Nevertheless, 2025 confronted us with significant headwinds, due to unprecedented challenges in certain sectors. Most notably the fiber-optic sector, a key enabler of Europe's digitalization, is experiencing cyclical and structural consolidation, especially in the United Kingdom and Germany, posing challenges across the banking landscape. A number of projects across this sector ended the year with insufficient liquidity, at a time when both sponsors and banks are reluctant to inject additional capital. Like many peers, this has affected us and we have set aside almost EUR 100 million of risk provisions and valuation effects to cover our exposures, effectively erasing our expected net result for 2025.

As our risk weighted assets have been kept under control, the absence of retained earnings has not altered our very strong capital structure. With more than EUR 860 million of total capital, a capital ratio stands at 19.6%² far above our regulatory standards (14.8%) and our mid-term objectives. This strong capitalization, the high level of provisions set aside, and our ample liquidity buffer of more than a billion euros by year-end, are here to demonstrate our willingness to build a fortress balance sheet.

Strong shareholder support and continued investor trust

Another benefiting factor for Kommunalkredit is the strong backing of its main shareholder Altor. Since the acquisition, our shareholders have not upstreamed any dividends, have retained all earnings in the bank, and have supported us with a EUR 100 million capital increase. Their long-term view on value creation and their deep ESG credentials are key enablers of Kommunalkredit's sustainable growth story.

Investor confidence in our business model was also once again evident in 2025. The participation of international institutions such as IFC and AIIB in our issues underscores Kommunalkredit's reputation as a trusted partner in the European market. On the capital market, we successfully placed several benchmark transactions, including a EUR 500 million senior preferred bond and a EUR 150 million Tier II bond – both significantly oversubscribed.

In March 2025, Standard & Poor's upgraded our covered bond rating to AA-/stable. In December, Kommunalkredit's BBB/A-2 long- and short-term issuer credit ratings, as well as the BBB rating on our senior unsecured (senior preferred) debt and the BB rating on the subordinated Tier 2 instrument, were affirmed although the outlook was revised from stable to negative. As part of this review, S&P assessed Kommunalkredit as a solid bank, well positioned in its markets, and not surprisingly with a likely peak in non-performing loans and provisions around 2025-2026. The new year started with a further upgrade of our covered bond rating by two notches to AA+/negative. With this significant upgrade, Standard & Poor's underlined the commitment of Kommunalkredit to maintain a 13% over-collateralization in the cover pool and to comply with liquidity buffer requirements for all outstanding bonds.

A strategic path and growth story unchanged

Although challenging, 2025 leaves us well positioned going forward and with a clear strategy. First and foremost, we will not lose our focus and continue to develop our strategic advantage of being an expert in lending and advisory for the European energy and infrastructure market. This market remains fundamentally attractive as it continues to benefit from powerful megatrends across Europe: ageing population, urbanization, digitalization, sovereignty and of course the long-term need for renewable energy and climate transition projects. These trends lie at the very heart of our business model and mission: to enable and advance the transformation of essential infrastructure for a sustainable, resilient future. Alongside public authorities, private investors have accumulated significant amounts of capital and are actively seeking opportunities. To deploy this capital efficiently they will increasingly rely on institutions like Kommunalkredit for lending, structuring, and advisory expertise.

Teamwork, ethics and deep expertise at the heart of our culture

Providing our clients with the best service, being solution-oriented, advising them efficiently: in the end, it all relies on the quality of our staff and on the working environment in which they operate. At Kommunalkredit, we value teamwork, and this is not just a buzzword. Our culture is one of high ethics and we don't tolerate any exception to that. We aim at the best expertise and invest in training and cross-functional development to enable each of our employees to progress. And our initiatives to foster this corporate culture have concrete effects on increased job satisfaction that has helped us retain and attract talents. In three years, our total staff turnover has drastically decreased: 22% in 2023, 13% in 2024 and only 9% in 2025, a clear indicator of improved employee satisfaction and alignment with our strategy.

So, together with my colleagues on the Executive Board – Sebastian Firlinger, Nima Motazed, and John Weiland – I would first like to thank our employees for their outstanding commitment, professionalism, and teamwork. Their expertise, dedication, and agility make Kommunalkredit what it is today – a reliable partner in Europe's infrastructure transformation.

I would like to conclude by expressing my gratitude to our clients, investors, and shareholders for their continued trust and cooperation.

I hope you enjoy reading this year's Annual Report.



Jacques Ripoll

Chief Executive Officer
Kommunalkredit Austria AG

² Capital ratio of Satere Group under Austrian GAAP

CONTINUED PROGRESS

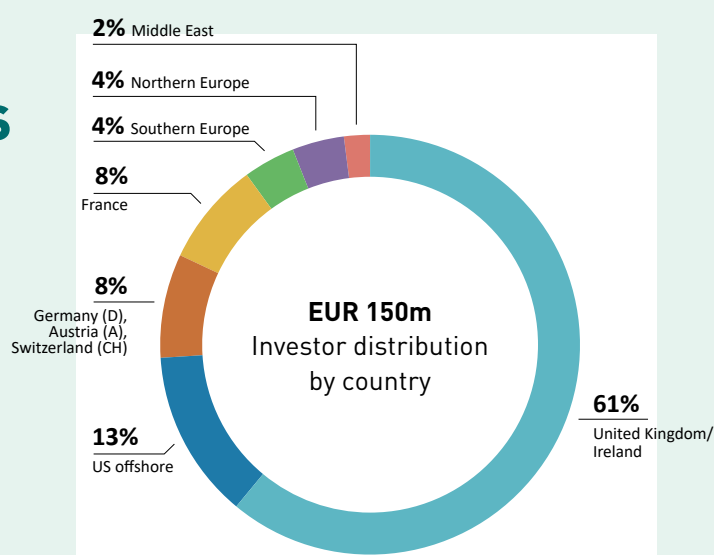


Advisory and lending powering CEE's green energy offensive

Kommunalkredit advised Renalfa IPP, a leading independent power producer focused on renewable energy in Central and Eastern Europe, on a EUR 315 million HoldCo financing that supports a EUR 1.2 billion investment program. The portfolio comprises 1.6 GW of renewable generation capacity and 3 GWh of co-located battery storage across Bulgaria, Hungary, Romania and North Macedonia. Kommunalkredit also provided debt financing, showcasing the combined strength of structuring and lending expertise under one roof.

EUR 150 million Tier II bond 3.6 times oversubscribed

Kommunalkredit has successfully completed its first public Tier II bond issue, raising EUR 150 million from a broad international investor base despite a volatile market environment. The transaction attracted strong demand, with 56 institutional investors participating and an order book exceeding EUR 540 million – making it 3.6 times oversubscribed. Investor appetite was led by the UK/Ireland (61%), with further participation from US (13%), the D-A-CH region (8%) and France (8%).



Upgrade for covered bond rating

Due to Kommunalkredit's strong presence on the capital market and its successful bond issues, S&P Global Ratings raised our rating for covered bonds in a first step from A+/stable to AA-/stable at the beginning of 2025. One year later, in January 2026, the rating agency upgraded the rating again by 2 notches to AA+/negative. These upgrades reflect the high quality of Kommunalkredit's covered bond pool and the commitment to maintain a 13% over-collateralization in the cover pool and to obey to liquidity buffer requirements for all outstanding bonds.

Jacques Ripoll appointed CEO

In May 2025, the Supervisory Board of Kommunalkredit appointed Jacques Ripoll as CEO. Jacques brings extensive management experience from various senior positions in the European banking industry. He took up his new position on 1 September 2025.



Enabling Finland's largest battery energy storage system

In Finland, Fotowatio Renewable Ventures is currently developing one of the country's largest battery energy storage systems. Once completed, it will have a storage capacity of 100 MW. As sole arranger and leader, Kommunalkredit is providing financing for the project in the form of a term loan.



INFRA INSIGHT

Huge need for infrastructure investment in Europe

According to EU projections, investments of around EUR 2.5 trillion will be needed over the next five years to build wind and solar power plants, battery storage facilities, robust power grids, data centers, fiber-optic networks, modern hospitals, and many more. These investments cannot be shouldered by the public sector alone.

As an expert in infrastructure and energy financing, Kommunalkredit is strengthening Europe's resilience and driving its green transition.

2,500,000,000,000

INFRA INSIGHT

80% of new business by Kommunalkredit fuels Europe's green transition

As a pan-European leader in infrastructure and energy financing, Kommunalkredit ensures that capital is channeled into urgently needed projects. Around 80% of our new business in 2025 was linked to initiatives driving Europe's green transition – from wind and solar parks to sustainable mobility and energy-efficient public buildings.



100%

90%

80%

70%

60%

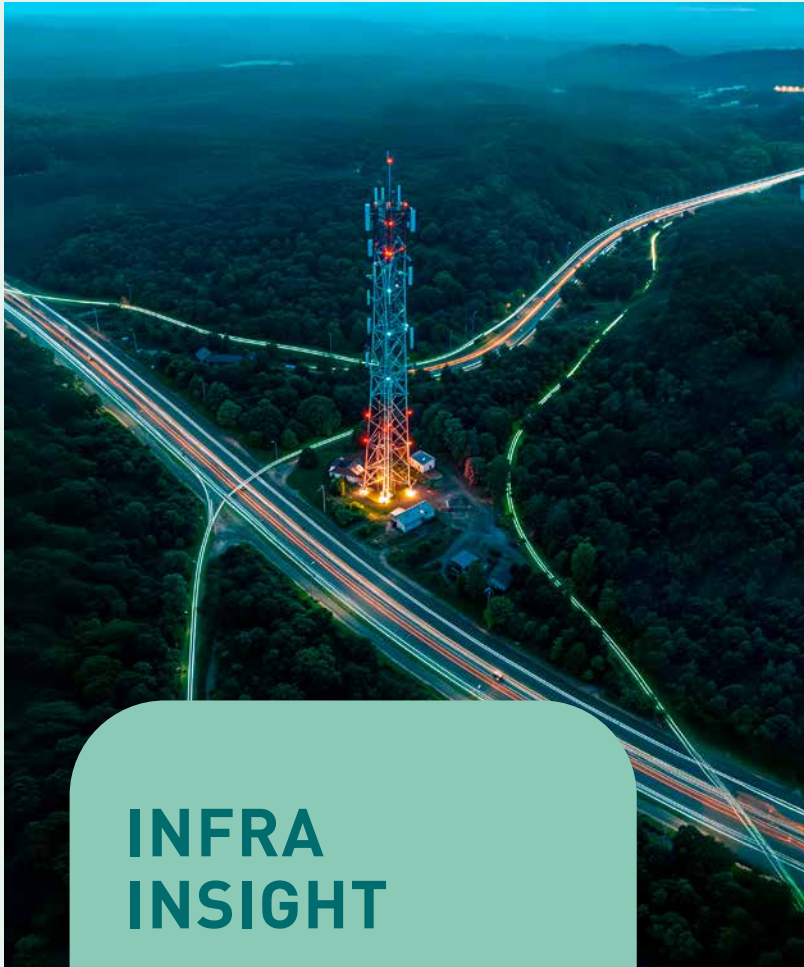
50%

40%

30%

20%

10%

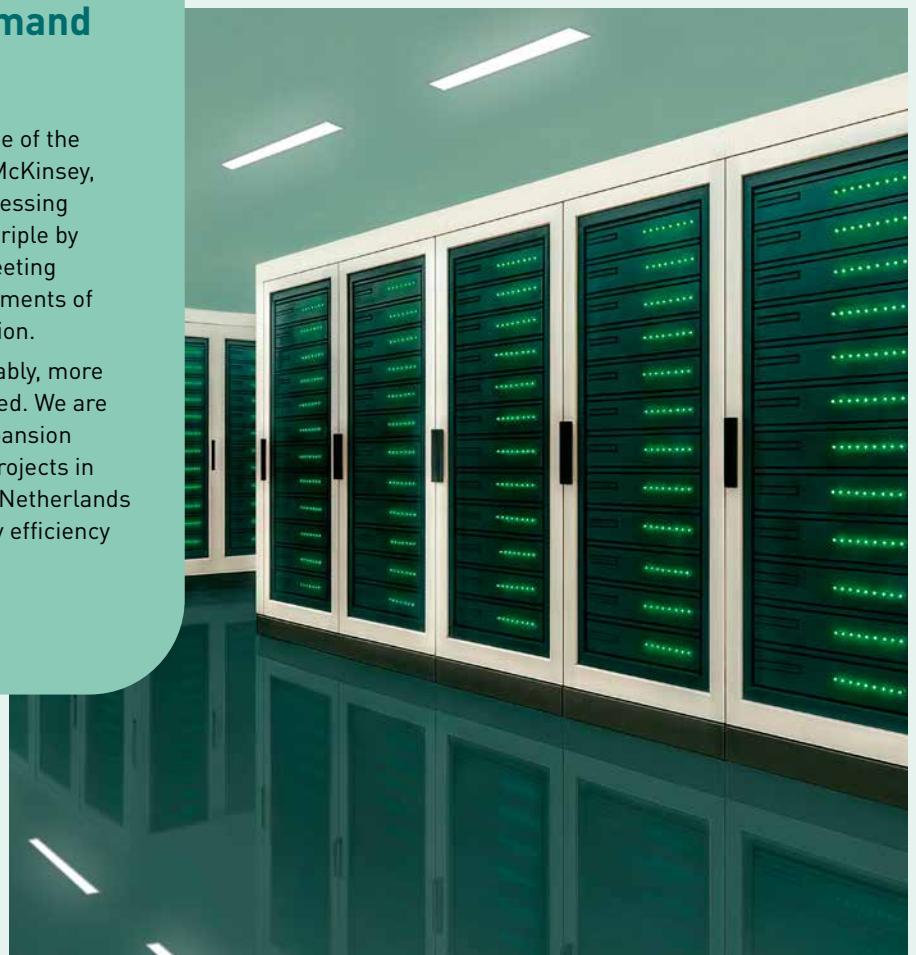


INFRA INSIGHT

European data demand to triple by 2030

Data centers form the backbone of the digital economy. According to McKinsey, Europe's demand for data processing capacity is expected to almost triple by 2030. Experts estimate that meeting this demand will require investments of EUR 250 billion to EUR 300 billion.

To support this growth sustainably, more green energy will also be needed. We are actively contributing to this expansion by financing urgently needed projects in Germany, Scandinavia and the Netherlands – with a strong focus on energy efficiency and green energy production.



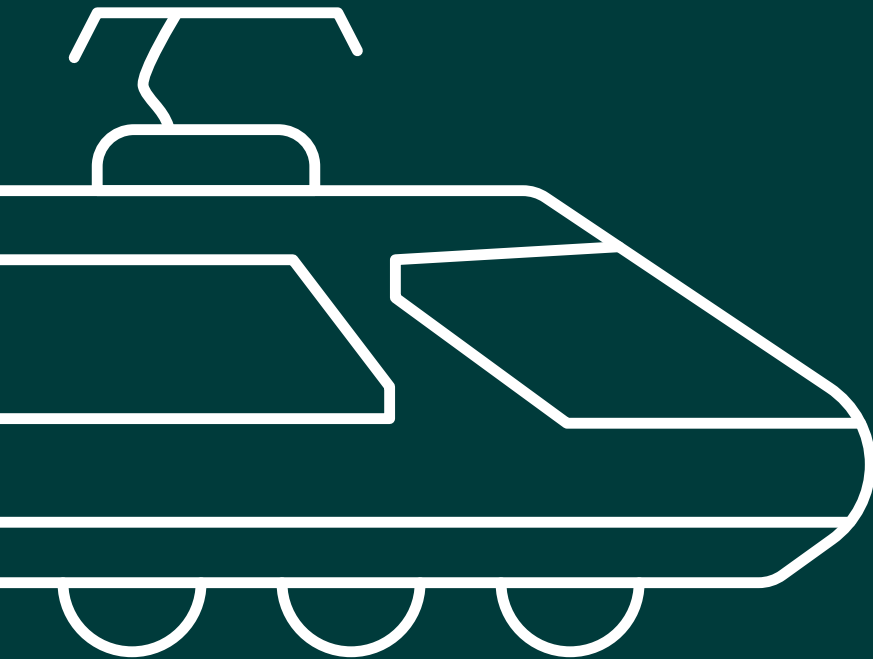
INFRA INSIGHT

Demographic shift forces massive investment in Europe's medical infrastructure

According to Germany's ifo Institute, by 2050 nearly one in three Europeans will be over 65 – a demographic group that today accounts for 40% to 50% of total healthcare spending in OECD countries.

Ensuring efficient and economically sustainable healthcare will require substantial investment, from building medical facilities to deploying AI-based diagnostic technologies. Kommunalkredit has long-standing expertise in financing healthcare projects, supporting the expansion of essential medical infrastructure across Europe.





INFRA INSIGHT

Europe needs trillions for modern mobility

A sustainable transport infrastructure is a vital foundation of modern economies. According to the European Commission, Europe will require EUR 1.5 trillion in investments between 2021 and 2030 to expand its transport networks and related infrastructure.

Alongside public funding, private capital is expected to play a crucial role here. With its deep expertise in the transport sector, Kommunalkredit helps address this significant investment demand.

OUTSTANDING PROJECTS

In 2025, Kommunalkredit executed 45 transactions across its four sectors – Energy & Environment, Communication & Digitalization, Transport, Social Infrastructure – in 19 countries, with a clear focus on Europe.



In the service of health

**Transport,
chemical logistics provider**

Ireland

Kommunalkredit played a key role in a banking syndicate which provided a comprehensive financing package for Basalt Infrastructure Partners' acquisition of Chemco Group, a leading provider of chemical logistics and distribution services in Ireland. Chemco (Liffey) provides end-to-end logistics management services, including warehousing and transportation, primarily to the semiconductor sector in Ireland, and acts as a stocking distributor of key chemicals for the pharmaceutical, food and broader chemical industries. Supported by significant barriers to entry – notably specialized technical expertise and stringent regulatory requirements, including a wide range of certifications – the underlying assets exhibit strong infrastructure-like characteristics.

100% green data

**Communication & Digitalization,
data centers**

Norway

Kommunalkredit is contributing EUR 50 million to the senior financing of a new data center in Hamar, Norway, with a total volume of EUR 371 million. The data center will have an initial capacity of 90 MW, with potential expansion to 150 MW. The facility will be powered entirely by hydroelectricity. The operator, Green Mountain Innlandet AS, is Norway's largest data center operator, providing approximately half of the country's IT capacity. It operates six sustainable data centers in Norway and the UK, all powered by 100% renewable energy.



Powering Bavaria's energy transition

Energy & Environment,
renewable energy

Germany

Kommunalkredit is providing Südwerk GmbH, a leading development company based in Bavaria, with a HoldCo financing package of up to EUR 47.8 million. The first tranche of EUR 37.8 million will fund construction equity for a 250 MWp solar portfolio, a 20 MW battery system and four substations, all located in Bavaria. A further EUR 10 million may follow as additional projects progress, supporting Südwerk's strong growth and accelerating its transformation from a pure project developer into a major independent power producer with a strong footprint in the German market.

Südwerk Energie GmbH



MAKING A DIFFERENCE



Since 2005, the **KOMMUNALE SOMMERGESPRÄCHE** (“Municipal Summer Talks”) have evolved into one of the most important forums for Europe’s infrastructure leaders. Experts, public administration officials, politicians, and private-sector decision-makers come together at the invitation of Kommunalkredit and Austrian Association of Municipalities to shape the future of our cities and communities through inspiring presentations and lively discussions.

Megatrends challenge municipalities

Megatrends such as demographics, decentralization, digitalization and decarbonization place increasing demands on municipalities, particularly with regard to public infrastructure development. These challenges were discussed at the 20th KOMMUNALE SOMMERGESPRÄCHE, held at the beginning of September in Bad Aussee, Styria, with contributions from leading Austrian and international experts and decision-makers, including former German federal ministers Karl-Theodor zu Guttenberg and Christian Lindner. The discussions showed unmistakably that the great challenges of our time can only be solved together.

Europe must come of age, define its independent position between the global power blocs, and assume greater responsibility. With half a billion people, a high level of prosperity, and strong social cohesion, Europe has the prerequisites for this. Yet, this prosperity is based on a functioning infrastructure. There are challenges: trade barriers, economic slowdowns, and geopolitical tensions.

The discussions highlighted that addressing these challenges requires cooperation across public and private sectors. In his opening remarks, Kommunalkredit CEO Jacques Ripoll emphasized the importance of mobilizing capital and structuring efficient investment frameworks, underlining the role of specialist banks in providing innovative financing solutions and advisory services for complex infrastructure projects.

The place to be for infrastructure

Beyond the exchange of expertise, the event once again served as a key networking platform for around 400 participants. By fostering dialogue among municipalities and private stakeholders, Kommunalkredit reinforced the message that strong local infrastructure is a cornerstone of Europe’s long-term competitiveness and future resilience.

Fireside chat with former German Federal Minister of Finance Christian Lindner.



Altor's Partner Paal Weberg attended this year's event as a representative of the majority owner of Kommunkredit, Altor Funds. His key message: "We have to save the world. But it has to pay off."



One of the great strengths lies in the numerous opportunities it offers participants to exchange ideas and connect in an informal setting.



In his keynote speech, former German Federal Minister for Economic Affairs Karl-Theodor zu Guttenberg explained why strategic resilience begins locally.



Around 400 representatives used the two-day conference to gain first-hand insights from international experts into current trends, challenges, and approaches to shaping municipal infrastructure.

A STRONG TEAM



The four members of Kommunalkredit's Executive Board combine extensive expertise with many years of experience in the European infra banking market, forming a strong and complementary management team.

Jacques Ripoll

CEO

Areas of responsibility

Strategy | Corporate Communication & Marketing | Legal & Stakeholder | People & Culture | Compliance | Internal Audit



“Europe is undergoing major structural shifts that require significant infrastructure investment at a time when public budgets are constrained. With our specialized financing services and deep expertise, we make public and private infrastructure projects bankable.”



Sebastian Firlinger

CFO/CRO

Areas of responsibility

Accounting & Regulatory Reporting | Financial Planning & Analysis | Risk Controlling | Credit Risk

“Through disciplined financial management, strong capital market performance, and a prudent approach to risk, we secure the financial stability that gives our partners confidence and strengthens Kommunalkredit’s long-term resilience.”



Nima Motazed

COO

Areas of responsibility

Banking Operations | IT & Transformation | Group Operational Services | KPC

“By continuously enhancing our operational efficiency, we ensure consistently robust performance and the capacity to respond effectively to changing market conditions.”



John Weiland

CCO

Areas of responsibility

Banking | Markets | Asset Management

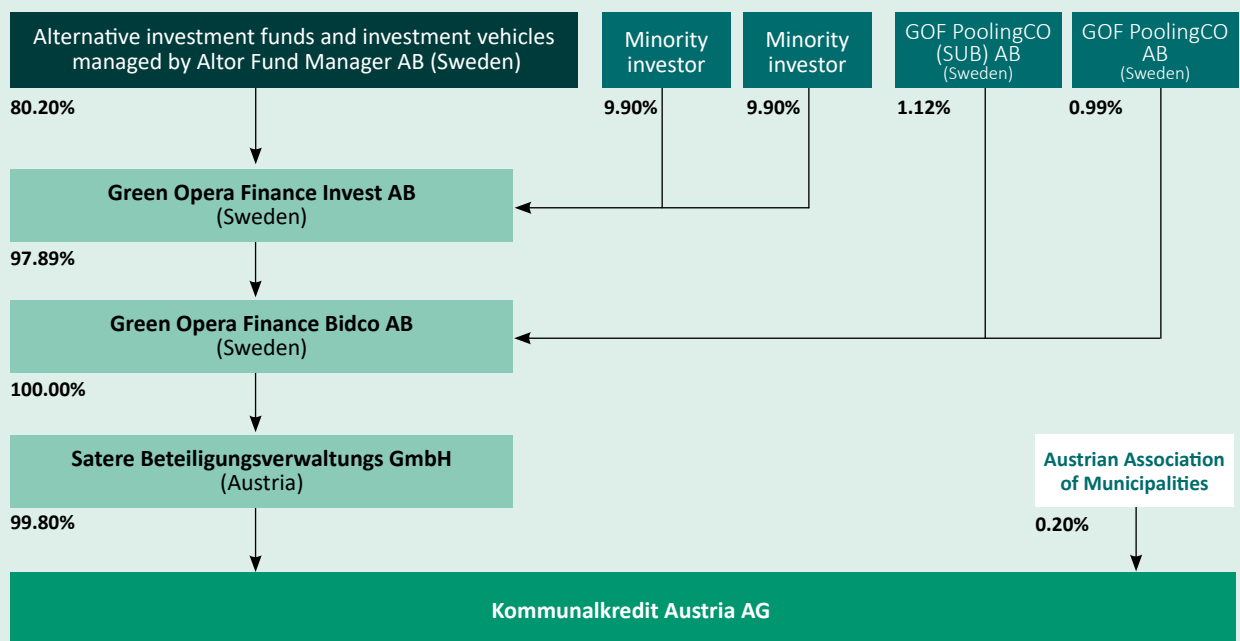
“By maintaining a clear focus on client needs and delivering tailor-made solutions, we expand value-creation opportunities and position Kommunalkredit for sustainable long-term growth.”

A SOLID FOUNDATION

Satere Beteiligungsverwaltungs GmbH ("Satere"), which holds a 99.8% interest in Kommunalkredit, is the Company's majority shareholder. Satere is indirectly majority-owned by funds and investment companies managed by Altor Fund Manager AB, as well as minority investors.

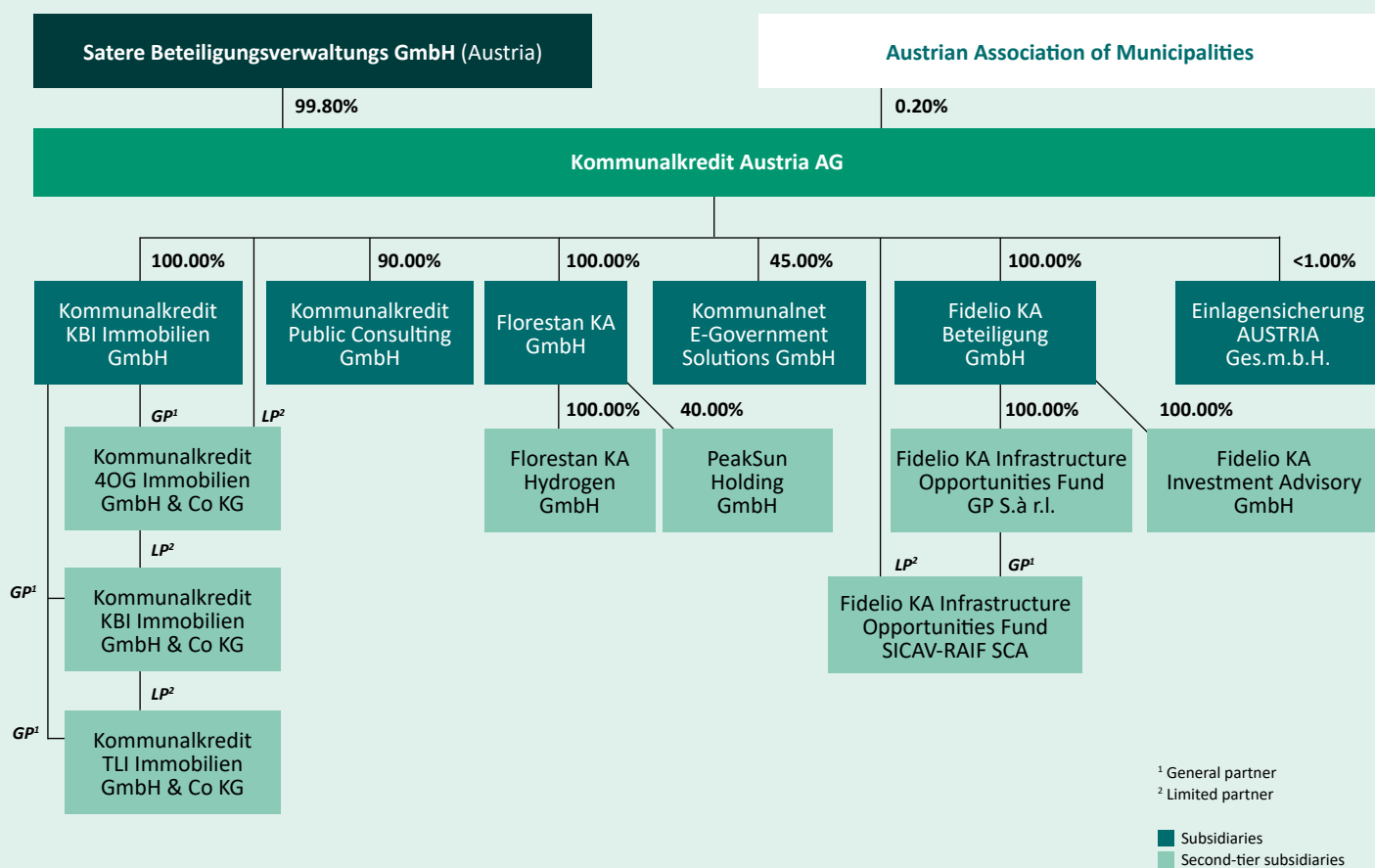
Altor focuses on financing innovative businesses and projects that support the green transition, making it a strong and strategic partner for Kommunalkredit. Since its inception, Altor has launched funds totaling more than EUR 12 billion to invest in around 100 companies. The remaining 0.2% of Kommunalkredit is owned by the Austrian Association of Municipalities.

Kommunalkredit ownership structure
(as of 31/12/2025)



The Kommunalkredit Group includes several specialized subsidiaries. This structure allows the bank to manage complex activities effectively, meet regulatory requirements, and provide its clients with comprehensive specialist expertise across all relevant areas.

Kommunalkredit company structure
(as of 31/12/2025)



REPORT BY THE SUPERVISORY BOARD

The Supervisory Board of Kommunalkredit Austria AG (Kommunalkredit) presents the Annual Report for the 2025 financial year to the Annual Shareholders' Meeting.

With the adoption of the annual financial statements 2024 in February 2025, Kommunalkredit exceeded the threshold of EUR 5 billion average total assets during the past three years and was classified as a credit institute of significant relevance according to § 5 (4) Austrian Banking Act (BWG). Accordingly, a Risk Committee (pursuant to Section 39d of the Austrian Banking Act (BWG)) was established by resolution of the Supervisory Board on 27 February 2025. A Nomination Committee was also established and merged with the existing Remuneration Committee, taking into account the provisions for its composition pursuant to Section 39c (3) BWG and FMA Fit & Proper Circular 3/2023 RZ103. In addition, internal BWG-compliance and risk functions were established.

Since 15 July 2024, the Supervisory Board has been chaired by Hans Larsson (Board Member of Traton Financial Services), who is an independent member of the Supervisory Board. The shareholder representatives are Paal Weberg (Deputy Chairman, Partner Altor Equity Partners, delegated by Satere Beteiligungsverwaltungs GmbH), Andreas Haindl (independent management consultant, delegated by Satere Beteiligungsverwaltungs GmbH) and Herman Korsgaard (Partner Altor Equity Partners). Henrik Matsen (Partner Henry Costa Partners) and Kurt Svoboda (CFO/CRO UNIQA Insurance Group AG) are independent members of the Supervisory Board. Anne Jaeger (Group Chief Compliance Officer and Executive Director of Zurich Insurance Group) was appointed as a new independent member of the Supervisory Board at the Annual General Meeting on 27 February 2025. Anne Jaeger was then appointed by the Supervisory Board to the Risk Committee (Chair), the Credit Committee (Deputy Chair, replacing Hans Larsson), and the Remuneration and Nomination Committee (Compensation Expert). The Supervisory Board members delegated by the Works Council remain Oliver Fincke, Claudia Slauer and Gerald Unterrainer.

At the reporting date, the Supervisory Board consisted of three shareholder representatives, four independent members and three employee representatives.

Jacques Ripoll has been appointed as member of the Executive Board and new CEO as of 1 September 2025 by the bank's Supervisory Board. He brings intensive leadership experience from multiple senior executive positions in the European banking industry, including CEO of the Corporate and Investment Bank at Crédit Agricole, Global Head of Corporate and Investment Banking at Santander Group, and various executive roles at Société Générale. As of the reporting date, the Executive Board consists of Jacques Ripoll (Chief Executive Officer), Sebastian Firlinger (Chief Risk Officer and Chief Financial Officer), Nima Motazed (Chief Operating Officer), and John Weiland (Chief Commercial Officer).

In 2025, Kommunalkredit generated new business of EUR 2,080 million including Public Finance, supported by 45 new projects. Core revenues increased by 4%. Challenging market developments, particularly in the fiber sector, affected Kommunalkredit and, in line with its prudent provisioning policy and commitment to a true and fair view of assets, led to value adjustments. These resulted in significant risk costs and had a material impact on the net result.

At the same time, 2025 marked a year of organizational transformation, focused on strengthening long-term readiness, resilience and scalability. Significant investments in digitalization, data management, cyber security and IT security further enhanced operational and regulatory robustness. Despite the elevated risk costs, the bank's capital and liquidity position remained strong, with a core capital ratio exceeding 16% and total capital of EUR 862 million at year-end 2025.

Kommunalkredit has continuously expanded its access to the capital markets in recent years. In 2025, a total of around two billion euros was refinanced on the capital market – these transactions underline Kommunalkredit's commitment to establishing itself as a regular issuer on the capital market.

The Supervisory Board performed its duties in accordance with the articles of association and rules of procedure at four ordinary meetings and one extraordinary meeting; the committees (Audit Committee, Supervisory Credit Committee and the newly established Risk Committee, and Remuneration and Nomination Committee) also met and performed their duties in accordance with the rules of procedure.

The Supervisory Board was continuously and comprehensively informed by the Executive Board at the meetings of the Supervisory Board and its committees as well as through direct information on the course of business, the situation and development of the company, and the intended business policy. The Supervisory Board advised and monitored the Executive Board in the management of the company in accordance with the duties incumbent upon it by law, the articles of association, and the rules of procedure.

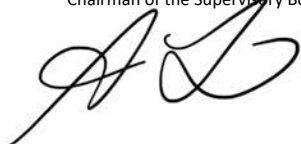
In accordance with the Fit & Proper policy (based on the EBA/ESMA Guidelines on the assessment of the suitability of members of the management body and key function holders, version 2021/06, and the FMA Fit & Proper Circular of March 2023), the newly appointed Supervisory Board member Anne Jaeger and the Executive Board member and CEO Jacques Ripoll completed comprehensive Fit & Proper training on the regulatory framework for Austrian credit institutions in 2025. Further, all the bank's Supervisory and Executive Board members completed training about changes and novelties in the regulatory area in December 2025.

These annual financial statements and the management report were audited by KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna. The audit did not give rise to any objections and the statutory provisions were complied with. The annual financial statements give a true and fair view of the assets, financial position and results of operations of the company as at 31 December 2025, which is why an unqualified audit opinion was issued.

The Supervisory Board concurred with the findings of the audit and approved the 2025 annual financial statements at its meeting on 26 February 2026, which are thus adopted. The consolidated financial statements as at 31 December 2025, including the management report, were also examined and acknowledged.

Hans Larsson

Chairman of the Supervisory Board



Vienna, 26 February 2026

Members

Supervisory Board

Hans Larsson

Chairman of the Supervisory Board,
Non-Executive Director Traton Financial Services

Paal Weberg

Deputy Chairman of the Supervisory Board,
Partner Altor Equity Partners

Andreas Haindl

Independent Management Consultant

Anne Jaeger

Group Chief Compliance Officer
Zurich Insurance Group
since 27 February 2025

Herman Korsgaard

Partner Altor Equity Partners

Henrik Matsen

Partner Henry Costa Partners

Kurt Svoboda

CFO/CRO UNIQA Insurance Group AG

Oliver Fincke

Delegated by the Works Council

Claudia Slauer

Delegated by the Works Council

Gerald Unterrainer

Delegated by the Works Council

State Representatives

Philipp Schweizer

State Representative,
Federal Ministry of Finance

Marion Stiasny

Deputy State Representative,
Federal Ministry of Finance

Corporate governance documents at kommunalkredit.at



MANAGEMENT REPORT

Economic environment	36
Business review	42
Kommunalkredit on the capital market	48
Equity participations	50
Assets, financial position, and income	54
Employees	58
Other material disclosures	63
Internal control and risk management system	64
Research and development	65
Sustainability	66
Outlook	81

Economic environment

Infrastructure markets performed significantly better than the overall economy in 2025. While global economic growth remained subdued, infrastructure investment continued to expand, supported by structural trends, government initiatives and private capital in-flows. At the same time, certain segments faced increasing challenges, including rising consolidation pressure in the fiber sector and a more demanding environment for the green energy transition, which is progressing under less favorable conditions than in previous years.

A year shaped by geopolitics and policy shifts

Looking back on 2025, the global economic environment was characterized by heightened geopolitical tensions, shifting growth dynamics’ and monetary policy adjustments. As a result, **the global recovery remained fragile and uneven**, with significant differences across regions.

Geopolitical risks continued to weigh on economic activity throughout the year. In the first half of 2025, **escalating tensions** in the Middle East, particularly between Israel and Iran, added to existing global uncertainty. In addition, the continuation of **trade policies and tariffs** introduced during the second term of U.S. President Donald Trump negatively affected global trade flows and investment sentiment. Together with the ongoing war in Ukraine, these factors contributed to subdued economic momentum, particularly in Europe.

Economic growth developments remained divergent across regions. While the U.S. economy demonstrated a comparatively high degree of resilience, economic growth in Europe remained muted. For Kommunalkredit, these conditions translated into elevated uncertainty within the European infrastructure and energy sector, resulting in cautious investment behavior and adverse sector-specific developments.

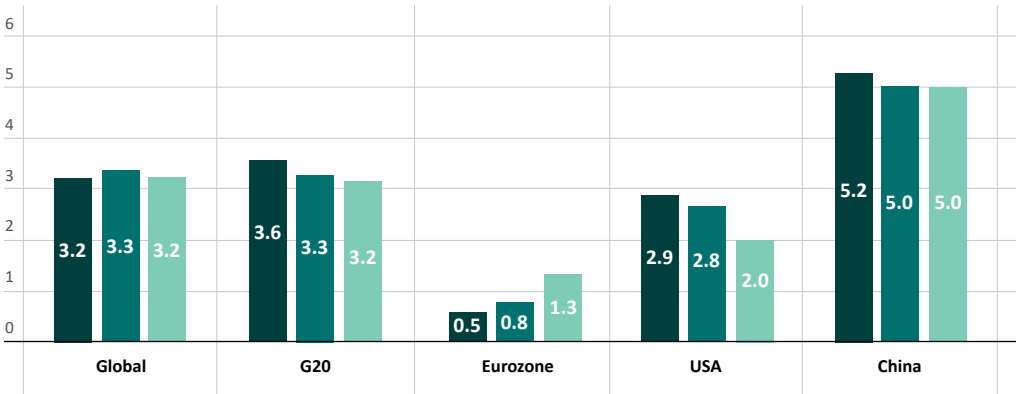
On the other hand, the European infrastructure market continued to be supported by **strong structural drivers**. Ongoing investment needs related to the energy transition, decarbonization, transport infrastructure, and social infrastructure remained intact. These long-term fundamentals continued to underpin demand for infrastructure financing and formed a stable basis for Kommunalkredit’s new business activities in 2025, notwithstanding short-term volatility in the macroeconomic environment.

GDP growth
in %¹

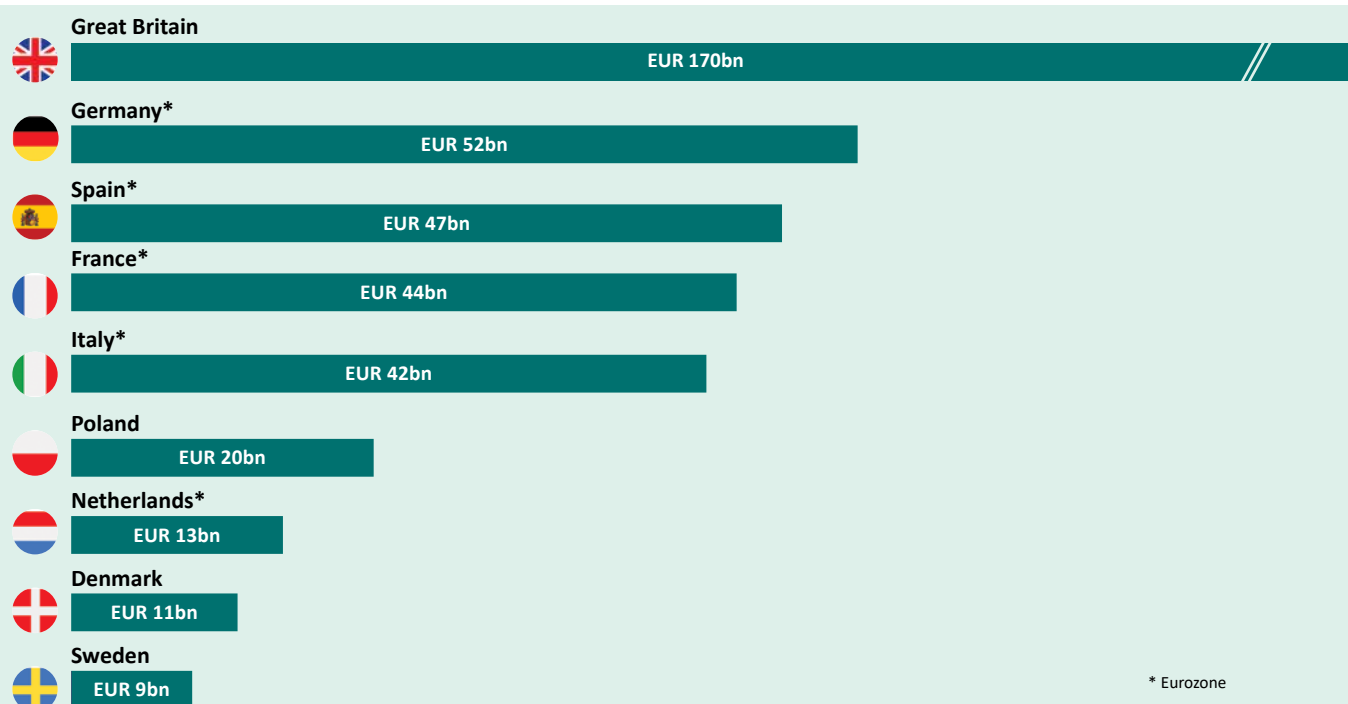
Source: OECD

■ 2023
■ 2024
■ 2025

¹ OECD: Economic Outlook, Issue 2, December 2025. An adjustment to the measurement method may lead to changes in comparative values from the past.



Europe's biggest infrastructure markets in 2025² by investment volume



Easing inflation and monetary policy responses

Inflationary pressures in the euro area eased steadily over the course of the year, bringing inflation close to the **European Central Bank's** (ECB) target of 2%. In response to weakening economic momentum, the ECB adopted a more accommodative monetary policy stance and lowered interest rates in four steps of 25 basis points each. As a result, the deposit facility rate declined from 3.0% at the beginning of the year to 2.0% by year-end.³

This shift supported financing conditions in the euro area and improved visibility for long-term investment decisions, particularly in capital-intensive infrastructure sectors.

Government bond issuance in Europe reached elevated levels in 2025, reflecting increased fiscal spending and refinancing requirements. Despite higher issuance volumes, interest rate volatility declined over the course of the year. In the second half of 2025, yields on German government bonds traded largely within a narrow range of approximately 2.6% to 2.8%⁴, contributing to greater stability in long-term reference rates relevant for infrastructure financing. Credit spreads tightened during the same period, although further compression remained constrained by persistent geopolitical and macroeconomic risks.

Within the **European banking sector**, credit growth showed early signs of recovery, with lending volumes increasing by 2.2%⁵ year-on-year. Banks continued to benefit from the post-zero-interest-rate environment and maintained solid profitability levels. For the European infrastructure market, these developments supported the availability of financing and reinforced the role of banks as long-term partners in the funding of essential infrastructure projects, which remain at the core of Kommunalkredit's business activities.

² Inframation & SparkSpread database, 12/2025. An adjustment to the measurement method may lead to changes in comparative values from the past.

³ European Central Bank: Press release, 18/12/2025

⁴ Finance Agency Germany: Government bond, December 2025

⁵ European Central Bank: Economic Bulletin, Issue 7/2025

Infrastructure market diverging from macroeconomic development

In contrast to the overall macroeconomic environment, European **infrastructure investment developed very dynamically** in 2025, reaching a new annual record of EUR 464 billion⁶, predominantly driven by energy-related projects. Investments in renewable energy increased significantly, with offshore wind and small-scale solar as the main contributors. A reduction in interest rates had a positive impact on the infrastructure market in the second half of 2025 and led to a significant increase in refinancing volumes.

According to the BlackRock Investment Institute⁷, the investment landscape in infrastructure and energy is increasingly shaped by **structural “mega forces”** such as artificial intelligence, digitalization, and geopolitical fragmentation, rather than by traditional cyclical indicators. And the OECD highlighted in its Economic Outlook of December 2025 that infrastructure investment – particularly in green energy, electricity grids, and storage – was a key driver of growth in 2025.

Overall, the European infrastructure market (including United Kingdom), which is primarily relevant for Kommunalkredit, remained resilient in 2025 despite political and military conflicts and subdued macroeconomic conditions, reaching a record volume of around USD 450 billion (2024: around USD 370 billion).⁸ However, market conditions varied across subsectors, with some facing a more challenging environment.

Public initiatives support growth in the infrastructure and energy sector

A significant proportion of infrastructure investment continues to come from the public sector: In March, Germany approved a comprehensive investment package worth more than EUR 500 billion in the areas of **defence and infrastructure**. At EU level, the ReArm Europe strategic plan was launched, with the aim of strengthening investment in defense capacities, deepening the internal market for defense-related products and enhancing Europe’s strategic resilience. In October 2025, the German federal government approved a special fund of EUR 500 billion for infrastructure and climate-neutral investments in the coming years.

In France, an investment package of EUR 109 billion was announced at the AI Action Summit in early 2025, primarily intended for the expansion of large data centers and artificial intelligence infrastructure. In August, Italy approved a EUR 13.5 billion project to build a bridge between the Italian mainland and Sicily.

On the private side, one project by Siemens Energy stood out in 2025: the company is investing around EUR 220 million in expanding its transformer plant in Nuremberg.

Rising private capital inflows

At the same time, **interest in private infrastructure investments** appears to be rising. According to BloombergNEF⁹, infrastructure investments increased by 63% in Europe and by 36% in the United States, with substantial capital seeking deployment. The strong momentum in Europe may attract US investors, as the continent is viewed as a reliable destination for infrastructure investments. In addition, the growing participation of non-bank financial institutions – including infrastructure funds, pension funds, and alternative asset managers – is opening further avenues to finance private infrastructure development.

The current environment of high inflation and low GDP growth significantly supported this trend in 2025. In the past, it had repeatedly been shown that private infrastructure investments outperformed public markets most strongly when low economic growth was accompanied by high inflation.

Refinancing increases significantly

In the first half of 2025, many players in the infrastructure market were rather cautious and only refinanced when absolutely necessary. From the summer onwards, however, refinancing gained noticeable momentum on the basis of significantly lower interest rates. Overall, the refinancing volume in 2025 was significantly higher than in the previous year.

For Kommunalkredit, a gradual reduction in interest rates presents both opportunities and risks. Lower refinancing costs and potentially higher transaction volumes are offset by lower interest income and greater competition from US-based credit funds. The latter can usually operate more flexibly than more heavily regulated banks such as Kommunalkredit.

The **trend toward accordion financing** also continued in 2025. With this form of financing, equity sponsors secure the option of taking out additional credit – usually from existing banks – within the existing contract structure as soon as the initial financing is concluded. This enables them to respond quickly and flexibly to organic and inorganic growth. In most cases, these additional funds are uncommitted and depend on the economic performance of the respective asset. If this is positive, Kommunalkredit supports its existing customers with appropriate financing solutions.

⁶ Inframation & SparkSpread database, 12/2025

⁷ Black Rock: Q4/2025 Investment Outlook, 19/09/2025

⁸ Inframation & SparkSpread database, 12/2025

⁹ BloombergNEF: Press release, 26/08/2025

Greenfield financing with a clearly positive trend

The financing volume of greenfield projects¹⁰ in Europe in 2025 significantly exceeded the previous year's level. **New construction projects in the renewable energy sector** contributed to this, led by large offshore wind farms on the British and Polish coasts. Further momentum came from numerous projects in areas such as battery energy storage systems (BESS), biogas/biomethane, and others, which, however, have not yet generated high deal volumes. Nevertheless, they point to a positive trend. The BESS sector in particular has recently become increasingly important, as it contributes to the transition to renewable energy sources, thereby relieving the burden on the power grids. Here, Kommunalkredit once again focused on **innovative financing solutions with a special focus on construction and bridge financing**, which support project developers and independent power producers in realizing their project pipelines quickly and flexibly.

2025 also showed that Eastern Europe is gaining importance as a market for greenfield projects in the energy sector. In recent years, Kommunalkredit has succeeded in continuously expanding its market position in the renewables sector in this region, particularly in Romania, on the basis of its **credit structuring and advisory services**.

At the global level, the urgently needed expansion of data centers represents an **important growth driver** for greenfield projects. Cloud computing, artificial intelligence, and data processing require a massive expansion of capacity worldwide. In 2025, Kommunalkredit participated in a series of transactions to structure and finance smaller colocation data centers as well as large hyperscalers with long-term purchase agreements with global players such as Google, Amazon, and Meta. At the same time, the bank largely refrained from entering into further transactions in the fiber sector.

Brownfield and M&A financing remains at a high level

The volume of financing for brownfield and M&A projects¹¹ in Europe stood at around USD 200 billion at the end of 2025, remaining at the already high level of 2024. Brownfield and M&A projects are projects involving the purchase or sale of mostly existing projects or infrastructure companies.

The year 2025 was characterized by increased economic uncertainty and thus by diverging price expectations among buyers and sellers. This was also confirmed by Kommunalkredit's experience, especially in the first six months of the year.

However, the bank was able to keep the negative effects of this trend relatively low thanks to its broad geographical positioning, its focus on strongly customer-oriented financing solutions, and new services, particularly in the areas of M&A and debt advisory.

For 2026, it can be assumed that lower interest rates and investment pressure on infrastructure funds with a lot of dry powder will lead to rising M&A volumes.

Market development by sector¹² Energy & Environment

A glance at the relative volumes of the sectors relevant to Kommunalkredit in Europe in 2025 shows that **renewables** (PV, wind, etc.), together with other **energy-related sectors** such as biogas, LNG, and battery storage, account for around 65% of the total infrastructure market. This development was also reflected in Kommunalkredit's transactions in 2025.

The persistently relatively low wholesale energy prices increase the importance of tailor-made financing solutions. Maximum flexibility is required with regard to various models for purchasing the electricity generated – from full market risk to power purchase agreements to government-supported purchase agreements.

Kommunalkredit successfully applied its expertise in this area in 2025, for example in an innovative BESS transaction for an important customer in the UK. In addition, the bank participated highly successfully in a whole series of project financing and advisory activities, primarily in Central and Eastern Europe.

Transport

The transport sector performed solidly overall in 2025. Larger refinancing transactions in the **airport and rail sectors** played a particularly important role here, positively influencing the financing volume. Overall, the transport sector accounted for 13.5% of the total market, representing a slight decline compared with 2024 (18.7%).

Kommunalkredit is primarily active in the airport sector and participated in tenders for advisory mandates for refinancing, which should materialize in 2026. In addition, the bank was able to position itself in the growing niche markets for cold storage and special logistics.

Communication & Digitalization

In the Communication & Digitalization sector, investor interest is currently focused almost exclusively on **data centers, telecommunications and broadcasting towers**. In 2025, Kommunalkredit was very successful in structuring financing for various data centers – from smaller colocation to large hyperscaler projects, primarily in Germany and Northern Europe.

¹⁰ Greenfield projects are new infrastructure assets erected on undeveloped ("green") land, which may involve construction phases of varying lengths and financing requirements – depending on the sector and nature of the project – before they can enter service.

¹¹ Brownfield projects are pre-existing, often already-operational infrastructure assets whose financing is restructured mostly through M&A transactions (mergers & acquisitions).

¹² Inframation & SparkSpread database, 12/2025

The booming market for data centers is primarily driven by the transmission, processing, and storage of exponentially growing amounts of data. According to estimates by McKinsey¹³, their global capacity will increase from around 60 GW in 2024 to at least 200 GW in 2030. Some estimates even predict up to 300 GW. This requires not only a massive expansion of these assets, but also a corresponding expansion of the energy production necessary for their operation – ideally from renewable sources – as well as substantial investments in national power grids. Given the existing capacity bottlenecks in the grid and blackouts in Spain and Portugal in May 2025, the massive investment required in this area is easy to imagine. Against this backdrop, Kommunalkredit further expanded its Europe-wide footprint in this area, including in Germany, France, and Scandinavia.

On the other hand, the fiber optics and broadband segment is currently facing a substantial crisis, particularly in countries with little regulatory support, such as Germany and the United Kingdom. Here, underestimated expansion costs, high competition (over-build), and a lack of regulatory framework conditions led to liquidity problems for some providers, whose continued existence in the medium term depends on the ability of their owners to provide further equity capital or on the financing banks. In countries with better framework conditions, such as Spain, Portugal, and France, many fiber optic providers were able to successfully compete with established players in the market. In Portugal, Kommunalkredit successfully supported one such player with refinancing in 2025. Nevertheless, in 2025, larger fiber optic assets of well-known and powerful equity funds ran into substantial difficulties, which are likely to necessitate a series of significant restructurings. For Kommunalkredit, these developments materially impacted the bank's cost of risk in 2025.

Social Infrastructure

In the Social Infrastructure sector, Kommunalkredit successfully completed a series of transactions in the area of private **diagnostic imaging centers and social care homes** (two of them in the United Kingdom). The trend toward an increasingly aging society and the associated need to expand preventive medicine forms the basis for a growing number of transactions in this sector.

Megatrends support Kommunalkredit's business model

The macroeconomic developments of 2025 clearly demonstrate that long-term megatrends continue to support growth in the infrastructure sector, even against an unstable economical backdrop. Structural drivers such as decarbonization and green energy, digitalization, artificial intelligence, rising energy demand, demographic change, and decentralization are reinforcing the sector's role as a significant, resilient, and strategically important asset class.

For Kommunalkredit, as an infra banking expert, this environment continues to offer numerous opportunities to allocate capital in a targeted manner for sustainable growth – in a market that provides attractive opportunities even in turbulent times.

¹³ McKinsey: Report Infrastructure that powers and colls AI data centers, 29/10/2025



Business review

With new business volume of around EUR 2.1 billion and solid core revenues growth of 4%, Kommunalkredit's business model showed its resilience once again in a fairly challenging market environment, thereby helping to confirm the bank's position as a leading European infra banking expert.

A year of organizational transformation

2025 was a year of organizational transformation for Kommunalkredit, focused on strengthening long-term readiness, resilience and scalability. **Significant investments** in digitalization, data management, cyber security and IT security further enhanced the bank's operational and regulatory robustness. Key initiatives included the migration to SAP S/4HANA, full preparedness for DORA, the transition to CSRD reporting, as well as additional regulatory and risk-related IT programs. These measures improved data quality, transparency and process efficiency across the organization.

Governance structures were further strengthened, including the introduction of centralized procurement to enhance cost efficiency and transparency. This disciplined cost management is reflected in a consistently low cost-income ratio of 38.9%, providing a solid basis for operational resilience even in economically turbulent times.

In parallel, important milestones were reached in the ongoing **transformation of Kommunalkredit's headquarters** in Vienna. The historic Bösendorfer Palais in the 9th district is being redeveloped into a modern office building, demonstrating the Bank's commitment to preserving its heritage while meeting contemporary workplace requirements.

Cultural initiatives to strengthen corporate culture, increase job satisfaction and stabilize workforce dynamics continued to show results. Total **staff turnover** decreased to 9%, down from 13% in 2024, indicating improved employee satisfaction and retention.

Overall, Kommunalkredit strengthened its core competencies, attracted additional **"Future Minds"**, and laid the foundation for greater efficiency, scalability and data quality.

Solid top-line performance in a persistently challenging market environment

Kommunalkredit's short-term performance in 2025, particularly in the first quarter, was affected by heightened geopolitical uncertainty, including ongoing international conflicts, volatile policy announcements related to trade measures, and declining interest rates. These factors led sponsors and borrowers to delay refinancing activities and investment decisions, resulting in lower new business volumes in the early part of the year.

Transaction activity began to gather pace in the second quarter of the year. This resulted in a new business volume of EUR 2,080 million (EUR 1,697 million Infrastructure & Energy financing | EUR 383 million Public Finance) and a core revenue growth of 4%, despite a record level of early repayments and higher funding costs at year-end 2025, representing a solid level compared with the previous year (EUR 2,280 million). A total of 45 new transactions contributed to this volume, driven primarily by the Energy & Environment sector, which accounted for around 59% of new business. The main I&E markets were Germany (20%), Great Britain (11%), Portugal (10%) and Romania (8%).

In December alone, nine transactions were successfully signed, representing a monthly record for Kommunalkredit. Gross revenues increased year-on-year, and the strong momentum in the fourth quarter translated into a robust pipeline entering 2026.

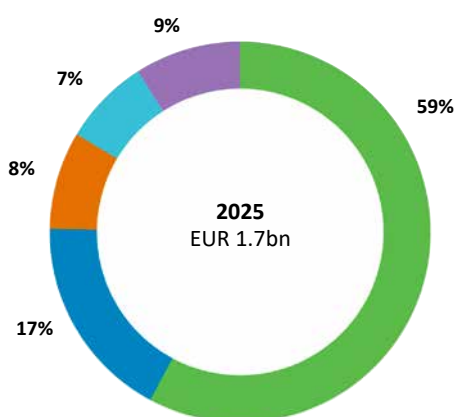
At the same time, the second half of 2025 — and in particular the fourth quarter — was marked by a material increase in risk costs and the need for prudent loan provisions, mainly driven by developments in the fiber sector.

The profit for the period before tax therefore declined to EUR 18.3 million as of 31 December 2025. Against this backdrop, the bank's low cost-income ratio of 38.9% proved to be a key strength, supporting earnings resilience in a more challenging environment.

Accordion financing for more flexibility

In order to adapt to volatile market conditions with a significant degree of unpredictability, Kommunalkredit has strengthened its competitive position by offering flexible accordion financing solutions. This approach enables sponsors to mobilize additional funding for organic or inorganic growth within already existing credit frameworks – thereby reducing transaction cost and increasing speed and flexibility by forgoing a complete and often time-consuming refinancing process. Against the backdrop of geopolitical uncertainties and tariff-related inflation risks, this solution proved to be the best answer in many complex situations.

New business I&E in 2025
in %



Strong new business performance in all four focus sectors

Once again, Kommunalkredit successfully structured and financed transactions across its four focus sectors – Energy & Environment, Communication & Digitalization, Transport, and Social Infrastructure – in the 2025 financial year. This was driven by the bank's collective efforts including **financing solutions**, **cross-sector advisory services** and further supported by the continued megatrends decarbonization, decentralization, demographic changes, and digitalization. In total, Kommunalkredit's financing volume including Public Finance amounted to EUR 2,080 million as of 31 December 2025.

Energy & Environment

Around 6% of the European infrastructure project volume in 2025 was attributable to renewable energies and energy-related sectors such as biogas and battery energy storage systems. Kommunalkredit is broadly positioned in this market and achieved particular successes in areas such as innovative battery storage financing. In consideration of the low wholesale energy prices, flexibility with regard to **electricity usage models** (e.g. Power Purchase Agreements versus market price risk) was of central importance – an area in which the bank was able to make targeted use of its structuring expertise. In addition, the Group increasingly focused on bridging and construction financing to enable project developers and independent power producers, particularly in Central and Eastern Europe, to rapidly implement their project pipelines. At the same time, Kommunalkredit established itself in this region as a leading partner in M&A and debt advisory services.

Communication & Digitalization

Global digitalization and the exponential **increase in data volumes** led to a strong increase in investor interest in digital infrastructure, particularly in the data center segment. In 2025, Kommunalkredit structured and financed several new projects in this area – ranging from smaller colocation data centers to large-volume hyperscalers featuring long-term usage agreements with global technology companies such as Google, Amazon, and Meta. At the same time, the bank largely refrained from further engagements in the fiber sector, given the challenging market environment.

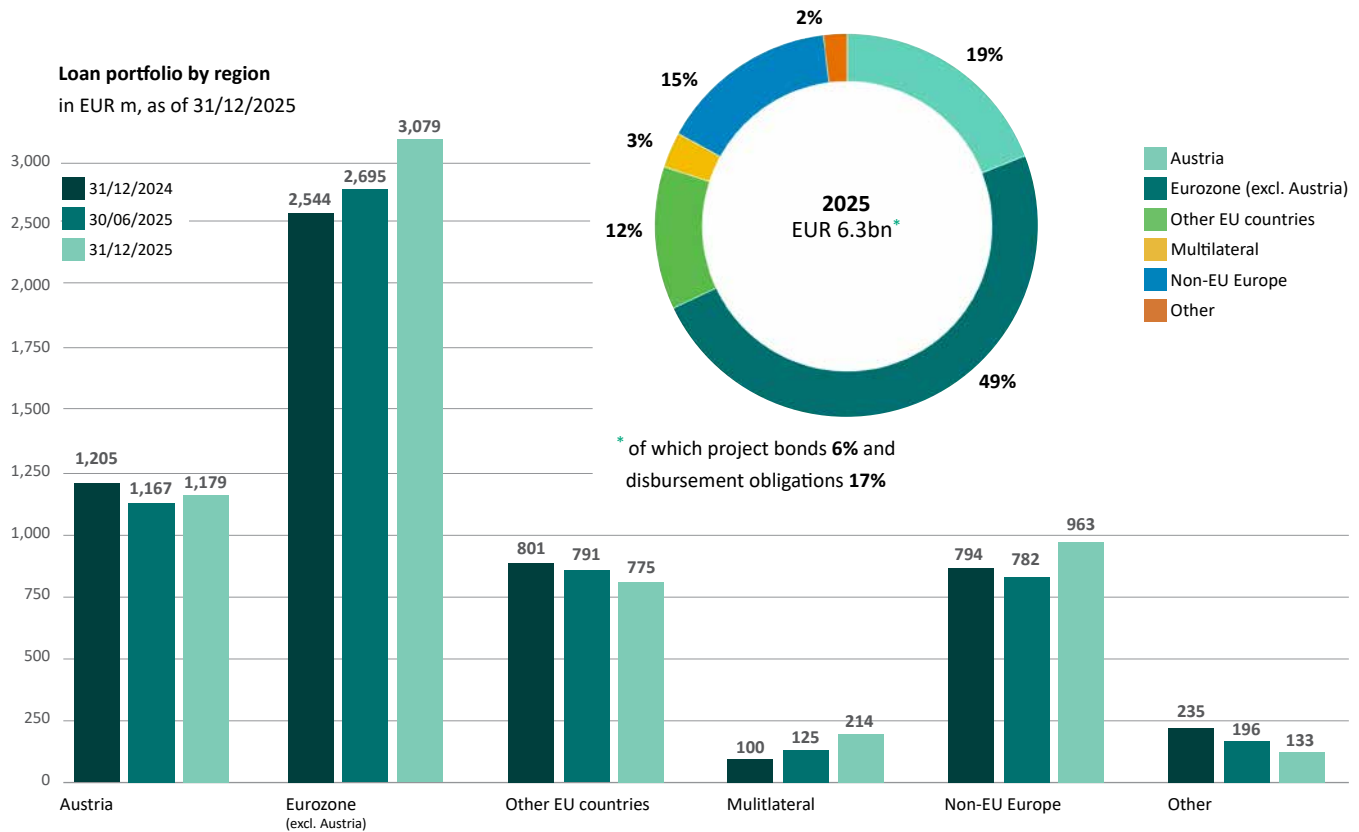
Transport

In the Transport sector, Kommunalkredit was primarily active in the **airport and railway segments** as well as in the **warehousing/logistics sub-sector**. Refinancing and structured specialized financing dominated here. In the charging infrastructure sector, the Bank is currently working on several projects that focus on differentiated operator and usage models.

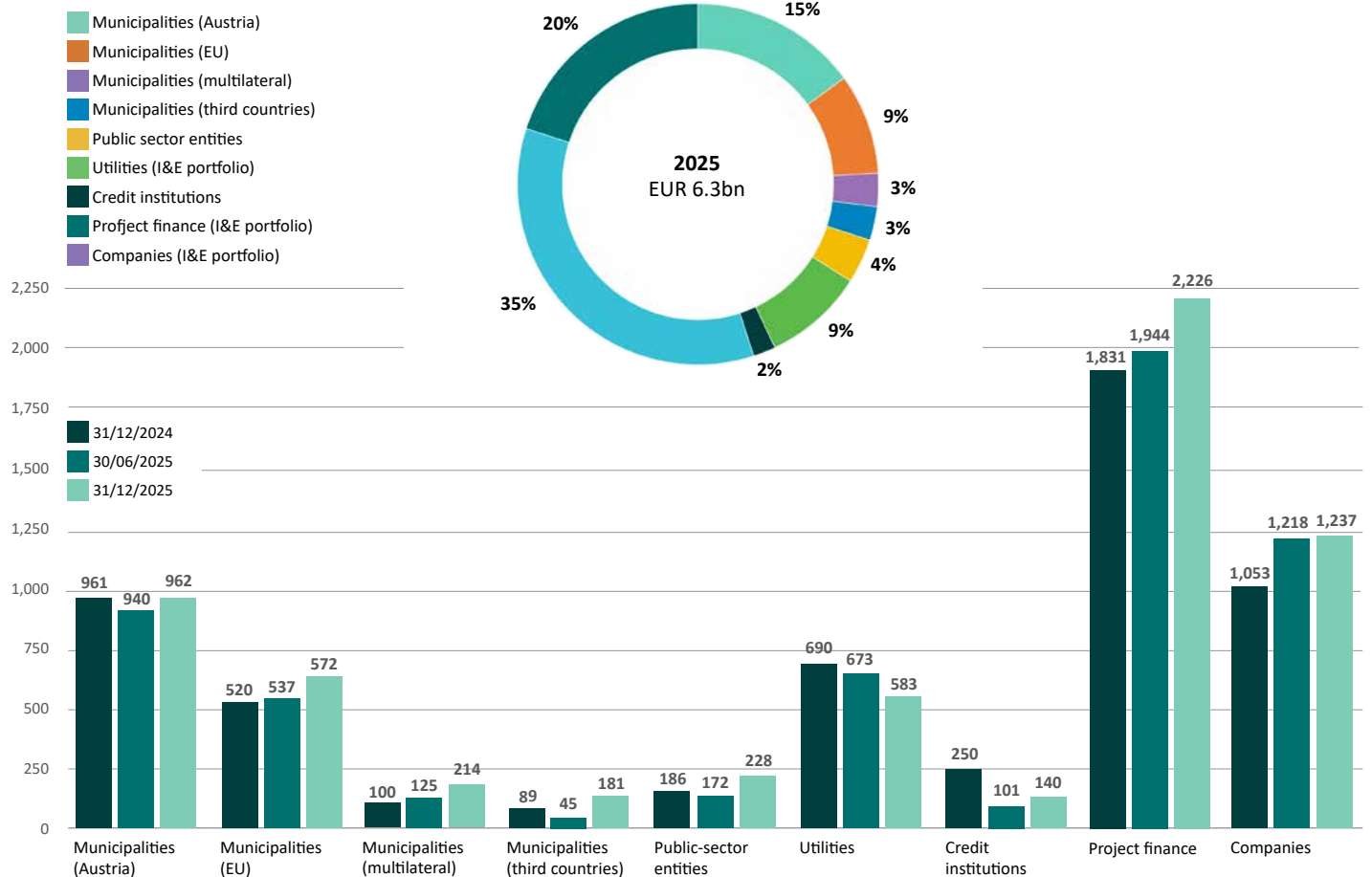
Social Infrastructure

In the Social Infrastructure segment, the focus in 2025 was again on **private health and care facilities**, particularly in the area of diagnostic imaging and nursing homes. Against the backdrop of demographic developments, an increase in transactions is expected here in the years to come.

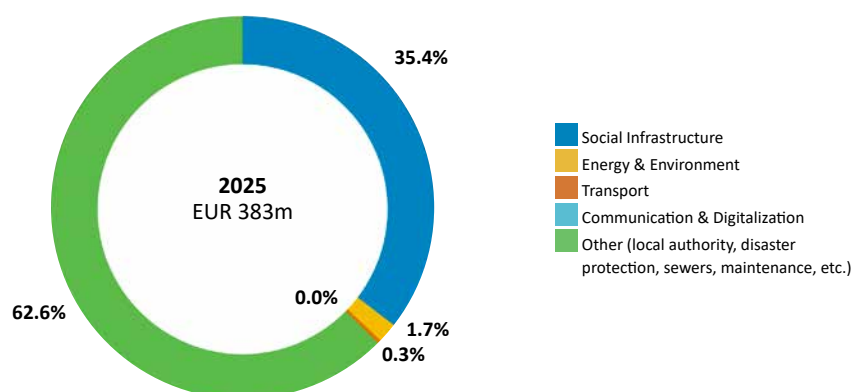
Loan portfolio by region
in EUR m, as of 31/12/2025



Loan portfolio by borrower
in EUR m, as of 31/12/2025



Public finance in 2025
in %



Public finance as a stabilizing factor

Public finance has a long tradition at Kommunalkredit and remains an integral part of its business model. As of 31 December 2025, the public finance volume amounted to some EUR 383 million. By investing in essential infrastructure that directly **benefits citizens and municipalities**, Kommunalkredit creates and secures jobs while stimulating economic activity.

In 2025, however, Kommunalkredit has increased its financing of international transactions. While only 21% of new business was concluded in Austria, 79% was allocated to public sector deals in core Europe. This decline was driven by a highly competitive market environment in Austria: in public tenders, financing allocations are sometimes awarded at interest rates below those of comparable government bonds, often rendering such transactions economically infeasible. Consequently, Kommunalkredit has increased its activities in sub-sovereign assets in core Europe.

Successful cooperation with established partners

In 2025, the **International Finance Corporation** and the **Asian Infrastructure Investment Bank** participated in a senior unsecured bond issued by Kommunalkredit. With a total volume of EUR 200 million, both institutions are supporting the financing of sustainable infrastructure projects in Central and Eastern Europe – demonstrating the confidence that global development partners have in Kommunalkredit's business model and effectiveness.

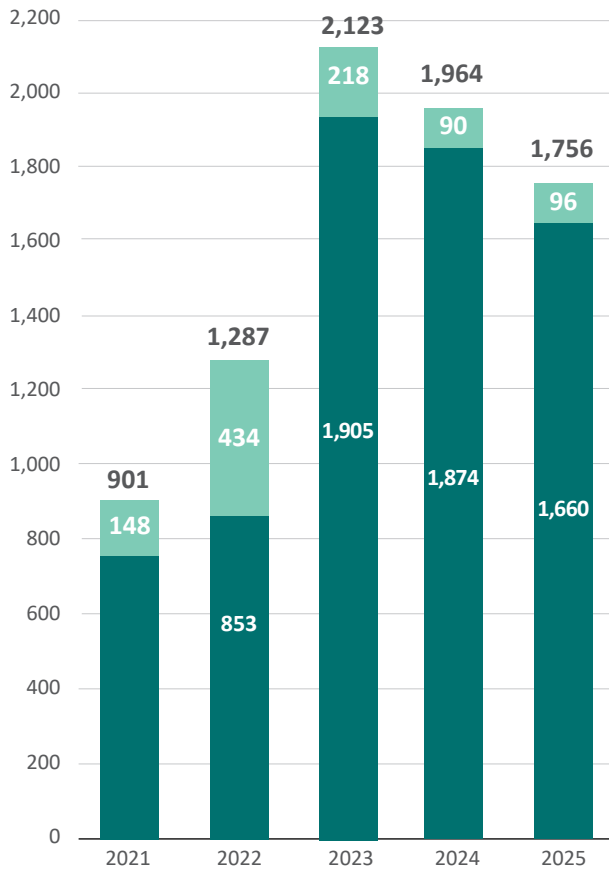
Kommunalkredit pursues a business approach that focuses on co-operation with established partners (originate and collaborate) and concentrates in particular on its ability to place transactions on the international financing market. The Group is also able to offer its business partners access to infrastructure and energy financing through **asset management solutions**. Together with its affiliated company Florestan KA GmbH, Kommunalkredit is implementing landmark projects to drive forward European energy transition. The electrolysis plant in Schwechat, Austria, developed jointly with OMV, demonstrates how successful partnerships can accelerate the development of the green hydrogen market. Since it went into operation in May 2025, the 10-megawatt plant produces up to 1,500 tonnes of green hydrogen annually, which is used directly for the production of sustainable fuels. With annual savings of up to 15,000 tonnes of CO₂, the project is a pioneering example of the effectiveness of private infrastructure financing in the industrial decarbonization of Europe.

Another Florestan project is a joint venture with the Austrian energy group eww under the brand name PeakSun. The model enables customers to lease their roof space to PeakSun on a long-term basis for the installation of a PV system. The electricity generated can either be consumed by the customer or fed into the public grid.

Retail deposits (KOMMUNALKREDIT INVEST)

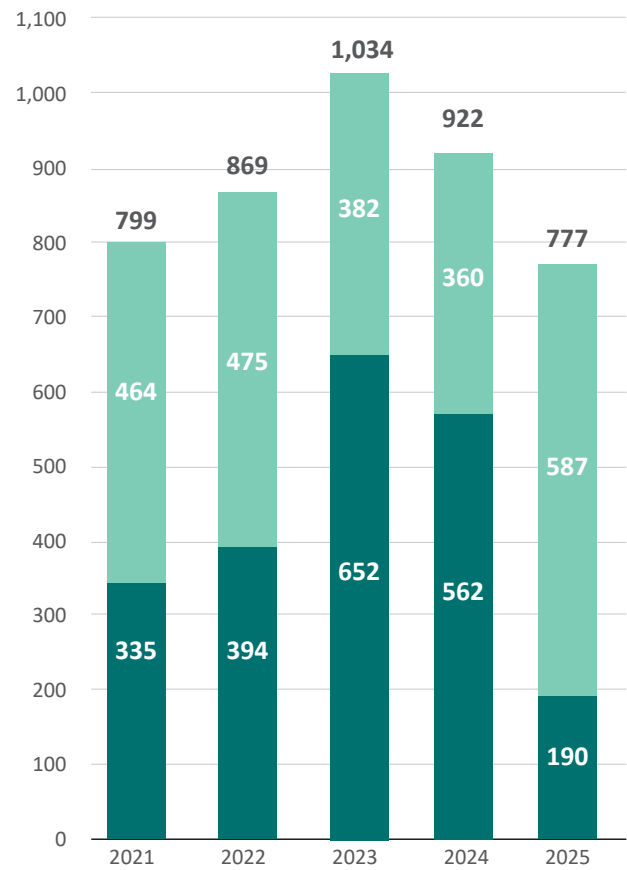
in EUR m, as of 31/12/2025

Overnight deposits
Term deposits

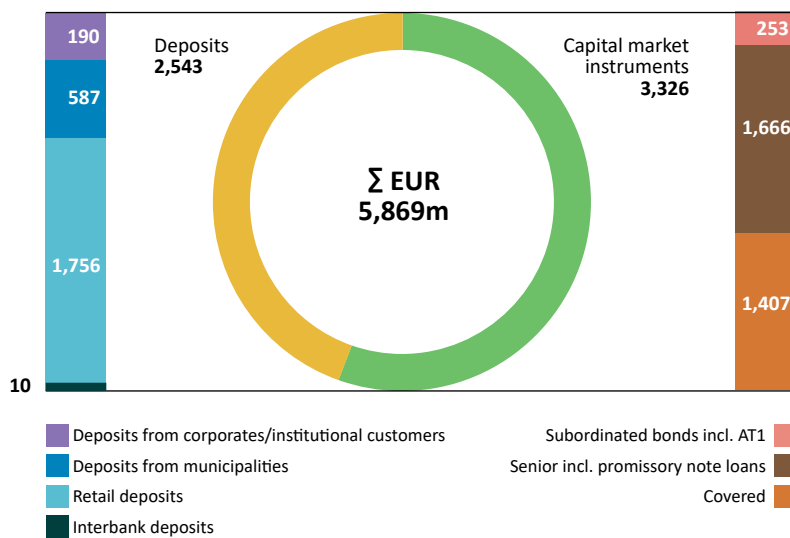
**Wholesale deposits**

in EUR m, as of 31/12/2025

Direct business with corporate/institutional customers
Deposits from municipalities and public institutions, corporate clients, institutional investors (KOMMUNALKREDIT DIREKT)

**Refinancing structure**

in EUR m, as of 31/12/2025



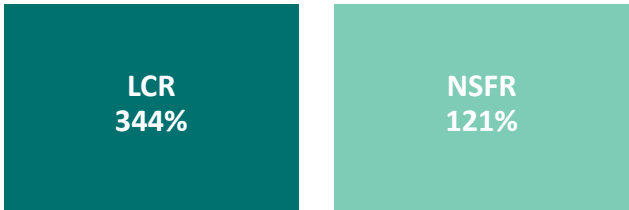
Asset quality

Infrastructure remains **one of the most stable and resilient investment themes** on a global basis. This is reflected in Kommunalkredit’s overall asset quality with an average rating of BBB+ as of 31 December 2025 anchored in a proportion of investment-graded projects of 59%. Nevertheless, Kommunalkredit inter alia had to acknowledge an industry-wide deterioration of fiber and broadband transactions affecting almost all financial institutions active in the infrastructure sector. As a consequence, value adjustments had to be increased significantly. The NPL ratio in 2025 rose to 7.0% (2024: 2.8%).

Stable deposit development

In addition to its solid portfolio quality, Kommunalkredit’s deposit business also showed **stable development** in 2025. It comprises retail deposits (KOMMUNALKREDIT INVEST) and wholesale deposits (KOMMUNALKREDIT DIREKT for municipalities and public institutions as well as deposits from corporate clients and institutional investors). In the 2025 financial year, both the wholesale and the retail deposit business purposely slightly declined. The share of fixed-term deposits rose again compared with overnight deposits.

For more details on capital market instruments, see the chapter Kommunalkredit on the capital market.



Comfortable liquidity position

Building on this stability, Kommunalkredit maintained a very comfortable liquidity position, amounting to EUR 1,242 million as of 31 December 2025. The Group held cash and cash equivalents as well as balances with central banks (including minimum reserves) amounting to EUR 513 million (31/12/2024: EUR 933 million). In addition, Kommunalkredit had a free liquidity reserve in the form of high-quality liquid assets amounting to EUR 729 million (31/12/2024: EUR 376 million). This **strong liquidity position** provides the bank with a high degree of operational flexibility, resilience against market volatility and a solid basis for supporting further growth in its lending activities.

Strategic liquidity management

Moreover, it reflects Kommunalkredit’s successful strategic liquidity management. In light of geopolitical uncertainties and the resulting volatility on the capital markets, Kommunalkredit deliberately maintained a strong liquidity position for strategic reasons. This resulted in a **significant increase in the liquidity coverage ratio** (LCR) during the first half of the year, which – as expected – normalized again based on expected asset growth. The LCR, as defined under the Capital Requirements Regulation, measures the short-term resilience of a bank’s liquidity risk profile in a 30-day stress scenario and is closely monitored as part of the bank’s early warning system. As of 31 December 2025, Kommunalkredit’s LCR stood at 344% (31/12/2024: 314%), well above the regulatory minimum of 100%.

Credit institutions are also required to maintain a stable **long-term funding profile** relative to their assets and off-balance-sheet activities. Kommunalkredit’s net stable funding ratio (NSFR) amounted to 121% as of 31 December 2025 (31/12/2024: 119%). Both ratios refer to those at the level of Kommunalkredit Austria AG.

Strong capital position

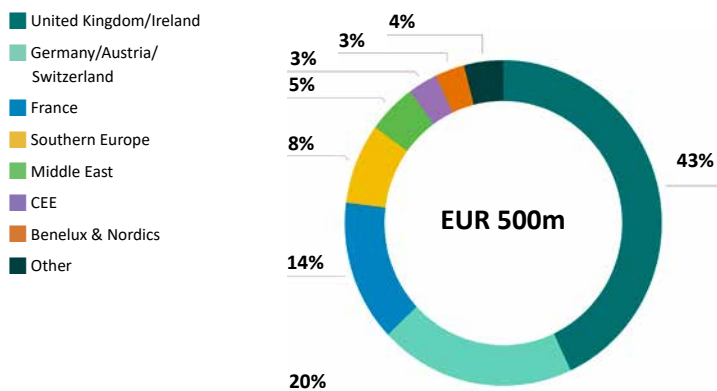
In addition to its comfortable liquidity position, Kommunalkredit maintained a very strong capital base in 2025. By year-end, the core capital ratio* exceeded 16.6% and total capital amounted to EUR 862.0 million, marking the strongest capitalization position in the company’s history. This solid capital foundation provides a substantial buffer against market volatility, supports prudent risk management and underpins the bank’s ability to pursue its strategic objectives in a disciplined manner.

* Core capital ratio of Satere Group under Austrian GAAP

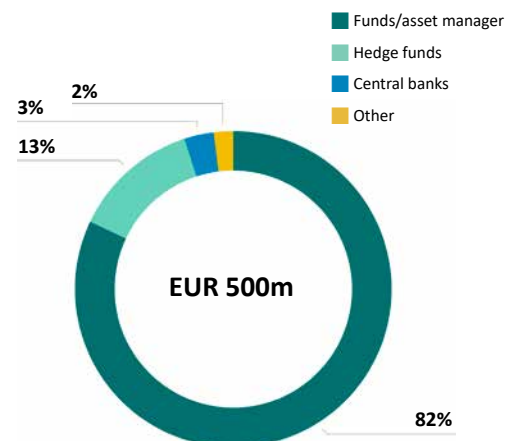
Kommunalkredit on the capital market

In recent years, Kommunalkredit has continuously significantly expanded its presence on the capital markets. In March 2025, the issuance program (DIP 4) launched in 2024 was updated. Issues under this program can be listed in Vienna, which underscores our commitment to the Austrian capital market. The successful issuance of further capital market transactions in 2025 and the improved covered bond rating are testament to the above-average confidence in Kommunalkredit.

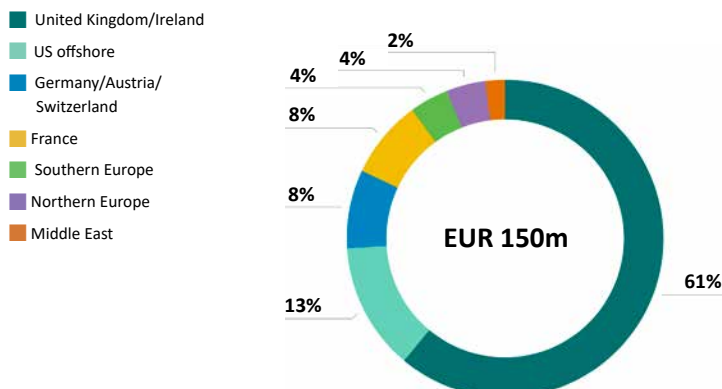
Senior preferred bond H1 2025 (oversubscribed 2.6 times):
by region



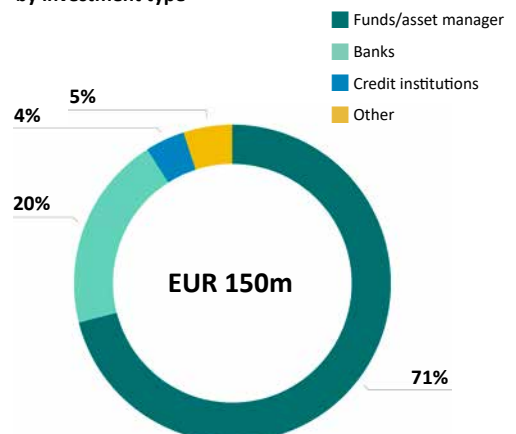
by investment type



Tier II issue H1 2025 (oversubscribed 3.6 times):
by region



by investment type



Public senior preferred bond shows high investor confidence

In March 2025, Kommunalkredit placed its **first public senior preferred bond** with a term of six years and a volume of **EUR 500 million** among institutional investors – with great success: Based on a final order book of EUR 1.3 billion comprising the demand from more than 100 investors, led by the UK (43%), with further strong participation from the D-A-CH region (20%) and France (14%), the coupon on the bond was fixed at 4.25%. The issue was **2.6 times oversubscribed** – a clear sign of investor confidence in the strategic direction and credit rating of Kommunalkredit Group. In addition, the bank carried out private placements and issued senior preferred promissory note loans with a total volume of EUR 283 million.

Successful Tier II issue for further growth in Europe

Another sign of Kommunalkredit's excellent reputation on the capital market was yet another successful issue in June 2025: As part of its capital structure optimization and the concurrent strengthening of its equity position, the bank issued an inaugural **public Tier II issue** worth **EUR 150 million**. This transaction was also met with strong demand from investors. The subscribed order volume exceeded EUR 500 million. At 5.5%, the bond coupon was set significantly lower than expected. The transaction was **3.6 times oversubscribed** – a remarkable result given the geopolitical uncertainties. Kommunalkredit is using the successful issue not only to strengthen its regulatory total capital, but also to finance further growth in European markets.

An overview of Kommunalkredit's refinancing structure can be found on page 46 of this report.

High-quality and diversified cover pool

As of 31 December 2025, Kommunalkredit had a **well-diversified cover pool** worth EUR 1,845 million, while public covered bonds in EUR and CHF amounting to approximately EUR 1,407 million were outstanding. The cover pool contained assets from Austria (63.7%), Germany (12.1%), Belgium (6.8%), France (5.8%), Portugal (2.0%), and other countries (9.6%). 68.1% of the positions had a rating of AAA or AA, while 28.3% had a rating of A. The level of surplus cover amounted to 31.1% as of 31 December 2025.

S&P upgrades covered bond rating

The **rating** of Kommunalkredit's **covered bonds** by S&P Global Ratings was upgraded from A+/stable to AA-/stable in a first step in March 2025. One year later, in January 2026, the rating agency upgraded the rating again by 2 notches to AA+/negative. These upgrades reflect the high quality of Kommunalkredit's covered bond pool and the commitment to maintain a 13% over-collateralisation in the cover pool and to obey to liquidity buffer requirements for all outstanding bonds.

Change in rating outlook

On 11 December 2025, S&P revised the outlook on Kommunalkredit from "stable" to "negative" and affirmed the BBB/A-2 **long and short-term issuer credit ratings**. S&P noted that the reason for the negative outlook is primarily due to asset quality deterioration, which could worsen further, with a direct impact on Kommunalkredit's financial performance. Nevertheless, S&P stressed that Kommunalkredit's solid capital buffers as well its strong pre-provision income would be sufficient to absorb potential higher-than-expected credit losses over the next few years.

Investor Relations

Kommunalkredit has continuously increased its interaction with investors over the years. With a dedicated investor relations function established in 2024, Kommunalkredit had the opportunity to present its financial results and business development during more than 150 investor meetings in 2025. Kommunalkredit is committed to continuing an open and transparent dialogue with investors to foster its capital market presence.

S&P Global Ratings
Long-term Issuer
Credit Rating
BBB/Negative

S&P Global Ratings
Covered Bonds
AA+/Negative
(Update as of 29/01/2026)

Equity participations

Kommunalkredit holds stakes in selected companies in areas such as public consulting, project development, asset management, and IT.

Kommunalkredit Public Consulting GmbH

Promoting environmental and climate protection in Austria

With around 170 employees, Kommunalkredit Public Consulting GmbH (KPC) is Kommunalkredit’s largest subsidiary. Its main activities include **subsidy management and advisory services** for projects in the areas of renewable energies, energy efficiency, climate-friendly mobility, circular economy, biodiversity, urban water management, flood protection, and contaminated site remediation in Austria. 90% of its shares are held by Kommunalkredit Austria AG.

Point of contact for agencies and applicants

As the point of contact for funding agencies that provide the financial resources – primarily Austrian federal ministries such as the Federal Ministry of Agriculture and Forestry, Climate and Environmental Protection, Regions and Water Management (BMLUK) and the Federal Ministry of Economy, Energy and Tourism (BMWET) as well as the Federal Ministry of Innovation, Mobility and Infrastructure (BMIMI) via the Climate and Energy Fund, the Federal Ministry of Housing, Arts, Culture, Media and Sports (BMWKMS) and the Federal Ministry of Labour, Social Affairs, Health, Care and Consumer Protection (BMSGPK) – and funding applicants, **KPC supports the entire project funding process**. It also offers comprehensive advisory services for international financial institutions such as the European Union (EU) or the European Bank for Reconstruction and Development (EBRD).

Working together for global climate protection

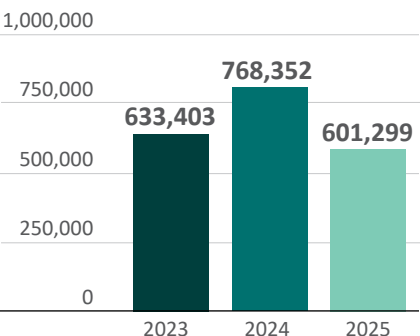
Although the number of climate and environmental protection projects declined in 2025, the level of funding remained high (EUR 3.0 billion | 2024: EUR 2.9 billion). Nevertheless, a total of 601,299 climate and environmental protection projects (2024: 768,352) with an investment volume of approximately EUR 9.1 billion (2024: EUR 9.1 billion) were evaluated in 2025. This was mainly due to the Austrian governmental sustainability initiative “Renovation Offensive”.

Effects of environment-related subsidies granted by KPC in 2025

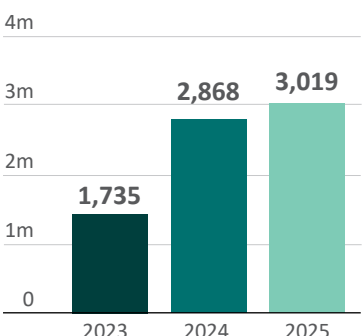


KPC in 2025
in no. / EUR m

No. of projects completed



Subsidy amount
in EUR m



Current subsidy programs processed by KPC

1

Repair bonus: successful program relaunched

On 26 May 2025, the “Repair Bonus” subsidy program launched by the Austrian federal government in 2022 came to an end as the available funds had been exhausted. A total of around 1.8 million applications with a funding volume of EUR 186.3 million were approved under this program. In 2025 alone, there were around 452,000 applications with a funding volume of EUR 46.7 million. The program was relaunched at the end of 2025 as “Device Rescue Bonus”.

2

Renovation offensive: demand remains high

The “Renovation Offensive” funding program ended in December 2024. Here, too, the funding made available was fully utilized. By that date, a total of around 129,000 applications had been submitted with a funding volume of around EUR 2.3 billion. Following the relaunch of the program in October 2025, a total of 89,700 applications were approved by the end of the year, resulting in a funding volume of EUR 1.6 billion.

3

Transformation of industry: promoting fossil fuel alternatives

As part of the two calls for proposals under the “Transformation of Industry” funding program of the Austrian federal government in 2025, companies operating in Austria were able to apply for a transformation grant. The initiative aims to contribute to the greatest possible reduction in greenhouse gas emissions from the direct combustion of fossil fuels and from industrial production processes. A total of EUR 3 billion in funding will be available until 2030.

4

Brownfield recycling: reducing land consumption

In the first half of 2025, the new “Brownfield Recycling” funding program was launched. The initiative aims to make former industrial sites with contaminated soil usable for the development of new construction projects. This should help to reduce land consumption in Austria from the current average of 10 hectares per day to 2.5 hectares per day by 2030.

5

Circular economy: ongoing funding program

Since 2025, funding applications in the field of circular economy in Austria are no longer submitted in the context of calls for proposals, but on the basis of ongoing funding submissions. This ensures a continuous process of submission and processing. Each year, a budget of around EUR 51 million is available through this channel to fund projects that will help steer the Austrian economy towards a circular economy.

6

Biodiversity: restoration of the ecosystem

The current “Biodiversity Fund Call 2025” supported projects in Austria aimed at ecosystem restoration, aquatic network development, de-sealing, and biodiversity measures in urban areas. The announced and available funding budget of EUR 6.5 million was exceeded by more than three times.

7

Flooding grant: new contract for KPC

KPC succeeded in winning the Austrian Federal Ministry of Labour, Social Affairs, Health, Care and Consumer Protection as a new client. The “Flooding Grant” covers the processing of financial assistance that victims of the September 2024 flood disaster have been able to apply for. By the end of the deadline in September 2025, around 2,000 applications had been submitted.

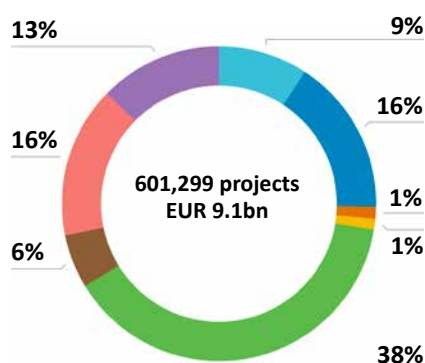
8

Bilateral climate financing

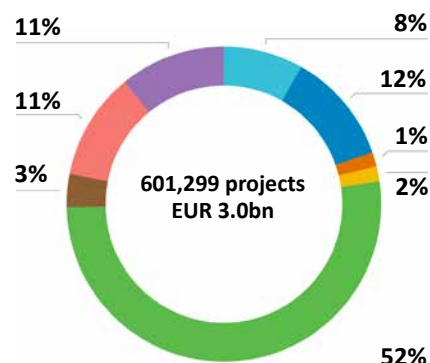
KPC manages climate protection projects directly funded by the Federal Ministry of Agriculture and Forestry, Climate and Environmental Protection, Regions and Water Management (BMLUK) to support climate protection measures in developing and emerging countries. Under this funding program, nearly 40 climate protection projects in developing countries were managed in 2025.

KPC in 2025
in % / EUR m

Investment volume evaluated



Funding volume paid-out



Industrial transformation
Climate and energy fund
Circular economy
Repair bonus
Renovation offensive
Other
Environmental-related subsidies in Austria
Water management

Fidelio KA Infrastructure Opportunities Fund platform

Through the Luxembourg-based Fidelio KA Infrastructure Opportunities Fund SICAV-RAIF SCA, Kommunalkredit provides a platform that **allows institutional investors to participate** alongside the bank in selected European infrastructure and energy debt investments. The platform leverages Kommunalkredit's experience in structuring and portfolio management, with the bank investing alongside the fund.

Florestan KA GmbH

Florestan KA GmbH serves as a project development company enabling **investments in infrastructure and energy projects** with strong development and growth **through equity participation**. One of the company's flagship projects is the 10 MW electrolysis plant, which was invested in jointly with OMV, Austria's leading oil, natural gas and chemicals group. Green hydrogen plays a key role in the decarbonization of energy-intensive industries. The plant successfully commenced operations in spring 2025.

PeakSun Holding GmbH

PeakSun Holding GmbH is a joint venture between Kommunalkredit and the Austrian energy supplier eww AG for the development, construction, and operation of **rooftop photovoltaic systems** in Austria. Under the offered "contracting model," customers are not required to make any initial investment, as the company finances the systems, installs them on the roof surfaces provided by customers, and leases them back on a long-term basis. Customers receive all electricity generated by the system, which can either be used within the building or fed into the public grid. Through this model, the bank directly supports the climate targets of the Austrian federal government. The first systems were successfully commissioned in 2022.

Kommunalkredit TLI Immobilien GmbH & Co KG

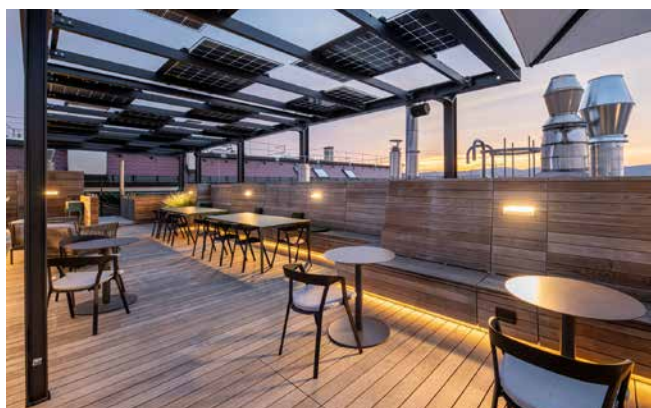
Kommunalkredit TLI Immobilien GmbH & Co KG holds and manages **Kommunalkredit's properties** at Tuerkenstrasse 9 and Liechtensteinstrasse 13 in Vienna. The office premises of these properties are mainly leased to Group companies.

Kommunalnet E-Government Solutions GmbH

Kommunalkredit holds a 45% stake in Kommunalnet E-Government Solutions GmbH. A further 45% is held by the Austrian Association of Municipalities and 10% by three regional associations of the Austrian Association of Municipalities. Kommunalnet serves as a **digital work and information portal** for Austrian municipalities, mayors, and municipal civil servants. It provides current news for municipalities and access to databases for municipal authorities, and acts as an information and communication hub for federal, provincial, and municipal authorities. Kommunalnet is an official component of the Austrian eGovernment Roadmap.

Branch office Frankfurt

In addition to its headquarters in Vienna, the company also has a branch office in Frankfurt am Main, Germany, from where it offers its comprehensive services directly to the German and European market.



Above the rooftops of Vienna: The roof terrace is used for work, lunch breaks, and internal and external events.



Where tradition and modernity meet: floor by floor, the headquarters in Vienna’s ninth district is being transformed into a state-of-the-art office building.

Assets, financial position, and income

The operating result in 2025 declined to EUR 18.2 million, while the cost-income ratio remained stable at 38.9%. The result was materially impacted by elevated risk costs, driven by consolidation processes in selected infrastructure sub-sectors. Kommunkredit's strategic focus on infrastructure and energy financing, as well as public finance, remains unchanged.

Financial performance indicators according to IFRS

in EUR m or %	31/12/2025	31/12/2024
Total assets	6,998.0	6,606.5
Total capital	768.8	767.0
Net interest Income	160.7	185.0
Net fee & commission income	43.3	45.1
Operative income	204.1	230.1
Gains and Losses from financial assets or liabilities	-16.3	9.4
General administrative expenses	-95.2	-101.5
Credit risk result	-81.6	-10.1
Other operating income	7.3	-1.0
EBIT	18.2	127.0
Gains / Losses from associated companies	0.0	-0.4
Gains from participations	0.0	0.0
Consolidated profit for the year before tax	18.3	126.6
Income taxes	-4.8	-30.3
Consolidated profit for the year	13.5	96.3
Cost/income ratio (based on EBIT)*	38.9%	39.1%
Return on equity before tax**	2.7%	25.2%
Return on equity after tax (based on EBIT)	2.0%	19.1%

* Cost-Income-Ratio = operating expenses / operating income
Result from subsidiary KPC (cost plus model) netted in CIR calculation to provide fair view on efficiency

** Return on equity before tax = Profit for the period before tax projected to one year/common equity tier 1 capital of the group as of 1.1.

Regulatory performance indicators of Kommunkredit Austria AG under Austrian GAAP

in EUR m or %	Green Opera Finance Invest AB Group		Satere Group		KA Solo	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Risk weighted assets	4,441.2	3,832.5	4,401.6	3,806.9	4,427.9	3,834.0
Common equity tier 1 after deductible items (CET 1)	705.6	709.9	685.7	685.9	716.5	715.2
Common equity (tier 1)	749.8	747.6	729.9	723.5	779.8	778.5
Total capital	881.9	783.8	862.0	759.8	973.8	820.8
CET 1 ratio	15.9%	18.5%	15.6%	18.0%	16.2%	18.7%
Common equity ratio	16.9%	19.5%	16.6%	19.0%	17.6%	20.3%
Total capital ratio	19.9%	20.5%	19.6%	20.0%	22.0%	21.4%

Rating

Issuer rating	S&P GLOBAL RATINGS
Long term rating	BBB
Short term rating	A-2
Outlook	negative
Covered bond rating	(updated as of 29/01/2026)
Long term rating	AA+
Outlook	negative

Kommunalkredit is part of a group of credit institutions whose ultimate parent has been Green Opera Finance Invest AB, based in Stockholm, Sweden, since 15 July 2024. Green Opera Finance Invest AB prepares its consolidated financial statements according to the relevant requirements under Austrian GAAP; the scope of consolidation is determined according to § 30 of the Austrian Banking Act. Green Opera Finance Invest AB makes up the biggest regulatory scope of consolidation. The difference between the regulatory total capital individually and at Group level largely results from the imputation restriction pursuant to Article 81 et seq. CRR ("minority deduction").

Structure of statement of financial position

Kommunalkredit's total assets according to IFRS amounted to EUR 6,998.0 million as of 31 December 2025 (31/12/2024: EUR 6,606.5 million), representing an increase of 6%. This expansion is primarily attributable to the strong growth in assets measured at amortised cost, which rose from EUR 3,013.4 million to EUR 3,620.3 million. The increase reflects a continued expansion of the Group's financing activities, with customer loans up to EUR 2,622.7 million (31/12/2024: EUR 2,339.6 million) and a significant increase in debt securities to EUR 897.1 million (31/12/2024: EUR 623.9 million).

Assets measured at fair value remained broadly stable, both through other comprehensive income (EUR 1,972.5 million) and through profit or loss (EUR 572.5 million). Cash reserves decreased to EUR 527.0 million (31/12/2024: EUR 933.2 million). Overall, the structure of the statement of financial position demonstrates continued growth in core financing activities and an efficient allocation of balance sheet resources in line with Kommunalkredit's business model.

Customer liabilities amounted to EUR 2,801.1 million (31/12/2024: EUR 3,119.4 million) and remained an essential component of the funding base. The most significant contribution to the liability-side development came from issued debt securities, which increased markedly to EUR 2,874.0 million (31/12/2024: EUR 2,327.5 million). This reflects the bank's continued active presence in the

capital markets and the further diversification of its refinancing sources.

Capital market activities in 2025 were again a central pillar of the bank's refinancing strategy, with additional placements of senior unsecured and secured instruments broadening and strengthening Kommunalkredit's investor base.

Kommunalkredit's equity according to IFRS amounted to EUR 768.8 million as of 31 December 2025 (31/12/2024: EUR 767.0 million).

Income statement of the Kommunalkredit Group under IFRS

The Kommunalkredit Group recorded a profit after tax of EUR 13.5 million in 2025 (2024: EUR 96.3 million), a development largely driven by elevated credit risk costs. Despite a moderate decline in net interest income, the Group's underlying operating performance remained stable. This resilience was supported by continued cost discipline.

Operating result

Operating result came to EUR 18.2 million (2024: EUR 127.0 million) and primarily comprises the following components:

Net interest income

Net interest income amounted to EUR 160.7 million in 2025 (2024: EUR 185.0 million). The development primarily reflects lower interest income of EUR 372.8 million (2024: EUR 400.7 million). While new financing business continued to grow, the overall interest result was negatively impacted by the generally lower interest rate environment in the Eurozone in 2025, as well as by increased early prepayments and refinancing activity.

Interest expenses decreased slightly to EUR 212.0 million (2024: EUR 215.7 million). In 2025, Kommunalkredit further expanded its capital-market activities, resulting in a more diversified and strategically balanced funding structure. This shift in the funding mix contributed to a stable refinancing profile in a year marked by a lower market-rate environment.

Net fee and commission income

Net fee and commission income remains stable at EUR 43.3 million (2024: EUR 45.1 million). The main activities of the continually expanding range of services of Kommunalkredit include arranging and structuring infrastructure and energy financing as well as consulting and service activities.

Fee and commission income of EUR 46.0 million (2024: EUR 48.1 million) was offset by fee and commission expenses of EUR 2.6 million (2024: EUR 3.1 million).

Gains and losses from financial assets and liabilities

Gains and losses from financial assets and liabilities amounted to EUR -16.3 million in 2025 (2024: EUR 9.4 million). The decline is primarily attributable to negative valuation effects on financial instruments measured at fair value through profit or loss, amounting to EUR -19.5 million. These valuation adjustments include the impact of non-performing loans recognised at fair value, which led to significant negative fair-value movements during the year.

In contrast, realised results from disposals contributed positively to earnings. Gains from the sale of financial instruments measured at fair value through other comprehensive income totalled EUR 1.6 million (2024: EUR -0.8 million), while disposals of financial assets measured at amortised cost generated an additional EUR 1.3 million (2024: EUR 0.1 million).

General administrative expenses

General administrative expenses amounted to EUR 95.2 million in 2025 (2024: EUR 101.5 million), reflecting a stable and well-balanced cost structure. Personnel expenses totalled EUR 60.7 million (2024: EUR 64.7 million), while other administrative expenses amounted to EUR 32.7 million (2024: EUR 34.8 million). Depreciation and amortisation remained broadly unchanged at EUR 1.9 million.

Net provisioning for impairment losses

The credit risk result amounted to EUR -81.6 million in 2025 (2024: EUR -10.1 million). The significant increase in risk costs is driven by impairment charges on non-performing exposures (Stage 3), which totalled EUR -77.9 million (2024: EUR -8.8 million) and reflect the default and workout developments of individual non-performing loans during the year. By contrast, risk costs in the performing portfolio remained comparatively moderate, with Stage 1 and Stage 2 impairments of EUR -1.5 million and EUR -2.1 million respectively.

Other operating result

The other operating result amounted to EUR 7.3 million in 2025 (2024: EUR -1.0 million), representing a significant year-on-year improvement. This development was mainly driven by higher other operating income, which increased to EUR 9.4 million (2024: EUR 1.1 million). The result includes a positive contribution of EUR 8.6 million from the partial realization of a subscription right related to a green hydrogen project, which was recognised in 2025. Other operating expenses totalled EUR -2.1 million (2024: EUR -2.1 million) and remained within a stable range.

Income taxes

Income tax expense amounted to EUR -4.8 million in 2025 (2024: EUR -30.3 million). The significant reduction compared to the previous year reflects the substantially lower pre-tax result in the reporting period. The tax expense comprises current taxes on taxable income as well as effects from deferred taxes arising from temporary differences between IFRS carrying amounts and tax bases.

Development in risk provisions taking the current macroeconomic developments into account

The risk provisions for statistically expected credit losses are taken into account based on a risk provisioning model with statistically calculable empirical values. The expected loss is determined as the product of the probability of default (PD), taking into account forward-looking information, the loss given default (LGD) and the exposure at default (EAD). For the PD model, one of the key drivers of the PDs are changes in macroeconomic input parameters. While the through-the-cycle PDs were broadly stable vs. the previous year, the point-in-time PDs showed an increase. This is due to the fact that GDP growth for 2026 is still forecast to be on a comparatively low level and in addition, the rating migrations for 2025 showed a negative trend with an increased number of rating downgrades. Both factors have a strong weight and therefore a negative impact on the point-in-time PDs in the model, which could not be offset by strong equity markets, which showed a positive trend and nearly reached all-time highs. The bank's portfolio in the last years was solid due to the contractual and structural risk mitigation factors that are typical for infrastructure and energy financing. Much of the project financing benefits from availability models, fixed feed-in tariffs or long-term contracts and also contains additional risk-mitigating contractual agreements such as extensive disbursement checks, restrictive financial covenants and reserve accounts. Based on sensitivity analyses, the financing structures and the repayment profiles are defined so as to ensure that there are sufficient reserves in place for servicing loans in a due and proper manner.

However, in 2025, the asset quality was negatively influenced by unfavorable developments in individual sectors, inter alia challenging market conditions in the fibre sector, characterized by consolidation pressure and tighter financing conditions, which led to an increased volume of non-performing loans, as well as several rating downgrades and stage transfers. All in all, an exposure with a volume of EUR 375.0 million (31/12/2024: EUR 129.0 million) was in default as of 31 December 2025 (non-performing loan ratio of 7.0% (31/12/2024: 2.8%), or a net ratio of 6.4% (31/12/2024: 2.4%) taking into account the ECA cover). Impairments of EUR 49.5 million have been booked for these cases (31/12/2024: EUR 9.5 million).

As of 31 December 2025, an exposure with a volume of EUR 366.5 million (31/12/2024: EUR 144.1 million) is classified as forbore. As of 31 December 2025, there were no receivables that had been overdue for more than 30 days, with the exception of the receivables in default as referred to above. As of 31 December 2025, a total exposure of EUR 366.8m was assigned to IFRS Stage 2 (lifetime ECL).



Employees

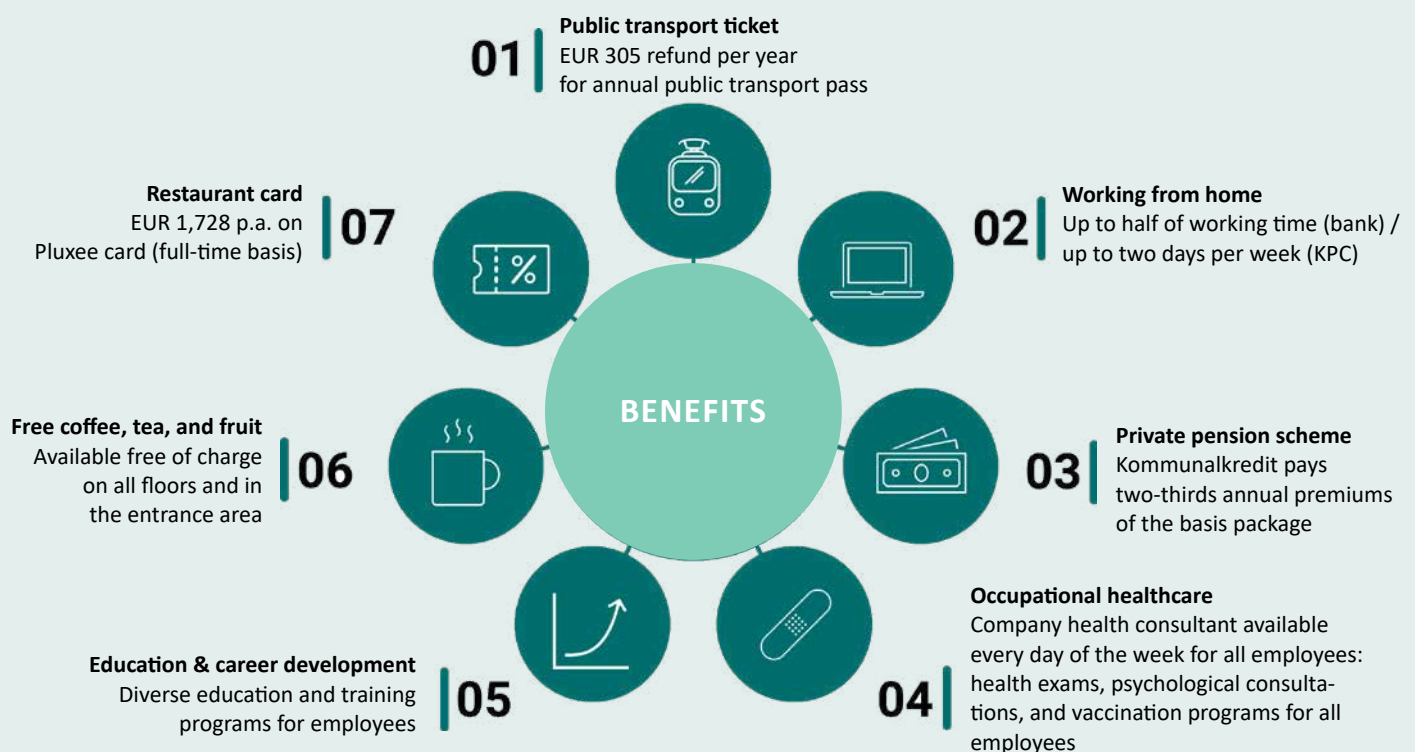
Diversity and inclusion are firmly anchored in Kommunalkredit's corporate strategy, and the organization is consistently committed to ensuring that discrimination has no place in its activities – be it based on gender, sexual orientation, age, ethnic or social origin, cognitive or physical abilities, family responsibilities, genetic characteristics, religion or ideology. This reporting period demonstrates a steady and positive development in our workforce composition, reflecting ongoing efforts to foster diversity, employee retention, and a conducive working environment, promoting innovation and growth in a modern, dynamic organization.

Workforce composition and growth

In 2025, employees of **36 nationalities** were employed at Kommunalkredit. The total number of employees as of 31 December 2025, including the Executive Board and those on leave, increased from 447 in 2024 to 455 in 2025. Of these, 288 worked at Kommunalkredit Austria AG (2024: 266), while 167 worked for Kommunalkredit Public Consulting GmbH (2024: 181). Of the banking employees, 13 were based at the branch office in Frankfurt am Main. The proportion of part-time employees remained steady at around 19%, with 85 part-time staff in 2025.

In 2025, 18 employees were on parental leave (thereof 15 women) and 5 employees on educational leave (thereof 2 women). Employment contracts at Kommunalkredit are subject to the Austrian collective bargaining agreement for employees of banks and bankers (Kollektivvertrag für Angestellte der Banken und Bankiers). The collective bargaining agreement for employees in the information and consulting fields applies to Kommunalkredit Public Consulting (KPC). All our employees are covered by a collective bargaining agreement. All basic **benefits** are provided to all employees.

Employee benefits





The Palais in Vienna's 9th district is immediately adjacent to the Old Town. Constructed in 1858/59, new life – architecturally speaking – is carefully being breathed into the former “Haus Bösendorfer”. A state-of-the-art interior combined with the residence of past centuries on the exterior.

Diversity and experience

Our focus on **gender inclusion** has yielded gradual improvements. Women constituted 46% of the total workforce in 2025, up from 45% in 2024 and 44% in 2023. The share of women in management positions increased from 34.2% in 2024 to over 35% in 2025, with the total number of women in management rising from 25 to 29. This progression underscores our commitment to promoting gender equality within leadership roles. The average age of employees remained stable at around 42 years. Notably, the proportion of employees over 50 has increased from 26% in 2024 to 28% in 2025, reflecting a balanced distribution across age groups and emphasizing the value of experienced personnel. A significant 61% of employees hold university degrees, with those holding degrees among women reaching 46% in 2025. This **high level of qualification** supports the company's high standards for expertise and professionalism.

Employee satisfaction

Total staff turnover decreased significantly in 2025, falling to 9% from 13% in 2024, indicating rising employee satisfaction and effective retention strategies. This was also reflected in an anonymous employee **satisfaction survey** Kommunalkredit conducted in 2025, in which 77% of employees participated, ensuring broad representation. Notable strengths included a 69% engagement score, strong motivation to exceed expectations, and supportive relationships with immediate managers. Employees also reported a positive, comfortable work environment.

Areas of improvement were communication, resource availability, and interdepartmental cooperation. To address these areas, the organization will examine communication and collaboration, more closely, work on organizational and technical effectiveness and expand growth opportunities through workshops and staff sessions. Turnover among employees aged over 50 decreased significantly from 11% in 2024 to 8% in 2025, reflecting targeted retention initiatives and stability in mid-career staffing. Kommunalkredit and KPC each have an **on-site Works Council** in Vienna. These two bodies are committees representing the workforce to safeguard and promote the economic, social, health, and cultural interests of employees (Section 38 of the Austrian Labour Relations Act, ArbVG). Due to the Works Councils being represented on the Supervisory Board they are continuously kept abreast of current business activities.

Training and development

Expenditure on training and education remained robust, exceeding EUR 1,200 per FTE in 2025, with around two days per employee dedicated to staff development. All employees are trained on the topics of sustainability, conflicts of interest, data protection, compliance, anti-financial crime, social engineering, information security, operational risk, and others. To support our employees in their career development, Kommunalkredit offers a **three-tier performance management system** that includes annual appraisals and performance reviews for all employees. This underscores Kommunalkredit's dedication to continuous employee growth, with ongoing investments in skills and expertise.

Social performance figures

Definition	Unit	2023	2024	2025
Number of employees				
Employees including Executive Board and those on leave – as of 31 December		416	447	455
<i>thereof women</i>		185 (44%)	203 (45%)	210 (46%)
<i>thereof employees aged under 30</i>		63 (15%)	70 (16%)	56 (12%)
<i>thereof employees aged 30–50</i>		249 (60%)	261 (58%)	272 (60%)
<i>thereof employees aged over 50</i>		104 (25%)	116 (26%)	128 (28%)
Executive Board		2	3	4
<i>thereof women</i>		0	0	0
Employees excluding Executive Board and those on leave – as of 31 December		403	431	439
Average workforce in full-time equivalents		373	397	421
Average workforce		394	420	458
Full-time equivalents (FTE) excluding Executive Board and those on leave – as of 31 December		381	407.5	414
Active employees as of 31 December in full-time equivalents (including Executive Board)		394	422	418
Agency workers – as of 31 December		0	0	0
Full-time/part-time split				
Part-time employees		78 (19%)	86 (19%)	85 (19%)
<i>thereof women</i>		54	58	61
<i>thereof part-time employees aged under 30</i>		8	8	7
<i>thereof part-time employees aged 30–50</i>		50	52	49
<i>thereof part-time employees aged over 50</i>		20	26	29
Full-time employees		338	361	370
<i>thereof women</i>		131	145	149
<i>thereof full-time employees aged under 30</i>		55	62	49
<i>thereof full-time employees aged 30–50</i>		199	209	223
<i>thereof full-time employees aged over 50</i>		84	90	98
Average age structure				
Age (in years)		40	41	42
Length of service (in years)		5	5	5
Employees with a university degree				
In total in relation to the number of employees (including Executive Board and employees on leave)		259 (62%)	277 (62%)	277 (61%)
<i>thereof women with a university degree</i>		111 (43%)	121 (44%)	126 (46%)
Management positions ¹				
Employees in management positions		61	72	84
<i>thereof employees aged under 30</i>		0	0	1
<i>thereof employees aged 30–50</i>		32	37	45
<i>thereof employees aged over 50</i>		29	35	38
Full-time employees in management positions		56	64	76
<i>thereof women</i>		16	18	24
Part-time employees in management positions		5	8	8
<i>thereof women</i>		5	7	5
Total number of women in management positions ^{1, 2}		21 (34%)	25 (34.2%)	29 (35%)

Definition	Unit	2023	2024	2025
Staff turnover				
Total staff turnover		89 (22%)	56 (13%)	60 (13%)
<i>thereof women</i>		42 (10%)	23 (12%)	23 (11%)
<i>thereof employees aged under 30</i>		23 (26%)	12 (18%)	26 (38%)
<i>thereof employees aged 30–50</i>		37 (42%)	32 (13%)	24 (9%)
<i>thereof employees aged over 50</i>		29 (33%)	12 (11%)	10 (8%)
Annual total compensation ratio				
Annual total compensation ratio ³		1.87%	2.39%	3.28%
Employees on leave				
Employees on leave – as of 31 December ⁴		11	13	12
<i>thereof women</i>		8	9	11
Total number of employees on parental leave		8	6	11
<i>thereof women</i>		8	6	11
Employees that returned to work after parental leave ended ⁵		100%	100%	100%
Total number of employees who came back from parental leave		11	7	5
<i>thereof women</i>		7	5	3
Rates of retention of employees after parental leave ⁶		86%	100%	100%
Total number of employees that remained with the company after parental leave ended ⁶		6	9	5
<i>thereof women</i>		3	6	3
Number of employees entitled to parental leave		17	23	18
<i>thereof women</i>		10	13	15
New hires				
New hires last year		117 (29%)	97 (22%)	59 (13%)
<i>thereof women</i>		60 (51%)	44 (45%)	28(48%)
<i>thereof employees aged under 30</i>		30 (26%)	35 (36%)	16 (27%)
<i>thereof employees aged 30–50</i>		33 (28%)	51 (53%)	33 (56%)
<i>thereof employees aged over 50</i>		54 (46%)	11 (11%)	10 (17%)
Training and education⁷				
Expenditure on training and education	EUR	810,459	250,047	500,000
Total number of training and education days	days	700	715	849
Training and education days per employee	days/empl.	1.8	1.7	1.9
Training and education days per senior employee	days/empl.	3.9	2.3	2.5
Total number of training and education days	hours	4,900	5,005	5,945
<i>thereof completed by women⁸</i>	hours	n/a	n/a	n/a
Training and education days per employee	hours/empl.	12	12	13
Training and education days per senior employee	hours/empl.	28	16	18
Sick days				
Total sick days	days	2,907	2,763	3,194
Sick days per employee	days/empl.	7.4	6.6	7.0

Definition	Unit	2023	2024	2025
Supervisory Board members KA and KPC ⁹				
Number of members		14	14	15
<i>thereof women</i>		1 (7.1%)	1 (7.1%)	2 (13.3%)
<i>thereof Supervisory Board members aged under 30</i>		1 (7.1%)	0 (0%)	0 (0%)
<i>thereof Supervisory Board members aged 30–50</i>		7 (50.0%)	6 (42.9%)	5 (33.3%)
<i>thereof Supervisory Board members aged over 50</i>		6 (42.9%)	8 (57.1%)	10 (66.6%)

¹ Management positions refer to the management team, division heads, departmental heads and team leaders.

² Percentage refers to full-time equivalents, excluding the Executive Board and employees on leave.

³ Compares the median total compensation paid to all employees (excluding the highest paid employee) with the total compensation paid to the highest paid employee. This is based on the extrapolated total annual salaries for full-time equivalents, including the bonus for which provisions were set up in the statement of financial position. Executive Board members and employees who left in the course of the year were excluded. The highest-earning person is a member of the management board. Figure for 2023 was restated as an incorrect formula was applied.

⁴ Includes all types of leave (such as educational or parental leave).

⁵ Proportion of employees set to return from parental leave in the reporting period who actually returned to work.

⁶ Employees that remained with the company for at least 12 months after their parental leave ended.

⁷ Data on Training and Education is based on estimated figures.

⁸ The breakdown by gender for 2023 and 2024 could not be determined.

⁹ The Supervisory Board composition changed in July 2024.

Other material disclosures

Changes on the Executive Board

The Supervisory Board has appointed **Jacques Ripoll as CEO** as of 1 September 2025. He brings intensive leadership experience from multiple senior executive positions in the European banking industry, including CEO of the Corporate and Investment Bank at Crédit Agricole, Global Head of Corporate and Investment Banking at Santander Group, and various executive roles at Société Générale.

Sebastian Firlinger (interim CEO until 1 September 2025) continues in his position as Chief Risk Officer and Chief Financial Officer (CRO|CFO). Nima Motazed in the role of Chief Operating Officer (COO) and John Weiland serving as Chief Commercial Officer (CCO) complete the board.

Kommunalkredit's Executive Board thus consists of Jacques Ripoll, Sebastian Firlinger, Nima Motazed, and John Weiland.

Legal risks

There are currently **no legal proceedings** pending that could have a material impact on the presentation of a true and fair view of the net assets, financial position, and results of operations of Kommunalkredit Austria AG. Irrespective of this, Kommunalkredit Austria AG has recognized adequate provisions for existing legal risks based on legal risk assessments.

Internal control and risk management system

The Executive Board of Kommunalkredit is responsible for establishing and structuring an internal control system and risk management system that meet the needs of the company regarding the accounting process. The Audit Committee monitors the accounting process in general as well as the effectiveness of the internal control system.

The Kommunalkredit **internal control system (ICS)** is a component of the company's risk management and has been integrated into its specific processes. To do this, controls are defined in order to minimize or avoid core risks and to safeguard the achievement of the principal business objectives to the greatest extent possible.

Control environment

Kommunalkredit's control environment is shaped by its general **Code of Conduct** as well as specific **policies** and **work instructions**. These are supplemented by a formal organizational structure and procedural organization (the latter within the scope of an overall process map).

The implementation of the ICS regarding the accounting process is defined in specific internal policies and regulations. These ensure that transactions and the sale of company assets are disclosed correctly, compliantly, and in sufficient detail.

Functions that play a key role in the accounting process – Finance and Risk Accounting – are organized into separate divisions. Executive, transactional, and administrative activities are clearly separated from one another or are subject to the two-person-review principle. Within the procedural organization in Finance, standard software is generally used for making entries, cross-checking, controls, and reporting. Data and IT systems are protected from unauthorized access. Relevant information is only provided to those employees who actually require this information for their work, in line with a "need to know" principle. Results are discussed between divisions where necessary. Internal Audit independently and regularly reviews compliance with internal regulations relating to the accounting process. The Internal Audit management reports directly to the Executive Board and Supervisory Board.

Risk assessment

A two-step risk assessment process is implemented at Kommunalkredit – on the one hand, in order to **define ICS-relevant processes** within the framework of "scoping", and on the other via **analysis** of the **individual processes** described in the overall process map.

The main risk in the accounting process is that circumstances may not be accurately represented in keeping with the company's net assets, financial position, and results of operations due to errors or willful misconduct.

Control measures

Relevant risks are identified on the basis of the individual processes and control points, the respective control objectives, the type of control and the control officer are defined. In a **risk-control matrix (RCM)**, the controls allocated to the process in question are defined and assigned to a control officer.

All control measures are applied to current business processes to ensure that potential errors or deviations in financial reporting are prevented or identified and eliminated early on. The software used for accounting and reporting is market-standard software (SAP). As well as automated controls (validations) which are implemented in SAP, manual controls are performed by employees. Control measures relating to accounting and IT security are a cornerstone of the ICS. Separation of sensitive activities by restrictively assigning IT rights and strict observance of the two-person-review principle are closely monitored.

Information and communication

Within the scope of the ICS management, the division heads provide half-yearly confirmation of the orderly implementation and documentation of **key controls**.

Finance and Risk Controlling regularly report to the Executive Board within the scope of the accounting process in the form of **monthly and quarterly reports**. The Executive Board is for its part required to report to Kommunalkredit's Supervisory Board. The individual reports include the calculated data for the company (statement of financial position, statement of profit or loss, budget and capital planning statements, target/actual comparisons, including comments on major developments), a quarterly risk report, reports and analyses on liquidity risk for the Markets division, and reports and analyses on the Banking division's operating activities.

The owners, investors and market partners, as well as the public, are comprehensively informed via a half-year report and the annual financial report. The requirements laid out by statutory provisions regarding ad hoc disclosures are also satisfied.

Monitoring

Monitoring activities within the scope of the ICS are implemented by means of a **structural audit** and a **functional audit**. This includes an appropriate link between the respective risk, control objective and control activity as well as a **spot check audit** of whether controls are actually implemented and documented in an orderly fashion. In case of shortcomings in the control system, remedial and preventative measures will be developed within the scope of the ICS management system and their implementation will be monitored.

To ensure compliance with regulations and banking requirements, compliance is also reviewed based on the annual audit plan laid out by Internal Audit.

Research and development

As a specialist bank for infrastructure and energy financing, Kommunalkredit has focused on transforming the energy system, going far beyond the remit of a pure financier. **No research activities** are conducted within the meaning of § 243 (3) no. 3 of the Austrian Commercial Code (UGB).

Sustainability

We create infrastructure. Kommunalkredit Group recognized the opportunities linked to the need to innovate and adapt to a changing climate. For over three decades, our strategic focus has put us at the forefront of the global energy transition, driven by a strong commitment to improving lives, supporting energy security, and promoting a sustainable future.

Kommunalkredit Group's Sustainability chapter for the financial year 2025 includes Kommunalkredit Austria AG and its fully consolidated subsidiaries in Vienna.

Sustainability governance

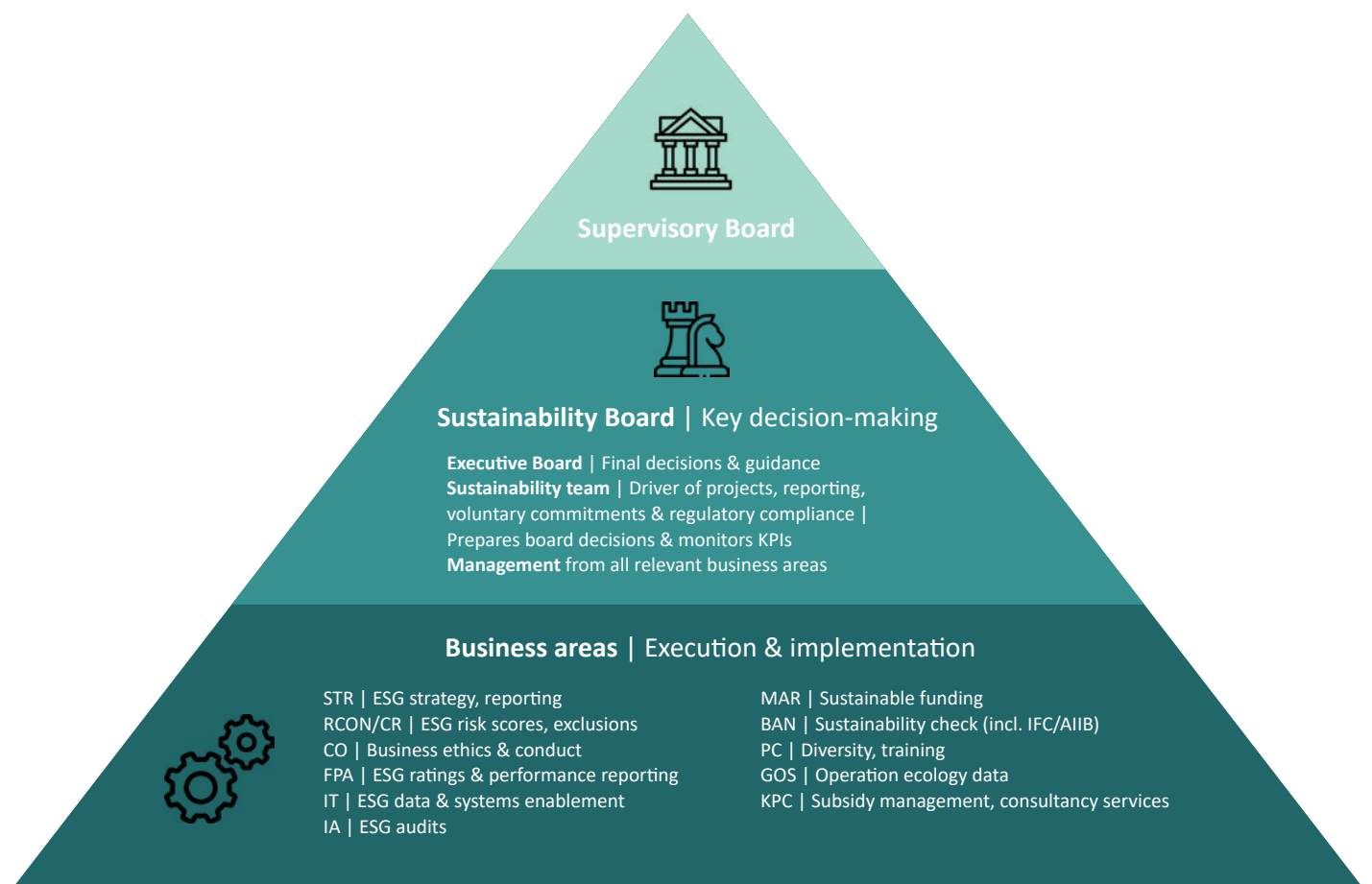
Sustainability activities at Kommunalkredit are well anchored and steered within a clear governance structure. The Executive Board holds overall responsibility for the Group's sustainability agenda, with operational duties delegated to the **sustainability team**. To ensure participation of all relevant stakeholders, the **Sustainability Board** including the Executive Board, the sustainability team, senior management, and KPC meets quarterly to oversee strategic sustainability matters and provide directional guidance.

Regulatory environment

The dynamic sustainability-related regulatory environment in 2025 has had significant impact. While the implementation of ESRS and Taxonomy disclosure requirements have been suspended, efforts have been focused on **further strengthening** Kommunalkredit's **ESG risk management framework** – among other things by allowing a regular reporting of climate-relevant KPIs – and on **designing the new sustainability strategy**.

Sustainability strategy

Starting from the outcome of the Double Materiality Assessment performed in 2025, Kommunalkredit has set **strategic objectives to be achieved by 2030**. They aim to maximize the positive impact and support climate change mitigation efforts by directing financing flows in the renewable energy portfolio to projects that support the energy transition, and to ensure equal opportunities for employees.



ESG strategy | 2030 targets



The **electricity** generation **portfolio** is aligned to the global IEA **Net Zero by 2050¹⁴** pathway



At least **35%** of **management** positions are held by **women**



At least **95%** of employees must complete mandatory **sustainability trainings**

To support the global energy transition, Kommunalkredit is committed to aligning the electricity generation portfolio to the global International Energy Agency's (IEA) Net Zero by 2050¹⁴ pathway and achieving a CO₂ intensity of ≤0.186 tCO₂/MWh by 2030.

To promote diversity and equal opportunities within the organization Kommunalkredit is committed to having at least 35% of management positions held by women.

To equip all employees with the knowledge and skills to promote sustainability, at least 95% of Kommunalkredit's total workforce must complete mandatory sustainability trainings.

ESG risk management

The identification, management and monitoring of ESG risks is an integral part of Kommunalkredit's risk management framework. Methodologies and approaches are being enhanced to follow best practices and regulatory expectations.

ESG impacts and risks associated with the bank's project finance portfolio are first screened at origination stage. This acts as the **first line of defense** with the aim to ensure rigorous application of exclusion criteria and to conduct an internal Environmental and Social (E&S) due diligence. Exclusion criteria consolidate the list of activities that Kommunalkredit does not finance as they do not align with its social, environmental, and ethical standards.

Exclusion criteria

Exclusion criteria have been central to Kommunalkredit's strategy since 2021 and were strengthened in 2024 to broadly align with International Finance Corporation (IFC) standards. The exclusion criteria are set out in the relevant guidelines and fulfil a critical dual function, not only safeguarding the organization against reputational risks but also reinforcing Kommunalkredit's commitment to responsible and ethical business practices.

No financing of transactions or assets that pose a permanent/material risk to the environment; in particular no financing for the purposes of (a) coal, gas, peat and oil extraction (in particular tar sand drilling and arctic drilling), (b) the construction of new coal- and peat-fired power plants, (c) the production or trade of unbound asbestos fibers, (d) drift net fishing with nets longer than 2.5 km, (e) commercial logging in humid tropical primary forests and the production or trade of timber or other forestry products that do not come from sustainably managed forests.

No financing of activities that have serious negative social impacts or pose a threat to life or health, of (a) countries at war if condemned by the United Nations, (b) the manufacture or trafficking of arms, (c) gambling, (d) the manufacture or sale of liquor, (e) the manufacture or sale of tobacco products, (f) pornography – in each case (with the exception of (a)) if the relevant activities account for more than 5% of the borrower's revenues.

No funding in the event of violations of (a) national or international laws, sanctions, (b) the UN Declaration of Human Rights, (c) the ILO Core Labour Standards (e.g. harmful forced labor, harmful child labor), (d) ethical principles or in the event of problematic corporate governance issues, in particular corruption (acceptance or solicitation of bribes).

No financing for customers without sufficient information or with unclear ownership, and no lending business where the purpose of which has not been understood.

A special standard of care must be applied also with regard to reputational risk. The exclusion criteria are absolute – projects to which these exclusion criteria apply are not financed by Kommunalkredit.

¹⁴ Net Zero Roadmap: A Global Pathway to Keep the 1.5 °C Goal in Reach (2023 Update)

The E&S due diligence (Sustainability Check) covers climate and nature-related, social, and governance topics, and is applied to projects in the Infrastructure and Energy portfolio. It is a structured process with the purpose of identifying whether key risks and impacts are associated with projects financed. It is conducted at origination stage for all transactions, regardless of whether they will materialize on the bank's balance sheet.

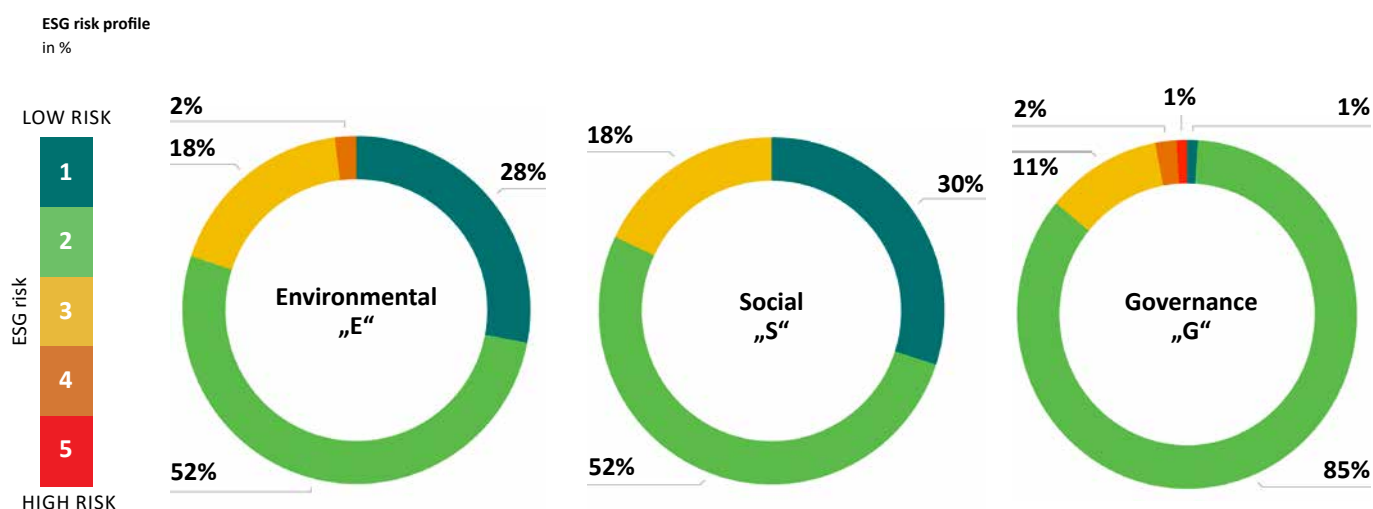
The ESG risk profile of projects is finally assessed by the **second line of defense** via the ESG risk score, which flows directly into in the credit approval process. The classification of Kommunalkredit's on balance exposure as of YE 2025 shows a low ESG risk of the Infrastructure and Energy portfolio.

The bank's internal audit plan (**third line of defense**) regularly features a review of ESG processes and methodologies.

To support ESG know-how capabilities within the organization, dedicated mandatory trainings are rolled out for all employees and management.

Climate risk mitigation – Portfolio emissions

The analysis of the carbon footprint allows the identification of key emissions drivers and climate-related risks. Besides, it informs the design of corporate action needed to support the delivery of national binding commitments under the Paris Agreement. The most significant source of emissions for financial institutions stems from the category Scope 3-15 – i.e., indirect downstream emissions associated with investment activities.



In alignment with industry best practices, Kommunalkredit discloses its Scope 3-15 financed emissions inventory on a yearly basis. The exposure covered by the Group's GHG financed emissions inventory equals 78% of lending and investment activities, and 70% of total assets. The exposure definition applied is the on-balance gross carrying amount including accrued interest.

Financed emissions and portfolio alignment

Financed emissions for all asset classes covered, excluding sovereign debt, amount to 0.9 million tCO₂e and have decreased by 15% YoY, yielding an overall emission intensity of 207 tCO₂e/EURm (2024: 262 tCO₂e/EURm). Emissions are driven by exposure, sector/activity financed, and the location of the project. The **decline in emission intensity** shows a consistent shift of the portfolio towards low-emission sectors.

Financed emissions – Coverage

	Gross carrying amount in EURm				out of which covered in %			
	2022	2023	2024	2025	2022	2023	2024	2025
Business loans and unlisted equity	1,311	1,540	2,001	1,990	98%	98%	99%	99%
Listed equity and corporate bonds	424	412	387	412	100%	100%	100%	100%
Project finance	1,104	1,537	1,869	2,181	100%	100%	100%	100%
Sovereign debt	273	421	138	316	100%	100%	100%	100%
Subsovereign debt	792	854	1,000	1,334	0%	0%	0%	0%
Total	3,904	4,763	5,395	6,233	79%	82%	81%	78%

Note: Subsovereign debt (regional and local authorities) will be covered from 2026 on, following the updated PCAF standard 'PCAF (2025). The Global GHG Accounting and Reporting Standard Part A: Financed Emissions. Third Edition.'

Financed emissions – Asset classes other than Sovereign Debt (Scope 1-3)

	Gross carrying amount in EURm				Financed emissions (Scope 1-3) in tCO ₂ e				Financed emissions intensity (Scope 1-3) in tCO ₂ e / EURm			
	2022	2023	2024	2025	2022	2023	2024	2025	2022	2023	2024	2025
Business loans and unlisted equity	1,283	1,516	1,979	1,968	1,189,407	594,494	748,468	525,196	927	392	378	267
Listed equity and corpo- rate bonds	424	412	387	412	13,688	12,430	10,811	10,237	32	30	28	25
Project finance	1,104	1,537	1,869	2,181	314,607	299,552	348,285	408,978	285	195	186	188
Total	2,811	3,465	4,235	4,560	1,517,703	906,476	1,107,564	944,412	540	262	262	207

Financed emissions – Asset classes other than Sovereign Debt (split by Scope 1, 2, 3)

	Financed emissions (Scope 1) in tCO ₂ e				Financed emissions (Scope 2) in tCO ₂ e				Financed emissions (Scope 3) in tCO ₂ e			
	2022	2023	2024	2025	2022	2023	2024	2025	2022	2023	2024	2025
Business loans and unlisted equity	1,040,220	421,589	546,684	362,194	14,426	17,457	19,345	15,152	134,761	155,447	182,439	147,850
Listed equity and corpo- rate bonds	4,557	4,060	3,480	3,285	530	542	503	462	8,601	7,828	6,828	6,491
Project finance	232,970	210,761	213,718	251,335	9,292	9,862	15,098	14,608	72,345	78,930	119,469	143,034
Total	1,277,747	636,410	763,882	616,814	24,248	27,861	34,946	30,222	215,707	242,205	308,736	297,376

Financed emissions – Sovereign Debt

	Gross carrying amount in EURm				Financed emissions (Scope 1) in tCO ₂ e				Financed emissions intensity (Scope 1) in tCO ₂ e / EURm			
	2022	2023	2024	2025	2022	2023	2024	2025	2022	2023	2024	2025
Sovereign debt - incl. LULUCF	273	421	138	316	68,464	101,000	38,952	75,583	250	240	282	239
Sovereign debt - excl. LULUCF					70,374	103,936	43,019	79,393	257	247	311	251

Note: Sovereign Scope 1 Production emissions are estimated with and without the effect of the Land Use, Land Use Change and Forestry (LULUCF) sector. The LULUCF sector records the net impacts of land use (forest, arable land, grassland, wetlands, settlements, other land) and wood products on a country's emissions. Some land use categories (arable land, grassland, wetlands and settlements) are typically a source of CO₂ for the atmosphere, while forests generally represent a net carbon sink.

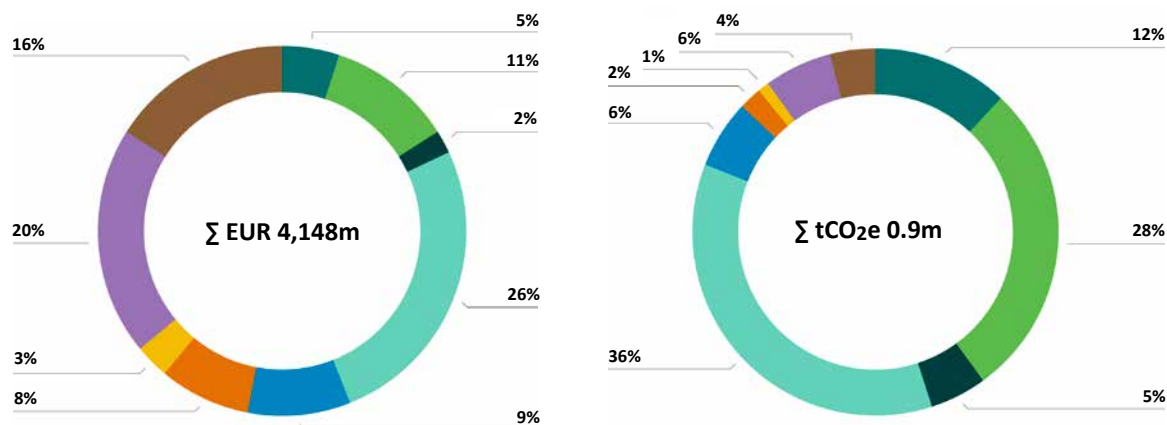
Financed emissions by sector (YE 2025)¹⁵

Sector	Subsector	Gross carrying amount in EURm	Financed emissions (Scope 1) in tCO ₂ e	Financed emissions (Scope 2) in tCO ₂ e	Financed emissions (Scope 3) in tCO ₂ e	Emissions intensity (Scope 1-3) in tCO ₂ e / EURm
Natural Resources		191	44,880	6,918	61,914	596
Water & Environment		437	190,365	7,448	60,124	590
Conventional Energy	Energy Generation Gas	31	15,205	-	-	484
	Energy Transmission	26	11,202	416	3,478	587
	Other Conventional Energy	19	9,501	353	2,950	685
Renewable Energy	Electricity Storage	120	156,182	2,262	23,324	1,515
	Energy from Waste	49	121,190	-	-	2,460
	Geothermal	45	-	-	1,466	33
	Offshore Wind	35	-	-	213	6
	Onshore Wind	188	-	-	2,109	11
	Other Renewable Energy	19	9,491	352	2,947	687
	Solar CSP	9	-	-	317	36
	Solar PV	622	-	-	20,591	33
Transport		389	23,221	2,294	29,609	142
Other Infrastructure & Energy		320	6,333	1,139	14,347	68
Other Public Finance / Infrastructure PF / Budget finance PF		126	2,497	345	5,043	62
Communication & Digitization		843	9,729	6,243	36,174	62
Social Infrastructure		679	13,250	1,972	26,129	61
Total		4,148	613,529	29,761	290,884	225

Note: Sector categories follow the bank's internal sector/subsector classification.

Financed emissions by sector¹⁵

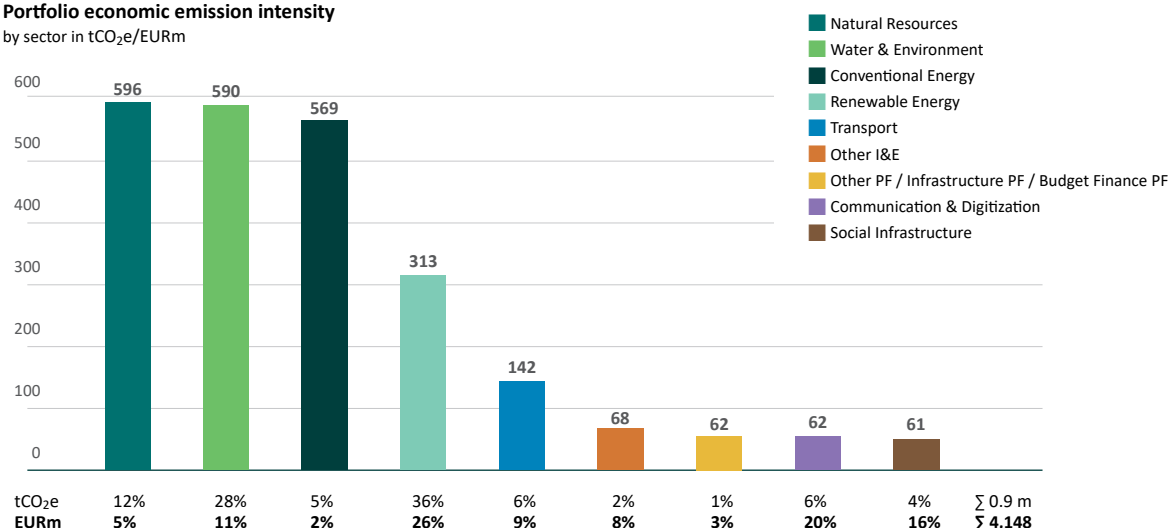
in EUR



¹⁵ Covering the PCAF asset classes Business loans and unlisted equity (EUR 1.97bn) and Project Finance (EUR 2.18bn)

Portfolio economic emission intensity

by sector in tCO₂e/EURm



Financed emissions and avoided emissions

Standard and methodology

Financed emissions and avoided emissions are disclosed on a voluntary basis; the calculation methodology applied is based on the PCAF Standard¹⁶. Estimated emissions include Scope 1, 2 and 3 of clients and projects financed wherever available, and Scope 1 (production emissions) for sovereign debt exposures and avoided emissions. The organizational boundaries for reporting on Scope 3-15 emissions are determined based on the financial control approach, analogous to the scope of consolidation for financial reporting. Due to data limitations, the indirect emissions from Kommunalkredit's participation in the Fidelio Fund's assets cannot be included in the financed emissions inventory. Given the comparatively small size of the exposure (EUR 22 million) and the run-down profile of these assets, this exclusion is deemed immaterial. The PCAF asset classes covered¹⁷ by the calculations broadly correspond to the project finance, sovereign bonds, and treasury portfolios.

Data quality and limitations

The figures presented are estimates and are subject to considerable uncertainty. This is primarily due to the lack of project-specific data, a challenge Kommunalkredit shares with its peers across the banking sector. Considering the limited data availability, the PCAF method allows the use of different data types. To calculate Scope 1 (production emissions) for the sovereign debt asset class, Option 1a is applied by referring to the verified UN Framework Convention on Climate Change (UNFCCC) emissions data for 2021. For all other exposures covered by the Scope 3-15 emission inventories, Option 3c is applied. Emission factors from the PCAF database¹⁸ are used which enable the calculation of emissions at project level¹⁹, although only the outstanding amount is known. We follow PCAF recommendations and apply regional averages from Exiobase for all sectors, with the exception of power generation, where Climate

Trace country values are applied to electricity generation from gas and waste sectors and global averages are applied to electricity generation from photovoltaics, solar CSP, on-shore/off-shore wind power and geothermal sectors²⁰. The corresponding data quality score is 5 (lowest score) for the non-sovereign financed emissions and for the avoided emissions, and close to 1 (highest score) for the estimates of indirect production emissions from our sovereign debt portfolio. An inflation adjustment is applied to the economic activity based emissions factors, following the methodological guidance of PCAF²¹. This step serves the purpose of updating emissions intensities to the price level prevailing in the country of location of the activity financed at portfolio cut-off date. Avoided emissions of solar, wind and geothermal projects are estimated based on country-specific electricity generation mixes²² and economic emission intensities of coal, gas, oil and waste electricity generation projects.

The importance of more accurate data to refine our carbon footprint is evident and Kommunalkredit recognizes the challenges the financial industry faces in obtaining comprehensive and reliable emissions data from counterparties. Despite these data limitations and challenges, the calculations can support the identification of current hotspots and large issuers within the portfolio.

Recalculation policy

In accordance with the PCAF standard, we have established a policy to recalculate our financed baseline emissions to ensure data consistency, comparability and relevance of reported greenhouse gas emissions data over time. Triggers for baseline recalculations are: i) Structural changes in the organization and its underlying portfolio (e.g. mergers, acquisitions and divestitures); ii) Significant changes in calculation methodologies or improvements in data accuracy (e.g. moving to the use of asset-specific emissions data or more current emissions factors); iii) The identification of significant errors (or a series of cumulative errors) in the original base year calculation.

¹⁶ PCAF (2022). The Global GHG Accounting and Reporting Standard Part A: Financed Emissions. Second Edition.

¹⁷ Subsovereign debt (regional and local authorities) will be covered from 2026 on, following the updated PCAF standard. Reported exposure for the asset classes Motor vehicle loans, Commercial real estate, and Mortgages is zero.

¹⁸ The sector analysis of the portfolio is limited by the sector classifications and granularity used in the PCAF database.

¹⁹ In our calculations we treat project finance exposure as if projects had already reached the operational stage.

²⁰ As PCAF does not offer economic emission factors (data quality 5) for solar CSP and geothermal, and their life-cycle emission are comparable to the ones of photovoltaics, they are assigned the emission factor for photovoltaics.

²¹ We apply the inflation adjustment logic as per Financed emissions calculation worksheet - released by PCAF in the Additional resources section – accessible to PCAF members.

²² International Energy Agency (IEA) Countries and regions.

By applying a deeper analysis of the portfolio, the exposure specifically attributable to Electricity generation within the sectors Conventional energy and Renewable energy was isolated. At YE 2025, the on-balance exposure within the Electricity generation portfolio amounts to EUR 979m (24% of the I&E and PF portfolio covered by financed emissions calculations and 84% of the sectors Conventional energy and Renewable energy). This is the only portfolio exposure which is eligible for the application of the sectoral decarbonization approach and target setting. 92% of the Electricity generation portfolio relates to low-emission technologies. Using proxy data for physical emission intensity (tCO₂e/MWh) by technology type and country²³ and using expert estimates for out-

put data (MWh), we have produced a first measure for the emission intensity of the Electricity generation portfolio at YE 2025 of 0.09 tCO₂e/MWh. This value lies well below the global Net Zero by 2050 pathway calculated by the International Energy Agency (IEA)²⁴. The estimated distance of Kommunalkredit's Electricity generation portfolio to the 2030 value on the Net Zero by 2050 pathway is -52%²⁵. This favourable alignment reflects the structural characteristics of the Electricity generation portfolio, which is shaped by a strategic focus on low-emission technologies. We are committed to refining the approach going forward – among others by relying on collected customer-specific data – to enhance the robustness of our results and strengthen target setting.

Electricity generation - portfolio alignment

Methodology

The portfolio in scope covers the PCAF asset classes Project finance and Business loans and unlisted equity and focuses on counterparties active in the Electricity generation sector, identified based on the internal subsector classification. Clients/projects producing electricity from solar PV, solar CSP, on-shore wind, off-shore wind, geothermal, gas, bioenergy and waste are included.

Emission intensities are proxied with data published by EMBER²³, which provides country- and technology-specific data expressed in tCO₂e/MWh which is mapped to Kommunalkredit's portfolio based on internal sector classification. The portfolio intensity is calculated by applying technology-specific weights corresponding to annual electricity output (MWh p.a.) – derived using expert-based assumptions. We disclose portfolio alignment by mapping the portfolio intensity against the global decarbonization pathway published by the IEA Net Zero by 2050²⁴, Table A.5.

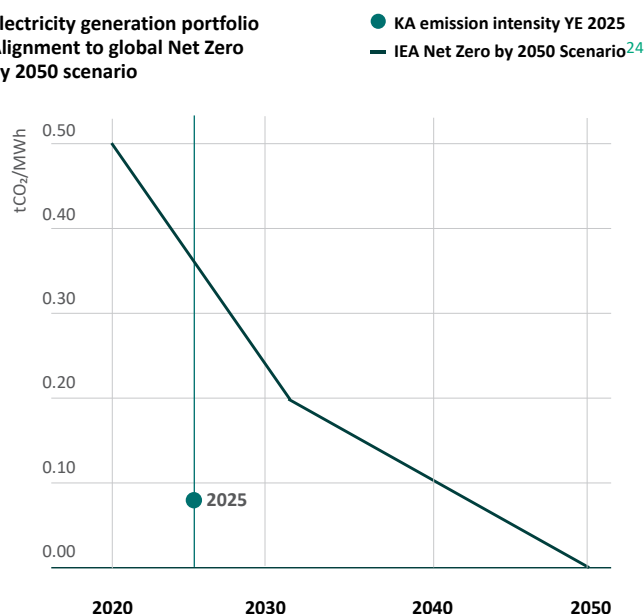
Data quality and limitations

The figures presented are estimates and are subject to considerable uncertainty. We use proxies for 100% of the portfolio covered and rely on less granular emission intensity data for the technologies geothermal and electricity generation from waste.

Additionally, the IEA Net Zero by 2050 decarbonization pathway is calculated at global level, no regional pathways are available. This might overstate the degree of portfolio alignment, considering that most of Kommunalkredit's Electricity generation exposure is in advanced economies that are expected to converge to Net Zero faster.

The applied pathway and underlying data may be subject to future revisions. Changes in the data and underlying methodology will be transparently communicated.

**Electricity generation portfolio
Alignment to global Net Zero
by 2050 scenario**



Avoided emissions

For the first time, Kommunalkredit is publishing the **avoided emissions related to renewable electricity generation projects**, associated with 12% of the non-sovereign debt portfolio covered by financed emissions calculations. Avoided emissions represent the positive impact created when comparing the emission impact of a low-emission technology to an alternative scenario with a high-emission technology in place. Using PCAF economic emission intensities (tCO₂e/EURm) by sector and country, we have produced a first measure for the Scope 1 avoided emissions at YE 2025 of 2.1 million tCO₂e.

Operational ecology

Kommunalkredit has a longstanding tradition of environmental responsibility, supported by credible external verification of its environmental management system since 1997 and further strengthened by internal environmental management capabilities. The company's efforts are reflected in measurable improvements across various ecological indicators. The company has been using exclusively green electricity since 2003 and district heating since 2024. A complete list of environmental performance figures for the headquarter in Vienna can be found below.

²³ Yearly Electricity Data | Ember

²⁴ Net Zero Roadmap: A Global Pathway to Keep the 1.5 °C Goal in Reach (2023 Update)

²⁵ The distance is calculated following the approach highlighted in the Annex 2 – Instructions for ESG prudential disclosure templates (EBA ITS)

Building upgrades

Recent renovations and upgrades, such as connecting the building to 100% district heating, installing an on-site 100 kWp photovoltaic system, and window renovations, have contributed to energy efficiency improvements in 2023 and 2024. Further core renovations of the company's Viennese office buildings in 2025 and upcoming years are expected to contribute to further energy savings. The decreased utilisation of office space since mid-2025 will continue until refurbishment is completed and will influence the development of the environmental KPIs herewith reported and their comparability with previous reporting periods.

Energy consumption and efficiency

In 2025, the company's total energy consumption (electricity and heating) was 1.33m kWh, demonstrating a 7.5 % decrease compared to 2024 (1.43m kWh). The building's energy use per employee decreased slightly, with total energy consumption per employee dropping to 2,998 kWh from 3,307 kWh in 2024. The company's energy mix has shifted significantly towards renewables, with renewable energy sources accounting for 99.8 % of the total energy consumption in 2025, up from 85.3% in 2024 and 65.7% in 2023. This includes green electricity (100%) — made up of 434,736 kWh of grid power and 74,407 kWh generated by the company's own PV system, with almost all of it being directly consumed on-site. At 1,131 kWh per employee (2024: 1,426 kWh), the relative electricity consumption fell by 21 % in 2025.

Business travel

The kilometres covered per employee in 2025 remained stable at 2,122 km (2024: 2,114 km). Kommunalkredit is growing steadily and serves all its international customers from its locations in Vienna and Frankfurt. About 93 % of kilometres were travelled by plane, 1 % by train and 6 % by car. The internal business travel policy requires that ecological aspects are considered, e.g. for business travel distances <500 km, trains or electric cars must be used, and air travel is only permitted if virtual alternatives are not feasible. Since 2024 Kommunalkredit has had no vehicle fleet.

CO₂ emissions

Reported emissions from own operations have declined as a result of the transition to 100% district heating and the application of updated, lower emission factors for the business travel emissions calculations. CO₂e emissions from business activities fell to 236 tonnes in 2025, down from 405 tonnes in 2024.

Kommunalkredit's Scope 1 emissions have fallen significantly after the connection to the district heating in 2024, completed in 2025; they are entirely driven by mandatory tests for the diesel-run emergency generator. In 2025, Scope 1 emissions have decreased by 98 % compared to 2024 and amounted to 1 tonne of CO₂e.

Scope 2 emissions from purchased electricity (100% green) and heat (100% district heating) increased by 15 % and amounted to 23 tonnes in 2025. This results from the reclassification of heating emissions from Scope 1 (direct) to Scope 2 (indirect), combined with the full transition to 100% district heating in 2025. Structural measures in which the company has been investing over the past years imply that the biggest lever for further reduction of Scope 2 emissions rests on the further decarbonisation of the energy mix used for district heating, in line with the city of Vienna's target of climate neutrality until 2040.

Indirect emissions from business travel (Scope 3-6) amounted to 212 tonnes of CO₂e in 2025 (2024: 333 tonnes). The total CO₂e emissions per employee resulting from our business activities have decreased to 0.5 tonnes compared to 2024 (0.9 tonnes) due to the switch to district heating and the supplementation of the power supply by the company's own PV. The total CO₂e emissions that Kommunalkredit Group could not avoid amounted to 236 tonnes in 2025. The bank supported Austrian climate protection projects by making a voluntary contribution through Climate Austria, matching the amount of unavoidable emissions.

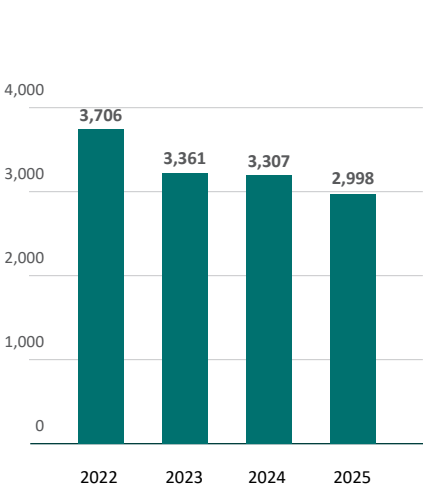
Waste, water, and paper consumption

Waste generation increased to 41.6 tonnes annually (2024: 32.9 tonnes), out of which 0.09 tonnes were hazardous. Waste per employee increased to about 94 kg (2024: 75.5kg), due to disposed furniture. Water use stabilized at roughly 27 litres per employee per day. Paper consumption (100% recycled) markedly increased to approximately 5 kg per employee in 2025 from 2 kg in 2024.

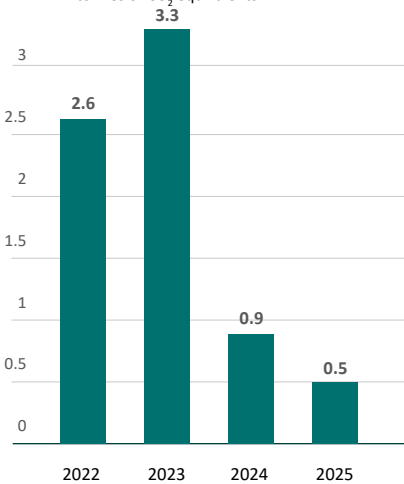
Improvement of operational ecology

Kommunalkredit continues its journey towards operational sustainability, with **consistent improvements** in energy efficiency and emission reductions, which are supported by the ISO 14001 certification.

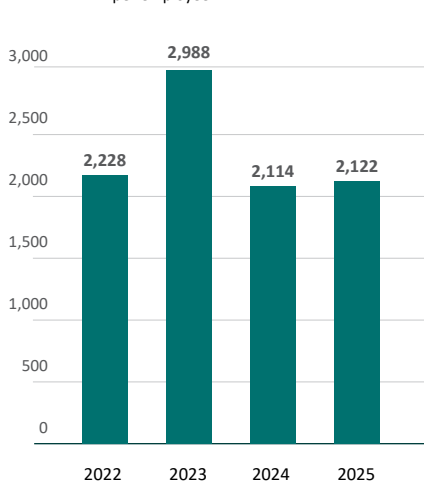
Total energy consumption per employee
in kWh



CO₂ emissions per employee
in tonnes of CO₂ equivalents



Business travel
km per employee



Environmental performance figures

Definition	Unit	2023	2024	2025	Change 2024-2025
Employees (including Executive Board) ¹		405	434	443	2.1%
Total assets	in EUR m	5,871	6,606	6,998	5.9%
Office space used ²	m ²	7,722	7,722	6,332	-18.0%
Office space used per employee	m ² /employee	19.1	17.8	14.3	-19.7%
Energy consumption					
Total energy consumption	kWh	1,361,010	1,435,105	1,327,932	-7.5%
Total energy consumption per employee	kWh/employee	3,361	3,307	2,998	-9.3%
Total consumption from renewable sources	kWh	894,267	1,224,242	1,325,139	8.2%
Total consumption from non-renewable sources	kWh	466,743	210,863	2,793	-98.7%
Electricity (100% green electricity)	kWh	637,887	618,712	500,882	-19.0%
Grid power	kWh	637,887	600,281	434,736	-27.6%
PV generation ³	kWh	0	18,861	74,407	100.0%
PV own consumption	kWh	0	18,431	66,146	100.0%
PV own consumption share of total energy consumption	%	0	3	13	100.0%
PV own consumption share of PV generation	%	0	98	89	100.0%
Electricity per employee	kWh/employee	1,575	1,426	1,131	-20.7%
Diesel consumption ⁴	kWh	2,646	2,009	2,793	39.0%
Biomass consumption (pellets) ³	kWh	256,380	0	0	0.0%
Gas consumption	kWh	464,097	208,854	0	-100.0%
District heating (Fernwärme) ³	kWh	0	605,530	824,257	100.0%
Total heating energy consumption	kWh	720,477	814,384	824,257	1.2%
Heating energy consumption (per m ²)	kWh/m ²	93.3	105.5	130.2	23.4%
Heating energy consumption per employee	kWh/employee	1,779	1,876	1,861	-0.8%
Share of renewable energy sources in relation to total energy consumption (biomass and green electricity)	%	65.7	85.3	99.8	17.0%
Water and paper					
Water consumption in m³ ⁵	m³	2,878	2,885	3,015	4.5%
Water consumption in litres per employee and day	l/employee/day	28	26	27	3.8%
Paper consumption (in kg)	kg	2,000	1,050	2,000	90.5%
Paper consumption (in kg) per employee	kg/employee	5	2	5	150.0%
Paper consumption (in kg) per employee and day	kg/employee/day	0.02	0.01	0.01	0.0%
Paper consumption (in sheets) per employee and day	sheets/employee/day	4	4	2	-38.3%
Share of recycled paper	%	100.0	100.0	100.0	0.0%
Transport					
Total business travel	km	1,210,152	921,753	940,221	2.0%
Total energy consumption for transport	kWh	1,571,831	752,967	431,222	-42.7%

Definition	Unit	2023	2024	2025	Change 2024-2025
Total business travel per employee	km/employee	2,988	2,114	2,122	0.4%
Kilometres travelled by rail	km	9,636	4,738	5,940	25.4%
Share of kilometres travelled by rail in relation to total distance travelled	%	0.8	0.5	0.6	22.9%
Kilometres travelled by rail per employee	km/employee	24	11	13	22.8%
Kilometres travelled by car	km	16,041	44,089	54,837	24.4%
Share of kilometres travelled by car in relation to total distance travelled	%	1.3	4.8	5.8	21.9%
Kilometres travelled by car per employee	km/employee	40	102	124	21.9%
Kilometres travelled by air	km	1,184,475	872,929	879,445	0.7%
Share of kilometres travelled by air in relation to total distance travelled	%	97.9	94.7	93.5	-1.2%
Kilometres travelled by air per employee	km/employee	2,925	2,011	1,985	-1.3%
CO ₂ emissions ⁶					
CO₂ emissions caused by business activities	t	1,340	405	236	-41.8%
Scope 1 (direct emissions)	t	123	64	1	-98.6%
<i>thereof fossil emissions</i>	t	118	52	1	-98.3%
<i>thereof biogenic emissions</i>	t	4.0	0.0	0.0	0.0%
Scope 2 (green electricity market-based) ⁷	t	9.0	8.0	23.0	187.5%
Scope 2 (electricity location-based) ⁷	t	144	136	99	-27.4%
Scope 3 (business travel) ⁸	t	1,208	333	212	-36.3%
CO ₂ emissions caused by business activities per employee	t/employee	3.3	0.9	0.5	-42.9%
Waste ⁹					
Total annual waste volume	kg	31,147	32,907	41,623	26.5%
Total annual waste volume per employee	kg/employee	76.9	75.5	94.0	24.4%
Waste paper	kg	11,246	11,246	11,246	0.0%
Waste paper (share of total volume of waste)	%	36.1	34.0	27.02	-20.5%
Waste paper per employee	kg/employee	28	26	25	-2.4%
Domestic-type commercial waste	kg	14,448	14,448	14,448	0.0%
Domestic-type commercial waste (share of total volume of waste)	%	46.4	44.0	34.7	-21.1%
Domestic-type commercial waste per employee	kg/employee	36	33	33	-1.2%
Hazardous waste	kg	185	21	90	328.6%
Hazardous waste (share of total volume of waste)	%	0.6	0.1	0.2	260.4%
Hazardous waste (in kg) per employee	kg/employee	0.46	0.05	0.20	306.3%

1 Employees (headcount) including Executive Board and excluding those on leave; the figures for 2020–2022 were adjusted due to the updated definition in 2023.

2 The area reported in 2024 was scaled by the reduced proportion of office space due to building renovations. As office area varied over the year, the average was used.

3 In 2024, a 100 kWp photovoltaic system was installed on the roof of the building and the pellet heating system was converted to district heating at the end of 2023.

4 Totals based on emissions calculation using the factor 1L=9.8 kWh; the data for 2022 was corrected in 2023.

5 All water was withdrawn from the municipal water supply. No water was withdrawn from areas under water stress.

6 All data refers to carbon dioxide equivalents (CO₂e). Emission factors based on OIB Guideline 6 (2019).

7 In accordance with the GRI Standards, emissions from the purchase of electricity are to be shown based on both the market-based and location-based methods. The market-based method shows emissions from the electricity that an organisation chose in a targeted manner. Emission factors were calculated based on OIB Guideline 6 (2019).

8 The emissions calculation for business travel is based on data from the Environmental Agency Austria, June 2025, for direct emissions per passenger kilometre.

9 Waste paper and domestic-type commercial waste are calculated using the number of corresponding containers with allocated filling levels and the collection interval notified by MA48. Due to the unchanged situation, the figures for 2021–2023 are identical. Due to a correction made in calculating the volume of waste paper, the figures for 2020–2022 were adjusted. The significant increase in the volume of hazardous waste is attributable to the disposal of screens in 2023.

GRI Content Index

GRI STANDARD	GRI DISCLOSURE	UNGC	REFERENCE	REASON FOR OMISSION / COMMENT
General Disclosures				
GRI 2: General Disclosures 2021	2-1 Organizational details		Chapter Regional reach. Sectoral focus. Kommunalkredit KYC Articles of Association (website) Kommunalkredit Company Presentation (website)	
	2-2 Entities included in the organization's sustainability reporting		Chapter Sustainability	
	2-3 Reporting period, frequency and contact point		Chapter Sustainability	
	2-4 Restatements or restatement of information			In 2025 there are no restatements of information.
	2-5 External assurance			The sustainability chapter is part of the Financial Report and is not audited separately.
	2-6 Activities, value chain and other business relationships	Principle 1, principle 2, principle 4, principle 5, principle 6, principle 7, principle 9	Chapter Regional reach. Sectoral focus. Chapter Economic environment Chapter Business review Chapter Kommunalkredit on the capital market	
	2-7 Employees	Principle 6	Chapter Employees Workforce composition and growth Chapter Employees Social performance figures	As of 31/12/2025 there were three fixed term employee.
	2-8 Workers who are not employees	Principle 6		In 2025 there were no workers who are not employees.
	2-9 Governance structure and composition		Chapter Sustainability Sustainability governance Chapter Employees Social performance figures Kommunalkredit Company Presentation (website) Kommunalkredit KYC Articles of Association (website)	
	2-10 Nomination and selection of the highest governance body		Kommunalkredit KYC Articles of Association (website) Kommunalkredit KYC Publication pursuant to Section 65a of the Austrian Banking Act (BWG) (website)	
	2-11 Chair of the highest governance body		Chapter Sustainability Sustainability governance Kommunalkredit KYC Articles of Association (website)	In Austria the two-tier system applies, i.e. separation between the Supervisory Board (non-executive) and the Management Board (executive). Incompatibility of simultaneous membership in Supervisory Board and Management Board in accordance with Section 90 AktG (Austrian Stock Corporations Act).
	2-12 Role of the highest governance body in overseeing the management of impacts		Chapter Sustainability Sustainability governance Chapter Sustainability Sustainability strategy Chapter Sustainability ESG risk management Kommunalkredit Company Presentation (website) Kommunalkredit KYC Articles of Association (website)	
	2-13 Delegation of responsibility for managing impacts		Chapter Sustainability Sustainability governance Chapter Sustainability Sustainability strategy Chapter Sustainability ESG risk management	
	2-14 Role of the highest governance body in sustainability reporting			There is currently no legal requirement.
	2-15 Conflicts of interest	Principle 10	Kommunalkredit KYC Code of Conduct (website)	

GRI STANDARD	GRI DISCLOSURE	UNGC	REFERENCE	REASON FOR OMISSION / COMMENT
	2-16 Communication of critical concerns		Kommunalkredit KYC Code of Conduct (website)	There were no critical concerns during the reporting period.
	2-17 Collective knowledge of the highest governance body		Chapter Supervisory Board Kommunalkredit KYC Publication pursuant to Section 65a of the Austrian Banking Act (BWG) (website)	
	2-18 Evaluation of the performance of the highest governance body		Kommunalkredit KYC Publication pursuant to Section 65a of the Austrian Banking Act (BWG) (website)	
	2-19 Remuneration policies		Kommunalkredit KYC Publication pursuant to Section 65a of the Austrian Banking Act (BWG) (website)	
	2-20 Process to determine remuneration		Kommunalkredit KYC Publication pursuant to Section 65a of the Austrian Banking Act (BWG) (website)	
	2-21 Annual total compensation ratio		Chapter Employees Social performance figures	
	2-22 Statement on sustainable development strategy		Chapter At the heart of Europe's transition - Foreword by the CEO	
	2-23 Policy commitments	Principle 1, principle 2, principle 4, principle 5, principle 6, principle 7, principle 10	Chapter Sustainability ESG risk management Kommunalkredit KYC Code of Conduct (website)	
	2-24 Embedding policy commitments		Chapter Sustainability ESG risk management Kommunalkredit KYC Code of Conduct (website)	
	2-25 Processes to remediate negative impacts	Principle 1, principle 6, principle 10	Chapter Sustainability Sustainability strategy Chapter Sustainability ESG risk management Kommunalkredit KYC Code of Conduct (website)	
	2-26 Mechanisms for seeking advice and raising concerns		Kommunalkredit KYC Code of Conduct (website)	
	2-27 Compliance with laws and regulations			There were no penalties or fines in the reporting period.
	2-28 Membership associations	Principle 1, principle 8, principle 9	Energieforum Österreich, European Clean Hydrogen Alliance, International Capital Markets Association, IPFA International Project Finance Association, ISDA International Swaps and Derivatives Association, ÖGUT- Österreichische Gesellschaft für Umwelt und Technik, Österreichische Energieagentur, Partnership for Carbon Accounting Financials (PCAF), Pfandbrief- & Covered Bond-Forum Austria, The Loan Market Association / Banking, UN Environmental Programme for Financial Institutions (Principles for Responsible Banking), UN Global Compact	
	2-29 Approach to stakeholder engagement		Chapter Making a difference Chapter Kommunalkredit on the capital market Chapter Employees Employee satisfaction Kommunalkredit KYC Articles of Association (website)	
	2-30 Collective bargaining agreements	Principle 3	Chapter Employees Employee benefits	

GRI STANDARD	GRI DISCLOSURE	UNGC	REFERENCE	REASON FOR OMISSION / COMMENT
Material topics & other UNGC topics				
GRI 3: Material Topics 2021	3-1 Process to determine material topics			Kommunalkredit conducted a Materiality Assessment in 2025. Additional UNGC topics have been added to the list below.
	3-2 List of material topics		Chapter Sustainability	
Anti-Corruption				
GRI 205: AntiCorruption 2016	205-1 Operations assessed for risks related to corruption	Principle 10		0/0
	205-2 Communication and training about anticorruption policies and procedures	Principle 10	Chapter Employees Training and development Kommunalkredit KYC Code of Conduct (website)	
	205-3 Confirmed incidents of corruption and actions taken	Principle 10		0/0
Emissions				
GRI 3: Material Topics 2021	3-3 Management of material topics		Chapter Sustainability Sustainability strategy Chapter Sustainability ESG risk management Climate risks mitigation - Portfolio emissions Chapter Sustainability Operational ecology CO ₂ emissions	
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Principle 7, principle 8, principle 9	Chapter Sustainability Operational ecology CO ₂ emissions Chapter Sustainability Environmental performance figures	
	305-2 Energy indirect (Scope 2) GHG emissions	Principle 7, principle 8, principle 9	Chapter Sustainability Operational ecology CO ₂ emissions Chapter Sustainability Environmental performance figures	
	305-3 Other indirect (Scope 3) GHG emissions	Principle 7, principle 8, principle 9	Chapter Sustainability ESG risk management Climate risks mitigation - Portfolio emissions Chapter Sustainability Operational ecology CO ₂ emissions Chapter Sustainability Environmental performance figures	
	305-4 GHG emissions intensity	Principle 7, principle 8, principle 9	Chapter Sustainability ESG risk management Climate risks mitigation - Portfolio emissions Chapter Sustainability Operational ecology CO ₂ emissions Chapter Sustainability Environmental performance figures	
	305-5 Reduction of GHG emissions	Principle 7, principle 8, principle 9	Chapter Sustainability Sustainability strategy Chapter Sustainability ESG risk management Climate risks mitigation - Portfolio emissions Chapter Sustainability Operational ecology CO ₂ emissions Chapter Sustainability Environmental performance figures	
	305-6 Emissions of ozonedepleting substances (ODS)	Principle 7, principle 8, principle 9		No ozonedepleting substances were emitted in the reporting period.
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Principle 7, principle 8, principle 9		No significant air emissions were emitted in the reporting period.
Employment				
GRI 3: Material Topics 2021	3-3 Management of material topics		Chapter Sustainability Sustainability strategy Chapter Employees Employee benefits Chapter Employees Employee satisfaction	

GRI STANDARD	GRI DISCLOSURE	UNGC	REFERENCE	REASON FOR OMISSION / COMMENT
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Principle 6	Chapter Employees Employee satisfaction Chapter Employees Social performance figures	
	401-2 Benefits provided to fulltime employees that are not provided to temporary or parttime employees	Principle 6	Chapter Employees Employee benefits Chapter Employees Social performance figures	
	401-3 Parental leave	Principle 6	Chapter Employees Workforce composition and growth Chapter Employees Social performance figures	
Training and education				
GRI 3: Material Topics 2021	3-3 Management of material topics		Chapter Sustainability Sustainability strategy Chapter Employees Training and development	
GRI 404: Training and education 2016	404-1 Average hours of training per year per employee		Chapter Employees Training and development Chapter Employees Social performance figures	
	404-2 Programmes for upgrading employee skills and transition assistance programmes		Chapter Employees Training and development	
	404-3 Percentage of employees receiving regular performance and career development reviews		Chapter Employees Training and development	
Diversity and equal opportunity				
GRI 3: Material Topics 2021	3-3 Management of material topics		Chapter Sustainability Sustainability strategy Chapter Employees Diversity and experience Kommunalkredit KYC Code of Conduct (website)	
GRI 405: Diversity and equal opportunities 2016	405-1 Diversity of governance bodies and employees	Principle 6	Chapter Employees Diversity and experience Chapter Employees Social performance figures	
	405-2 Ratio of basic salary and remuneration of women to men	Principle 6	Chapter Employees Social performance figures	The collective bargaining agreement does not differentiate based on gender.
Non-discrimination				
GRI 3: Material Topics 2021	3-3 Management of material topics		Chapter Employees Training and development Kommunalkredit KYC Code of Conduct (website)	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Principle 6		There were no cases of discrimination in the reporting period.
Supplier social assessment				
GRI 414: Supplier social assessment 2016	414-1 New suppliers that were screened using social criteria	Principle 1, principle 2, principle 3, principle 4, principle 5	Kommunalkredit KYC Code of Conduct (website)	All suppliers have to fulfill criteria related to anti-corruption, respect of human rights & labor standards, business ethics, prohibition of money laundering & terrorist financing, climate change & biodiversity.
	414-2 Negative social impacts in the supply chain and actions taken	Principle 1, principle 2, principle 3, principle 4, principle 5	Kommunalkredit KYC Code of Conduct (website)	Violations have to be reported promptly; suppliers may be audited and agreements may be terminated for non-compliance.



Outlook

Global economic conditions remain challenging, marked by rising trade barriers, elevated geopolitical risks and continued market volatility. Central banks are expected to proceed cautiously, while growth dynamics continue to diverge across regions.

Persistent global headwinds keep central banks cautious

In the eurozone, inflation is expected to remain close to the **European Central Bank's** (ECB) 2% target, allowing the ECB to maintain a broadly neutral stance. No further rate cuts are anticipated in 2026, with the deposit rate expected to remain at 2%²⁶. Ongoing quantitative tightening, combined with elevated government bond issuance, is likely to put upward pressure on long-term yields and lead to a steeper yield curve, with 10-year German government bond yields potentially rising toward 3%.

In the United States, the **Federal Reserve** (Fed) is expected to ease policy gradually, with two to three rate cuts by the end of 2026 in response to slowing economic momentum. While the US dollar is likely to remain broadly stable in the near term, rising debt levels pose longer-term depreciation risks.

Market volatility persists amid widening credit spreads

Geopolitical tensions, including US-China relations, the war in Ukraine, and instability in the Middle East, continue to weigh on global growth through higher trade barriers, supply chain risks, and rising defense spending. In this environment, **financial markets remain volatile**. Credit spreads on European bank bonds are likely to widen amid economic slowdown and rising corporate defaults, while equity markets face elevated correction risks, particularly in highly valued sectors such as artificial intelligence.

Against this challenging macroeconomic and market backdrop, Germany is expected to see a modest recovery supported by government spending, while Austria is projected to return to a more balanced growth path as exports stabilize and residential construction recovers. Tighter fiscal policy, however, will continue to constrain the pace of recovery and underscores the **need for fiscal consolidation**.

Substantial demand for infrastructure

Even though the overall economic situation in Europe is likely to remain challenging in the medium term due to macroeconomic uncertainties and strained public budgets, there continues to be **substantial demand for infrastructure**. This demand is driven by the long-term megatrends of demographic change, decentralization, digitalization, and decarbonization, which are increasingly

converging in sectors such as renewable energy, social infrastructure, data centers, and e-mobility infrastructure. These trends are expected to remain relevant in the years ahead.

The European Commission expects an investment need of around EUR 2.5 trillion until 2030²⁷ for critical areas such as renewable energy as well as digital and social infrastructure. Public budgets alone cannot meet these requirements. Private investment is therefore essential to realize necessary infrastructure projects and to strengthen Europe's competitiveness, independence and resilience.

Against this backdrop, **Kommunalkredit's outlook for 2026 remains broadly positive**, subject to some restrictions in the areas of fiber optics and digital infrastructure, as well as the possible impact of the current US administration or potential geopolitical conflicts on the European infrastructure market.

Infrastructure investments have proven resilient in past phases of economic uncertainty, such as during the COVID crisis, supported by the broad diversification of the sector. While individual segments with high GDP dependency or reliance on imported equipment may face short-term pressure, infrastructure assets with inelastic demand, pricing power and structural growth prospects continue to offer attractive opportunities. While being cognizant of the latest adverse developments in specific sub-industries, Kommunalkredit continues to focus on the infrastructure and energy sector and expects a continuous deal flow in the future.

Energy & Environment: Rising need for battery energy storage (BESS)

Alongside the continued expansion of **wind and photovoltaic** capacity, **battery energy storage** systems (BESS) are expected to play an increasingly important role in the energy sector over the medium term, including 2026. The growing share of variable renewable generation drives demand for flexible assets that support grid stability, congestion management, and price-driven balancing in the wholesale power markets. International energy agencies highlight the declining technology costs and evolving market frameworks are improving the economic viability of battery storage, particularly for merchant and hybrid business models. International Renewable Energy Agency (IRENA)²⁸ projects a significant increase in installed battery storage capacity under energy transition scenarios, underlying the substantial investments needs over the coming years.

²⁶ European Central Bank: Press release, 18/12/2025

²⁷ European Commission: Competitive compass, April 2024

²⁸ International Renewable Energy Agency, www.irena.org, 05/01/2026

Against this backdrop, battery storage is expected to remain an active transaction segment in 2026, supported by a diversification of revenue models. In addition to contracted structures, such as tolling agreements or capacity-based revenues, merchant and partially merchant models are expected to gain relevance, reflecting both higher price volatility and the growing role of storage in intraday optimization. Kommunalkredit is well positioned to support these projects through its expertise in structuring, financing and advisory services across a range of risk profiles.

Transport: Selective Investment amid structural transformation

The transport sector continues to undergo **structural transformation** driven by decarbonization targets, model shift initiatives, and the gradual electrification of mobility. Public policy support at European and national level remains focused on rail infrastructure, public transport systems, and low-emission mobility solutions, while road transport faces increasing regulatory and environmental requirements.

At the same time, elevated construction costs, complex permitting processes, and constrained public budgets continue to affect project economics and investment timelines. As a result, many transport projects require increased structuring effort, risk reallocation, and transaction support rather than straightforward balance-sheet financing.

For 2026, Kommunalkredit expects **advisory activity** in the transport sector to remain solid. As a specialized infrastructure bank, Kommunalkredit supports its clients in the transport sector with advisory services across areas such as project structuring, procurements processes, refinancing and transaction preparation drawing on its long-standing sector expertise.

Communication & Digitalization: Sustained boom in data centers

The positive trend in the data center sector is also expected to continue in 2026. This asset class is in high demand among asset managers and insurance companies and should continue to support Kommunalkredit's **syndication activities**.

In the fiber optics sector, however, consolidation has intensified and further consolidation is expected. The **rapid expansion of digital infrastructure**, which had been growing strongly until early 2023, came to a virtual standstill in 2025 in the area of fiber optics in several countries. Across Europe, there has been a shift from rollout and capex-driven models to consolidation and M&A transactions. The first mergers have already taken place in the United Kingdom, a development that is likely to continue, partly due to the financial situation of individual providers. In Germany, a significant market consolidation is also expected in 2026, which could lead to provisions and write-offs for some equity sponsors and lending banks. Kommunalkredit will not be able to fully escape this development in 2026. However, based on its expertise, it can play an active role, particularly in consolidation issues and M&A advisory.

Social Infrastructure: Continued relevance amid demographic and fiscal pressure

Social infrastructure remains a **key component of Europe's infrastructure landscape**, supported by long-term demand drivers such as demographic change, urbanization, and evolving requirements in healthcare, education, and care services. In particular, the aging population continues to underpin demand for care-related facilities and services across many European countries. At the same time, investment in social infrastructure is increasingly shaped by fiscal constraints, regulatory requirements, and rising construction and operating costs. Project development and implementation therefore often require careful structuring, risk allocation, and close coordination between public authorities and private operators.

For 2026, activity in the social infrastructure is expected to remain stable. Kommunalkredit is active in the financing and advisory of social infrastructure projects, including care facilities and other essential social assets, with a focus on well-structured projects with appropriate risk allocation and long-term, predictable cash flow profiles.

Higher risk provisions reflecting a prudent response to sector-specific headwinds

While the share of Kommunalkredit's **investment-grade portfolio** remains stable and a large part of the bank's borrowers continues to benefit from structurally strong demand for infrastructure and energy, risk provisions were increased significantly in 2025, in line with accounting and regulatory requirements.

The higher provisioning primarily reflects unfavorable developments in individual sectors, inter alia challenging market conditions in the fiber sector, characterized by consolidation pressure and tighter financing conditions, which led to an increased volume of non-performing loans, rating changes and stage transfers.

Looking ahead, Kommunalkredit will continue to apply a disciplined and consistent risk approach, with a strong focus on early and transparent risk recognition. The exceptionally high level of provisions recognised in 2025 is expected to represent a peak. Based on the current portfolio assessment, the extent of additional provisioning required in 2026 is anticipated to be lower, in line with expectations of stabilising asset quality and a likely peak in non-performing loans and provisions around 2025-2026.

S&P confirms Kommunalkredit's ratings despite sector headwinds

In December 2025, S&P Global Ratings affirmed Kommunalkredit's **BBB/A-2 long- and short-term issuer credit ratings**, as well as the BBB rating on its **senior unsecured** (senior preferred) debt and the BB rating on the subordinated Tier 2 instrument. At the same time, the outlook was revised from stable to negative.

The energy and infrastructure sectors in which the bank operates are facing clearly identifiable headwinds, including those affecting the fiber sector. In this context, S&P expects the bank's non-performing assets and credit loss ratio to peak at year-end 2025, followed by a gradual recovery by the end of 2027.

S&P notes that Kommunalkredit continues to operate with high and sustained capital buffers, supported by the owner's decision not to distribute dividends. The agency also highlights the bank's strong risk-adjusted profitability, solid cost efficiency, and persistently high pre-provision income. In addition, S&P recognizes Kommunalkredit's deep project finance expertise, strong market track record, and excellent relationships with sponsors and investors, which support the bank's ability to navigate market dynamics and continue attracting new business.

Rising number of refinancings expected

Beyond credit risk considerations, market dynamics on the funding side are also gaining relevance. From a macroeconomic perspective, 2026 is likely to be characterized by a slow decline in interest rates, assuming that geopolitical uncertainties are set aside. Accordingly, a rising number of refinancing transactions is to be expected. At the same time, the **increased market entry of global private debt and private credit funds** is ensuring high liquidity. This is likely to lead to increased competition and could result in margin compression for banks such as Kommunalkredit.

Momentum for M&A and acquisition financing

In the area of M&A and acquisition financing, the level of activity increased significantly in the second half of 2025. This momentum is likely to continue in 2026, although transactions are often protracted, particularly due to significant valuation differences between buyers and sellers – for example, as a result of lower energy price assumptions. The existing pipeline indicates that increased volumes can be expected in 2026, particularly in **sectors such as waste management, logistics, and modular construction solutions**.

Continued growth trajectory

In the long term, Kommunalkredit remains committed to its strategic direction: strengthening its sector expertise and investor networks to **support Europe's infrastructure transformation**. This is underpinned by a solid capital base, prudent risk management, and a sustainable cost income ratio. Furthermore, the bank continues to invest in innovation, efficiency, and talent, including numerous initiatives aimed at improving operational performance. In doing so, and based on a well-filled pipeline and attractive opportunities, Kommunalkredit considers its foundation strengthened to continue its growth trajectory while contributing to Europe's economic success in 2026 and beyond.

Vienna, 17 February 2026



Jacques Ripoll

Chief Executive Officer



Sebastian Firlinger

Executive Board Member



Nima Motazed

Executive Board Member



John Weiland

Executive Board Member



CONSOLIDATED FINANCIAL STATEMENTS KOMMUNALKREDIT GROUP, VIENNA, FINANCIAL YEAR 2025

Consolidated financial statements

Consolidated income statement 86

Consolidated statement of
comprehensive income 87

Consolidated statement
of financial position 89

Consolidated statement of
changes in equity 90

Consolidated statement of cash flows 93

**Notes to the consolidated
financial statements** 94

Auditor's report 169

Statement by the legal representatives 175

I. Consolidated statement of financial position

TOTAL ASSETS in EUR thousand	Note	31/12/2025	31.12.2024
Cash reserves	25	527,002.5	933,219.9
Financial assets measured at amortized cost	26	3,620,303.5	3,013,379.9
<i>thereof receivables from credit institutions</i>		100,416.4	49,853.9
<i>thereof receivables from customers</i>		2,622,747.9	2,339,600.3
<i>thereof securities</i>		897,139.2	623,925.7
Financial assets at fair value through other comprehensive income	27	1,972,522.4	1,847,286.5
Financial assets at fair value through profit or loss	29	572,477.6	567,851.9
Portfolio hedge	42	-1,942.1	-2,891.6
Associates recognized at equity	31	3,869.1	2,897.8
Derivatives	30	210,849.6	188,191.5
Property, plant and equipment	32	43,264.4	34,375.2
Intangible assets	34	1,568.4	9,448.5
Current tax assets	44	34,042.3	0.0
Deferred tax assets	44	3,386.4	2,085.4
Other assets	36	10,691.8	10,605.1
Total assets		6,998,035.8	6,606,450.2

LIABILITIES AND EQUITY in EUR thousand	Note	31/12/2025	31.12.2024
Total liabilities		6,229,278.5	5,839,438.7
Liabilities at amortized cost		5,822,400.4	5,573,894.7
<i>thereof amounts owed to credit institutions</i>	37	147,274.5	126,991.5
<i>thereof amounts owed to customers</i>	38	2,801,121.8	3,119,404.1
<i>thereof securitized liabilities</i>	39	2,874,004.0	2,327,499.1
Portfolio hedge	42	1,654.0	6,727.7
Derivatives	41	130,160.8	154,630.6
Provisions	43	4,517.7	4,698.3
Current tax liabilities	44	2,144.8	11,245.1
Other liabilities	45	90,440.7	55,852.0
Subordinated liabilities at cost	40	177,960.1	32,390.2
Equity	46	768,757.3	767,011.5
Equity attributable to shareholders		706,203.3	704,500.8
Additional equity component		62,243.7	62,243.7
Non-controlling interests		310.4	267.0
Liabilities and equity		6,998,035.8	6,606,450.2

II. Consolidated income statement

INCOME STATEMENT in EUR thousand	Note	1.1. – 31.12.2025	1.1. – 31.12.2024
Net interest income	47	160,721.7	185,034.2
Interest income		372,769.2	400,687.9
<i>thereof calculated using the effective interest method</i>		302,956.6	357,464.2
Interest expenses		-212,047.5	-215,653.7
Net fee and commission income	48	43,333.1	45,081.3
Fee and commission income		46,015.9	48,136.1
Fee and commission expense		-2,682.8	-3,054.7
Operating Income		204,054.7	230,115.5
Gains and losses on financial assets and liabilities	49	-16,284.1	9,449.6
<i>Result from the derecognition of financial assets measured at amortized cost</i>		1,336.8	120.7
General administrative expenses	51	-95,221.8	-101,478.7
Personnel expenses		-60,715.6	-64,669.2
Other administrative expenses		-32,654.9	-34,846.3
Depreciation and impairment*		-1,851.3	-1,963.2
Net provisioning for impairment losses	50	-81,572.6	-10,115.6
Other operating result	53	7,269.0	-1,004.4
Other operating income		9,381.3	1,103.8
Other operating expenses		-2,112.3	-2,108.2
Operating Profit		18,245.1	126,966.4
Result from associates	52	17.3	-429.2
Income from investments		36.0	36.0
Profit before tax		18,298.4	126,573.3
Income taxes	54	-4,833.3	-30,301.5
Profit after tax		13,465.1	96,271.8
<i>thereof attributable to owners</i>		13,308.1	96,145.1
<i>thereof attributable to non-controlling interests</i>		157.0	126.6

*For an explanation of the adjustments made, see Note 1 General information.



III. Consolidated statement of comprehensive income

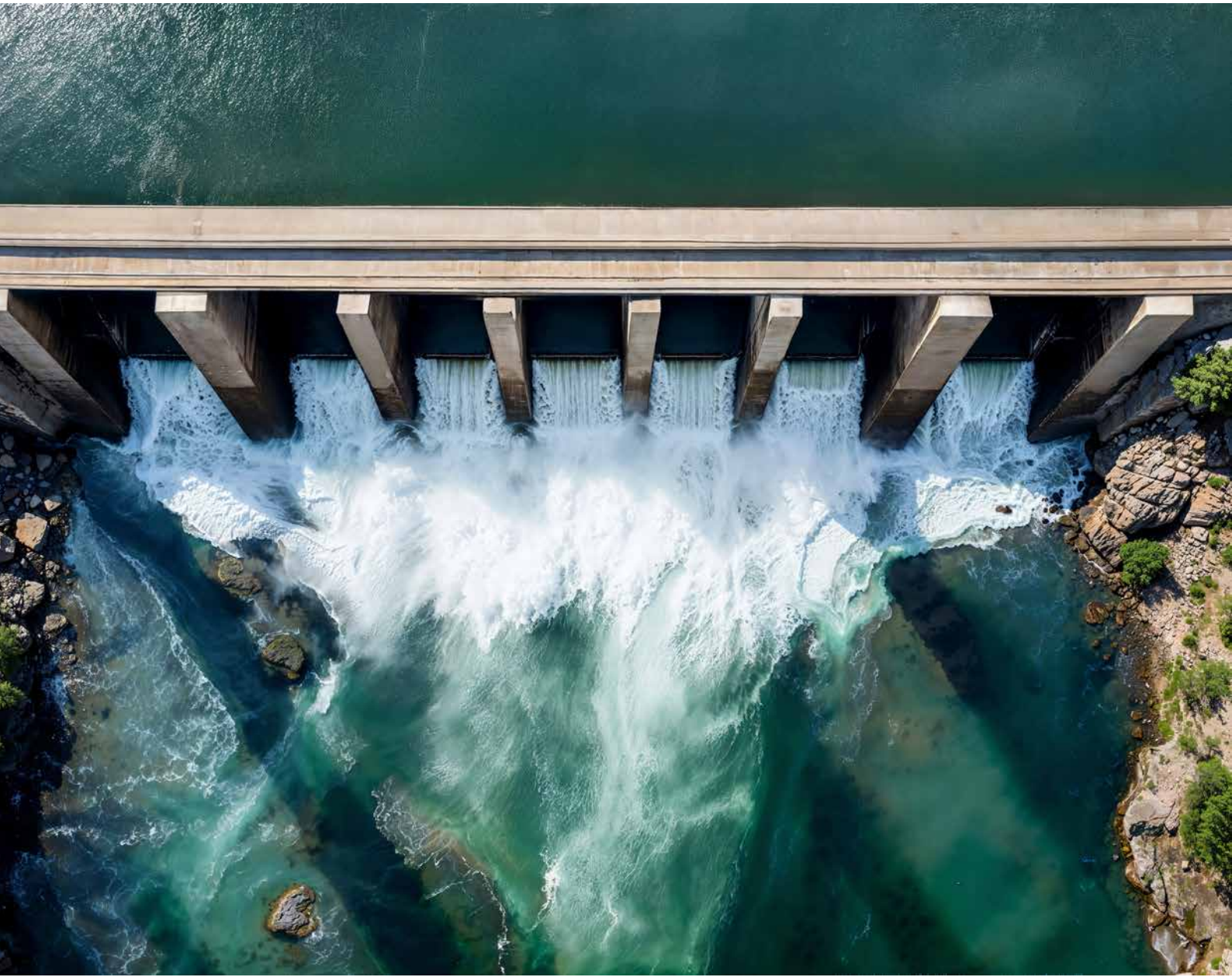
COMPREHENSIVE INCOME in EUR thousand	1.1. – 31.12.2025	1.1. – 31.12.2024
Profit after tax	13,465.1	96,271.8
Items to be reclassified to the Income Statement	-7,666.4	-1,892.4
Changes in debt instruments at fair value through other comprehensive income	-7,666.4	-1,892.4
Net change in fair value of debt instruments at fair value through other comprehensive income	-8,400.9	-3,296.0
Reclassified to the Income Statement	-1,555.5	838.3
Related tax	2,290.0	565.3
Items not to be reclassified to the Income Statement	260.3	-125.7
Change in actuarial gains/losses	181.2	248.6
Actuarial result from personnel provisions	235.3	322.9
Related tax on actuarial result from personnel provisions	-54.1	-74.3
Changes in equity instruments at fair value through other comprehensive income	79.1	-374.3
Net change in fair value of equity instruments at fair value through other comprehensive income	102.8	-486.1
Related tax	-23.6	111.8
Total comprehensive income, net of tax	6,059.0	94,253.6
<i>thereof attributable to owners</i>	<i>5,894.6</i>	<i>94,128.2</i>
<i>thereof attributable to non-controlling interests</i>	<i>164.4</i>	<i>125.4</i>

IV. Consolidated statement of changes in equity

Equity according to IFRS developed as follows in 2025 and 2024:

STATEMENT OF CHANGES IN EQUITY 1/1 – 31/12/2025 in EUR thousand	Subscribed capital	Reserves	Other retained earnings (incl. consolidated profit for the year)	Reserve for debt instruments at fair value through other comprehensive income	Reserve for equity instruments at fair value through other comprehensive income	Actuarial gains/losses IAS 19	Equity attributable to Komm-nalkredit shareholders	Additional equity component	Non-controlling interests	Equity
as of 1/1/2025	177,017.1	159,131.9	308,034.6	57,145.6	586.3	2,585.2	704,500.8	62,243.7	267.0	767,011.5
Profit for the period	0.0	0.0	13,308.1	0.0	0.0	0.0	13,308.1	0.0	157.0	13,465.1
Changes in debt instruments at fair value through other comprehensive income	0.0	0.0	0.0	-7,666.4	0.0	0.0	-7,666.4	0.0	0.0	-7,666.4
<i>Measurement of debt instruments at fair value through other comprehensive income</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>-6,110.9</i>	<i>0.0</i>	<i>0.0</i>	<i>-6,110.9</i>	<i>0.0</i>	<i>0.0</i>	<i>-6,110.9</i>
<i>Recycling of debt instruments at fair value through other comprehensive income</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>-1,555.5</i>	<i>0.0</i>	<i>0.0</i>	<i>-1,555.5</i>	<i>0.0</i>	<i>0.0</i>	<i>-1,555.5</i>
Changes in equity instruments at fair value through other comprehensive income	0.0	0.0	0.0	0.0	79.1	0.0	79.1	0.0	0.0	79.1
Change in actuarial gains/losses	0.0	0.0	0.0	0.0	0.0	173.8	173.8	0.0	7.4	181.2
Total	0.0	0.0	13,308.1	-7,666.4	79.1	173.8	5,894.6	0.0	164.4	6,059.0
Capital contribution	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Profit distribution	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-108.7	-108.7
Appropriation to fixed reserves	0.0	4,721.1	-4,721.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0
AT1 coupon	0.0	0.0	-4,104.5	0.0	0.0	0.0	-4,104.5	0.0	0.0	-4,104.5
Acquisition of non-controlling interests	0.0	0.0	-87.7	0.2	-0.2	0.0	-87.7	0.0	-12.3	-100.0
As of 31/12/2025	177,017.1	163,853.1	312,429.5	49,479.3	665.2	2,759.1	706,203.3	62,243.7	310.4	768,757.3

STATEMENT OF CHANGES IN EQUITY 1/1 – 31/12/2024 in EUR thousand	Subscribed capital	Reserves	Other retained earnings (incl. consolidated profit for the year)	Reserve for debt capital instruments at fair value through other comprehensive income	Reserve for equity instruments at fair value through other comprehensive income	Actuarial gains/losses IAS 19	Equity attributable to Komm-nalkredit shareholders	Additional equity component	Non-controlling interests	Equity
as of 1/1/2024	177,017.1	50,931.3	224,165.3	59,038.0	960.6	2,335.4	514,447.8	62,243.7	260.6	576,952.0
Profit for the period	0.0	0.0	96,145.1	0.0	0.0	0.0	96,145.1	0.0	126.6	96,271.8
Changes in debt instruments at fair value through other comprehensive income	0.0	0.0	0.0	-1,892.4	0.0	0.0	-1,892.4	0.0	0.0	-1,892.4
<i>Measurement of debt instruments at fair value through other comprehensive income</i>	0.0	0.0	0.0	-1,892.4	0.0	0.0	-1,892.4	0.0	0.0	-1,892.4
<i>Recycling of debt capital instruments at fair value through other comprehensive income</i>	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Changes in equity instruments at fair value through other comprehensive income	0.0	0.0	0.0	0.0	-374.3	0.0	-374.3	0.0	0.0	-374.3
Change in actuarial gains/losses	0.0	0.0	0.0	0.0	0.0	249.8	249.8	0.0	-1.2	248.6
Total	0.0	0.0	96,145.1	-1,892.4	-374.3	249.8	94,128.2	0.0	125.4	94,253.6
Capital contribution	0.0	100,000.0	0.0	0.0	0.0	0.0	100,000.0	0.0	0.0	100,000.0
Profit distribution	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	-83.0	-83.0
Appropriation to fixed reserves	0.0	8,200.6	-8,200.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0
AT1 coupon	0.0	0.0	-4,104.5	0.0	0.0	0.0	-4,104.5	0.0	0.0	-4,104.5
Other Effects	0.0	0.0	29.3	0.0	0.0	0.0	29.3	0.0	-35.9	-6.6
As of 31/12/2024	177,017.1	159,131.9	308,034.6	57,145.6	586.3	2,585.2	704,500.8	62,243.7	267.0	767,011.5



V. Consolidated statement of cash flows

CONSOLIDATED STATEMENT OF CASH FLOWS in EUR thousand [*]	1.1.-31.12.2025	restated 1.1.-31.12.2024
Profit (after tax, before non-controlling interests)	13,465.1	96,271.8
Non-cash items included in the profit and reconciliation to cash flow from operating activities		
Depreciation and amortization of property, plant and equipment and intangible assets	1,851.3	1,963.2
Gains/losses from the sale of property, plant and equipment and intangible assets	-8,631.1	11,322.6
Appropriation to/release of provisions	80,914.1	0.0
Gains/losses from the valuation of financial assets	20,291.9	-10,167.2
Income tax	4,833.3	30,301.5
Net interest income	-160,721.7	-185,034.2
Non-cash accruals and other adjustments	-53.3	409.3
Sub-total	-48,050.4	-54,933.1
Change in assets and liabilities from operating activities after correction for non-cash items		
Financial assets at amortized cost		
<i>thereof loans and advances to credit institutions</i>	-50,385.9	5,702.6
<i>thereof loans and advances to customers</i>	-343,780.9	-335,438.4
<i>thereof debt instruments</i>	-286,152.5	317,761.9
Assets at fair value through other comprehensive income	-134,049.9	-434,102.1
Assets at fair value through profit or loss	-28,358.7	-203,225.9
Derivatives and portfolio hedge	437.9	-1,154.3
Other assets from operating activities	1,560.3	1,350.5
Amounts owed to credit institutions	20,610.2	6,758.4
Amounts owed to customers	-319,013.1	-224,545.0
Securitized liabilities	528,050.5	712,029.5
Other liabilities from operating activities	-13,836.6	-2,107.4
Interest received	379,080.2	397,062.6
Dividends	36.0	36.0
Interest paid	-210,803.3	-178,605.5
Income taxes paid	-47,064.7	-52,348.9
Cash flow from operating activities	-551,720.8	-45,759.2
Cash receipts from the sale / redemption of property, plant and equipment and intangible assets	15,350.0	0.0
Cash payments for the acquisition of Property, plant and equipment and intangible assets	-11,898.5	-11,753.8
Cash payments for the investments in associates recognized at equity	-954.0	-708.3
Cash flow from investing activities	2,497.5	-12,462.1
Cash inflow from capital increases	0.0	100,000.0
Dividend payments attributable to non-controlling interests	-108.7	-83.0
Cash payments for the acquisition of non-controlling interests of affiliated companies	-100.0	0.0
Cash inflow from subordinated capital	147,439.8	-0.0
AT1 coupon	-4,104.5	-4,104.5
Cash outflow from repayments of lease liabilities	-120.7	-133.9
Cash flow from financing activities	143,005.9	95,678.6
Cash and cash equivalents at the of the previous period	933,219.9	895,762.7
Cash flow from operating activities	-551,720.8	-45,759.2
Cash flow from investing activities	2,497.5	-12,462.1
Cash flow from financing activities	143,005.9	95,678.6
Cash and cash equivalents at the end of the period	527,002.5	933,219.9

^{*}For an explanation of the adjustments made, see Note 1 General information.

Notes to the Consolidated Financial Statements of the Kommunalkredit Group for the Financial Year 2025 | General Principles

1. GENERAL INFORMATION

Kommunalkredit Austria AG (Kommunalkredit), which has its registered office at Tuerkenstrasse 9, Vienna, Austria, is a specialist bank for infrastructure and energy financing as well as public finance; it forms the bridge between project sponsors (infrastructure constructors and/or operators) and institutional investors such as insurers or pension funds. It is registered with the Commercial Court (Handelsgericht) of Vienna under Companies Register number 439528s.

Satere Beteiligungsverwaltung GmbH (Satere) owns 99.80% of Kommunalkredit, with a stake of 0.20% held by the Association of Austrian Municipalities. Since 15 July 2024, Satere is indirectly owned by funds and investment companies managed by Altor Fund Manager AB (80.20%), as well as by minority investors.

The consolidated financial statements of Kommunalkredit, based on the IFRS Accounting Standards (IFRS) as they are to be applied

in the European Union (EU), are prepared pursuant to § 59a of the Austrian Banking Act (BWG) in conjunction with § 245a of the Austrian Commercial Code (UGB). These financial statements meet the requirements of § 59a of the Austrian Banking Act. As an issuer of exchange-listed securities, Kommunalkredit publishes a Group Management Report pursuant to § 124 (1) of the Austrian Stock Exchange Act (BörseG) as part of this report.

The consolidated financial statements of Kommunalkredit, which prepares the consolidated financial statements for the smallest consolidated group of companies, are registered with the Commercial Court of Vienna under Companies Register number 439528s. Kommunalkredit is an affiliated company of Green Opera Finance Invest AB, with registered office in Stockholm (Sweden), which prepares the consolidated financial statements for the largest consolidation group under company registration number 559411-1998.

2. STANDARDS AND INTERPRETATIONS APPLIED

The consolidated financial statements of Kommunalkredit were produced based on all IFRS Accounting Standards and interpretations of IFRS Interpretations Committees (IFRICs and SICs) approved and published by the International Accounting Standards Board (IASB), adopted into European law by the European Union (EU) and applicable on a mandatory basis as of 31 December 2025.

tations of IFRS Interpretations Committees (IFRICs and SICs) approved and published by the International Accounting Standards Board (IASB), adopted into European law by the European Union (EU) and applicable on a mandatory basis as of 31 December 2025.

Overview of new standards/interpretations or changes to be applied for the first time in the 2025 financial year:

STANDARD/INTERPRETATION	Title of standard/ interpretation or amendment	First-time adoption
Amendments to IAS 21	Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability	1/1/2025

The standards are applicable for the financial years starting on or after the "first-time-adoption" date

Amendments to IAS 21

The amendments to IAS 21 relate to the assessment of whether a currency is exchangeable, how an exchange rate should be determined when exchangeability is lacking, as well as additional disclosure obligations in this regard.

Kommunalkredit's currency holdings consist exclusively of exchangeable currencies with an official ECB rate. Therefore, the application has no significant impact on the consolidated financial statements.

Overview of standards already adopted by the EU that have not been applied early:

STANDARD/INTERPRETATION	Title of standard/ interpretation or amendment	First-time adoption
Amendments to IFRS 9 and IFRS 7	Classification and measurement of financial instruments	1/1/2026
Amendments to IFRS 9 and IFRS 7	Nature-dependent electricity contracts	1/1/2026
Annual Improvements Volume 11	Amendments to IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7	1/1/2026
IFRS 18	Presentation and Disclosure in Financial Statements	1/1/2027

The standards are applicable for the financial years starting on or after the "first-time-adoption" date

Amendments to IFRS 9 and IFRS 7**Classification and measurement of financial instruments**

The amendments allow companies to derecognize a financial liability if it is settled through an electronic cash transfer system, provided specific conditions are met. This option must apply to all settlements made through the same electronic payment system.

Other amendments govern:

Classification of financial assets:

- Amendments to the permissible SPPI criterion for classification at amortized cost as well as examples of corresponding assets.
- The term "non-recourse features" is elaborated on, where financial assets are considered to have non-recourse features, if the right to cash flows is limited to specific assets.
- Additions to the distinction drawn between non-recourse financing and contractually linked instruments.

Disclosure obligations:

- Companies are required to recognize the cumulative gains and losses reclassified in equity from investments in equity instruments separately; this relates to derecognized instruments and for instruments held.
- Contractual terms that could change the amount of the cash flows must be disclosed, particularly in the case of events that do not relate directly to changes in basic lending risks and costs.

Application of these amendments is not expected to have any material impact on the consolidated financial statements.

Nature-dependent electricity contracts

The amendments clarify the application of the own use exemption in IFRS 9 for contracts whose delivered volumes fluctuate due to uncontrollable natural conditions, reducing unnecessary classification of such PPAs as derivatives measured at fair value through profit or loss. They also update hedge accounting requirements by allowing entities to designate variable nominal volumes of forecast electricity purchases as hedged items when specified criteria are met. In addition, IFRS 7 now requires enhanced disclosures to improve transparency regarding the financial effects, risks, and

cash flow implications of these contracts. The Kommunalkredit does not hold such contracts, thus this amendment will not have any effect on consolidated financial statement.

Annual Improvements Volume 11

The IASB issued Annual Improvements to IFRS Accounting Standards—Volume 11 on 18 July 2024. The Annual Improvements include a series of smaller amendments to several IFRS Standards and mainly serve to improve the quality of the standards, by clarifying formulations, making smaller corrections and addressing potential contradictions and conflicts. Improvements comprised the following standards: IFRS 1, IFRS 7, IFRS 9, IFRS 10 and IAS 7. Application of these amendments is not expected to have any material impact on the consolidated financial statements.

IFRS 18

The IASB published a new IFRS 18 standard, which determines requirements for the presentation and disclosure of financial information in general financial statements. It will replace IAS 1. The new standard introduces several significant changes:

- In future, companies will have to classify all income and expenses in the income statement into one of five categories: operating activities, investing activities, financing activities, income taxes, and discontinued operations. The standard also requires the introduction of a new subtotal called "operating profit". This does not change the company's net income for the period.
- Certain company-specific performance measures (management performance measures, MPMs) must be explained in a separate note to the financial statements in future.
- In addition, improved guidelines for the structuring and grouping of information in the financial statements are being introduced.

Furthermore, all companies must use the operating result as the starting point for the cash flow statement if cash flow from operating activities is presented using the indirect method.

The impact of the changes on the consolidated financial statements, particularly with respect to the consolidated income statement, the consolidated statement of cash flows and the additional disclosures regarding MPMS is still being analyzed.

Overview of regulations not yet adopted by the EU that have not been applied early:

STANDARD/INTERPRETATION	Title of standard/ interpretation or amendment	First-time adoption
Amendments to IAS 21	The Effects of Changes in Foreign Exchange Rates: Translation to a Hyperinflationary Presentation Currency	1/1/2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures	1/1/2027

The standards are applicable for the financial years starting on or after the "first-time-adoption" date

Amendments IAS 21

The IASB amended IAS 21 to require entities translating from a non-hyperinflationary functional currency to a hyperinflationary presentation currency to use the closing rate at the most recent statement of financial position, including comparatives. When the presentation currency ceases to be hyperinflationary, entities apply the standard translation method prospectively without restating comparatives. Entities must disclose the applied method, provide summarized financial information, and note if the economy ceased to be hyperinflationary, with an exception for those applying IAS 29. Kommunalkredit doesn't hold any hyperinflationary currencies, thus the changes will not have any effect on report.

IFRS 19

The IASB published a new standard that permits subsidiaries to use IFRS Accounting Standards with reduced disclosures, if their parent companies have public accountability and already apply IFRS Accounting Standards in their consolidated financial statements. Companies whose shares are listed on a stock exchange or whose assets are held in a fiduciary capacity (e.g. credit institutions) are not permitted to apply IFRS 19. IFRS 19 will therefore have no impact on the consolidated financial statements of Kommunalkredit

3. SCOPE OF CONSOLIDATION

In accordance with the provisions of IFRS 10, the scope of consolidation of the Kommunalkredit Group comprises the following in

addition to the parent company Kommunalkredit Austria AG as of 31 December 2025:

NAME AND REGISTERED OFFICE	Investment		Share in capital 31/12/2025 in %	Share in capital 31/12/2024 in %
	direct	indirect		
1. Affiliated companies				
Fully consolidated affiliated companies				
Kommunalkredit Public Consulting GmbH, Wien	x		90.0%	90.0%
Kommunalkredit KBI Immobilien GmbH, Wien	x		100.0%	100.0%
Kommunalkredit 4OG Immobilien GmbH & Co KG		x	100.0%	100.0%
Kommunalkredit KBI Immobilien GmbH & Co KG, Wien		x	100.0%	100.0%
Kommunalkredit TLI Immobilien GmbH & Co KG, Wien		x	100.0%	100.0%
Fidelio KA Beteiligung GmbH (DE)	x		100.0%	74.9%
Fidelio KA Infrastructure Opportunities Fund GP S. à r. l. (LUX)		x	100.0%	74.9%
Fidelio KA Investment Advisory GmbH (DE)		x	100.0%	74.9%
Florestan KA GmbH, Wien	x		100.0%	100.0%
Florestan KA Hydrogen GmbH, Wien		x	100.0%	100.0%
2. Associates				
Associates included using the equity method				
PeakSun Holding GmbH Wels		x	40.0%	40.0%

For reasons of materiality, Kommunalkredit's 45.0% stake in Kommunalnet E-Government Solutions GmbH is not accounted as an associated company at equity, but is reported under assets at fair value through other comprehensive income.

In March 2025, Kommunalkredit acquired all shares in Fidelio KA Beteiligung GmbH. A detailed description of this transaction is provided in note 72. There were no other changes.

No material risks or restrictions arise for the Kommunalkredit Group from its affiliated and associated companies.

Accounting and measurement principles

4. GENERAL ACCOUNTING AND MEASUREMENT METHODS

The consolidated financial statements of Kommunalkredit were prepared on a going-concern basis. The financial information provided in the consolidated financial statements comprises the data concerning the parent together with its subsidiaries, presented as a single economic entity. The accounting and measurement principles are applied uniformly throughout the Group and continuously for the reporting periods presented.

These financial statements are intended to give a true and fair view of the assets, the financial position and the income of the Kommunalkredit Group according to IFRS rules, as adopted by the EU. Acquisitions and disposals in all classes of financial assets are recognized on the day of trading.

Income and expenses are accrued/deferred pro rata temporis and are recognized in the period to which they are attributable in economic terms. Interest is recognized as it accrues in net interest income, considering all contractual arrangements made in connection with the financial assets or liabilities. Dividend income is only booked when a corresponding legal claim to payment arises.

Fees and commissions for services provided over a certain period of time are recognized over the period of service provision. Fees related to the completion of a specific service are booked as income at the time of completion of the service. Contingent commissions are recognized when the required performance criteria are met.

The reporting currency of the consolidated financial statements of Kommunalkredit is the euro, as the functional currency of all of the companies included in the consolidated financial statements. Unless otherwise indicated, the figures are rounded to the nearest thousand, which may result in rounding differences in the tables.

Changes in presentation

In the reporting period 2025, the disclosure within administrative expenses was adjusted. Depreciation and impairment losses, which were previously included under other administrative expenses, are now presented separately within administrative expenses. Expenses from depreciation and impairment amounted to EUR -1,851.3 thousand in 2025 (2024: EUR -1,963.2 thousand).

Correction of errors

The consolidated cash flow statement for the fiscal year 2024 was incorrect and was adapted. Additionally the presentation was revised.

In the consolidated cash flow statement for the fiscal year 2024, the "subtotal" reported under operating cash flow was overstated by EUR 240,422.6 thousand. In addition, the amounts for interest received, which must be disclosed separately under IAS 7.31, were understated by EUR 56,344.7 thousand, and the negative amounts for interest paid were understated by EUR -79,537.4 thousand. Furthermore, the other items under "Changes in assets and liabilities from operating activities after adjustment for cash-effective components" were presented at a total of EUR -472,314.9 thousand instead of EUR -209,319.2 thousand (error of EUR 262,995.7 thousand).

The changes in presentation relate to the line "Non-realized gains/losses from exchange rate fluctuations", which is now combined with the line "Gains/losses from the valuation of financial assets and gains from the buyback of own issues". Net interest income is shown in a separate line and no longer under non-cash accruals and other adjustments. In financial assets at amortized cost, debt instruments are now presented separately from loans and advances.

The changes had no effect on the presentation in the consolidated balance sheet and the consolidated income statement. The corrections are shown in detail in the following table.

CONSOLIDATED STATEMENT OF CASH FLOWS in EUR thousand	published 1.1.-31.12.2024	Reconciliation	restated 1.1.-31.12.2024
Profit (after tax, before non-controlling interests)	96,271.8	0.0	96,271.8
Non-cash items included in the profit and reconciliation to cash flow from operating activities			
Depreziation and amortization of property, plant and equipment and intangible assets	1,963.2	0.0	1,963.2
Appropriation to/release of provisions	10,820.0	502.6	11,322.6
Non-realized gains/losses from exchange rate fluctuations	20.2	-20.2	0.0
Gains/losses from the valuation of financial assets and gains from the buyback of own issues	-10,187.4	20.2	-10,167.2
Income tax	29,599.7	701.8	30,301.5
Net interest income	0.0	-185,034.2	-185,034.2
Non cash accruals and other adjustments	57,002.1	-56,592.8	409.3
Sub-total	185,489.5	-240,422.6	-54,933.1
Change in assets and liabilities from operating activities after correction for non-cash items			
Financial assets at amortized cost			
<i>thereof loans and advances to credit institutions</i>	-38,719.1	44,421.6	5,702.6
<i>thereof loans and advances to customers</i>	-655,694.6	320,256.2	-335,438.4
<i>thereof debt instruments</i>	304,601.4	13,160.5	317,761.9
Assets at fair value through other comprehensive income	-422,964.5	-11,137.6	-434,102.1
Financial assets at fair value through profit or loss	-205,919.4	2,693.5	-203,225.9
Derivatives and portfolio hedge	34,587.5	-35,741.8	-1,154.3
Other assets from operating activities	3,487.9	-2,137.4	1,350.5
Amounts owed to credit institutions	10,615.1	-3,856.7	6,758.4
Amounts owed to customers	-198,987.8	-25,557.2	-224,545.0
Securitized liabilities	765,096.1	-53,066.7	712,029.5
Other liabilities from operating activities	-16,167.7	14,060.3	-2,107.4
Interest received	340,717.9	56,344.7	397,062.6
Dividends	36.0	0.0	36.0
Interest paid	-99,068.1	-79,537.4	-178,605.5
Income taxes paid	-52,249.9	-99.0	-52,348.9
Cash flow from operating activities	-45,139.6	-619.6	-45,759.2
Cash payments for the acquisition of Property, plant and equipment and intangible assets	-12,263.8	510.0	-11,753.8
Cash payments for the investments in associates recognized at equity	-708.3	0.0	-708.3
Cash flow from investing activities	-12,972.1	510.0	-12,462.1
Cash inflow from capital increases	100,000.0	0.0	100,000.0
Dividend payments attributable to non-controlling interests	-83.0	0.0	-83.0
AT1 coupon	-4,104.5	0.0	-4,104.5
Cash outflow from repayments on lease liabilities	-243.6	109.6	-133.9
Cash flow from financing activities	95,568.9	109.6	95,678.6
Cash and cash equivalents at the end of the previous period	895,762.7	0.0	895,762.7
Cash flow from operating activities	-45,139.6	-619.6	-45,759.2
Cash flow from investing activities	-12,972.1	510.0	-12,462.1
Cash flow from financing activities	95,568.9	109.6	95,678.6
Cash and cash equivalents at the end of the period	933,219.9	0.0	933,219.9

5. CONSOLIDATION PRINCIPLES

All material subsidiaries controlled by Kommunalkredit, as defined by IFRS 10, are fully consolidated. Based on this definition, control refers to a scenario in which the Group is exposed, or has rights to, significant variable returns from involvement with the investee, and has the ability to use power over the investee to affect the amount of those returns.

The consolidation requirement for investment funds whose transactions are administered by Kommunalkredit and in which Kommunalkredit also simultaneously holds shares in the net asset value (NAV) of the fund as a limited partner is assessed by analysing the scope for materially influencing the cash flows and returns of the fund and the assessment of whether there is a significant economic interest. The latter is achieved by comparison of the direct investment and the expected total returns of the Kommunalkredit Group including all income (such as distributions and fees) with thresholds set within the Group. If control exists according to this analysis and there is a significant economic interest, an investment fund is included in the consolidated financial statements in the form of full consolidation.

The consolidation actions taken include capital consolidation, debt consolidation as well as the consolidation of expenses and income. The fully consolidated companies all present their annual financial statements as of the Group reporting date.

Intra-Group equity transactions, receivables and liabilities, as well as expenses and income, are eliminated, unless they are immaterial. Intra-Group transactions, balances, and unrealized gains and losses from transactions between Group companies are also eliminated, unless they are immaterial.

If Kommunalkredit loses control over a subsidiary, the deconsolidation gains or losses are recognized in profit and loss. These are calculated from the difference between:

- the total amount of the fair value for the consideration received and the fair value of the retained shares and
- the carrying amount of the assets (including the goodwill), the liabilities of the subsidiary and all non-controlling interests.

All amounts previously recognized in other comprehensive income for the subsidiary in question are declared. This is done on the same basis as would be required in the event of an immediate sale of the corresponding assets or liabilities.

According to the consolidation rules, joint arrangements (IFRS 11) are accounted for as joint operations and/or joint ventures. Should a joint agreement be classified as a joint operation, the assets, liabilities and revenue from this activity to which Kommunalkredit is entitled as per the agreement are recognized on a pro rata basis.

Companies over which Kommunalkredit has a material influence and/or joint ventures (Investments in Associates and Joint Ventures in accordance with IAS 28) are measured according to the equity method and recognized as investments in associates. According to the equity method, the investments in associates and/or joint ventures are recognized at acquisition cost, plus any post-acquisition changes in the shares held by the Group in the

net assets of the associate. The most recent financial statements (including reconciliation to IFRS) of the associate are used as a basis.

6. CURRENCY TRANSLATION

Monetary assets and liabilities denominated in foreign currencies are translated at the mean rate of exchange (euro reference rate) announced by the European Central Bank (ECB) as of the reporting date. Non-monetary items reported at historical cost in a foreign currency are translated at the rate applicable on the date of the business transaction; non-monetary items that were measured at their contemporary fair value in a foreign currency are translated at the rate applicable on the date the item was measured. Currency translation gains and losses are reported in the income statement under the item "Gains and losses from financial assets and liabilities". Instruments measured at fair value and not recognised in profit and loss have their translation result from the fair value measurement (again, not recognised in profit or loss) reported in total comprehensive income.

7. SHARE-BASED PAYMENTS

Since the 2025 financial year, certain employees of the Group have had the opportunity to acquire shares in Green Opera Finance BidCo AB or indirectly in Kommunalkredit Austria AG at market conditions. The employee share program is issued and managed independently of the Kommunalkredit Group through separate companies. Presentation is carried out in accordance with the IFRS 2.

Recognition depends on certain conditions:

- If the employee does not derive any additional benefit from their participation, no accounting recognition is made, but the program is disclosed in the notes.
- If the employee benefits from their participation, this benefit is recognized in the balance sheet at the time it is granted.

Since employees can participate on market conditions, no recognition in the balance sheet is necessary. The vesting period is three years, during which one third of the employees' economic rights becomes vested each year. In the event of a termination of employment during the vesting period, unvested instruments are returned at the lower of acquisition cost or market value, while vested instruments are settled at market value. Currently, employees hold 2,108% of Green Opera Finance BidCo AB

8. CLASSIFICATION AND MEASUREMENT OF FINANCIAL ASSETS

8.1. Classification principles

IFRS 9 requires all financial assets to be measured either at amortized cost or fair value depending on the features of the contractual cash flows and the business model. Measurement at fair value may be reflected directly in equity (other comprehensive income) or recognized in profit and loss through the income statement. Contractual cash flows and the business model are evaluated within Kommunalkredit upon conclusion of a transaction at the level of the individual financial asset.

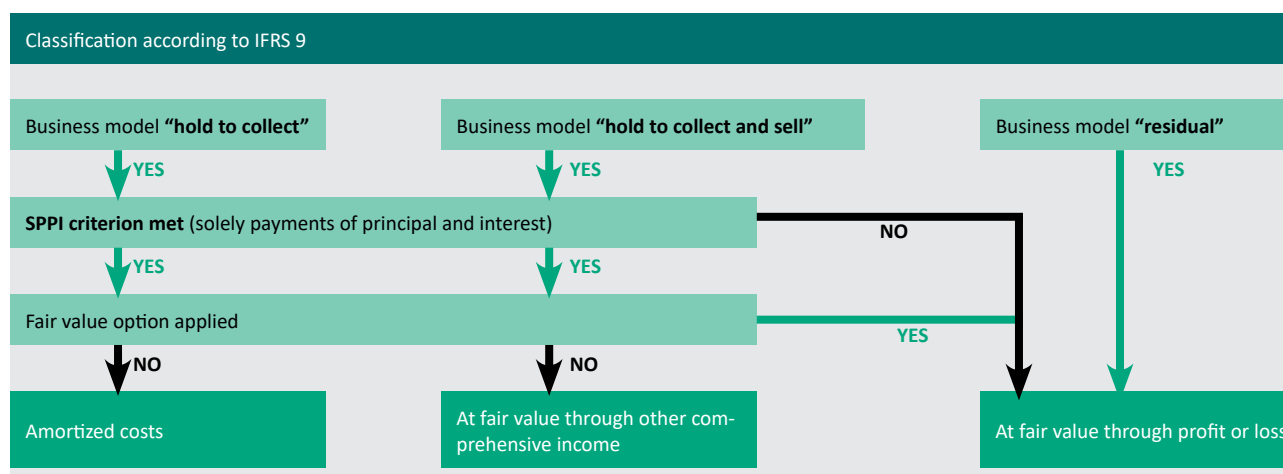
Business model classification is used to analyse the purpose of a specific asset. Items solely used to generate interest income and not held for sale are classified under the business model “hold”. Financial instruments that are expected to be sold or at least partially or fully held until their maturity are classified under the business model “hold and sell”. At Kommunalkredit, these include financing transactions intended for opportunistic placement. Financial assets with short-term intentions of syndication are classified under the business model “sell”.

When analysing the contractual cash flows of a financial asset, it is determined whether the cash flows are solely payments of principal and interest (“SPPI criterion”) on the outstanding capital amount. In particular, interest rate adjustment clauses (synchronisation between the agreed interest rate tenor and the interest

rate adjustment period), contractual interest deferral periods and contractual interest rate levers are subject to examination. In cases of “non-recourse” financing, the rating at the time the loan is granted is also taken into account in order to ascertain possible categorization as an asset at fair value through profit or loss. In the context of the repayment of capital (or early repayment of capital), care is taken to ensure that the outstanding capital is repaid and that repayment is not dependent on the performance of a financed asset. In the event of a potential extension of the contract term, care is taken to ensure that this is carried out in line with prevailing market conditions.

Financial assets are only reclassified if there is a strategic shift in the business model; this is by definition an exceptional occurrence. There were no reclassifications in the reporting year.

The following diagram summarises the classification process according to IFRS 9:



For details regarding the derecognition of financial assets, see Note 22.

8.2. Financial assets at amortized cost

Financial assets whose contractual cash flows solely represent payments of principal and interest (“SPPI criterion”) on the outstanding capital amount and that are held in connection with a business model for the purpose of collecting contractual cash flows (business model “hold”) are reported at amortized cost.

Financial assets under this measurement classification are reported in the statement of financial position under assets at amortized cost and cash and cash equivalents. When these financial assets are recognized for the first time, they are reported at fair value (see Note 12), taking into account transaction costs. Subsequent measurements are reported at amortized cost. These costs are calculated from the amount that the financial assets were first measured at upon initial recognition, less repayments and plus/less the cumulative distribution of differences arising between the original amount issued and the amount that has to be repaid as a mandatory requirement upon maturity, using the effective

interest method and taking into account the risk provisions (see Note 9). The result of the amortization of the differences, applying a constant effective interest rate, is reported in the income statement under net interest income. The method of accounting for loans and receivables that represent hedged items in hedging relationships is described in more detail under Note 11. Arrangement and other fees in connection with credit that has not yet been disbursed are reported in other liabilities and taken into account at the effective interest rate at the time of disbursement, except for ongoing commitment fees, which relate directly to the not yet utilized scope of an asset in this category. These are booked as net interest income for a specific time period and not considered part of the effective interest rate. If commitment fees are collected for the provision of the loan regardless of the respective utilization, these are part of the effective interest rate provided that a disbursement of the loan is probable. The treatment of fees which are not part of the effective interest rate and are booked as net fee and commission income is explained in Note 23.

The sale of assets just before their maturity, insignificant or irregular sales or sales for reasons relating to creditworthiness are in principle permissible disposals from the “hold” business model. At Kommunalkredit, such transactions are studied in detail for compliance purposes and the results are reported under the item “Result from the disposal of financial assets measured at amortized cost”.

8.3. Reporting of financial assets at fair value through other comprehensive income

If only SPPI-compliant cash flows are associated with a financial asset and the financial asset is held under a business model aimed at generating income from both the collection of contractual cash flows and sales (“hold and sell” business model), these assets are reported at fair value through other comprehensive income directly in equity in other comprehensive income. Financial instruments of this classification are initially and subsequently measured at fair value, taking into account transaction costs. Any difference between the cost of acquisition and the amount that has to be repaid, as a mandatory requirement, upon maturity is distributed over the term using the effective interest method and reported under net interest income. Changes in the measured fair value are reported in the statement of comprehensive income and directly result in a change to the reserve for financial assets reported at fair value through other comprehensive income within equity.

The treatment of fees in respect of assets in this category is analogous to the procedure described in Note 8.2.

In cases of the disposal of debt capital instruments, the amount recognized as of the last reporting date in the reserve for assets measured at fair value through other comprehensive income is reclassified to the income statement and recognized in profit and loss.

8.4. Reporting of financial assets at fair value through profit or loss

Financial assets whose contractual cash flows are not SPPI-compliant or which are classified under the “sell” business model are measured at fair value through profit or loss. In addition, there is also a discretionary right at the time of recognition to declare financial assets voluntarily at fair value through profit or loss if differences from different measurement methods can be eliminated or substantially mitigated by this method (fair value option). Kommunalkredit does not currently utilise the fair value option for financial assets or liabilities.

Financial instruments included under this classification are measured initially and subsequently at fair value. Transaction costs are reported directly in the income statement.

8.5. Equity instruments

Equity instruments are generally measured at fair value through profit or loss. Equity instruments not held for trading are also subject to the option of reporting these at fair value through other comprehensive income; the exercise of this option is irrevocable.

Kommunalkredit has utilized this option for all equity instruments held by it as these are strategic, long-term investments. Changes in the measured fair value of strategic equity instruments are reported in the statement of comprehensive income and directly result in a change to the reserve for financial assets reported at fair value through other comprehensive income within equity. Income from dividends from these instruments are reported in the income statement under income from investments. Where these instruments are disposed of or where a default event occurs, value changes previously reported under the reserve for financial assets reported at fair value through other comprehensive income are reclassified to retained earnings (no reclassification to the income statement).

8.6. Modifications/changes to estimates of financial assets

Modifications are any contractual amendment relating to originally agreed cash flows and, in Kommunalkredit, are primarily due to market-induced factors. Modifications may either be substantial or non-substantial. A substantial modification to contractual cash flows results in the derecognition of the original financial instrument and the new recognition of a modified financial instrument. With non-substantial modifications, however, the carrying amount of the financial asset is adapted to the changes in the contractual cash flows. Fees received in connection with a non-substantial modification and paid transactions are directly included in the determination of the modification result. The change in present value brought about directly by the non-substantial modification is reported in profit or loss under “Gains and losses on financial assets and liabilities”.

Consequently, the differential amount relative to the repayable amount with the effective interest applied until maturity of the financial instrument is distributed under net interest income. Both quantitative and qualitative factors feature in the assessment of whether a modification results in a substantial or non-substantial change. The quantitative assessment is performed in the form of a present value test by comparing the impact of a modification on the contractual cash flows. If the present value of the modified asset is more than 10% of the original gross book value, the change is considered substantial. Qualitative factors that are considered in the assessment of modifications include the adjusted term of the modified asset, the nature of fees received in connection with the modification, possible changes in the purpose of the financing and

a significantly changed reward or risk profile for Kommunalkredit. Effects from the derecognition and re-recognition of financial instruments in the event of substantial modifications are reported in other operating result. Modification effects are assessed both for financial assets and for financial liabilities (see Note 19). Changes to expectations regarding cash flows not involving contractual amendments (changes to estimates) are handled similarly to non-substantial modifications in that the carrying amount of the instrument is adjusted based on the newly expected cash flows. With changes to estimates, the adjustment is reported in the income statement under net interest income as an income or an expense.

8.7. “Purchased or originated credit impaired” financial assets (POCI)

POCI assets refers to financial instruments that, upon purchase or origin, already had impaired creditworthiness. IFRS 9 has special provisions regarding the determination of the interest income and risk provisioning for assets that are reported at amortized cost or at fair value through other comprehensive income.

9. RISK PROVISIONS

Statistically expected credit losses are taken into account based on a risk provisioning model with statistically calculated empirical values. The risk provisioning is calculated either as the expected 12-month credit loss (stage 1) or the expected credit loss over the residual maturity, if the risk of default has increased significantly since the initial recognition of the financial asset (stage 2). The expected loss for stages 1 and 2 is determined by multiplying the probability of default (PD) over 12 months (stage 1) or over the residual maturity (stage 2), with the loss given default (LGD) and the exposure at the time of default (EAD).

Risk provisions for financial assets reported at amortized cost are recorded under separate accounts, and the changes are reported under net provisioning for impairment losses. For financial assets measured at fair value through other comprehensive income, that part of the change in current value resulting from changes in expected credit losses is reclassified to the net provisioning for impairment losses.

In order to assess whether the risk of default has increased significantly (stage transfer), Kommunalkredit takes into account quantitative and qualitative factors, covering the 16 indicators according IFRS 9 / B5.5.17 a-p. These include, in particular:

- The absolute level of credit risk (“low credit risk” criterion), according to which financial assets with investment grade ratings are generally subject to the expected 12-month credit loss (stage 1). As part of the regular rating and review process, all financial assets in the investment-grade category undergo a qualitative review for significant increases in credit risk.
- Change in credit risk based on the rating development;

- Changes of internal price indicators with terms and conditions remaining the same;
- Possible significant changes in contractual terms if the financial instrument were to be newly issued;
- Changes in external market indicators of a financial instrument with equivalent terms;
- Where payment delays of more than 30 days have occurred, an individual assessment is performed to determine if this leads to a significant increase in credit risk.

If the (quantitative or qualitative) circumstances that necessitated a stage transfer of the exposure cease to apply, the exposure is transferred back after a corresponding recovery period.

The risk provisions for stage 1 and stage 2 are calculated on a probability-weighted basis and take into account the expected disbursements and repayments during the period under review, as well as the maximum contractual term during which Kommunalkredit is exposed to a risk of default. Input parameters for the calculation of the expected credit losses such as the exposure at default (EAD), probability of default (PD) and the loss-given-default ratio (LGD) are determined from a combination of internal and external data. The cashflows for the statistically expected credit losses are discounted to the reporting date and aggregated; the discount rate is equal to the effective interest rate. The inclusion of forward-looking information in input parameters is based on a macro-economic model that incorporates factors such as GDP growth, unemployment rates and changes to the two stock indices S&P 500 and STOXX Europe 50. The derivation of macro-economic scenarios as a basis for the probability-weighted calculation of expected credit losses takes into account the specifics of Kommunalkredit’s portfolio and undergoes regular validation.

Impairments (stage 3) are evaluated within Kommunalkredit for individual transactions for borrowers that are in default according to the regulatory criteria, with financial assets and their associated credit commitments being individually taken into account for each transaction. Cash flow estimates for the individual transaction are used to the level of the individual transaction to determine the need for individual value adjustments.

To define default events, Kommunalkredit applies the default definition as laid down by Art. 178 CRR. This includes receivables that are more than 90 days past due (overdue receivables) and the criterion “unlikeliness to pay”. A receivable is deemed to be 90 days past due if the overdue receivable exceeds 1.0% of the outstanding loans and advances, and is at least EUR 500.00. As part of the “unlikeliness to pay” review, receivables pursuant to Art. 178 CRR are also subject to a qualitative review to determine whether it is unlikely that the debtor can meet its obligations in full. The assessment criteria are specified in more detail by the EBA and ECB, distinguishing between such criteria which, if met, must generally lead to a default status being assigned and those which are an indication of potential non-recoverability of the receivable. The latter must then be analyzed, and may not necessarily lead to a default status being assigned.

At Kommunalkredit, there is a multi-stage risk control process in which all exposures/partners are classified into six risk categories:

▪ **Risk category 1a: Standard risk category**

Standard risk category for all exposures under regular management that are not subject to a higher risk category.

▪ **Risk category 1b: Monitoring list**

Exposures under regular management but which are under observation and are included on the monitoring list because they exhibit temporary anomalies and are being monitored for various reasons. However, there is no elevated risk in the sense of a significant deterioration of the probability of default.

▪ **Risk category 2a: Watchlist / intensive management**

Includes those exposures that are classified as Watchlist partners due to material or credit-related anomalies and elevated risk. They are therefore subject to close monitoring and intensive management. Depending on severity of the anomalies, these exposures are classified in IFRS stage 2 (lifetime expected credit loss) but do not indicate any need for individual impairment.

▪ **Risk category 2b: Work out / no default**

Exposures in risk category 2b are already classified as potential distressed loans. Regardless of any payment delays, risk level 2b includes those exposures that must be classified as “risk positions with a significant need for restructuring” but that are not in default. These positions must be recorded in IFRS stage 2.

▪ **Risk category 3: Work out / default, enforcement**

Restructuring cases in default or for which a specific loan loss provision has been recognized must be classified in risk category 3a, provided no enforcement measures are planned. In case of enforcement measures (acceleration, enforcement of collateral through judicial or non-judicial measures), the receivable is reclassified to risk category 3b.

From risk category 1b and below, there is close monitoring and monthly reporting in the Credit Committee. Specific loan loss provisions must be booked where it is expected that a receivable – including interest – cannot be collected in full or at all. The need to book a specific loan loss provision is also reviewed if the regulatory default definitions are met (90 days in default and/or unlikeliness-to-pay).

Specific loan loss provisions and expected credit losses are subject to estimation uncertainties, especially in relation to the amount and the time of the estimated cash flows, the estimated probabilities of default and the loss ratio. IFRS 9 applies special rules in terms of how the risk provision is determined for assets already impaired upon their first-time recognition (POCI). These relate to assets that are subsequently reported at amortized cost or at fair value through other comprehensive income. The POCI asset is initially recognized at fair value in the statement of financial position. This value already accounts for the elevated credit risk and the existing adverse impacts on the contractually agreed cash flows. Because the cash flows are already reduced by expected losses, no risk provision needs to be recognized upon initial recognition.

Subsequently, any cumulative changes to the expected credit losses over the term of the loan are reported in profit or loss.

10. DERIVATIVES

Derivatives are mainly concluded at Kommunalkredit to hedge against interest rate and/or currency risks.

The statement of financial position item “Derivatives” encompasses derivatives used in balance sheet hedges (fair value hedges) and other derivatives.

Derivatives are declared at fair value. Positive fair values are reported under assets in the position item “Derivatives”, while negative fair values are also reported under “derivatives”, but this time under equity and liabilities. Changes in the value of these derivatives based on the clean price are reported under “Gains and losses from financial assets and liabilities” in the income statement, while interest income and expenses are expressed as net values in the net interest income. The interest income and expenses for hedging derivatives are shown in the same item as the hedged items. The fair values of derivatives are determined in accordance with IFRS 13 and this process is described under Note 12.

11. HEDGE ACCOUNTING

Both IAS 39 and IFRS 9 lay out standards on hedge accounting to avoid economically unjustifiable effects in the income statement from the differing valuation of hedged items and hedging instruments. These rules aim to ensure that changes in the value of hedging instruments and changes in the value of the hedged transactions are recognized as largely offset one another. In respect of micro-hedge accounting, Kommunalkredit has applied the provisions of IFRS 9. Fair value hedges for a portfolio against interest rate risks are accounted for in accordance with IAS 39 (IAS 39.89A). Hedges for cash flows and net investments in foreign operations are currently not a matter of relevance within Kommunalkredit.

Fair value hedge: The fair value hedges used by Kommunalkredit serve to hedge the fair value of assets or liabilities. This form of hedging is used to hedge against interest rate and/or currency risks. Interest rate swaps and interest rate currency swaps are used as hedging instruments. Derivatives used as hedging instruments are reported at their fair value, with changes in measurements recognized in the income statement under the item “Gains and losses from financial assets and liabilities”. For the hedged asset or liability, changes in fair value resulting from the hedged risk (interest rate and/or currency risks) are also included in the same item in the income statement. In the statement of financial position, the measurement gains/losses associated with the hedged risk are reported under the item where the corresponding hedged item is reported.

To apply the rules of hedge accounting, evidence of an economic relationship between the hedged item and the hedging instrument must be provided. Kommunalkredit establishes such a hedge relationship by means of prospective (matching of the components determining the market value) and retrospective effectiveness tests. Prospective effectiveness testing involves a comparison or review of all parameters of the hedged item and the hedging instrument affecting the scope of the hedged value change to determine whether value changes of the hedged item or the hedging instrument usually offset one another regarding the hedged risk. Retrospective effectiveness testing involves a review of how effectively the market values of the hedged item and hedging instrument oppose one another in respect of the hedged risk.

Portfolio hedge: The portfolio hedge implemented at Kommunalkredit is used to hedge the fair value of a portfolio of financial assets and liabilities. This form of hedging is used to hedge fixed interest rate risks of a portfolio. Interest rate swaps are used as hedging instruments.

Kommunalkredit applies the “bottom-layer” approach for modelling the hedged item (in line with the IAS 39 carve-out). This creates a theoretical combined hedged item from all fixed-interest items that are not individually hedged; this theoretical hedged item is then compared against hedging derivatives. The change in fair value of the theoretical hedged item attributable to the hedged risk is reported under the separate “Portfolio hedge” item in the statement of financial position; in the income statement, this is reported under “Gains and losses from financial assets and liabilities”. Derivatives used as hedging instruments are reported at their fair value, with changes in values offset in the same item in the income statement.

To provide evidence of an effective portfolio hedge relationship between the hedged item and the hedging instrument, Kommunalkredit applies prospective and retrospective effectiveness testing. Prospective effectiveness testing involves a quarterly review by comparing the progression of the hedged item and hedging instrument to determine if a hedge relationship still applies. Retrospective effectiveness testing of the portfolio hedge involves a review to determine if the fair value changes from the hedging instruments and the corresponding offsetting effects of the hedged item within a reporting period provide compensation of between 80% and 125% related to the hedged risk.

Ineffectivities arising at Kommunalkredit primarily as a result of OIS discounting of interest rate derivatives or as a result of credit risk components of unsecured interest rate derivatives are reported in the income statement.

12. FAIR VALUE CALCULATION

12.1. Calculation

Fair value is calculated according to IFRS 9 in conjunction with IFRS 13 following the measurement hierarchy of IFRS 13.72 (see also Note 65).

For the measurement of securities, quoted prices on an active market are applied, provided that the conditions of an active market are met. If no quoted price is available, the credit spread for comparable securities is used as a reference for determining the fair value. If there is no active market, measurement is performed using recognized market-standard measurement methods based on observable data. This data is, if necessary, adjusted with risk premiums. An approach based on non-observable data (such as parameter estimates) may only be used if no adequate data is observable.

Loans and financial liabilities are valued using an internal valuation model based on the discounted cash flow method. The expected cash flows are discounted on the basis of current interest rate curves, taking into account market-standard credit spreads. Embedded options and structured (i.e., non-plain vanilla) interest conditions are valued using market-standard option valuation models (e.g. Hull-White, Dupire).

For infrastructure and energy transactions, the credit spreads required for the discounted cash flow method are determined on a transaction-by-transaction basis; i.e., an individual credit spread is applied for each transaction.

Project finance transactions are, due to their illiquidity and the use of non-observable information, classified as level 3 in accordance with IFRS 13. Both internal and external information of comparable transactions (internal database, InfraDeals) are compiled using a balanced scorecard approach to calculate in a first step a sector spread. In a second step, transaction-specific characteristics are based on defined criteria catalogues are added / subtracted to the sector spread. In addition, recent (partial) sell-downs of comparable transactions are taken into account as observable market signal and are included in the calculation of the final credit spread.

Benchmark curves or benchmark bonds from comparable transactions are used to calculate the spread of corporate finance transactions. In addition, recent (partial) sell-downs of comparable transactions are taken into account as observable market signal and are included in the calculation of the final credit spread. In this case, based on the price being calculated with spreads derived from liquid market data (benchmark spreads), corporate finance transactions are classified as level 2 in accordance with IFRS 13. Under certain circumstances (for example in the case of purchases on the secondary market at discounted prices or for development finance transactions), a fair value measurement solely on the basis of benchmarks is not possible. In these cases, transaction-specific characteristics are included in the calculation of the final credit spreads in addition to the liquid benchmark spreads. Such financings are classified as level 3 due to the partial use of non-observable information in accordance with IFRS 13.

Financings involving Export Credit Agencies (ECAs) generally consist of an ECA-covered and a non-ECA-covered part, with the ECA-covered part being the predominant share of the financing. For ECA transactions, liquid benchmark bonds are used to determine the credit spread. The delta between the spreads of the applied benchmark bonds and the spread of the concluded ECA transaction reflects the non-ECA-covered-part of the transaction as well as a certain illiquidity premium of the transaction compared to the liquid benchmarks and is reflected via transaction-specific characteristics. As the predominant share of the transaction benefits from an ECA-coverage and the spreads are derived exclusively from liquid market data, ECA transactions are generally classified as level 2 in accordance with IFRS 13. Under certain circumstances (such as in cases where ECA transactions are subject to high illiquidity premiums), the development of benchmark bond spreads is not the main driver of the fair value measurement. In this case the transaction is classified as level 3 in accordance with IFRS 13.

Spread developments are discussed for each transaction in quarterly Spread Assessment Team meetings, with the involvement of the Risk Controlling, Banking, Accounting and Regulatory Reporting and Credit Risk divisions. This results in bank-wide coordinated credit risk premiums that reflect the risk inherent in the transaction as accurately as possible.

For the Public Finance Portfolio, clusters ('valuation classes') based on the segment and the rating are defined. There is a separate spread curve for each valuation class, which is updated on a quarterly basis. The credit spread updates are determined on the basis of recent transactions and comparable offers as well as liquid data directly observable on the market.

For own issues, clusters ('valuation classes') according to seniority (senior unsecured / covered / Tier 2 / Additional Tier 1) are defined and revalued on a quarterly basis. The credit spreads for senior and covered issues are based on indicative quotations of other banks, private placements, liquid benchmark curves and bonds issued by KA, and on liquid benchmarks for subordinated issues. Further, there are also own valuation classes for fixed-term deposits (KA Direkt & IWS / Online Retail Funding), whose quarterly updates are based on concluded deals of the last three months and on liquid observable market data.

Quarterly spread assessment team meetings (including representatives of the Risk Controlling, Markets and Credit Risk divisions) are held for the valuation classes of the Public Finance portfolio as well as for the valuation classes of own issues and fixed-term deposits. The spread developments for each valuation class are discussed separately in these meetings.

Derivatives¹ are valued using an internal valuation model based on the discounted cash flow method, taking into account current interest rate and basis spread curves. Embedded options and structured interest rate conditions are valued using standard option valuation models (e.g. Hull-White, Dupire). When valuing interest-sensitive products with floating IBOR indicators, interest rate curves with different basis spread premiums are used depending on the indicator (e.g. 3-month Euribor, 12-month Euribor). These

relate to the respective indicator and are used to derive forward rates for cash flow projection. Forward rates for compounded overnight indicators (risk-free reference rates, RFRs) are derived from OIS curves. OIS curves² are used to discount the cash flows of derivatives.

For derivatives with multiple currencies (e.g. cross-currency swaps), in addition to adjusting the forwards using basis swap spreads, a cross-currency basis is applied in accordance with market-standard practice. In the case of collateralized derivatives, the OIS discount curve of a currency not corresponding to the collateral currency is adjusted to the collateral currency via cross-currency basis spreads. For trades with an FX component in the structured interest rate condition, the cross-currency basis is also included in the calculation of cash flows.

In accordance with IFRS 13, the counterparty credit risk and own credit risk (credit value adjustment (CVA) and debt value adjustment (DVA)) are considered when determining the fair value of derivatives. Both components are recognized as BCVA (Bilateral CVA = CVA-DVA). BCVA is applied to all derivatives without daily collateralization (daily cash collateral margin calls). For collateralized derivatives with daily collateralization, BCVA is classified as immaterial. BCVA is calculated using the potential exposure method (based on Monte Carlo simulations) at counterparty level in accordance with IFRS 13.48.

12.2. Day-one gains

Fair value is calculated according to IFRS 9 in conjunction with IFRS 13 following the measurement hierarchy of IFRS 13.72 (see also Note 65).

Kommunalkredit makes opportunistic purchases of loans and securities whose transaction price (purchase price) does not correspond to the fair value of the underlying transactions at the time of purchase. The positive difference between fair value at initial recognition and purchase price is referred to as a day-one gain.

A day-one gain is recognized immediately in Kommunalkredit's income statement if the valuation of the financial asset is based on price quotations in active markets, or on a valuation technique that primarily takes into account data from observable markets. If parameters not observable on the market are used to a significant extent for the valuation, a systematic deferral of the day-one gain is made over the term of the asset or until the point in time at which observable market information is expected to be available (depending on which period is shorter).

Amounts from day - one gains that are still to be recognized are reported under "other liabilities" as deferred income.

From an economic perspective, Kommunalkredit earns higher margins on the acquired loans where the purchase price at the time of purchase is lower than the fair value. Accordingly, Kommunalkredit reports income from day-one gains in net interest income.

1 These are derivatives that are settled over-the-counter (OTC) or via a central counterparty (CCP).

2 Overnight index swaps at the overnight rate corresponding to the collateral interest rate, in EUR depending on the current collateral agreement €STR + 8.5bp or €STR flat

13. FINANCIAL GUARANTEES

A financial guarantee is a contract in which the guarantor is required to make certain payments to a guarantee beneficiary for a loss arising because a certain debtor has not complied with their payment obligations in a timely fashion and has accordingly not met the conditions of a debt instrument. If Kommunalkredit is the guarantor, the potential obligation to pay is reported in the statement of financial position from the time Kommunalkredit becomes a party to the contract. It is initially recognized at fair value. In a standard market transaction, this corresponds to either the premium received upon conclusion of the contract, or a

value of zero if the premium is not paid upon conclusion of the contract because the payment is expected to equally offset the consideration received in return. For subsequent measurements, the higher amount of an impairment or the originally recorded amount, less any cumulative income, is recorded.

If Kommunalkredit is the guarantee beneficiary, the guarantee is not recorded in the statement of financial position.

Premiums received and paid are accrued in their respective reporting periods over the time to maturity and are reported in the income statement under net fee and commission income.

14. CATEGORIES OF FINANCIAL INSTRUMENTS

Kommunalkredit shows the following classes of financial instruments in the Group statement of financial position:

CATEGORIES OF FINANCIAL INSTRUMENTS	Reporting in statement of financial position (IFRS)
Cash and cash equivalents	Amortized cost
Financial assets	
Loans and advances to credit institutions	Amortized cost
Loans and advances to customers	Amortized cost
Loans and advances to customers	Fair value through other comprehensive income
Loans and advances to customers	Fair value through profit or loss
Securities	Amortized cost
Securities	Fair value through other comprehensive income
Securities	Fair value through profit or loss
Derivatives	Fair value through profit or loss
Financial liabilities	
Amounts owed to credit institutions	Amortized cost
Amounts owed to customers	Amortized cost
Securitized liabilities	Amortized cost
Subordinated liabilities	Amortized cost
Derivatives	Fair value through profit or loss
Contingent liabilities	Off-balance-sheet
Other off-balance-sheet liabilities	Off-balance-sheet

15. INVESTMENTS IN ASSOCIATES

Associates are measured using the equity method in accordance with IAS 28 (associates and joint ventures) (see also Note 5). The pro rata result is recognized in the income statement under "Income from investments in associates". Dividends paid are recognized against the carrying amount. At every balance sheet date, an impairment test is performed on the basis of financial forecasts. Currently, Kommunalkredit has one associate, PeakSun Holding GmbH, that is accounted for according to the equity method (IAS 28).

16. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment includes land, buildings that are largely used by the company itself, office furniture and equipment, and also rights of use in accordance with IFRS 16 "Leases". Land is reported in the statement of financial position at cost. Buildings, office furniture and equipment are measured at cost, less depreciation on a straight-line basis. The following time periods are applied as expected useful lives:

- Buildings: 40 years
- Office furniture and equipment: 3 to 10 years
- IT investments: 3 years
- Art objects: no depreciation

If there are indications of impairment, the assets are written down if the carrying amount exceeds the higher of net sale value or value in use. If the reasons for impairment cease to apply, these impairments are reversed up to a maximum of amortized cost.

17. LEASES

a. Kommunkredit as a lessee:

If there is a lease governed by IFRS 16 in which Kommunkredit is the lessee, this is recorded in the statement of financial position as a right of use that grants an entitlement to use the underlying asset, along with a corresponding lease liability.

Upon conclusion of a paid usage agreement, an assessment is conducted to determine if the contractual agreement constitutes a lease. For this purpose, it is examined if:

- the asset governed by the agreement is a specifically identifiable asset,
- Kommunkredit as the lessee is largely entitled to avail itself of all economic benefits from the use of the asset,
- Kommunkredit is entitled to determine how the asset is used.

If these three conditions are collectively met, then the agreement is recognized as a lease in accordance with IFRS 16.

At initial recognition, a lease liability amounting to the present value of the lease payments payable according to the lease contract over the term of that contract is reported under the item "other liabilities". Corresponding to the recorded liability, a right of use of the leased object is capitalized at the same amount (if applicable increased to account for expenses directly allocable to it). The term of the lease is generally the contract period in which ordinary termination is not possible. Extension and termination options granted to the lessee are only accounted for if they can be exercised with reasonable certainty. When assessing whether certain options can be exercised or waived with reasonable certainty, all relevant circumstances and factors are considered, including in particular the costs of termination, costs relating to the determination of an alternative asset value, and material installations. Rights of termination granted to the lessor do not shorten the reported term of leases. If a review of all factors results in a maximum term of twelve months from the date of delivery, this is referred to as a short-term lease.

The discount interest rate for lease payments is the interest rate laid out under the terms of the lease. If it is not possible to determine this rate without further action due to lack of information, discounting is performed at the incremental borrowing rate of Kommunkredit for the relevant term length. The leasing liability will be measured at the amortized cost using the effective interest method. Lease payments are divided into interest expenses and repayment components. The lease liability is remeasured if a subsequent change in the leases results in an adjustment of the estimate made during the initial measurement regarding payment expectations or the scope of the right of use. If the scope of the lease is extended at current market conditions as a result of a contractual change, an additional right of use will be recognized. If

a change in the contract leads to a reduction in the volume of the lease or to a reduction in the term of the lease, this leads to a pro rata reduction in the right of use and an adjustment of the lease liability. Any resulting difference is recognized in profit or loss.

The right of use of the leased object is reported at amortized cost and depreciated over the expected useful life.

Kommunkredit makes use of the option to refrain from capitalising short-term leases with a term of less than twelve months and instead reports payments from these agreements under expenditure throughout the term of the lease. Within the Kommunkredit Group, a uniform threshold for classification of a low-value asset in the amount of EUR 5,000 is applied.

b. Kommunkredit as a lessor:

Kommunkredit recognizes a lease identified according to IFRS 16 as an operating lease or finance lease. Depending on the classification, lease payments are recognized in income or the assets are entered in the statement of financial position and shown as a receivable amounting to the net investment in the lease.

If a right-of-use asset from a lease for which Kommunkredit is a lessee is transferred to a third party as part of a sub-lease, it must be classified as an operating lease or a finance lease and depicted in the statement of financial position depending on the existing entitlement to use the underlying leased object from the main lease. The general requirements for accounting for leases as a lessee apply to the presentation of the main lease in the statement of financial position.

18. INTANGIBLE ASSETS

Intangible assets comprise purchased software and subscription rights acquired up to the current fiscal year in connection with an investment in the production of green hydrogen (see also note 34). Purchased software has a limited useful life and is amortized on a straight-line basis over three to five years.

If there are indications of impairment, the assets are written down if the carrying amount exceeds the higher of net realizable value or value in use. If the reasons for impairment cease to apply, these impairments are reversed up to a maximum of amortized cost.

19. FINANCIAL LIABILITIES

At initial recognition, financial liabilities are recognized at fair value taking into account transaction costs under equity and liabilities. Subsequent measurement is at amortized cost using the effective interest method. Long-term, discounted bonds (e.g. zero-coupon bonds) and similar liabilities are accounted for using the effective interest method. No financial liabilities are maintained in the fair value portfolio. Please refer to Note 11 for details on how liabilities that constitute hedged items in hedging relationships are accounted for; refer to Note 22 for information on the derecognition of financial liabilities.

The contractual cash flows of financial liabilities are amended in line with the modification of financial assets (see Note 8.6).

20. PROVISIONS

Provisions for pensions, severance pay and jubilee bonus obligations are calculated annually by an independent actuary according to the projected-unit-credit method in accordance with IAS 19. The "AVÖ 2018-P calculation bases for pension insurance – Pagler & Pagler", in their version for salaried employees, are used as a basis. The actuarial discount rate was determined on the basis of the yields of prime fixed-income corporate bonds, with due consideration given to the terms of the obligations to be met.

The most important parameters underlying the calculation are:

- an actuarial discount rate of 4.00 % for Kommunalkredit (2024: 3.25 %) and 4.25 % for KPC (2024: 3.50 %) for pension obligations, 3.25 % (2024: 3.00 %) for obligations from severance pay and 2.50 % (2024: 2.75 %) for obligations from jubilee bonuses;
- a rate of increase in the relevant basis for calculation during the vesting period of 3.30 % in the first year and in subsequent year of 3.25 % (2024: 4.50 %; 3.30 %, 3.25 %) for severance pay in Kommunalkredit; a rate of increase in the relevant basis for calculation during the vesting period of 3.25 % in the first year, 3.00 % in the subsequent year and 2.80 % from the second subsequent year (2024: 5.50 %, 3.25 %, 3.00 %, 2.80 %) for severance pay and obligations from jubilee payments in KPC; a rate of increase in the relevant basis for calculation during the vesting period of 2.00 % (2024: 2.00 %) for pensions;
- an assumed retirement age of 65 for women and men, taking into account the transitional provisions of the Austrian Budget Act of 2003, and the age limits of the "BVG age limits" for women;
- a personnel turnover discount for severance pay entitlements calculated on the basis of statistically derived rates of early termination of employment with or without severance pay.

All pension obligations to active employees have been transferred to a pension fund. The provisions reported therefore only contain entitlements from defined-benefit pension obligations not covered by the pension fund for nine employees, resulting from direct commitments within the framework of the collective bargaining agreement (1961 pension reform, as amended on 1 January 1997) made prior to the transfer to the pension fund, or from individual contracts. The pension plan is a defined-benefit plan under which benefits for active staff, relative to the risk of death and invalidity, depend on the salary earned. Benefits for employees reaching retirement age are already fixed and therefore only subject to adjustment in line with the annual increase agreed upon through collective bargaining. As the defined benefit components are fully funded, subsequent adjustments will only be required in the event of the underperformance of plan assets or "premature" payment of benefits.

Pension obligation provisions are equal to the present value of the defined benefit obligations less the fair value of the plan assets. Actuarial gains and losses based on experience adjustments and changes to actuarial assumptions are reported in total comprehensive income in equity in the period in which they arise. Other expenses are reported in the income statement under the item "personnel expenses" as part of general administrative expenses.

Provisions for severance payments are calculated by an independent actuary in accordance with the same actuarial principles as applied to statutory and contractual entitlements. Actuarial gains and losses are treated in the same way as pension commitments.

For other benefits payable to employees in the long term, namely jubilee bonuses, a jubilee bonus provision is also formed in accordance with the same principles described above. Actuarial gains and losses are reported entirely through profit or loss under personnel expenses in the reporting period in which they arise.

21. TAXES, DEFERRED TAX ASSETS/LIABILITIES AND CURRENT TAX LIABILITIES

Taxes on income are recognized and calculated according to IAS 12. Current income tax assets and liabilities are measured at current tax rates. Tax claims are shown under "current tax assets", and tax payables under "current tax liabilities". For the calculation of deferred taxes, all temporary differences are taken into account. Under this concept, the assets and liabilities recognized in the statement of financial position according to IFRS are compared with the taxable amounts of the group company in question. Temporary differences between the amounts recognized lead to differences in value, for which deferred tax assets or liabilities must be reported – irrespective of the time of their release. Deferred tax assets and deferred tax liabilities for the same term are offset if they exist against the same tax creditor.

Tax loss carryforwards are recognized as tax assets if they can be reasonably expected to be utilized in the near future. The possibility of utilizing tax loss carryforwards is reviewed annually on the basis of the Group's tax budgeting process. With effect from 2016, a tax group pursuant to § 9 of the Austrian Corporate Income Tax Act was formed, with Satere as the group parent. In the current period, group members include, same as in the prior period, Kommunalkredit, Kommunalkredit Public Consulting GmbH, KA Florestan GmbH and KA Florestan Hydrogen GmbH. On the basis of a group and tax contribution agreement, the stand-alone method was chosen for the calculation of the tax contributions. According to this method, the amount of the tax contributions of the group members depends on the amount of corporate income tax the group member would have had to pay if its tax result had not been counted toward the

group parent. Tax loss carryforwards of a group member from periods prior to the formation of the group (pre-group losses) are credited up to the amount of the profit of the group member and diminish the tax contribution of the group member. If a group member's negative income is counted toward the group parent, this tax loss is kept on record for the group member (internal loss carryforward) and offset against the positive income of the group member in subsequent years up to 100%. Upon termination of the tax group or elimination of a group member, a final compensation has to be paid for tax losses not yet offset, multiplied by the corporate tax rate applicable at the time of termination of the agreement.

The bank does not fall within the scope of the Pillar Two Directive on global minimum taxation, as its consolidated annual revenues are below the EUR 750 million threshold.

22. DERECOGNITION OF FINANCIAL ASSETS AND LIABILITIES

A financial asset is derecognized when the contractual rights to the cash flows from the financial asset have expired or when the Group has transferred such rights, including all material risks and rewards of ownership. If all risks and rewards are neither transferred nor retained, derecognition of the asset depends on whether control over the asset is transferred. In the event of material contract modifications, a derecognition of the original financial instrument is carried out followed by the recognition of the new instrument under the modified contractual terms. If the Group largely retains all risks and rewards of ownership of a transferred financial asset, the Group continues to recognize the financial asset as well as a collateralized financial instrument for the consideration received. A financial liability is derecognized upon redemption, i.e. when its contractual obligations have been discharged or are cancelled or expire, or when a financial liability is replaced by a liability to the same lender under significantly different contractual terms. Upon complete derecognition of a financial instrument, the difference between the carrying amount and the sum total of the consideration received or to be received, and all accumulated gains or losses which have been recognized in comprehensive income and accumulated in equity, are recognized in the income statement.

23. REVENUE FROM CUSTOMER CONTRACTS

Kommunalkredit Austria AG generates fee and commission income from lending business. The majority of commission income is realised from financial instruments and is recognized as an integral part of effective interest in accordance with IFRS 9. IFRS 15 is applied to contract components that do not fall within the scope of IFRS 9.

Arrangement and other fees in connection with loans that have not yet been disbursed are reported in other liabilities and taken into account at the effective interest rate at the time of disbursement, except for ongoing commitment fees, which relate directly to the not yet utilised scope of an asset in this category. These are booked as net interest income for a specific time period and not considered part of the effective interest rate. If commitment fees are collected for the provision of the loan regardless of the respective utilisation, these are part of the effective interest rate provided that a disbursement of the loan is probable.

Kommunalkredit also provides services for an investment fund that constitute own performance obligations. These fees are not dependent on the performance of the investment fund and are also collected on the basis of specific time periods. Fees that are not an integral part of the effective interest rate are realized in net fee and commission income on a specific point in time. Commission fees related to the new lending business, fees in connection with identifiable structuring services and credit syndication fees mainly fall under this category. Fees related to financial assets which are recognised at fair value through profit or loss are also included under net fee and commission income as of the contractually agreed accounting date or transaction date.

Kommunalkredit Public Consulting GmbH generates fee and commission income from subsidy management and consulting business. These services are recognized under IFRS 15.

In the case of revenue from the subsidy management and consulting business of Kommunalkredit Public Consulting GmbH, the realization of revenue is either dependent on the service provided or lump-sum price agreements are employed. If it is offset directly, the service provided is invoiced retrospectively based on agreed daily rates and realized for a specific point in time. In the case of lump-sum price agreements, revenue is realized after the service is provided for a specific period. In both cases, invoicing is carried out after the service is provided and accepted by the customer with the usual payment terms. There are currently no contracts with customers in the subsidy management and consulting business which contain significant financing components, significant variable consideration, redemption obligations or guarantees.

24. SIGNIFICANT ASSUMPTIONS AND ESTIMATES

The preparation of financial statements according to IFRS requires management to make discretionary decisions and assumptions regarding certain categories of assets and liabilities. Areas in which this is necessary include the issue of the control of other companies (see Note 5), the setting up of risk provisions (see Note 9), the determination of the fair value of financial assets and liabilities (see Note 12), the determination of the term of lease agreements (see Note 17), the measurement of provisions (see Note 20), the recognition and measurement of deferred tax assets (see Note 21) and the assessment of legal risks (see Note 68).

These assessments and assumptions influence the measurement of assets and liabilities, contingent claims and contingent liabilities on the balance sheet date, and of income and expenses of the reporting period. Management holds regular meetings to carry out this task. Decisions are taken by the competent bodies of the bank and documented accordingly. The underlying assumptions are continuously reviewed and recorded. Actual results may differ from management estimates.

Disclosures relating to the statement of financial position of Kommunalkredit Group

25. CASH AND CASH EQUIVALENTS

CASH RESERVES in EUR thousand	31/12/2025	31/12/2024
Cash on hand	2.1	2.7
Balances with central banks	527,000.4	933,217.2
Total	527,002.5	933,219.9

26. ASSETS AT AMORTIZED COST

As of 31. December 2025 the balance sheet item assets at amortized cost was broken down as follows:

Financial assets measured at amortised cost in EUR thousand	Total gross carrying amount	Impairments Stage 1	Impairments Stage 2	Impairments Stage 3	Total net carrying amount
Receivables from credit institutions	100,424.5	-8.1	0.0	0.0	100,416.4
<i>thereof repayable on demand</i>	60,479.2	-0.6	0.0	0.0	60,478.7
Securities	897,217.6	-78.4	0.0	0.0	897,139.2
<i>thereof public sector debt instruments</i>	575,013.2	-55.4	0.0	0.0	574,957.8
<i>thereof debt instruments of other issuers</i>	322,204.3	-23.0	0.0	0.0	322,181.4
Receivables from customers	2,646,887.8	-3,007.9	-2,227.9	-18,904.0	2,622,747.9
<i>thereof repayable on demand</i>	36,497.1	-0.3	0.0	0.0	36,496.8
<i>thereof loans</i>	2,610,390.7	-3,007.6	-2,227.9	-18,904.0	2,586,251.1
Total	3,644,529.9	-3,094.4	-2,227.9	-18,904.0	3,620,303.5

As of 31. December 2024 the balance sheet item assets at amortized cost was broken down as follows:

Financial assets measured at amortised cost in EUR thousand	Total gross carrying amount	Impairments Stage 1	Impairments Stage 2	Impairments Stage 3	Total net carrying amount
Receivables from credit institutions	49,854.6	-0.7	0.0	0.0	49,853.9
<i>thereof repayable on demand</i>	49,626.1	-0.7	0.0	0.0	49,625.5
Securities	623,964.2	-38.5	0.0	0.0	623,925.7
<i>thereof public sector debt instruments</i>	540,283.2	-38.5	0.0	0.0	540,244.7
<i>thereof debt instruments of other issuers</i>	83,681.0	0.0	0.0	0.0	83,681.0
Receivables from customers	2,346,117.6	-2,725.0	-1,497.1	-2,295.1	2,339,600.3
<i>thereof repayable on demand</i>	57,832.6	0.0	0.0	0.0	57,832.6
<i>thereof loans</i>	2,288,284.9	-2,725.0	-1,497.1	-2,295.1	2,281,767.7
Total	3,019,936.4	-2,764.2	-1,497.1	-2,295.1	3,013,379.9

Receivables from credit institutions repayable on demand include cash and cash equivalents provided as cash collateral for negative fair values of derivatives according to ISDA/CSA arrangements in the amount of EUR 24,068.7 thousand (31/12/2024: EUR 13,846.5 thousand).

The securities include listed bonds in the amount of EUR 875,216.4 thousand (31/12/2024: EUR 618,739.4 thousand).

Receivables from customers repayable on demand include cash and cash equivalents provided as collateral for negative fair values of derivatives (transactions with non-bank financial institutions) according to ISDA/CSA arrangements in the amount of EUR 36,497.1 thousand (31/12/2024: EUR 26,850.1 thousand).

Details on the calculation of the fair values can be found in Note 12. A breakdown based on the fair value hierarchy categories pursuant to IFRS 13.72 and a detailed description in this regard can be found in Note 65.

27. ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

ASSETS AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME in EUR thousand	31/12/2025	31/12/2024
Loans	1,966,019.3	1,840,781.6
Securities	5,293.2	5,399.7
Equity instruments	1,210.0	1,105.2
Total	1,972,522.4	1,847,286.5

Loans and securities measured at fair value through other comprehensive income include assets which are used to generate revenue through the collection of contractual cash flows and sales. Details on the calculation of the fair values can be found in Note 12. A breakdown based on the fair value hierarchy categories pursuant to IFRS 13.72 and a detailed description in this regard can be found in Note 65.

Risk provisions (see also Note 9 and 28) for financial assets measured at fair value through other comprehensive income amounted to 31. December 2025 EUR 34,659.4 thousand (31/12/2024: EUR 9,586.2 thousand).

The equity instruments reported are long-term, strategic investments measured at fair value through other comprehensive income, as permitted by IFRS 9. The carrying amount of the significant investment is as follows:

EQUITY INSTRUMENTS in EUR thousand	Carrying amount 31/12/2025	Carrying amount 31/12/2024
Investment in Kommunalnet E-Government Solutions GmbH	1,208.0	1,105.2
Total	1,208.0	1,105.2

The carrying amounts of the equity instruments correspond to their fair values.

The dividends earned are recognized as income from investments and amounted to EUR 36.0 thousand (1.1.-31/12/2024: EUR 36.0 thousand).

28. RISK PROVISIONS

28.1. Development in risk provisions

The risk provisions for on- and off-balance sheet items in the “Assets at amortized cost” and “Assets at fair value through other comprehensive income” developed as follows:

RISK PROVISIONS in EUR 1,000	Stage 1	Stage 2	Stage 3	Total
	12m ECL	Lifetime ECL	Lifetime ECL	
Risk provisions as of 1/1/2025	5,465.9	1,565.9	9,506.2	16,538.1
Stage transfer	-639.2	2,152.0	73,777.4	75,290.2
Addition of new financial assets	3,024.4	0.0	0.0	3,024.4
Changes due to change in credit risk (net)	827.7	19.5	2,594.8	3,442.0
Foreign currency effects and other changes	-17.3	-35.5	0.0	-52.8
Disposals of financial assets/repayments	-1,755.7	0.0	-323.7	-2,079.4
Decrease in risk provisions due to write-offs	0.0	0.0	-36,102.2	-36,102.2
Risk provisions as of 31/12/2025	6,905.9	3,701.9	49,452.5	60,060.3
<i>of which assets at amortized cost</i>	<i>3,615.8</i>	<i>2,395.0</i>	<i>18,904.0</i>	<i>24,914.8</i>
<i>of which assets at fair value through other comprehensive income</i>	<i>3,290.1</i>	<i>1,306.9</i>	<i>30,548.5</i>	<i>35,145.5</i>
Total net change in P&L during the reporting period	1,440.0	2,136.0	76,048.5	79,624.5

The total provisions for expected credit losses according to IFRS 9 amounted to EUR 60,060.3 thousand as of 31. December 2025 (31/12/2024: EUR 16,538.1 thousand), of which EUR 24,226.4 thousand (31/12/2024: EUR 6,556.4 thousand) were booked for assets measured at amortized cost and reduced the carrying amount accordingly. EUR 34,659.4 thousand (31/12/2024: EUR 9,586.2 thousand) of provisions for expected credit losses were recognized for assets measured at fair value through other comprehensive income. The risk provisions for expected losses from credit commitments in the amount of EUR 1,174.6 thousand (31/12/2024: EUR 395.4 thousand) were accounted for. Net provisioning for impairment losses in the current financial year amounted to EUR -81,572.6 thousand (1.1.-31/12/2024: EUR -10,115.6 thousand). This was the result of new business, rating changes, stage transfers, the recognition of new valuation allowances, write-offs and the PD update.

In the financial year 2025 the probabilities of default (“PD”) were also evaluated and updated¹, which serve as the basis for calculating ECL.² Kommunalkredit uses PD rating systems bought from S&P. Through-the-cycle PDs are purchased from S&P and updated annually. They are transformed into point-in-time PDs every six months using an S&P model (specific PDs for the Specialized Lending, Corporates, and Financial Institutions portfolios, as well as the “All Sectors” PDs for all other exposures). For the PD model, one of the key drivers of the PDs is changes in macroeconomic input parameters. All macroeconomic forecasts are taken from publicly available sources (in particular the International Monetary Fund and the World Bank). Kommunalkredit applies two scenarios in this regard.

While scenario 1 takes into account the global macroeconomic forecasts, scenario 2 only takes into account the macroeconomic data of those countries in which Kommunalkredit is active.

The weighting remained unchanged from the previous year at 50:50. While the through-the-cycle PDs were broadly stable vs. the previous year, the point-in-time PDs showed an increase. This is due to the fact that GDP growth for 2026 is still forecast to be on a comparatively low level and in addition, the rating migrations for 2025 showed a negative trend with an increased number of rating downgrades. Both factors have a strong weight and therefore a negative impact on the point-in-time PDs in the model, which could not be offset by strong equity markets, which showed a positive trend and nearly reached all-time highs.

The bank’s portfolio in the last years was solid due to the contractual and structural risk mitigation factors that are typical for infrastructure and energy financing. Many project financings benefit from availability models, fixed feed-in tariffs or long-term contracts and also contain additional risk-mitigating contractual agreements such as extensive disbursement checks, restrictive financial covenants and reserve accounts. Based on sensitivity analyses, the financing structures and the repayment profiles are defined so as to ensure that there are sufficient reserves in place for servicing loans in a due and proper manner.

However, in 2025, the asset quality was negatively influenced by unfavorable developments in individual sectors, inter alia challenging market conditions in the fiber sector, characterized by consolidation pressure and tighter financing conditions, which led to an increased volume of non-performing loans, as well as several rating downgrades and stage transfers. All in all, as of 31 December 2025, an exposure with a volume of EUR 374,968.7 thousand (31/12/2024: EUR 129,034.3 thousand) was in default. An amount of EUR 152,669.4 thousand (Gross book value: EUR 127,821.9 thousand) (31/12/2024: EUR 36,920.8 thousand; Gross book value: EUR 33,020.9 thousand) is measured at fair value through profit or loss (non-performing loan ratio of 7.0% (2024: 2.8%), or a net ratio of 6.4% (2024: 2.4%) taking into account the ECA cover). An exposure of EUR 93,922.7 thousand (Gross book value: EUR 70,501.9 thousand) (31/12/2024: EUR 41,500.0 thousand; Gross book value: EUR 35,652.4 thousand) is measured at fair value through other comprehensive income. Assets at amortized

¹ The PDs are determined by applying the provisions of IFRS 9, taking into account forward-looking information.

² ECL = Expected credit loss, risk provisions for expected credit losses.

cost are with an exposure of EUR 128,376.6 thousand (Gross book value: EUR 127,325.8 thousand) (31/12/2024: EUR 50,613.6 thousand; Gross book value: EUR 50,405.2 thousand) in default. There are specific loan loss provisions amounting to EUR 49,452.5 thousand (31/12/2024: EUR 9,506.2 thousand).

In addition to the defaults that carry specific loan loss provisions in accordance with IFRS, the (regulatory) NPL exposure that is allocated to the category assets at fair value through profit or loss, is measured based on the current rating. As of 31. December 2025, there were no receivables that had been overdue for more than 30 days, with the exception of the receivables in default as referred to above. As of 31. December 2025, the bank's loan portfolio showed a total exposure in the amount of EUR 366,785.5 thousand (31/12/2024 EUR 142,381.9 thousand) in IFRS stage 2 (lifetime ECL).

As in the previous year, the company held no assets that, upon purchase or origin, already had impaired creditworthiness (POCI) in portfolios measured at amortized cost or at fair value through other comprehensive income in the financial year under review. Assuming a change in the GDP growth rate (global macroeconomic forecasts and macroeconomic data only from those countries in which Kommunalkredit is active, with a weighting of 50:50), unemployment rate and share indices (a global and a European share index) in the underlying macroeconomic model, this would result in the following change in risk provisions (stage 1 and 2):

	Change in parameters	Change in %	Change in TEUR
ECL sensitivity in the event of a change in the gross domestic product growth rate	plus 1,0 %	-22.5%	-2,402.9
	minus 1,0 %	13.5%	1,440.3
ECL sensitivity in the event of a change in the unemployment rate	plus 1,0 %	1.1%	116.6
	minus 1,0 %	-2.4%	-252.6
ECL sensitivity in the event of a change in the share indices	plus 20,0 %	-10.9%	-1,165.6
	minus 20,0 %	15.2%	1,621.9

The values of the previous year are as follows:

	Change in parameters	Change in %	Change in TEUR
ECL sensitivity in the event of a change in the gross domestic product growth rate	plus 1,0 %	-10.2%	-1,690.8
	minus 1,0 %	+10,5%	1,744.6
ECL sensitivity in the event of a change in the unemployment rate	plus 1,0 %	+0,6%	99.5
	minus 1,0 %	-0.9%	-150.1
ECL sensitivity in the event of a change in the share indices	plus 20,0 %	-4.5%	-743.2
	minus 20,0 %	+6,2%	1,030.4

Risk provisions developed as follows in the comparative period from 1. January 2024 to 31. December 2024:

RISK PROVISIONS in EUR 1,000	Stage 1 12m ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Total
Risk provisions as of 1/1/2024	5,010.2	722.0	815.0	6,547.2
Stage transfer	-292.5	844.0	8,834.8	9,386.4
Addition of new financial assets	3,024.3	0.0	0.0	3,024.3
Changes due to change in credit risk (net)	-1,330.3	59.0	0.0	-1,271.3
Foreign currency effects and other changes	79.7	0.0	0.0	79.7
Disposals of financial assets/repayments	-1,025.5	-59.1	-143.6	-1,228.2
Risk provisions as of 31/12/2024	5,465.9	1,565.9	9,506.2	16,538.1
<i>of which assets at amortized cost</i>	<i>2,932.9</i>	<i>1,507.2</i>	<i>2,295.1</i>	<i>6,735.3</i>
<i>of which assets at fair value through other comprehensive income</i>	<i>2,533.0</i>	<i>58.7</i>	<i>7,211.1</i>	<i>9,802.7</i>
Total net change in P&L during the reporting period	442.5	843.9	8,818.0	10,104.4

28.2. Development of gross book values in connection with risk provisions

The following table shows the gross book values of the financial assets that are relevant to the calculation of risk provisions, broken down by rating class:

CARRYING AMOUNTS 31/12/2025 in EUR 1,000	Stage 1 12m ECL	Stage 2 Lifetime ECL	Stage 3 Lifetime ECL	Not rated	Total
AAA	380,245.8	0.0	0.0	0.0	380,245.8
AA+	149,254.5	0.0	0.0	0.0	149,254.5
AA	784,568.8	0.0	0.0	0.0	784,568.8
AA-	328,236.0	0.0	0.0	0.0	328,236.0
A+	291,240.8	0.0	0.0	0.0	291,240.8
A	234,634.8	0.0	0.0	0.0	234,634.8
A-	233,672.4	0.0	0.0	0.0	233,672.4
BBB+	63,228.4	0.0	0.0	0.0	63,228.4
BBB	156,899.7	0.0	0.0	0.0	156,899.7
BBB-	609,165.3	0.0	0.0	0.0	609,165.3
BB+	557,445.8	0.0	0.0	0.0	557,445.8
BB	762,440.5	67,530.4	0.0	0.0	829,970.9
BB-	324,884.6	217,468.8	0.0	0.0	542,353.4
B+	104,146.1	0.0	0.0	0.0	104,146.1
B	13,166.2	26,770.9	0.0	0.0	39,937.1
B-	93,351.3	0.0	0.0	0.0	93,351.3
CCC+	0.0	19,665.5	0.0	0.0	19,665.5
D1	0.0	0.0	17,271.0	0.0	17,271.0
D2	0.0	0.0	180,556.7	0.0	180,556.7
Not rated	0.0	0.0	0.0	1,208.0	1,208.0
Gross book values	5,086,581.1	331,435.5	197,827.7	1,208.0	5,617,052.3
Risk provisions	3,094.4	2,227.9	18,904.0	0.0	24,226.4
Carrying amounts after risk provisions	5,083,486.7	329,207.6	178,923.6	1,208.0	5,592,825.9
<i>of which assets at amortized cost</i>	<i>3,341,609.3</i>	<i>170,272.4</i>	<i>108,421.8</i>	<i>0.0</i>	<i>3,620,303.5</i>
<i>of which assets at fair value through other comprehensive income</i>	<i>1,741,877.3</i>	<i>158,935.2</i>	<i>70,501.9</i>	<i>1,208.0</i>	<i>1,972,522.4</i>

The carrying amount of EUR 1,208.0 thousand (31/12/2024: EUR 1,105.2 thousand) in the "Non-ECL Relevant" category relates to a participation that is not part of the consolidation group and is included in the balance sheet item "Assets measured at fair value through other comprehensive income" (see Point 26).

During the reporting year, non-material contractual amendments resulted in modification effects for IFRS Stage 1 financial instruments in the amount of EUR -1,585.5 thousand (31/12/2024: EUR -506.9 thousand). There were no modifications to IFRS stage 2 and 3 financial instruments in the current financial year.

The values of the previous year are as follows:

CARRYING AMOUNTS 31/12/2024 in EUR 1,000	Stage 1	Stage 2	Stage 3	Not rated	Total
	12m ECL	Lifetime ECL	Lifetime ECL		
AAA	77,866.4	0.0	0.0	0.0	77,866.4
AA+	352,392.8	0.0	0.0	0.0	352,392.8
AA	469,119.0	0.0	0.0	0.0	469,119.0
AA-	346,751.2	0.0	0.0	0.0	346,751.2
A+	204,998.3	0.0	0.0	0.0	204,998.3
A	244,572.7	0.0	0.0	0.0	244,572.7
A-	160,885.1	0.0	0.0	0.0	160,885.1
BBB+	34,346.5	0.0	0.0	0.0	34,346.5
BBB	151,700.4	0.0	0.0	0.0	151,700.4
BBB-	672,729.9	0.0	0.0	0.0	672,729.9
BB+	688,739.1	0.0	0.0	0.0	688,739.1
BB	570,152.6	0.0	0.0	0.0	570,152.6
BB-	493,752.4	110,006.1	0.0	0.0	603,758.6
B+	50,113.0	0.0	0.0	0.0	50,113.0
B	13,009.8	0.0	0.0	0.0	13,009.8
B-	111,514.6	0.0	0.0	0.0	111,514.6
CCC-	0.0	27,380.2	0.0	0.0	27,380.2
D1	0.0	0.0	18,957.7	0.0	18,957.7
D2	0.0	0.0	67,099.9	0.0	67,099.9
Not rated	0.0	0.0	0.0	1,105.2	1,105.2
Gross book values	4,642,643.8	137,386.4	86,057.6	1,105.2	4,867,192.9
Risk provisions	2,764.2	1,497.1	2,295.1	0.0	6,556.5
Carrying amounts after risk provisions	4,639,879.6	135,889.2	83,762.4	1,105.2	4,860,636.5
<i>of which assets at amortized cost</i>	<i>2,881,346.1</i>	<i>83,923.7</i>	<i>48,110.0</i>	<i>0.0</i>	<i>3,013,379.9</i>
<i>of which assets at fair value through other comprehensive income</i>	<i>1,758,563.4</i>	<i>51,965.5</i>	<i>35,652.4</i>	<i>1,105.2</i>	<i>1,847,286.5</i>

28.3. Forbearance

Forbearance exposures are exposures to counterparties which are at risk of no longer being able to meet their payment obligations.

As of 31/12/2025, a carrying amount after risk provisions on EUR 305,827.2 thousand (31/12/2024: EUR 131,790.4 thousand) had a forbearance classification. Of this amount, EUR 30,987.7

thousand (31/12/2024: EUR 33,020.9 thousand) relates to financial instruments in the category "Assets at fair value through profit or loss".

29. ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS

ASSETS AT FAIR VALUE THROUGH PROFIT OR LOSS in EUR thousand	31/12/2025	31/12/2024
Business model sell	37,199.5	52,647.5
Mandatorily measured through profit or loss	535,278.1	515,204.4
of which Fidelio KA Infrastructure Debt Fund Europe	20,455.6	21,168.9
Total	572,477.6	567,851.9

The assets at fair value through profit or loss are loans, securities and shares in Fidelio KA Infrastructure Debt Fund Europe 1. Assets are assigned to the sell business model due to their short-term intentions of syndication. Assets whose cash flows are not solely interest payments, and repayments on the outstanding capital amount, are mandatorily measured at fair value through profit or loss. This position includes interests in Fidelio KA Infrastructure

Debt Fund Europe 1, a non-consolidated structured entity in the form of a closed-end investment fund (see Point 67).

Details on the calculation of the fair values can be found in Note 12. A breakdown based on the fair value hierarchy categories pursuant to IFRS 13.72 and a detailed description in this regard can be found in Note 65.

30. DERIVATIVES (ASSETS)

Derivatives at Kommunkredit mainly serve the purpose of hedging interest rate and/or currency risks. The positive fair values (see Note 12 for details on the calculation of fair values) of the

derivative financial instruments are recognized on the assets side and are shown in the following table (including interest accruals/deferrals):

DERIVATIVES (ASSETS) in EUR thousand	31/12/2025	31/12/2024
Interest-related transactions	210,515.3	188,135.6
of which in fair value hedges	183,572.2	152,315.8
of which in portfolio hedges	18,544.6	21,836.1
Currency-related transactions	334.3	56.0
of which in fair value hedges	0.0	0.0
Total	210,849.6	188,191.5

The structure of the derivative financial instruments, including their market values, is shown in Note 62.

31. INVESTMENTS IN ASSOCIATES

The equity share in PeakSun Holding GmbH came to 31. December 2025 EUR 3,869.1 thousand (31/12/2024: EUR 2,897.8 thousand). The assets and liabilities of this company as of 31. December 2025 amounted to EUR 4,511.3 thousand (31/12/2024: EUR 3,515.0 thousand) and respectively EUR 3.9 thousand (31/12/2024: EUR 4.3 thousand), the revenue EUR 0.0 thousand (31/12/2024: EUR 0.0 thousand), and the balance sheet loss EUR -74.1 thousand (31/12/2024: EUR -61.3 thousand). There were no non-recognized losses for this at-equity investment for Kommunkredit. For reasons of materiality the shares in Kommunalnet E-Government Solutions GmbH are recognized at fair value through other comprehensive income under assets and presented in Note 27.

32. PROPERTY, PLANT AND EQUIPMENT

The development and composition of property, plant and equipment is shown in Note 35 (Schedule of non-current asset). The value of land and buildings used mainly by the Group, as shown on the statement of financial position, is unchanged from the previous year and includes a land value of EUR 3,961.1 thousand

For information on the composition and development of right-of-use assets, please refer to Note 33.

PROPERTY, PLANT AND EQUIPMENT in EUR thousand	31/12/2025	31/12/2024
Land and buildings	29,617.7	17,603.1
Office furniture and equipment	4,089.4	3,455.8
Plants under construction	8,115.2	11,104.3
Right-of-use assets	1,442.1	2,211.9
Total	43,264.4	34,375.2

33. LEASES

The right-of-use assets capitalized resulted from lease agreements relating to the rental of buildings. These are reported under property, plant and equipment. In the 2025 financial year, a lease con-

tract was terminated and was therefore derecognised from the right-of-use assets.

The right-of-use assets showed the following development:

RIGHT-OF-USE ASSETS 2025 in EUR thousand	2025	2024
Carrying amount 1/1	2,211.9	1,880.6
Additions	0.0	510.0
Depreciation	-142.1	-178.7
Disposals	-627.7	0.0
Carrying amount 31/12	1,442.1	2,211.9

Kommunalkredit elects not to recognize short-term leases with terms of less than twelve months, instead recognizing payments made under these agreements as expenses over the term of the lease. In the current year, the lease agreement ended. In the previous year expenses from this leasing relationship amounting to EUR 7.7 thousand.

In addition, an agreement on the use of office equipment whose leasing rate also includes maintenance and consumables is not recognized as a lease, as the recognition of these leases would involve disproportionate reporting effort in relation to the benefit provided by this information. This resulted in an expense in 2025 EUR 62.7 thousand (2024: EUR 69.0 thousand).

The cash outflows from lease agreements (capitalized leases, short term leases and leases of low-value assets) amounted to 2025 EUR 251.0 thousand (2024: EUR 392.7 thousand). Kommunalkredit has not concluded any material agreements in which it serves as lessor.

34. INTANGIBLE ASSETS

Intangible assets are not self-produced assets that comprise purchased software in 2025 totalling EUR 1,568.4 thousand (2024: EUR 1,038.1 thousand). The development and composition of this item is shown in Note 35 (Schedule of non-current asset).

The subscription right of green hydrogen was sold in 2025. The result is reported under other operating income.

35. SCHEDULE OF NON-CURRENT ASSETS

The schedule of non-current assets shows the development and composition of property, plant and equipment and intangible assets.

SCHEDULE OF NON-CURRENT ASSETS TRANS-ACTIONS 2025 in EUR thousand	Acquisition costs					Cumulative depreciation and amortisation				Carrying amount	
	as of 1/1/2025	Additions	Disposals	Reclassifications	as of 31/12/2025	as of 1/1/2025	Additions	Disposals	as of 31/12/2025	as of 31/12/2025	as of 31/12/2024
Property, plant and equipment	62,592.4	10,989.7	-744.9	0.0	72,837.3	28,217.2	1,461.4	-105.6	29,573.0	43,264.4	34,375.2
Land and buildings	38,361.0	182.6	0.0	12,545.1	51,088.8	20,757.9	713.2	0.0	21,471.1	29,617.7	17,603.1
Office furniture and equipment	10,235.5	883.3	-12.4	367.7	11,474.1	6,779.7	606.0	-1.0	7,384.7	4,089.4	3,455.8
Asset under construction and advance payments made	11,104.3	9,923.8	0.0	-12,912.9	8,115.2	0.0	0.0	0.0	0.0	8,115.2	11,104.3
Right-of-use assets	2,891.6	0.0	-732.4	0.0	2,159.2	679.7	142.1	-104.7	717.1	1,442.1	2,211.9
Intangible assets	14,905.6	920.3	-8,410.4	0.0	7,415.4	5,457.1	389.9	0.0	5,847.0	1,568.4	9,448.5
Acquired software/licences	6,495.1	920.3	0.0	0.0	7,415.4	5,457.1	389.9	0.0	5,847.0	1,568.4	1,038.1
Acquired subscription rights	8,410.4	0.0	-8,410.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	8,410.4
Total property, plant and equipment and intangible assets	77,498.0	11,910.0	-9,155.3	0.0	80,252.7	33,674.3	1,851.3	-105.6	35,419.9	44,832.8	43,823.7

SCHEDULE OF NON-CURRENT ASSETS TRANS-ACTIONS 2024 in EUR thousand	Acquisition costs					Cumulative depreciation and amortisation				Carrying amount	
	as of 1/1/2024	Additions	Disposals	Reclassifi- cations	as of 31/12/2024	as of 1/1/2024	Additions	Disposals	as of 31/12/2024	as of 31/12/2024	as of 31/12/2023
Property, plant and equipment	52,937.5	10,016.7	-361.8	0.0	62,592.4	26,831.2	1,747.8	-361.8	28,217.2	34,375.2	26,106.3
Land and buildings	37,985.5	375.5	0.0	0.0	38,361.0	19,823.3	934.6	0.0	20,757.9	17,603.1	18,162.1
Office furniture and equipment	8,590.6	1,688.1	-43.2	0.0	10,235.5	6,188.3	634.6	-43.2	6,779.7	3,455.8	2,402.3
Asset under construction	3,661.2	7,443.1	0.0	0.0	11,104.3	0.0	0.0	0.0	0.0	11,104.3	3,661.2
Right-of-use assets	2,700.2	510.0	-318.6	0.0	2,891.6	819.5	178.7	-318.6	679.7	2,211.9	1,880.6
Intangible assets	12,658.5	2,247.1	0.0	0.0	14,905.6	5,241.7	215.3	0.0	5,457.1	9,448.5	7,416.8
Acquired software/licences	5,844.4	650.7	0.0	0.0	6,495.1	5,241.7	215.3	0.0	5,457.1	1,038.1	602.7
Acquired subscription rights	6,814.1	1,596.3	0.0	0.0	8,410.4	0.0	0.0	0.0	0.0	8,410.4	6,814.1
Total property, plant and equipment and intangible assets	65,596.0	12,263.8	-361.8	0.0	77,498.0	32,072.9	1,963.2	-361.8	33,674.3	43,823.7	33,523.1

36. OTHER ASSETS

OTHER ASSETS in EUR thousand	31/12/2025	31/12/2024
Other assets	6,475.8	8,891.2
Deferred income	4,216.0	1,713.9
Total	10,691.8	10,605.1

Other assets comprise the following material items: trade receivables in the amount of EUR 2,233.2 thousand (31/12/2024: EUR 1,786.8 thousand), receivables from guarantees drawn in the amount of EUR 1,789.1 thousand (31/12/2024: EUR 1,789.1 thousand) and receivables of Kommunalkredit Public Consulting GmbH

from the subsidy management for public clients in the amount of EUR 211.6 thousand (31/12/2024: EUR 2,993.5 thousand). The prepaid expenses mainly comprise commission, purchase price adjustments and other general and administrative expenses recognized according to the accruals concept.

37. AMOUNTS OWED TO CREDIT INSTITUTIONS

AMOUNTS OWED TO CREDIT INSTITUTIONS in EUR thousand	31/12/2025	31/12/2024
Repayable on demand	12,285.6	16,220.0
Other liabilities	134,988.9	110,771.5
Total	147,274.5	126,991.5

Amounts owed to credit institutions repayable on demand include cash and cash equivalents received as cash collateral for positive fair values of derivatives according to ISDA/CSA arrangements in the amount of EUR 12,280.6 thousand (31/12/2024: EUR 16,220.0 thousand).

Other amounts owed to credit institutions include EUR 3,046.5 thousand (31/12/2024: EUR 3,478.3 thousand) collateralized loans from the European Investment Bank.

38. AMOUNTS OWED TO CUSTOMERS

Amounts owed to customers include the following:

AMOUNTS OWED TO CUSTOMERS in EUR thousand	31/12/2025	31/12/2024
Deposits by corporates, municipalities and quasi-municipal enterprises - KOMMUNALKREDIT DIREKT	784,403.8	949,346.0
Deposits by retail customers - KOMMUNALKREDIT INVEST	1,814,806.0	2,012,392.7
Cash collateral received for positive market values of derivatives	102,978.5	59,280.6
Other long-term liabilities to customers	98,933.6	98,384.8
Total	2,801,121.8	3,119,404.1

Of the amounts owed to customers, EUR 201,616.2 thousand (31/12/2024: EUR 154,529.4 thousand) are repayable on demand.

No long-term liabilities to customers were bought back in the reporting period or in the previous year.

39. SECURITIZED LIABILITIES

SECURITIZED LIABILITIES in EUR thousand	31/12/2025	31/12/2024
Bond issued	2,814,374.3	2,161,048.6
Other securitized liabilities	59,629.8	166,450.5
Total	2,874,004.0	2,327,499.1

The securitized liabilities comprise covered bonds with a carrying amount of EUR 1,393,330.4 thousand (31/12/2024: EUR 1,540,646.7 thousand), which are collateralized by a cover pool. Besides covered bonds, this statement of financial position item primarily includes senior unsecured bonds. In the reporting period, Kommunalkredit redeemed securitized liabilities in

the nominal amount of EUR 119,000.0 thousand (31/12/2024: EUR 305,000.0 thousand) at maturity according to schedule and bought back/prematurely redeem securitized liabilities in the nominal value of EUR 100,000.0 thousand (31/12/2024: EUR 0.0 thousand). With regard to the result, please refer to Note 49.

40. SUBORDINATED LIABILITIES

As of 31. December 2025 subordinated liabilities were broken down as follows:

TYPE OF LIABILITY	Interest rate 31/12/2025	Currency	Nominal Value in EUR thousand	Carrying amount in EUR thousand
Subordinated bonded loan 2007–2047	5.02%	EUR	10,000.0	6,735.1
Subordinated bonded loan 2007–2047	5.02%	EUR	9,000.0	6,061.6
Subordinated bonded loan 2007–2037	5.08%	EUR	10,000.0	8,161.2
Subordinated bonded loan 2007–2037	5.08%	EUR	800.0	652.9
Subordinated bonded loan 2007–2037	5.08%	EUR	10,200.0	8,324.4
KA Callable Subordinated Fix/Var 5,5% 2025-2035	5.50%	EUR	150,000.0	148,024.8
Total			190,000.0	177,960.1

The values of the previous year are as follows:

TYPE OF LIABILITY	Interest rate 31/12/2024	Currency	Nominal Value in EUR thousand	Carrying amount in EUR thousand
Subordinated bonded loan 2007–2047	5.02%	EUR	10,000.0	7,670.5
Subordinated bonded loan 2007–2047	5.02%	EUR	9,000.0	6,903.5
Subordinated bonded loan 2007–2037	5.08%	EUR	10,000.0	8,483.9
Subordinated bonded loan 2007–2037	5.08%	EUR	800.0	678.7
Subordinated bonded loan 2007–2037	5.08%	EUR	10,200.0	8,653.6
Total			40,000.0	32,390.2

The difference between the carrying amount and the nominal value is due to hedge accounting according to IFRS 9. Interest expenses for all subordinated liabilities in the reporting period amounted to EUR 6,557.7 thousand (31/12/2024: EUR 2,022.6 thousand). Creditor claims to repayment of these liabilities are subordinate

in relation to other creditors and, in the event of bankruptcy or liquidation, will be fulfilled only after all non-subordinated creditors have been satisfied. The subordinated liabilities meet the conditions of Part 2 Title I Chapter 4 of EU Regulation 575/2013 (CRR) and are eligible as tier 2 capital for regulatory purposes.

The development of the cash flows from subordinated liabilities at cost are as follows:

SUBORDINATED LIABILITIES AT COST in EUR 1,000	2025	2024
as of 1/1	32,390.2	31,212.7
Cash inflow	147,439.8	0.0
Non-cash changes	-1,869.8	1,177.4
As of 31/12	177,960.1	32,390.2

41. DERIVATIVES (LIABILITIES)

Derivatives at Kommunalkredit mainly serve the purpose of hedging interest rate and/or currency risks. The negative fair values of derivative financial instruments are reported on the liabilities

side (for details on fair value measurement, see Note 12) and shown in the following table (including interest accruals/defer-als):

DERIVATIVES (LIABILITIES) in EUR thousand	31/12/2025	31/12/2024
Interest-related transactions	125,434.3	148,105.1
<i>of which in fair value hedges</i>	101,231.3	112,050.3
<i>of which in portfolio hedge</i>	11,174.3	15,982.7
Currency-related transactions	4,726.5	6,525.5
Total	130,160.8	154,630.6

The structure of the derivative financial instruments, including their market values, is shown in Note 62.

42. PORTFOLIO HEDGE

Kommunalkredit defined two portfolio hedges for the public sector portfolio in accordance with the requirements set out in Note 11, one comprising the underlying transactions in the hold portfolio ("AC layer") and one comprising the underlying transactions in the hold & sell portfolio ("OCI layer").

When hedging the financial liabilities, two portfolio hedges were defined for the fixed-rate customer deposits, with a distinction drawn between accumulating and non-accumulating deposits.

To ensure the highest possible hedge efficiency, the synthetic underlying transactions were structured as identically as possible to the portfolio hedge derivatives. The key parameters are the volume, the term and the coupons, which correspond as far as possible to the parameters of the hedging derivatives.

The cumulative hedge-related adjustments to the portfolios of underlying transactions as of 31. December 2025 amounts to EUR -1,942.1 thousand (31/12/2024: EUR -2,891.6 thousand) for the financial assets portfolio hedge and EUR 1,654.0 thousand (31/12/2024: EUR 6,727.7 thousand) for the financial liabilities portfolio hedge.

43. PROVISIONS

As of 31. December 2025 long-term personnel provisions and provisions for expected losses from credit commitments were reported under provisions. Other provisions include the provision

in connection with the interbank exemption pursuant to § 6 (1) no. 28 of the Austrian VAT Act (UStG).

PROVISIONS in EUR thousand	Changes				
	1/1/2025	reported in income statement	reported in total com- prehensive income/equity	Payments	31/12/2025
Provisions for pensions	458.5	3.9	-113.8	-40.5	308.1
Provisions for severance payment	2,548.2	210.5	-121.5	-25.5	2,611.7
Provisions for jubilee payment	96.3	-52.9	0.0	0.0	43.3
Provisions for expected losses on credit commitments	395.4	779.2	0.0	0.0	1,174.6
Other provisions	1,200.0	-820.0	0.0	0.0	380.0
Total	4,698.3	120.6	-235.3	-65.9	4,517.7

Provisions for expected losses from credit commitments are shown in Note 28. The actuarial provisioning requirement for personnel provisions changed in 2025 as follows:

CHANGE IN PERSONNEL PROVISIONS in EUR thousand	Provision for			Total
	pensions obligations	severance payment	jubilee payment	
As of 31/12/2024				
Present value of defined benefit obligation DBO	1,140.5	2,548.2	96.3	3,785.0
Plan assets	-682.1	0.0	0.0	-682.1
Actuarial provisioning requirement 31/12/2024	458.5	2,548.2	96.3	3,102.9
Curent service cost	5.6	132.5	1.4	139.5
Interest cost	36.2	78.0	1.3	115.5
Actuarial gains (-)/ losses (+) from DBO	-114.8	-121.5	-55.6	-291.9
<i>of which due to changes in demographic assumptions</i>	0.0	-22.5	0.0	-22.5
<i>of which due to experience adjustments</i>	-22.1	-59.1	-55.8	-137.1
<i>of which due to changes in financial assumptions</i>	-92.6	-39.9	0.2	-132.3
Payments	-71.8	-25.5	0.0	-97.3
Change DBO 2025	-144.7	63.5	-52.9	-134.1
Change in plan assets 2025	-5.7	0.0	0.0	-5.7
DBO as of 31/12/2025	995.8	2,611.7	43.3	3,650.9
Plan assets	-687.7	0.0	0.0	-687.7
Actuarial provisioning requirement as of 31/12/2025	308.1	2,611.7	43.3	2,963.1
Duration of defined benefit obligation in years	11.3	5.5	1.8	
Sensitivity of DBO to change in actuarial interest rate by	plus 0,5 %	-5.5%	-2.9%	
	minus 0,5 %	6.0%	3.1%	
Sensitivity of DBO to deviation of salary development by	plus 0,5 %	0.4%	3.0%	
	minus 0,5 %	-0.4%	-2.9%	
Sensitivity of DBO to deviations of pension increase by	plus 0,5 %	5.9%		
	minus 0,5 %	-5.4%		

The values of the previous year are as follows:

PROVISIONS in EUR thousand	Changes				
	1/1/2024	reported in income statement	reported in total com- prehensive income/equity	Payments	31/12/2024
Provisions for pensions	853.7	-4.0	-348.3	-42.9	458.5
Provisions for severance pay	2,570.4	208.9	123.8	-354.9	2,548.2
Provisions for jubilee bonuses	81.1	15.2	0.0	0.0	96.3
Provisions for expected losses on credit commitments	397.3	-1.9	0.0	0.0	395.4
Other provisions	340.2	859.8	0.0	0.0	1,200.0
Total	4,242.6	1,078.0	-224.6	-397.8	4,698.3

The actuarial provisioning requirement for personnel provisions changed in 2024 as follows:

CHANGE IN PERSONNEL PROVISIONS in EUR thousand	Provision for			Total
	pensions obligations	severance payment	jubilee payment	
as of 31/12/2023				
Present value of defined benefit obligation DBO	1,461.2	2,570.4	81.1	4,112.6
Plan assets	-607.5	0.0	0.0	-607.5
Actuarial provisioning requirement 31/12/2023	853.7	2,570.4	81.1	3,505.1
Current service cost	6.0	132.2	2.4	140.7
Interest cost	46.7	76.7	2.5	125.9
Actuarial gains (-)/ losses (+) from DBO	-301.8	123.8	10.3	-167.7
<i>of which due to changes in demographic assumptions</i>	0.0	-13.1	0.0	-13.1
<i>of which due to experience adjustments</i>	-301.8	128.5	10.0	-163.3
<i>of which due to changes in financial assumptions</i>	-0.0	8.4	0.3	8.7
Payments	-71.6	-354.9	0.0	-426.5
Change DBO 2024	-320.6	-22.2	15.2	-327.6
Change in plan assets 2024	-74.6	0.0	0.0	-74.6
DBO as of 31/12/2024	1,140.5	2,548.2	96.3	3,785.0
Plan assets	-682.1	0.0	0.0	-682.1
Actuarial provisioning requirement as of 31/12/2024	458.5	2,548.2	96.3	3,102.9
Duration of defined benefit obligation in years	10.6	6.5	2.3	
Sensitivity of DBO to change in actuarial interest rate by	plus 0,5 %	-5.8%	-3.6%	
	minus 0,5 %	6.4%	3.8%	
Sensitivity of DBO to deviation of salary development by	plus 0,5 %	0.6%	3.7%	
	minus 0,5 %	-0.6%	-3.5%	
Sensitivity of DBO to deviations of pension increase by	plus 0,5 %	6.1%		
	minus 0,5 %	-5.6%		

The development of the fair value of plan assets is as follows:

DEVELOPMENT OF THE FAIR VALUE OF PLAN ASSETS in EUR thousand	2025	2024
as of 1/1	682.1	607.5
Interest income	21.8	19.5
Actuarial result due to experience adjustments	-1.0	46.6
Payments from fund	-31.3	-28.7
Gross contributions to plan assets	16.1	37.2
as of 31/12	687.7	682.1

The following table shows plan assets broken down by asset classes:

PLAN ASSETS BY ASSET CLASS	31/12/2025	31/12/2024
Securities - euro	14.2%	18.0%
Securities - euro - inflation - linked	0.0%	0.3%
Securities - euro emerging markets	3.5%	3.6%
Securities - euro corporate	11.1%	12.4%
Term deposits	0.3%	0.4%
Equity Instruments - euro	9.5%	11.1%
Equity Instruments - non-euro	20.7%	14.4%
Equity Instruments - emerging markets	3.9%	5.3%
Alternative Investments	21.4%	18.6%
Real Estate	5.7%	5.3%
Cash and cash equivalents	5.3%	6.9%
Other	4.4%	3.7%
Total	100.0%	100.0%

As of 31. December 2025 31.6 % (31/12/2024: 32.0 %) of the plan assets do not have a market price listed on an active market.

For 2025, if calculation parameters remain constant, the following changes are expected for defined benefit plans:

EXPECTED DEVELOPMENT OF DBO in EUR thousand	
Defined benefit obligation (DBO) as of 1/1/2026	995.8
Expected current service cost	3.2
Expected interest cost	38.6
Expected payments	-73.0
Expected actuarial result	-2.5
DBO as of 31/12/2026	962.1

EXPECTED DEVELOPMENT OF PLAN ASSETS in EUR thousand	
Plan assets as of 1/1/2026	687.7
Expected interest income	27.1
Expected payments from fund	-32.6
Expected gross contributions to plan assets	0.0
Expected actuarial result	0.0
Expected plan assets as of 31/12/2026	682.2

44. TAX LIABILITIES/TAX ASSETS

TAX ASSETS/LIABILITIES in EUR thousand	31/12/2025	31/12/2024
Current tax assets	34,042.3	0.0
Deferred tax assets	3,386.4	2,085.4
Total assets	37,428.7	2,085.4
Current tax liabilities	2,144.8	11,245.1
Deferred tax liabilities	0.0	0.0
Total liabilities	2,144.8	11,245.1

Deferred tax assets and liabilities include taxes arising from temporary differences between the values recognized according to IFRS and the amounts calculated for tax purposes. The origin and

development of the tax assets/liabilities are shown in the following table:

DEFERRED TAXES on EUR thousand	as of 31/12/2024	Changes recognized in P&L	Changes recognized in OCI	as of 31/12/2025
Deferred taxes from temporary differences in asset-side items in the statement of financial position				
Cash and balances with central banks	2.6	1.9	0.0	4.5
Loans and advances to banks at amortized cost	15,814.0	2,580.8	0.0	18,394.7
Loans and advances to customers at amortized cost*	535,949.1	66,833.9	0.0	602,783.1
Securities	5,972.4	-28,268.0	0.0	-22,295.6
Assets at fair value through profit and loss*	-129,246.9	-78.5	0.0	-129,325.4
Assets at fair value through other comprehensive income*	-418,783.2	-30,759.2	2,266.3	-447,276.1
Derivatives	-28,986.4	-185.4	0.0	-29,171.7
Portfolio hedge	2,212.4	-1,385.3	0.0	827.1
Property, plant and equipment	-508.7	103.0	0.0	-405.8
Other loans and advances	0.0	-336.1	0.0	-336.1
Deferred taxes from temporary differences in liability-side items in the statement of financial position				
Amounts owed to customers	-1,248.9	126.0	0.0	-1,123.0
Derivatives	21,315.8	-5,100.2	0.0	16,215.6
Securitized liabilities	-1,619.3	-2,957.5	0.0	-4,576.8
Subordinated liabilities	-2,148.4	-1,533.5	0.0	-3,681.9
Provisions	226.1	179.4	-54.1	351.4
Other liabilities	3,134.9	-132.6	0.0	3,002.3
Total	2,085.4	-911.3	2,212.2	3,386.4

* Deferred taxes in these items relate primarily to differences between the values recognised according to IFRS and the amounts calculated for tax purposes in the context of hedge accounting.

The change in profit or loss is included in its entirety in the deferred tax expense.

There are no plans to realize deferred tax liabilities resulting from financial instruments and provisions (apart from measurement effects and maturities) within the coming twelve months.

The values of the previous year are as follows:

DEFERRED TAXES on EUR thousand	as of 31/12/2023	Changes recognized in P&L	Changes recognized in OCI	as of 31/12/2024
Cash and balances with central banks	4.8	-2.2	0.0	2.6
Loans and advances to banks	262.9	15,551.1	0.0	15,814.0
Loans and advances to customers at amortized cost*	373,373.5	162,575.6	0.0	535,949.1
Securities	37,874.4	-31,901.9	0.0	5,972.4
Assets at fair value through profit and loss*	-78,924.7	-50,322.3	0.0	-129,246.9
Assets at fair value through other comprehensive income*	-316,989.6	-102,470.6	677.1	-418,783.2
Derivatives	-31,617.9	2,631.5	0.0	-28,986.4
Portfolio hedge	1,109.0	1,103.5	0.0	2,212.4
Property, plant and equipment	-432.5	-76.2	0.0	-508.7
Other loans and advances	-141.7	141.7	0.0	0.0
Deferred taxes from temporary differences in liability-side items in the statement of financial position				
Amounts owed to customers	-1,792.5	543.6	0.0	-1,248.9
Derivatives	25,488.6	-4,172.8	0.0	21,315.8
Securitized liabilities	-8,977.4	7,358.1	0.0	-1,619.3
Subordinated liabilities	-2,418.7	270.2	0.0	-2,148.4
Provisions	261.4	38.9	-74.3	226.1
Other liabilities	4,404.4	-1,269.5	0.0	3,134.9
Total	1,483.9	-1.3	602.8	2,085.4

* Deferred taxes in these items relate primarily to differences between the values recognised according to IFRS and the amounts calculated for tax purposes in

the context of hedge accounting.

45. OTHER LIABILITIES

OTHER LIABILITIES in EUR thousand	31/12/2025	31/12/2024
Other liabilities	63,641.6	17,021.2
Personnel liabilities	13,249.7	25,767.6
Lease liabilities	1,553.3	2,333.2
Deferred income	11,996.2	10,730.0
Total	90,440.7	55,852.0

Other liabilities mainly include a purchase price obligation, obligations for personnel expenses and accruals for audit, legal and consulting expenses. The purchase price obligation in the amount of EUR 50,000.0 thousand represents a non-cash transaction. Deferred income mainly includes fees and arrangement fees not yet recognized in income in connection with loans not yet disbursed as well as deferred income from day-one gains. The fees and arrangement fees included in deferred income are recognized in the effective interest rate at the time of disbursement of the loan.

Kommunalkredit acquired loans at a significant discount to nominal value, where, due to the sellers situation, the transaction price (purchase price) at the time of purchase did not correspond to the fair value of the underlying loans. In order to determine the fair value of this portfolio at the time of recognition, a considerable number of parameters not observable on the market were used for the valuation. Accordingly, a systematic deferral of the day-one gain is made over the term of the assets or until the point in time at which observable market information is expected to be available (depending on which period is shorter).

The status of day-one gains not yet amortized include the following:

DIFFERENCES FROM DAY-ONE GAINS in EUR thousand	2025	2024
as of 1/1	6,033.3	9,882.6
New transactions	0.0	0.0
Disposals of transactions	-1,739.1	0.0
Amounts recognized in profit or loss during the period	-860.8	-3,849.3
As of 31/12	3,433.4	6,033.3

The development of the cash flows from lease liabilities are as follows:

LEASE LIABILITIES in EUR thousand	2025	2024
as of 1/1	2,333.2	1,934.3
Cash outflow redemption	-120.7	-133.9
Cash outflow interest	-67.6	-109.6
Non-cash changes	-591.6	642.4
As of 31/12	1,553.3	2,333.2

46. EQUITY

A. Development and composition

The share capital of Kommunalkredit as of 31. December 2025 was unchanged at EUR 177,017,120.8 (2024: EUR 177,017.1 thousand).

Satere Beteiligungsverwaltungs GmbH holds 34,343,928 no-par value shares, i.e. 99.80 % of the shares, while the Association of Austrian Municipalities holds 70,367 no-par value shares or 0.20 % of the shares. Each no-par-value share represents an equal part of the share capital. There are no shares that have been issued but not fully paid up. Each no-par-value share represents a share of EUR 5.1 in share capital.

By way of a resolution passed by the Annual General Meeting held on 22. February 2023, the Executive Board was authorized to increase the share capital of the company through the issue of new no-par-value registered shares by a maximum amount of EUR 88,508,560.4 (authorized capital), subject to approval by the Supervisory Board, within a period of five years following registration of the amendment to the Articles of Association. No shares were issued in the 2025 financial year. This means that authorized capital of EUR 88,508,560.4 is still freely available.

To strengthen the capital base and the capital structure, additional Tier 1 capital (AT1) amounting to EUR 62,800.0 thousand was successfully placed on the capital market in the first half of 2021. In line with the contractual terms & conditions, the issue was reported under equity in accordance with the provisions of IAS 32. Costs incurred in connection with the issue of the additional Tier 1 capital were deducted from equity. Coupon payments were also deducted from equity and not recognized through profit or loss.

The development and composition of equity as reportable according to IFRS is declared under Item IV (statement of changes in equity).

The reserves include statutory retained earnings of EUR 10,434.1 thousand (2024: EUR 10,434.1 thousand), liability reserves of the parent company in line with § 57 (5) of the

Austrian Banking Act (BWG) of EUR 40,939.7 thousand (2024: EUR 36,218.6 thousand) and fixed capital reserves of the parent company of EUR 112,479.3 thousand (2024: EUR 112,479.3 thousand).

As of 31. December 2025, the reserves for debt capital instruments at fair value through other comprehensive income included deferred taxes of EUR -14,779.5 thousand (2024: EUR -17,069.5 thousand). As of 31. December 2025, the reserves for equity instruments at fair value through other comprehensive income included deferred taxes of EUR -198.7 thousand (2024: EUR -175.1 thousand).

Additional equity components include AT1 bonds that represent unsecured and subordinated bonds of Kommunalkredit and are classified as equity under IFRS.

B. Servicing of equity/proposal for appropriation of profit

The profit for the year 2025 of Kommunalkredit Austria AG under Austrian GAAP is EUR 1,543.8 thousand. Since the entire amount of the profit for the year of Kommunalkredit Austria AG was allocated to retained earnings the retained profit amounts to EUR 0.0 thousand.

C. Total capital management and regulatory capital indicators

Just as in the previous year, we adhered to the statutory total capital requirements at all times throughout the reporting year. These included a capital conservation buffer, countercyclical capital buffer and premium from the supervisory review and evaluation process (SREP). Operational monitoring and management take the form of not only ongoing monitoring activities but also monthly reports to the Executive Board. Equity management is also elucidated under Note 66.

C.1. Regulatory group of credit institutions

Kommunalkredit is part of a group of credit institutions whose ultimate parent is Green Opera Finance Invest AB. Given that

Green Opera Finance Invest AB is classified as a financial holding company as defined by CRR, Kommunalkredit – as per Art. 11 (2) and (3) CRR – is the only credit institution obliged to fulfil the requirements of consolidated position specified in Parts 2 to 4 (Total Capital, Capital Requirements, Large Exposures), Part 6 (Liquidity), Part 7 (Debt) and Part 8 (Disclosure) CRR. Kommunalkredit also meets the definition of a superordinate credit institution pursuant to § 30 (5) of the Austrian Banking Act, which is responsible for compliance with the provisions of the Austrian Banking Act applicable to groups of credit institutions.

In addition to Green Opera Finance Invest AB and Green Opera Finance BidCo AB, the regulatory group of credit institutions also includes Satere, Kommunalkredit, Kommunalkredit KBI Immobilien

GmbH, Kommunalkredit 4OG Immobilien GmbH & Co KG, Kommunalkredit KBI Immobilien GmbH & Co KG and Kommunalkredit TLI Immobilien GmbH & Co KG as providers of additional services. The total capital and total capital requirements of the group of credit institutions under Austrian GAAP, calculated according to the CRR, show the following composition and development:

The reported capital figures of Kommunalkredit Austria AG and Green Opera Finance Invest AB Group include the profit for the year 2025. By contrast, the capital figures of Satere Group exclude the profit for the year.

BASIS FOR CALCULATION PURSUANT TO ART. 92 CRR in EUR thousand Green Opera Finance Invest AB Group	according to Art. 92 CRR 31/12/2025	according to Art. 92 CRR 31/12/2024
Total risk exposure amount pursuant to Art. 92 CRR	4,441,150.4	3,832,455.8
<i>of which credit risk</i>	4,106,033.5	3,514,476.7
<i>of which operational risk</i>	286,287.4	305,614.1
<i>of which FX risk</i>	27,848.1	0.0
<i>of which CVA charge</i>	20,709.5	12,146.0
<i>of which default fund of a qualifying counterparty</i>	272.0	219.0

TOTAL CAPITAL – ACTUAL in EUR thousand or % Green Opera Finance Invest AB Group	31/12/2025	31/12/2024
Common equity tier 1 after deductible items (CET 1)	705,592.4	709,931.4
Additional tier 1 (AT1)	44,185.1	37,640.8
Common equity (tier 1)	749,777.4	747,572.2
Tier 2 capital	132,119.8	36,264.7
Total capital	881,897.2	783,836.9
Common equity tier 1 ratio (CET 1)	15.9%	18.5%
Common equity ratio (tier 1)	16.9%	19.5%
Total capital ratio	19.9%	20.5%

BASIS FOR CALCULATION PURSUANT TO ART. 92 CRR in EUR thousand Satere Group	according to Art. 92 CRR 31/12/2025	according to Art. 92 CRR 31/12/2024
Total risk exposure amount pursuant to Art. 92 CRR	4,401,646.1	3,806,859.8
<i>of which credit risk</i>	4,066,869.2	3,488,880.7
<i>of which operational risk</i>	285,947.4	305,614.1
<i>of which FX risk</i>	27,848.1	0.0
<i>of which CVA charge</i>	20,709.5	12,146.0
<i>of which default fund of a qualifying counterparty</i>	272.0	219.0

TOTAL CAPITAL – ACTUAL in EUR thousand or % Satere Group	31/12/2025	31/12/2024
Common equity tier 1 after deductible items (CET 1)	685,741.1	685,896.7
Additional tier 1 (AT1)	44,185.1	37,640.8
Common equity (tier 1)	729,926.2	723,537.5
Tier 2 capital	132,119.8	36,264.7
Total capital	862,046.0	759,802.2
Common equity tier 1 ratio (CET 1)	15.6%	18.0%
Common equity ratio (tier 1)	16.6%	19.0%
Total capital ratio	19.6%	20.0%

C.2. Regulatory total capital of Kommunalkredit Austria AG

Total capital and total capital requirements calculated in accordance with CRR as reported in the individual financial statements

of Kommunalkredit under Austrian GAAP have the following composition and development:

BASIS FOR CALCULATION PURSUANT TO ART. 92 CRR in EUR thousand Kommunalkredit Austria AG	according to Art. 92 CRR 31/12/2025	according to Art. 92 CRR 31/12/2024
Total risk exposure amount pursuant to Art. 92 CRR	4,427,913.0	3,834,027.6
<i>of which credit risk</i>	4,093,967.3	3,516,935.8
<i>of which operational risk</i>	285,116.1	304,726.9
<i>of which FX risk</i>	27,848.1	0.0
<i>of which CVA charge</i>	20,709.5	12,146.0
<i>of which default fund of a qualifying counterparty</i>	272.0	219.0

TOTAL CAPITAL – ACTUAL in EUR thousand or % Kommunalkredit Austria AG	31/12/2025	31/12/2024
Common equity tier 1 after deductible items (CET 1)	716,501.2	715,165.6
Additional tier 1 (AT1)	63,321.6	63,321.6
Common equity (tier 1)	779,822.8	778,487.1
Tier 2 capital	193,968.5	42,281.2
Total capital	973,791.3	820,768.3
Common equity tier 1 ratio (CET 1)	16.2%	18.7%
Common equity ratio (tier 1)	17.6%	20.3%
Total capital ratio	22.0%	21.4%

Notes to the income statement of the Kommunalkredit Group

47. NET INTEREST INCOME

NET INTEREST INCOME in EUR thousand	2025	2024
Net interest income	372,769.2	400,687.9
Interest income from loans and advances to banks	37,588.4	44,615.6
Interest income from loans and advances to customers	140,780.3	169,641.2
Interest income from assets at fair value through other comprehensive income	124,587.9	104,145.2
Interest income from assets at fair value through profit or loss	53,622.0	42,115.7
Interest income from derivatives in hedges	9,454.4	31,949.5
Interest income from maturing derivatives in portfolio hedge	5,386.1	5,940.0
Interest income from other assets and changes to estimates	1,350.0	2,280.7
Interest expenses and expenses similar to interest expenses	-212,047.5	-215,653.7
Interest expenses for amounts owed to banks	-4,295.8	-4,950.9
Interest expenses for amounts owed to customers	-92,834.9	-110,667.1
Interest expenses for derivatives in hedges	-17,507.8	-47,848.4
Interest expenses for securitised liabilities	-90,685.4	-49,934.8
Interest expenses for subordinated capital	-6,557.7	-2,022.6
Interest expenses for other liabilities and changes in estimates	-166.0	-229.9
Net interest income	160,721.7	185,034.2

In 2025 there was no change in estimate determined according to the provisions of IFRS 9 in conjunction with a changed estimate of the achievement of certain interest-rate-related lending goals (31/12/2024: EUR 0.0 thousand).

The interest expense calculated based on the effective interest method of financial liabilities that are not measured at fair value through profit or loss came in 2025 to EUR 194,373.7 thousand (31/12/2024: EUR 167,575.4 thousand). In the reporting year, day-one gains were amortized in net interest income. Details are provided in Note 45.

48. NET FEE AND COMMISSION INCOME

NET FEE AND COMMISSION INCOME in EUR thousand	2025	2024
Fee and commission income	46,015.9	48,136.1
Subsidy management and consulting business	28,567.2	29,021.7
Lending business	10,925.4	16,989.5
Other service business	6,523.3	2,124.9
Fee and commission expenses	-2,682.8	-3,054.7
Lending business	-2,004.0	-1,700.2
Securities business	-388.1	-1,055.6
Money and FX trading	-290.7	-298.9
Other service business	-0.0	-0.0
Net fee and commission income	43,333.1	45,081.3

Net fee and commission income was largely shaped by the revenue from Kommunalkredit Public Consulting GmbH (KPC) in relation to the subsidy management and consulting business. Fee and commission income from the lending business mostly included fees related to the new lending business. These primarily include

commission and transaction-related fees concerning financial instruments measured at fair value through profit or loss. Fee and commission expenses were largely generated from guarantees in relation to the lending business. All fee and commission income and expenses are recognized according to the accruals concept.

49. GAINS AND LOSSES FROM FINANCIAL ASSETS AND LIABILITIES

Where assets measured at fair value through other comprehensive income that only serve to generate SPPI-compliant cash flows and are allocated to the “hold and sell” business model are sold,

the amount recorded as of 31. December of the previous year in the reserve for assets measured at fair value and reported directly in other comprehensive income is carried over to the income statement.

Gains and losses from financial assets and liabilities are detailed as follows:

GAINS AND LOSSES ON FINANCIAL ASSETS AND LIABILITIES in EUR thousand	2025	2024
a) Realized gains (losses) from financial instruments not measured at fair value through P&L	2,422.2	-1,224.5
<i>a1) result from the disposal of assets at fair value through other comprehensive income</i>	1,555.5	-838.3
<i>a2) financial assets measured at amortized cost</i>	1,336.8	120.7
<i>gains from sale of assets measured at amortized cost</i>	1,336.8	120.7
<i>a3) financial liabilities measured at amortized cost (results from early redemption of own issues)</i>	1,115.4	0.0
<i>a4) Gain (Loss) from modifications</i>	-1,585.5	-506.9
b) Result from financial instruments measured at fair value through P&L	-19,495.0	10,396.3
<i>b1) of which loans and securities</i>	-23,529.2	10,227.0
<i>b2) of which interest and currency hedging derivatives</i>	4,034.2	169.3
c) Remeasurement result from fair value hedge	1,158.0	100.8
<i>c1) of which interest rate derivatives</i>	29,003.2	2,167.4
<i>c2) of which underlying instruments</i>	-27,845.2	-2,066.6
d) Remeasurement result from portfolio hedge	-159.5	87.0
<i>d1) of which interest rate derivatives</i>	-1,728.3	5,441.3
<i>d2) of which underlying instruments (layer)</i>	1,568.8	-5,354.2
e) Foreign currency valuation/Other*	-210.0	89.9
Total	-16,284.1	9,449.6

* The “Other” item primarily includes the foreign currency valuation of FX forwards.

The result from financial instruments measured at fair value through profit or loss includes loans and securities whose contractual cash flows are not SPPI-compliant as well as loans allocated to the “sell” business model. This item also includes the measurement of interest rate and currency hedging derivatives that are not part of hedge accounting.

As of 2025 a result of EUR 1,115.4 thousand was generated from the early redemption of own issues (securitised liabilities) and the closure of associated interest rate derivatives. (31/12/2024: EUR 0.0 thousand). The remeasurement result from the fair value hedge and the portfolio hedge indicates the ineffectiveness of the hedging relationships reported in the statement of financial position by Kommunalkredit. Details on how hedge accounting is reported in the statement of financial position and how effectiveness is measured are provided under Note 11.

The result from modifications shows income and expenses arising from contractual changes to cash flows. These were non-substantial modifications in the 2025 financial year.

The decline in result from financial instruments measured at fair value through P&L is attributable to the increase in credit risk premium of assets in default (see Note 28.1.).

In line with its business strategy, Kommunalkredit does not engage in activities involving an intent to trade. According to IFRS, the result from the remeasurement of derivatives, which are not in a hedge relation, is by definition allocable to assets held for trading. Derivatives at Kommunalkredit are not trading positions, but economic hedges. The result of assets held for trading according to the IFRS definitions came to EUR 3,995.2 thousand (31/12/2024: EUR 189.5 thousand) and includes the following components:

- b2) Valuation of interest rate and currency hedging derivatives of EUR 4,034.2 thousand (31/12/2024: EUR 169.3 thousand)
- e) Foreign currency valuation excl. other of EUR -38.9 thousand (31/12/2024: EUR 20.2 thousand)

Kommunalkredit did not sell a significant amount of assets measured at amortized cost in the reporting year. This related to the sale of listed bonds with a nominal value of EUR 38,700.0 thousand (31/12/2024: EUR 25,000.0 thousand), which were designated for the “Hold” business model. Loans measured at amortized cost that were sold in the reporting year had nominal value of EUR 62,064.9 thousand (31/12/2024: EUR 0.0 thousand).

The result from the disposal of these assets was 2025 EUR 1,336.8 thousand (31/12/2024: EUR 120.7 thousand).

50. NET PROVISIONING FOR IMPAIRMENT LOSSES

NET PROVISIONING FOR IMPAIRMENT LOSSES in EUR thousand	2025	2024
Change in expected losses for stage 1	-1,487.1	-453.7
Change in expected losses for stage 2	-2,136.0	-843.9
Change in expected losses for stage 3	-77,949.6	-8,818.0
Total	-81,572.6	-10,115.6

Net provisioning for impairment losses only includes changes in expected credit losses in accordance with IFRS 9. This includes an allocation of EUR 8.3 thousand (2024: EUR 11.2 thousand) for the risk provisions for cash and balances held with central banks

and EUR 4.5 thousand (2024: EUR 0.0 thousand) for other assets. Details on the development in risk provisions can be found in Note 28.

51. GENERAL ADMINISTRATIVE EXPENSES

GENERAL ADMINISTRATIVE EXPENSES in EUR thousand	2025	2024
Personnel expenses	-60,715.6	-64,669.2
Salaries	-48,531.2	-52,672.6
Statutory social security contributions	-8,944.9	-9,623.3
Voluntary social security contributions	-1,221.6	-477.2
Expenses for pensions and employee benefits	-2,017.9	-1,896.0
Other administrative expenses	-32,654.9	-34,846.3
Depreciation, amortisation and impairment	-1,851.3	-1,963.2
on intangible assets	-389.9	-215.3
on property, plant and equipment	-1,461.4	-1,747.8
Total	-95,221.8	-101,478.7

In addition to the change in severance and pension provisions, expenses for pensions and employee benefits include EUR 802.6 thousand (31/12/2024: EUR 725.2 thousand) for defined contribution plans (pension fund contributions under

collective bargaining agreements) and EUR 793.2 thousand (31/12/2024: EUR 681.1 thousand) for contributions to company pension plans.

Other administrative expenses include the following items:

OTHER ADMINISTRATIVE EXPENSES in EUR thousand	2025	2024
Third-party services	-14,774.6	-10,930.1
Data processing	-6,361.5	-5,766.1
Consulting and auditing fees	-5,745.2	-7,711.9
Public relations and advertising	-1,909.0	-2,212.8
External news services	-1,406.5	-1,425.2
Headhunting and personnel development	-622.8	-1,240.3
Occupancy costs	887.3	-413.4
Other non-personnel administrative expenses	-2,722.8	-5,146.6
Total of other administrative expenses	-32,654.9	-34,846.3

Expenses for auditing services by the financial auditor allocable to the reporting period came to EUR 389.1 thousand (31/12/2024: EUR 610.3 thousand). Of which EUR 232.2 thousand (31/12/2024: EUR 220.2 thousand) was attributable to the audit of the separate financial statements, EUR 70.2 thousand (31/12/2024: EUR 65.0 thousand) was attributable to the audit of the consoli-

dated financial statements, and EUR 86.7 thousand (31/12/2024: EUR 325.1 thousand) was attributable to other auditing services.

Other advisory services provided by the auditor came to EUR 160.8 thousand (31/12/2024: EUR 67.6 thousand).

52. INCOME/EXPENSES FROM ASSOCIATES

Expenses from associates amounting to were realized in the past financial year EUR 17.3 thousand were realized in the past financial year (31/12/2024: EUR -429.2 thousand).

53. OTHER OPERATING RESULT

OTHER OPERATING RESULT in EUR thousand	2025	2024
Other operating income	9,381.3	1,103.8
Other operating income	9,381.3	1,103.8
Other operating expense	-2,112.3	-2,108.2
Stability Tax	-2,926.5	-717.3
Other	814.2	-1,390.9
Total	7,269.0	-1,004.4

Other operating income includes the result of the sale of the capitalized subscription right associated with an investment in green hydrogen in the amount of EUR 8,599.6 thousand.

Other operating expenses mostly encompass the adjustment of the provision related to the temporary bank exemption in accordance with § 6 (1) sentence 28 of the Austrian Value Added Tax Law (UStG) and the stability tax for Austrian banks.

54. INCOME TAXES

INCOME TAXES in EUR thousand	2025	2024
Current tax expense	-3,922.0	-30,300.2
Deferred tax income/expense	-911.3	-1.3
Total	-4,833.3	-30,301.5

The current tax expense is calculated based on tax results of the financial year with the local tax rate to be applied by the group companies (all group companies residing in Austria are subject to a corporation tax of 23% as was the case in the previous year; the branch residing in Germany is subject to a corporation tax of 15%, a solidarity surcharge of 5.5% and trade tax of 16.1%).

The deferred tax expense resulted from the change in temporary level differences between tax carrying amounts and IFRS carrying amounts. Due to the formation of a tax group in accordance

with § 9 of the Austrian Corporate Income Tax Act with Satere Beteiligungsverwaltungs GmbH as the group parent (see Note 21 for details) in 2016, any tax loss carryforwards applicable to Kommunalkredit from periods prior to the time at which the group of companies became effective (pre-group losses) are offsettable without limitations up to a maximum of the company's own profit.

The following reconciliation table shows the relationship between the expected and reported income taxes:

TAX RECONCILIATION TABLE in EUR thousand	2025	2024
Profit for the year before tax	18,298.4	126,573.3
Expected tax expense in the financial year at the Austrian income tax rate (23%)	-4,208.6	-29,111.9
Decrease of tax expense due to tax-exempt income from associates	8.3	8.3
Decrease of tax expense due to interest expense AT1 capital	944.0	944.0
Increase of tax expense due to non-deductible items	-1,789.5	-1,730.0
Other	212.5	-411.9
Income taxes	-4,833.3	-30,301.5



Other information

55. SIGNIFICANT EVENTS AFTER THE REPORTING PERIOD

There were no significant events after the reporting period.

56. PRESENTATION OF REVENUES BY REGION

The business activities of Kommunalkredit are conducted primarily in the areas of municipal and infrastructure-related project financing. The bank's activities are concentrated in a single business segment, the results of which are reported regularly to the Executive Board and the Supervisory Board in the form of the consolidated financial statements prepared according to IFRS. The disclosures relating to the business segment are presented in the statement of financial position and the income statement of the Group. Reconciliation is therefore not required.

Information about geographical distribution for the reporting year, broken down into net interest income and net fee and commission income, is provided in the list below (additional information on the geographical distribution of the credit volume is provided in Note 66):

PRESENTATION OF REVENUES BY REGION (REGISTERED OFFICE OF COUNTERPARTY) in EUR thousand in 2025	Austria	Europe	Outside Europe	Total
Interest and similar income	86,984.7	267,522.4	18,262.1	372,769.2
Interest and similar expenses	-152,647.5	-58,584.5	-815.5	-212,047.5
Net interest income	-65,662.8	208,938.0	17,446.6	160,721.7
Fee and commission income	25,174.9	20,562.1	278.9	46,015.9
Fee and commission expenses	-610.3	-1,377.7	-694.9	-2,682.8
Net fee and commission income	24,564.7	19,184.4	-416.0	43,333.1

PRESENTATION OF REVENUES BY REGION (REGISTERED OFFICE OF COUNTERPARTY) in EUR thousand in 2024	Austria	Europe	Outside Europe	Total
Interest and similar income	103,626.5	279,040.8	18,020.7	400,687.9
Interest and similar expenses	-148,452.0	-65,029.3	-2,172.5	-215,653.7
Net interest income	-44,825.5	214,011.6	15,848.2	185,034.2
Fee and commission income	24,552.8	23,136.8	446.4	48,136.1
Fee and commission expenses	-439.7	-1,890.4	-724.5	-3,054.7
Net fee and commission income	24,113.1	21,246.3	-278.1	45,081.3

57. STRUCTURE OF RESIDUAL MATURITIES

Residual maturity is defined as the period of time between the reporting date and the contractual maturity of the receivable or liability; in the case of partial amounts, residual maturity is shown for each partial amount. Interest accruals are assigned to the residual maturity "up to 3 months". Cash and cash equivalents (cash collateral) is reported as "repayable on demand".

Refer to Note 66 for further details on liquidity risk management.

A breakdown of the carrying amounts of key asset and liability items by residual maturity as of 31. December 2025 is as follows:

ASSETS BY RESIDUAL MATURITY in EUR thousand	Repayable on demand	Up to 3 months	3 months up to 1 year	1 to 5 years	More than 5 years	Total
Cash and balances with central banks	527,002.5	0.0	0.0	0.0	0.0	527,002.5
Loans and advances to banks	60,478.7	0.0	0.0	39,937.7	0.0	100,416.4
Loans and advances to customers	36,497.1	149,920.2	353,547.1	1,285,332.5	797,451.0	2,622,747.9
Securities	0.0	181,419.4	43,950.6	240,724.3	431,044.9	897,139.2
Assets recognized at fair value through other comprehensive income	0.0	22,552.2	121,856.6	1,278,891.3	549,222.4	1,972,522.4
Assets at fair value through profit or loss	0.0	11,804.0	76,820.3	348,511.4	135,341.8	572,477.6
Other assets	0.0	7,268.0	3,162.0	130.9	130.9	10,691.8
Total*	623,978.3	372,963.8	599,336.5	3,193,528.1	1,913,191.0	6,702,997.8

* The table shows the main asset and liability items; accordingly, this total is not equal to the total assets.

LIABILITIES BY RESIDUAL MATURITY in EUR thousand	Repayable on demand	Up to 3 months	3 months up to 1 year	1 to 5 years	More than 5 years	Total
Amounts owed to banks	12,285.6	0.0	85,788.6	46,153.9	3,046.5	147,274.5
Amounts owed to customers	201,616.2	479,471.2	733,636.8	1,156,848.8	229,548.8	2,801,121.8
Securitized liabilities	0.0	15,809.9	303,006.0	1,800,061.5	755,126.6	2,874,004.0
Subordinated liabilities	0.0	0.0	0.0	0.0	177,960.1	177,960.1
Other liabilities	0.0	63,673.6	22,542.9	3,105.2	1,119.0	90,440.7
<i>of which lease liabilities</i>	<i>0.0</i>	<i>32.0</i>	<i>96.1</i>	<i>567.4</i>	<i>857.8</i>	<i>1,553.3</i>
Total*	213,901.8	558,954.8	1,144,974.3	3,006,169.3	1,166,801.0	6,090,801.2

* The table shows the main asset and liability items; accordingly, this total is not equal to the total assets.

The residual maturity breakdown as of 31. December 2024 was as follows:

ASSETS BY RESIDUAL MATURITY in EUR thousand	Repayable on demand	Up to 3 months	3 months up to 1 year	1 to 5 years	More than 5 years	Total
Cash and balances with central banks	933,219.9	0.0	0.0	0.0	0.0	933,219.9
Loans and advances to banks	49,625.5	228.4	0.0	0.0	0.0	49,853.9
Loans and advances to customers	57,832.6	30,226.6	226,501.6	1,178,671.6	846,367.8	2,339,600.3
Securities	0.0	16,088.1	47,645.3	310,016.3	250,176.0	623,925.7
Assets recognized at fair value through other comprehensive income	1,614.0	31,022.9	180,543.5	1,044,333.4	589,772.8	1,847,286.5
Assets at fair value through profit or loss	0.0	5,218.4	51,561.8	343,065.3	168,006.4	567,851.9
Other assets	1,959.2	4,576.1	3,810.9	129.5	129.5	10,605.1
Total*	1,044,251.1	87,360.5	510,063.1	2,876,216.2	1,854,452.5	6,372,343.4

* The table shows the main asset and liability items; accordingly, this total is not equal to the total assets.

LIABILITIES BY RESIDUAL MATURITY in EUR thousand	Repayable on demand	Up to 3 months	3 months up to 1 year	1 to 5 years	More than 5 years	Total
Amounts owed to banks	16,220.0	10,910.2	434.8	98,122.1	1,304.3	126,991.5
Amounts owed to customers	154,529.4	579,791.1	951,260.4	1,188,323.8	245,499.4	3,119,404.1
Securitized liabilities	0.0	0.0	120,732.7	1,656,526.0	550,240.4	2,327,499.1
Subordinated liabilities	0.0	0.0	0.0	0.0	32,390.2	32,390.2
Other liabilities	2,012.4	10,090.3	26,858.2	12,422.9	4,468.3	55,852.0
<i>of which lease liabilities</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>0.0</i>	<i>2,333.2</i>	<i>2,333.2</i>
Total*	172,761.8	600,791.6	1,099,286.0	2,955,394.9	833,902.5	5,662,136.9

* The table shows the main asset and liability items; accordingly, this total is not equal to the total assets.

58. SUBORDINATED ASSETS

As of 31. December 2025 subordinated assets in the amount of EUR 297,556.5 thousand (31/12/2024: EUR 519,659.7 thousand) of which EUR 39,396.6 thousand (31/12/2024: EUR 113,763.2 thousand) is reported under "Assets recognized at fair value through other comprehensive income" at EUR 165,342.1 thousand (31/12/2024: EUR 298,641.6 thousand) of which is recognized in "Assets recognized at fair value in profit or loss" at EUR 92,817.8 thousand (31/12/2024: EUR 107,254.8 thousand) of which in "Assets at amortized cost".

59. ASSETS ASSIGNED AS COLLATERAL

59.1. Collateralized derivatives

Regarding collateralized derivatives, a distinction is made between bilateral and cleared derivative contracts.

Pursuant to EU Regulation 2016/2251, which entered into force on 1. March 2017, bilateral derivative contracts are subject to a collateralization requirement. Kommunalkredit complies with all requirements arising in this context. Based on ISDA/CSA arrangements and/or Austrian and German framework contracts/collateral annexes, exclusively cash and cash equivalents (cash collateral) were deposited as collateral by Kommunalkredit with counterparties and/or received by Kommunalkredit from counterparties as of 31. December 2025. The positive and negative present values, calculated by counterparty, are offset against one another and the resulting aggregate net present value of the portfolio is put up or called by the respective counterparty taking collateral parameters into account (threshold, minimum transfer amount).

Kommunalkredit uses the services of LCH (London Clearing House) and Eurex as the central counterparties via clearing brokers. Variation and initial margins are exchanged for cleared derivative contracts.

Offsetting of all payment claims from the market values of derivatives and the repayment of collateral is not possible except in the event of counterparty default. There is no unconditional right of offset.

59.2. Collateralized funding

- Kommunalkredit has assigned securities as collateral for global loans and other funding received from the European Investment Bank in Luxembourg. The collateral taker has the right to realize the collateral only in the event of the debtor's default.
- For covered bonds issued by Kommunalkredit, loans and securities were assigned to a cover pool which can only be drawn on with the approval of a government commissioner.
- For funding obtained through participation in the ECB tender 31. December 2025 assets were provided as collateral, which the collateral taker has the right to realize only in the event of the debtor's default.

The following table shows the carrying amounts of derivatives and funding received and the corresponding financial collateral, broken down by item in the statement of financial position. As none of the transactions meet the prerequisites for offsetting according to IAS 32, they are shown in gross amounts in the statement of financial position.

CARRYING AMOUNTS 31/12/2025 in EUR thousand	Fair value of collateralized derivatives	Funding received (-)	Collateral received (-) and provided (+)	Total
Market values of derivatives according to ISDA/CSA arrangements and/or in central clearing	80,725.3	0.0	-54,693.2	26,032.0
Derivatives (positive current value)	163,722.9			163,722.9
Derivatives (negative current value)	-82,997.6			-82,997.6
Loans and advances to banks			24,068.7	24,068.7
Loans and advances to customers			36,497.1	36,497.1
Amounts owed to banks			-12,280.6	-12,280.6
Amounts owed to customers			-102,978.5	-102,978.5
European Investment Bank	0.0	-3,046.5	5,121.0	2,074.5
Amounts owed to banks		-3,046.5		-3,046.5
Loans and advances to banks			5,121.0	5,121.0
Covered bond issues	0.0	-1,393,330.4	1,674,556.4	281,226.1
Securitized liabilities		-1,393,330.4		-1,393,330.4
Loans and advances to customers			1,061,998.7	1,061,998.7
Assets at fair value through other comprehensive income			612,129.1	612,129.1
Derivatives (positive current value)			428.6	428.6
ECB tender	0.0	0.0	656,902.2	656,902.2
Loans and advances to banks			0.0	0.0
Loans advances to customers			656,902.2	656,902.2
Assets at fair value through other comprehensive income			0.0	0.0
Total	80,725.3	-1,396,376.8	2,281,886.4	966,234.8

The values as of 31. December 2024 are as follows:

CARRYING AMOUNTS 31/12/2024 in EUR thousand	Fair value of collateralized derivatives	Funding received (-)	Collateral received (-) and provided (+)	Total
Market values of derivatives according to ISDA/CSA arrangements and/or in central clearing	33,313.7	0.0	-62,832.1	-29,518.4
Derivatives (positive current value)	151,343.3			151,343.3
Derivatives (negative current value)	-118,029.6			-118,029.6
Loans and advances to banks			13,846.5	13,846.5
Loans and advances to customers			26,850.1	26,850.1
Amounts owed to banks			-17,920.0	-17,920.0
Amounts owed to customers			-85,608.7	-85,608.7
European Investment Bank	0.0	-3,478.3	5,235.0	1,756.8
Amounts owed to banks		-3,478.3		-3,478.3
Loans and advances to banks			5,235.0	5,235.0
Covered bond issues	0.0	-1,540,646.7	1,508,826.7	-31,820.0
Securitized liabilities		-1,540,646.7		-1,540,646.7
Loans and advances to customers			1,024,850.5	1,024,850.5
Assets at fair value through other comprehensive income			478,449.6	478,449.6
Derivatives (positive current value)			5,526.6	5,526.6
TLTRO/ECB tender	0.0	0.0	364,995.4	364,995.4
Loans and advances to banks			18,498.8	18,498.8
Loans advances to customers			341,124.7	341,124.7
Assets at fair value through other comprehensive income			5,372.0	5,372.0
Total	33,313.7	-1,544,125.0	1,816,225.1	305,413.8

60. CONTINGENT LIABILITIES

There were no contingent liabilities as of 31. December 2025.
There were no liabilities arising from the lending business in the previous year either.

61. OTHER OFF-BALANCE-SHEET LIABILITIES

The residual maturities of promissory commitments and unused lines of credit are as follows:

RESIDUAL MATURITY in EUR thousand	31/12/2025	31/12/2024
Up to 1 year	432,222.0	144,538.8
1 to 5 years	676,715.2	790,080.9
More than 5 years	5,441.9	18,967.0
Total	1,114,379.0	953,586.7

In the financial year, Kommunalkredit closed the framework contracts for the fiduciary administration of loans with Trinity Investments Designated Activity Company (Trinity) and a related party

of Trinity. Kommunalkredit had no rights or obligations relating to the underlying loan transactions, which means that the criteria for recognition in the statement of financial position did not apply.

62. DERIVATIVE FINANCIAL INSTRUMENTS

Derivatives at Kommunalkredit mainly serve the purpose of hedging interest rate and/or currency risks.

The structure of open derivative financial transactions is as follows:

DERIVATIVE FINANCIAL INSTRUMENTS 2025 in EUR thousand	Nominal amount as of 31/12/2025			Total nominal 2025	Positive fair value	Negative fair value
	Residual maturity up to 1 year	Residual maturity 1-5 years	Residual maturity more than 5 years			
Interest-related transactions	557,972.8	2,937,802.3	1,941,266.9	5,437,042.0	210,515.3	-125,434.3
OTC products:						
Interest rate swaps - trading*	140,141.3	193,484.6	137,671.0	471,296.9	8,398.5	-13,028.7
Interest rate swaps - fair value hedge	371,089.9	2,338,453.6	1,593,223.5	4,302,767.0	183,572.2	-101,231.3
Interest rate swaps - portfolio hedge	46,741.6	405,864.0	210,372.5	662,978.1	18,544.6	-11,174.3
Currency-related transactions	860,469.5	0.0	0.0	860,469.5	334.3	-4,726.5
OTC products: FX forward transactions	860,469.5	0.0	0.0	860,469.5	334.3	-4,726.5
Total	1,418,442.3	2,937,802.3	1,941,266.9	6,297,511.5	210,849.6	-130,160.8

* Interest rate and/or currency swaps concluded to hedge interest rate and FX risks, not taken into account as hedges under IFRS 9. The bank does not have a proprietary trading portfolio.

DERIVATIVE FINANCIAL INSTRUMENTS 2024 in EUR thousand	Nominal amount as of 31/12/2024			Total nominal 2024	Positive fair value	Negative fair value
	Residual maturity up to 1 year	Residual maturity 1-5 years	Residual maturity more than 5 years			
Interest-related transactions	457,513.3	2,812,739.1	1,778,948.2	5,049,200.6	188,135.6	-148,105.1
OTC products:						
Interest rate swaps - trading*	160,000.0	434,647.0	133,331.2	727,978.3	13,983.6	-20,072.1
Interest rate swaps - fair value hedge	187,466.7	2,101,793.3	1,397,873.1	3,687,133.1	152,315.8	-112,050.3
Interest rate swaps - portfolio hedge	110,046.7	276,298.7	247,743.9	634,089.2	21,836.1	-15,982.7
Currency-related transactions	746,423.3	0.0	0.0	746,423.3	56.0	-6,525.5
OTC products: FX forward transactions	746,423.3	0.0	0.0	746,423.3	56.0	-6,525.5
Total	1,203,936.6	2,812,739.1	1,778,948.2	5,795,623.9	188,191.5	-154,630.6

* Interest rate and/or currency swaps concluded to hedge interest rate and FX risks, not taken into account as hedges under IFRS 9. The bank does not have a proprietary trading portfolio.

Taking all positions into account, the positive fair value amounts to EUR 80,688.8 thousand (31/12/2024: positive fair value of EUR 33,560.9 thousand), which is collateralized mainly through cash and cash equivalents according to ISDA/CDA arrangements. There are also options embedded in loans and/or own issues which are fully hedged through offsetting derivatives. Given the fact that the options are closely associated with their host contracts, they are recognized and measured together with the underlying transactions and not shown in the above table. The negative current values of these options embedded in loans and own issues amount to EUR 51,711.9 thousand (31/12/2024: EUR 38,294.9 thousand).

Derivatives with positive fair values of EUR 88,836.2 thousand (31/12/2024: EUR 63,971.4 thousand) will fall due within one year, EUR 21,302.7 thousand (31/12/2024: EUR 50,496.2 thousand) in one to five years and EUR 100,710.8 thousand (31/12/2024: EUR 73,724.0 thousand) in over five years. Derivatives with negative fair values amounting to EUR -51,305.3 thousand (31/12/2024: EUR -53,339.4 thousand) mature within one year, EUR -46,002.3 thousand (31/12/2024: EUR -55,381.7 thousand) within one to five years, and EUR -32,853.2 thousand (31/12/2024: EUR -45,909.5 thousand) in more than five years.

63. FINANCIAL INSTRUMENTS IN HEDGE ACCOUNTING

Financial instruments for which interest rate risk is hedged through derivative financial instruments are recognized as fair value hedges. The carrying amounts of these underlying transactions are as follows:

CARRYING AMOUNTS in EUR thousand	31/12/2025	31/12/2024
Assets		
Securities measured at amortized cost - fair value hedges	722,255.4	205,138.6
Receivables from customers measured at amortized cost - fair value hedges	416,420.1	873,654.8
Receivables from customers measured at amortized cost - portfolio hedges	76,002.2	93,591.9
Financial assets at fair value through OCI - fair value hedges	152,380.7	127,079.6
Financial assets at fair value through OCI - portfolio hedge	223,001.1	240,266.5
Liabilities		
Amounts owed to customers - fair value hedges	98,933.6	98,384.8
Amounts owed to customers - portfolio hedges	669,260.2	471,109.1
Securitized liabilities - fair value hedges	2,673,268.2	2,327,524.1
Subordinated liabilities - fair value hedges	148,024.8	32,390.2

The following table shows the cumulative hedge-related adjustments to the underlying transactions:

HEDGE- RELATED ADJUSTEMENTS in EUR thousand	31/12/2025	31/12/2024
Assets		
Securities measured at amortized cost - fair value hedges	-41,865.8	-26,082.1
Loans and advances to customers - fair value hedges	-49,154.1	-29,822.7
Loans and advances to customers - portfolio hedge	-1,942.1	-2,891.6
Assets at fair value through OCI - fair value hedges	578.7	-1,156.1
Assets at fair value through OCI - portfolio hedge	-13,982.8	-14,914.6
Liabilities		
Amounts owed to customers - fair value hedges	-4,882.4	-5,430.2
Amounts owed to customers - portfolio hedges	1,654.0	6,727.7
Securitized liabilities - fair value hedges	-24,692.1	-10,538.9
Subordinated liabilities - fair value hedges	-13,668.9	-9,341.0

The following table shows the maturity profile of the hedging instruments broken down by receiver and payer swaps:

HEDGING INSTRUMENTS 31/12/2025 in EUR thousand	Residual maturity up to 1 year	Residual maturity 1-5 years	Residual maturity more than 5 years
Interest rate swaps - fair value hedge			
Receiver Nominal	309,365.9	2,020,269.8	609,012.4
Payer Nominal	61,724.1	318,183.9	984,211.0
Interest rate swaps - portfolio hedge			
Receiver Nominal	46,741.6	328,596.7	89,089.2
Payer Nominal	0.0	77,267.3	121,283.3

HEDGING INSTRUMENTS 31/12/2024 in EUR thousand	Residual maturity up to 1 year	Residual maturity 1-5 years	Residual maturity more than 5 years
Interest rate swaps - fair value hedge			
Receiver Nominal	123,000.0	1,719,168.3	614,639.8
Payer Nominal	64,466.7	382,625.1	783,233.3
Interest rate swaps - portfolio hedge			
Receiver Nominal	70,046.7	219,031.4	89,089.2
Payer Nominal	40,000.0	57,267.3	158,654.7

The following table shows the ineffectiveness of the hedging relationships recognized through profit or loss in the financial year

2025 and in the previous year for the designated hedging relationships:

INEFFECTIVITIES in EUR thousand	Ineffectiveness recognized in profit and loss in 2025	Ineffectiveness recognized in profit and loss in 2024	Recognition of ineffectiveness in P&L
Fair value hedge	1,158.0	100.8	Gains and losses on financial assets and liabilities
Portfolio hedge	-159.5	87.0	Gains and losses on financial assets and liabilities

The change in fair value to measure ineffectiveness in the reporting period is as follows:

CHANGE IN FAIR VALUE in EUR thousand	1.1.-31.12.2025	1.1.-31.12.2024
Underlying transactions - fair value hedge	-27,845.2	-2,066.6
Underlying transactions - portfolio hedge	1,568.8	-5,354.2
Interest rate swaps - fair value hedge	29,003.2	2,167.4
Interest rate swaps - portfolio hedge	-1,728.3	5,441.3

64. SUPPLEMENTARY DISCLOSURES PURSUANT TO § 59A AND § 64 OF THE AUSTRIAN BANKING ACT

In line with its business strategy, Kommunalkredit does not engage in trading activities. Therefore, as in the previous year, Kommunalkredit had no trading portfolio as of 31. December 2025. In the statement of financial position are assets denominated in foreign currencies in the amount of EUR 767,274.2 thousand (31/12/2024: EUR 520,284.4 thousand) included. Liabilities denominated in foreign currencies amounted to EUR 273,985.1 thousand at the reporting date (31/12/2024: EUR 280,693.5 thousand).

Open currency positions are closed through corresponding swap contracts. Kommunalkredit's open foreign currency position is continuously monitored and strictly limited; therefore, there are no material currency risks.

The return on assets at the level of the Kommunalkredit Group, calculated as the consolidated profit for the year divided by total assets according to IFRS as of the reporting date, stands at 0.19 % (2024: 1.46 %).

65. FAIR VALUE OF FINANCIAL ASSETS AND LIABILITIES

65.1. Fair value calculation (fair value hierarchy)

In general, the methods used to determine the fair value can be classified into the following three categories:

Level 1: Quoted prices exist on an active market for identical assets or liabilities that the entity can access at the measurement date. In KA, quotes from Bloomberg or LSEG (former Reuters / Refinitiv) are used for this hierarchy level.

Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly, are used in the valuation. This category includes the following pricing methods:

- Quoted prices for similar assets or liabilities in active markets
- Quoted prices for identical or similar assets or liabilities in markets that are not active
- Inputs other than quoted prices that are observable for the asset or liability, for example interest rates and yield curves observable at commonly quoted intervals, implied volatilities and credit spreads

Level 3: The input factors are unobservable inputs. This mainly includes prices that primarily are based on expert estimates and/or do not contain directly observable data. Only assets of the infrastructure and energy portfolio are classified as level 3. For information on the definition of the parameters relevant for valuation purposes, particularly credit risk premiums, see Note 12.

65.2. Financial instruments recognized at fair value

The following table shows the breakdown of financial instruments recognized at fair value by category of financial instruments according to the fair value hierarchy:

CARRYING AMOUNTS FOR FINANCIAL INSTRUMENTS RECOGNIZED AT FAIR VALUE in EUR thousand	31/12/2025			Total
	Level 1	Level 2	Level 3	
Assets				
Assets at fair value through other comprehensive income	5,268.1	1,021,528.9	945,725.4	1,972,522.4
Assets at fair value through profit or loss	0.0	37,597.8	534,879.8	572,477.6
Derivatives	0.0	210,849.6	0.0	210,849.6
Liabilities				
Derivatives	0.0	130,160.8	0.0	130,160.8

CARRYING AMOUNT FOR FINANCIAL INSTRUMENTS RECOGNIZED AT FAIR VALUE in EUR thousand	31/12/2024			Total
	Level 1	Level 2	Level 3	
Assets				
Assets at fair value through other comprehensive income	5,372.0	851,423.2	990,491.3	1,847,286.5
Assets at fair value through profit or loss	0.0	47,944.3	519,907.5	567,851.9
Derivatives	0.0	188,191.5	0.0	188,191.5
Liabilities				
Derivatives	0.0	154,630.6	0.0	154,630.6

As of 31. December 2025 Kommunalkredit had Level 3 financial assets measured at fair value in the amount of EUR 1,480,605.2 thousand (31/12/2024: EUR 1,510,398.8 thousand). The Level 3 classification relates to infrastructure and energy financing and is based on the non-observability of the credit risk premiums required for the discounted cash flow method. The procedure for calculating the credit risk premiums is set out in detail in Note 12.

in the current reporting period assets in the amount of EUR 37,920.7 thousand (31/12/2024: EUR 0.0 thousand) were reclassified from Level 2 to Level 3. Changes in level classification are due to changes in the observability of credit spreads as input parameters in the period under review. Reclassifications from Level 3 are performed if spreads from comparable bonds or portfolios are available on the market for transactions. Should this information not or no longer be available for certain transactions, the transaction is classified as Level 3.

A change in credit risk spreads by one basis point for the entire portfolio of Level 3 assets measured at fair value results in a market value effect as of 31. December 2025 of EUR 513.0 thousand (31/12/2024: EUR 577.0 thousand); for a 20-basis-point change, the effect amounts to EUR 10,231.7 thousand (31/12/2024: EUR 11,458.3 thousand) (positive when spreads decrease, negative when spreads increase). Basis for calculating the sensitivities are the current credit risk premiums, which range from 109-basis-points (senior) to 912-basis-points (junior).

The following table shows a reconciliation table of financial assets recognized at fair value included in Level 3 of the measurement hierarchy:

RECONCILIATION OF FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE THROUGH OCI in EUR thousand	1.1.-31.12.2025	1.1.-31.12.2024
Amount at the beginning of a period	990,491.3	716,764.3
Additions/disbursement	312,940.5	495,151.0
Additions from level 2	37,920.7	0.0
Sold/redeemed	-397,618.0	-208,932.4
Disbursements in level 2	0.0	0.0
Total gains and losses		
recognized in other comprehensive income	435.3	-11,653.4
recognized in profit or loss	1,555.5	-838.3
Amount at the end of a period	945,725.4	990,491.3

RECONCILIATION OF FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE THROUGH P&L in EUR thousand	1.1.-31.12.2025	1.1.-31.12.2024
Amount at the beginning of a period	519,907.5	306,337.0
Additions/disbursement	113,517.8	237,143.5
Additions from level 2	0.0	0.0
Sold/redeemed	-75,016.3	-33,800.0
Disbursements in level 2	0.0	0.0
Total gains and losses		
recognized in profit or loss	-23,529.2	10,227.0
Amount at the end of a period	534,879.8	519,907.5

Revenue from Level 3 instruments which is reported in the income statement under net interest income primarily relates to the

amortization of fees in the lending business for instruments which are measured at fair value through other comprehensive income.

65.3. Financial instruments not recognized at fair value

The breakdown of categories of fair values of financial instruments not measured at fair value is as follows:

FAIR VALUES OF FINANCIAL INSTRUMENTS NOT RECOGNIZED AT FAIR VALUE in EUR thousand	31/12/2025			Total
	Level 1	Level 2	Level 3	
Assets at amortized cost				
Loans and advances to credit institutions	0.0	100,530.5	0.0	100,530.5
Loans and advances to customers	0.0	1,516,397.2	1,117,505.6	2,633,902.8
Securities	763,784.2	131,728.4	0.0	895,512.6
Liabilities at amortized cost				
Amounts owed to credit institutions	0.0	145,094.7	3,011.4	148,106.2
Amounts owed to customers	0.0	2,797,813.3	0.0	2,797,813.3
Securitized liabilities	0.0	2,906,212.1	0.0	2,906,212.1
Subordinated liabilities	0.0	201,050.4	0.0	201,050.4

FAIR VALUES OF FINANCIAL INSTRUMENTS NOT RECOGNIZED AT FAIR VALUE in EUR thousand	31/12/2024			Total
	Level 1	Level 2	Level 3	
Assets at amortized cost				0.0
Loans and advances to credit institutions	0.0	49,790.1	0.0	49,790.1
Loans and advances to customers	0.0	1,345,615.6	1,003,769.6	2,349,385.2
Securities	466,547.7	145,186.6	0.0	611,734.3
Liabilities at amortized cost				
Amounts owed to credit institutions	0.0	124,112.0	3,420.0	127,532.0
Amounts owed to customers	0.0	3,114,531.2	0.0	3,114,531.2
Securitized liabilities	0.0	2,330,275.6	0.0	2,330,275.6
Subordinated liabilities	0.0	39,235.7	0.0	39,235.7

In the current period under review assets in the amount of EUR 18,431.4 thousand (31/12/2024: EUR 0.0 thousand) were converted from Level 2 into Level 3. The change in level classifi-

cation was due to changes in the observability of credit spreads as input parameters during the period under review.

65.4. Fair value of financial assets and liabilities

The following table shows a comparison between the carrying

amounts and the fair values of those items in the statement of financial position which contain financial assets and liabilities:

CATEGORIES: 31/12/2025 in EUR thousand	Amortized cost	At fair value through other comprehensive income	At fair value through profit and loss	Carrying amount	Fair value
Cash and cash equivalents	527,002.5	0.0	0.0	527,002.5	527,002.5
Loans and advances to credit institutions	100,416.4	0.0	0.0	100,416.4	100,530.5
Loans and advances to customers	2,622,747.9	0.0	0.0	2,622,747.9	2,633,902.8
Securities	897,139.2	0.0	0.0	897,139.2	895,512.6
Assets recognized at fair value through OCI	0.0	1,972,522.4	0.0	1,972,522.4	1,972,522.4
Assets recognized through profit or loss	0.0	0.0	572,477.6	572,477.6	572,477.6
Derivatives	0.0	0.0	210,849.6	210,849.6	210,849.6
Total	4,147,306.0	1,972,522.4	783,327.2	6,903,155.6	6,912,798.0
Amounts owed to credit institutions	147,274.5	0.0	0.0	147,274.5	148,106.2
Amounts owed to customers	2,801,121.8	0.0	0.0	2,801,121.8	2,797,813.3
Derivatives	0.0	0.0	130,160.8	130,160.8	130,160.8
Securitized liabilities	2,874,004.0	0.0	0.0	2,874,004.0	2,906,212.1
Subordinated liabilities	177,960.1	0.0	0.0	177,960.1	201,050.4
Total	6,000,360.5	0.0	130,160.8	6,130,521.3	6,183,342.8

The values for the previous year are as follows:

CATEGORIES: 31/12/2024 in EUR thousand	Amortized cost	At fair value through other comprehensive income	At fair value through profit and loss	Carrying amount	Fair value
Cash and cash equivalents	933,219.9	0.0	0.0	933,219.9	933,219.9
Loans and advances to credit institutions	49,853.9	0.0	0.0	49,853.9	49,790.1
Loans and advances to customers	2,339,600.3	0.0	0.0	2,339,600.3	2,349,385.2
Securities	623,925.7	0.0	0.0	623,925.7	611,734.3
Assets recognized at fair value	0.0	1,847,286.5	0.0	1,847,286.5	1,847,286.5
Assets recognized through profit or loss	0.0	0.0	567,851.9	567,851.9	567,851.9
Derivatives	0.0	0.0	188,191.5	188,191.5	188,191.5
Total	3,946,599.8	1,847,286.5	756,043.4	6,549,929.8	6,547,459.5
Amounts owed to credit institutions	126,991.5	0.0	0.0	126,991.5	127,532.0
Amounts owed to customers	3,119,404.1	0.0	0.0	3,119,404.1	3,114,531.2
Derivatives	0.0	0.0	154,630.6	154,630.6	154,630.6
Securitized liabilities	2,327,499.1	0.0	0.0	2,327,499.1	2,330,275.6
Subordinated liabilities	32,390.2	0.0	0.0	32,390.2	39,235.7
Total	5,606,284.8	0.0	154,630.6	5,760,915.5	5,766,205.2

The fair values are determined in accordance with the methodology and hierarchy described in Note 12. The maximum credit risk for each category of financial instruments corresponds to the carrying amounts shown in the table. The maximum credit risk for financial

guarantees and irrevocable credit commitments corresponds to the nominal values of EUR 0.0 thousand (31/12/2024: 0.0) or EUR 1,114,379.0 thousand (31/12/2024: EUR 953,586.7 thousand).

66. RISK MANAGEMENT

In line with Kommunalkredit's corporate objectives, business activities are conducted in a manner which takes risk strategy into account and devotes particular attention to risk-bearing capacity. The bank places special focus on the risk-income calculation and on sustainably increasing the aggregate risk cover.

66.1. Organization of risk management

The risk drivers of the business model are identified and measured using annual assessments, from which Kommunalkredit derives a risk map. The risk map serves to establish a uniform understanding of risk, the assessment of the data for completeness and the identification of potential control gaps to be closed within the scope of continuous development.

The economic capital required for the main types of risk (in particular: credit risk, liquidity risk and market risk) is calculated using internal methods based on generally recognized principles of bank management. Additionally, a risk buffer is available for risks that cannot be sufficiently quantified (in particular operational risk, but also reputational risk, legal risks and other risks). All material risks at Kommunalkredit are subject to a bank-wide limit structure that is continually monitored. A prompt, regular and complete risk reporting system is implemented in the form of risk reporting. In addition to the monthly risk management report (RMC Report), which provides a detailed view of all material risks and their covering with the available aggregate risk cover, regular reports are provided to the Executive Board about single exposures with increased risk profile (Monitoring or Watchlist).

Furthermore, the Supervisory Board (in particular the Audit Committee and the Credit Committee) is provided with comprehensive information in the form of regular reports on the latest risk-related developments.

Kommunalkredit has established an organizational structure for risk management which clearly defines and sets out the tasks, competences and responsibilities in the risk management process. Risk-taking organizational units (front office) are therefore clearly separated from organizational units in charge of monitoring and communicating risks (back office) at all levels up to the Executive Board. The Chief Risk Officer (CRO) is responsible for the risk management function, which is independent of the front office, as a member of the Executive Board. The CRO receives technical and operational support from the Risk Controlling (RCON), Credit Risk (CR) and Compliance (CO) divisions in particular.

A formalized and structured approval and implementation procedure has been set up for the introduction of new fields of business, new markets or new products, ensuring that these are adequately reflected in all areas of settlement, risk management and reporting, accounting and financial reporting.

Risks are managed and monitored by the following committees:

- The **Risk Management Committee (RMC)** constitutes the central element of the comprehensive risk monitoring and steering process, providing information to the Executive Board on the bank's overall risk position on a monthly basis.

- The **Asset Liability Committee (ALCO)** supports the operational management of market and liquidity risks. At its meetings, the committee evaluates the market situation and discusses the management of interest rate- and liquidity risks.
- The **Credit Committee (CC)** approves individual transactions and new business (unless a resolution of the Supervisory Board is required in accordance with the authorization process) and conducts the review of portfolios and single names from the portfolio.
- The **Valuation-Jour-Fixe** deals with valuation issues and spread assessments of portfolio positions and new business, especially in relation to project financing.

Risk Controlling (RCON) is responsible for the quantification of risks and the aggregate risk cover as well as for the performance of stress tests. In addition, the division is responsible for assessing risk positions and validating the risk measurement methods used by the bank.

Credit Risk (CR) i.a. handles the analysis and assessment of single-name risks, casting of a second vote on credit approval and/or review, assigns ratings, monitors limits of industry and country risks, monitors and manages exposures with increased risk profile (in particular exposures on the monitoring and Watchlist) and performs qualitative portfolio analyses. Compliance (CO) is responsible for anti-money laundering, including financial sanctions, capital market and regulatory compliance, as well as data protection, anti-financial crime (anti-fraud & anti-corruption), conflicts of interest, complaint management and process compliance (internal control system/ICS).

66.2. Main principles of risk management

Within the context of the risk strategy for the main types of risk, the Executive Board specifies the principles for their adequate management and limitation. The economic risk is limited and monitored in accordance with the defined risk appetite for the bank as a whole in conjunction with the risk-bearing capacity (ICAAP – Internal Capital Adequacy Assessment Process and/or ILAAP – Internal Liquidity Adequacy Assessment Process) and the willingness to assume risk of the bank.

In addition, the following main principles apply to Kommunalkredit's risk management:

- Kommunalkredit does not incur risks as an end in itself but to create sustainable benefits.
- The limitation of risks at the bank is commensurate with the bank's earning strength and its equity base.
- Kommunalkredit supports a risk culture characterized by the deliberate management of risks at all levels.
- The bank only takes risks for which it owns or has access to the necessary expertise.
- The introduction of new products or markets is contingent on an adequate analysis of the business-specific risks.
- All material risks are subject to a limit structure. The observance of limits must be continually monitored – any failures to observe such limits must be escalated.
- The risk measurement results have to be subjected to regular stress testing.
- Outsourcing of core bank functions is only permissible with adequate skills and expertise.



66.3. Overall bank management process and risk-bearing capacity

The objective of the overall bank management process is to optimize the use of capital resources in terms of risk and return within

the limits of the bank's risk appetite and risk-bearing capacity. At Kommunalkredit, the following risks have been identified as relevant as of the reporting date and are monitored on an ongoing basis in the context of the risk-bearing capacity calculation:

CREDIT RISK	
▪ Default Risk and Issuer Risk	▪ Country and/or Transfer Risk
▪ Counterparty Risk (Replacement Risk)	▪ Settlement Risk
▪ Risk of decrease in credit quality (= Migration Risk)	▪ Cluster Risk
▪ Partizipation Risk	▪ Residual Risk from Credit Risk mitigation techniques
LIQUIDITY RISK	
▪ Liquidity Structure Risk	▪ Market Liquidity Risk
▪ Funding Risk	
MARKET RISK	
▪ Interest Rate Risk – Banking Book	▪ Basis Spread Risk
▪ Foreign Currency Risk	▪ Option Risk
▪ Credit Spread Risk	▪ OIS Risk
OPERATIONAL RISK	
▪ Outsourcing Risk	▪ Information and Communication Technology (ICT) Risk
▪ Human, Process and System Risk and External Risks	▪ Legal Risk
▪ Physical Risk	
OWN CREDIT RISK	
▪ BCVA Risk*	▪ Replacement Risk due to rating triggers
MACROECONOMIC RISK	
▪ Macroeconomic Risk	
OTHER RISKS	
▪ Strategic Risk	▪ Risk of excessive indebtedness (Leverage Ratio)
▪ Equity Risk	▪ Risk of money laundering and terrorism financing
▪ Reputational Risk	▪ Syndication risk
▪ Earnings and Business Risk	

* Comprises CVA risk and DVA risk and is allocated in its entirety to the funding risk.

Depending on the hedging target pursued, two economic steering circles are applied in the risk-bearing capacity calculation:

Liquidation perspective (economic steering circle based on the principle of creditor protection)

- Hedging objective: the main focus is on securing a level of capitalization to ensure that, in the event that the company is liquidated, all lenders can have their claims satisfied with a defined level of probability (“creditor protection”).
- Economic capital requirements (internal risk measurement) are compared with the economic capital/aggregate risk cover. Both economic capital requirements and the aggregate risk cover are determined on the basis of its present value (“full fair value” approach). A confidence level of 99.95% is used in determining the economic risk.
- Risk status as of 31. December 2025 (and previous year):

Economic risks in % of the aggregate risk cover	Risk buffer in % of the aggregate risk cover
70.4% (63.7%)	29.6% (36.3%)

Going concern perspective (economic steering circle based on the going-concern principle)

- Hedging objective: if the risks materialize, the survival of the bank as a going concern without additional equity is to be ensured with a defined degree of probability.
- All risks impacting on profit and loss must be covered by the budgeted profit for the year, realizable reserves and the “free capital”. Free capital is the capital which exceeds the internally defined hedging objective, expressed through a minimum T1 ratio and a minimum total capital ratio. The hedging objectives are preceded by corresponding early warning levels. A confidence level of 95% is used in determining the economic risk.

- Risk status T1 rate as of 31. December 2025 (and previous year):

Economic risks in % of the aggregate risk cover	Risk buffer in % of the aggregate risk cover
34.8% (42.1%)	65.2% (57.9%)

- Risk status TC rate as of 31. December 2025 (and previous year):

Economic risks in % of the aggregate risk cover	Risk buffer in % of the aggregate risk cover
34.3% (67.2%)	65.7% (32.8%)

Alongside these economic steering circles, compliance with regulatory/statutory minimum requirements and hedging objectives within the context of medium-term planning and current capital budgeting is guaranteed.

Additionally, stress tests are performed on a regular basis to test the robustness of the business model and to ensure capital adequacy. This involves essentially defining two different economic scenarios and quantifying their impact on the bank’s risk-bearing capacity.

In addition to the stressed risk-bearing capacity, a stressed multi-year plan is drawn up for each scenario in order to test the stability of the business model over time. Besides the macroeconomic stress tests, reverse stress tests are performed. These are intended to show the extent to which parameters and risks can be stressed until regulatory or internal minimum requirements can no longer be met.



66.4. Credit risk

66.4.1. Fundamentals

Credit risk is the risk of financial losses arising from a counterparty not meeting its contractual payment obligations.

Based on the current CRR standardized approach for all classes of receivables, Kommunalkredit primarily uses external ratings where available. If no external ratings are available, ratings are derived from internal scoring and/or rating models for internal risk control. Every active customer is assigned an external or internal rating, which is updated at least once a year. On the basis of an internal rating scale (master scale), the probabilities of default are grouped in categories to which external ratings can be assigned. The effectiveness and discriminatory power of the rating procedures and their ability to forecast defaults are checked regularly and adjusted if necessary.

At Kommunalkredit, two types of credit collateral are taken into account: financial collateral and guarantees. Financial collateral uses netting arrangements and cash collateral that reduce the counterparty risk. Financial collateral received reduces the existing exposure. On the other hand, the exposure is not reduced by guarantees. If guarantees are available, the exposure can be counted towards the guarantor, depending on the assessment of the risk, and included in the portfolio model and the limit system. In addition, collateral packages in line with the market are in place for financings by Kommunalkredit, which potentially have a loss-reducing effect in practice, but are not eligible from a regulatory perspective (for

example, company shares, asset pledges without valuations) and are therefore not recognised. Overall, based on the values derived from external studies for losses in the event of default (loss given default), they are included indirectly in the determination of the bank's risk costs.

66.4.2. Unexpected loss

To quantify the unexpected loss from credit risks, monthly credit VaR calculations are performed to manage and limit the risk and to determine the economic capital required as part of risk-bearing capacity analyses. Kommunalkredit uses a default model based on the CreditRisk+ approach to quantify the risk of unexpected default for credit risks. To calculate the credit VaR, rating-dependent one-year probabilities of default (PD) as well as regional and sector-specific loss ratios (LGD) are used. The model used is based on statistical methods and assumptions. These parameters are reviewed and updated at least once a year and documented in a validation report.

From the liquidation perspective, the potential unexpected loss from credit defaults for a holding period of one year as of 31. December 2025 14.5% (31/12/2024: 17.3%) relative to the economic aggregate risk cover; from the going concern perspective, the potential unexpected credit defaults for a holding period of one year as of 31. December 2025 11.2% (31/12/2024: 12.8%) relative to the economic aggregate risk cover (T1) and, as of 31. December 2025 this figure amounts to 11.0% (31/12/2024: 20.4%) relative to the economic aggregate risk cover (total capital).



66.4.3. Rating distribution, portfolio quality and concentration risk

Total exposure of EUR 7,368.8 million (31/12/2024: EUR 6,427.8 million) by rating is concentrated in the top rating categories; as of 31. December 2025 32.3% (31/12/2024: 30.5%) of the exposure was rated “AAA”/“AA”, 59.4% (31/12/2024: 57.9%) are investment grade. The exposure-weighted average rating of the total exposure is “BBB+” (according to Standard & Poor’s rating scale).

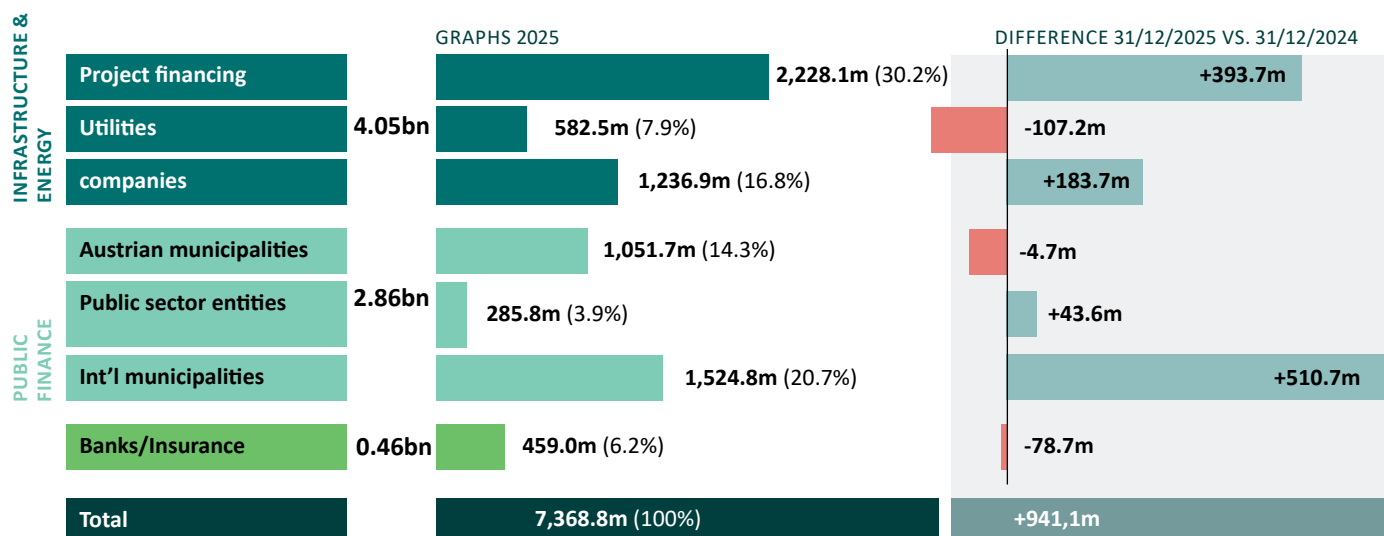
In 2025, the asset quality was negatively influenced by unfavorable developments in individual sectors, inter alia challenging market conditions in the fiber sector, characterized by consolidation pressure and tighter financing conditions, which led to an increased volume of non-performing loans. All in all, as of 31 December 2025, the non-performing loan ratio increased to 7.0% (31/12/2024: 2.8%), or a net ratio of 6.4% (31/12/2024: 2.4%) taking into account the ECA cover. Kommunalkredit monitors overdue receivables in accordance with the regulatory requirements. As of 31 December 2025, there were no receivables that had been in delay for more than 30 days, with the exception of the receivables in default as referred to above.

Risk concentrations are taken into account in the process of loan origination, monitored in the course of the monthly credit risk reports submitted to the RMC and shown in reports submitted to the Credit Committee and the Supervisory Board/Credit Committee. The total portfolio is broken down according to different parameters (including by sub-portfolio, country, region, top 20 “group of related customers”, rating, segment); limits are set by top risk drivers, sectors and geographic distribution, countries and foreign currencies. In addition, further limitations are defined, which limit the overall exposure with a higher level of risk (for example, IFRS 9 High Risk Exposure, Single-B Exposures, ECL). Depending on the risk assessment, reviews are performed at different intervals, but at least once a year.

Rating distribution 31/12/2025. Exposure in EUR m or %

AAA	AAA	848.9m (11.5%)	WITH AN AVERAGE RATING OF BBB+
Total		848.9m (11.5%)	
AA	AA+	149.6m (2.0%)	
	AA	857.0m (11.6%)	
	AA-	527.9m (7.2%)	
Total AA		1,534.5m (20.8%)	
A	A+	380.7m (5.2%)	
	A	261.7m (3.6%)	
	A-	254.6m (3.5%)	
Total A		897.0m (12.2%)	
BBB	BBB+	76.6m (1.0%)	
	BBB	169.1m (2.3%)	
	BBB-	848.8m (11.5%)	
Total BBB		1,094.5m (14.9%)	
BB	BB+	905.4m (12.3%)	
	BB	821.7m (11.2%)	
	BB-	624.5m (8.5%)	
Total BB		2,351.6m (31.9%)	
B	B+	217.4m (3.0%)	
	B	40.2m (0.5%)	
	B-	7.5m (0.1%)	
Total B		265.1m (3.6%)	
C	CCC+	14.1m (0.2%)	
	CCC	0.0m (0.0%)	
	CCC-	0.0m (0.0%)	
C total		14.1m (0.2%)	
D *	D1	1.1m (0.0%)	*net figure taking ECA cover into consideration.
	D2	362.0m (4.9%)	
D Total		363.1m (4.9%)	
Total		7,368.8m	

As of 31. Dezember 2025 the overall exposure, broken down by sub-portfolio, is as follows in EUR or %:

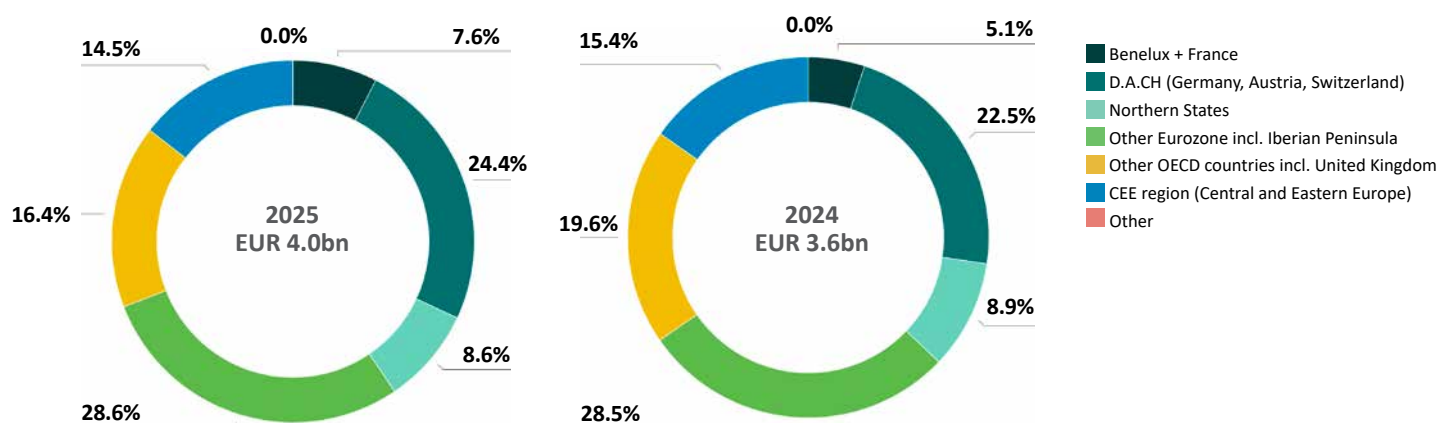


Rating distribution 31/12/2024. Exposure in EUR m or %

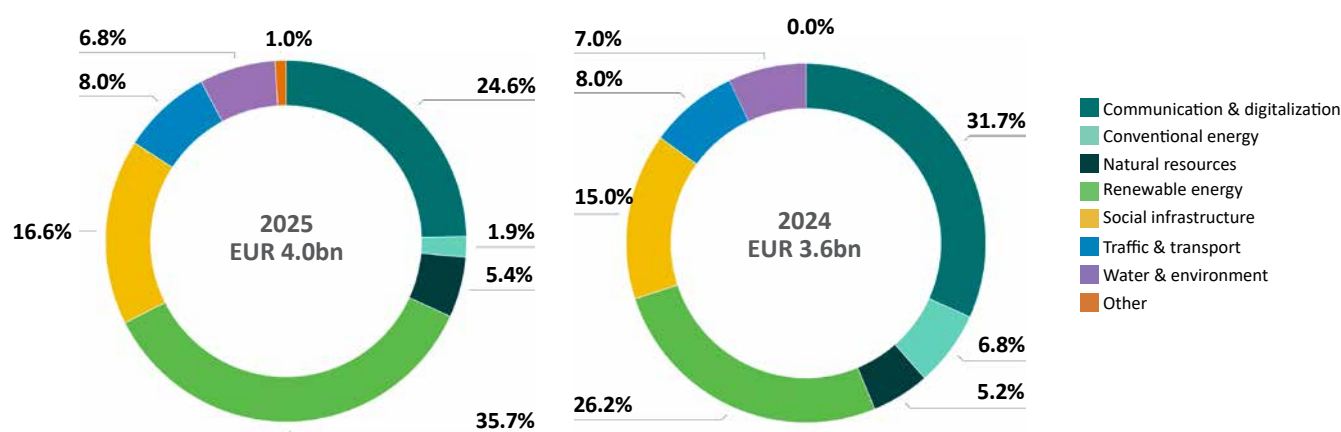
AAA	AAA	546.4m (8.5%)	
	Total	546.4m (8.5%)	
AA	AA+	417.2m (6.5%)	
	AA	501.9m (7.8%)	
	AA-	498.1m (7.7%)	
	Total AA	1,417.2m (22.0%)	
A	A+	216.3m (3.4%)	
	A	252.7m (3.9%)	
	A-	241.2m (3.8%)	
	Total A	710.3m (11.1%)	
BBB	BBB+	37.7m (0.6%)	
	BBB	149.0m (2.3%)	
	BBB-	864.3m (13.4%)	
	Total BBB	1,050.9m (16.3%)	
BB	BB+	1,016.5m (15.8%)	
	BB	736.1m (11.5%)	
	BB-	618.5m (9.6%)	
	Total BB	2,371.1m (36.9%)	
B	B+	164.4m (2.6%)	
	B	14.0m (0.2%)	
	B-	9.9m (0.2%)	
	Total B	188.3m (2.9%)	
C	CCC+	23.3m (0.4%)	
	CCC	0.0m (0.0%)	
	CCC-	0.0m (0.0%)	
	C total	23.3m (0.4%)	
D *	D1	1.2m (0.0%)	
	D2	119.1m (1.9%)	
	D Total	120.3m (1.9%)	
*net figure taking ECA cover into consideration.			
Total		6,427.8m	

WITH AN
AVERAGE
RATING OF
BBB+

Exposure of infrastructure and energy financing portfolio by regions as of 31/12/2025 and 31/12/2024



Exposure of infrastructure and energy financing portfolio by sectors as of 31/12/2025 and 31/12/2024



66.4.4. Credit risk analysis and monitoring

The lending business is a key element of Kommunalkredit's core business. Therefore, taking credit risks and their management is one of the bank's key competencies, the focus in particular being on project financing in the infrastructure sector and financial support for public sector projects. The tasks of operational credit risk management (CR) include all activities to review, monitor and limit risks from the individual transaction.

The granting of loans, the valuation of any collateral and the creditworthiness assessment are subject to clear regulations that are documented in the relevant regulations and working directives of Kommunalkredit. Apart from the underwriting criteria (= "credit risk strategy"), this includes the authorization process and policies for creditworthiness assessment and rating determination.

For transactions in infrastructure, the bank follows a three-tier process to make the risk-income profile transparent to the required extent:

- 1 Initial assessment of a potential transaction** through the front and back offices with a clear recommendation regarding its follow-up (under special circumstances if necessary) or rejection by the competent party;
- 2 Due diligence phase** with a focus on economic, financial, technical, legal and insurance-specific aspects as a basis for the application and risk assessment;
- 3 Submitting the transaction as part of a credit application** (front office), including a risk statement (back office), for approval by the competent party (Supervisory Board Credit Committee).

The organic separation of front office and back office is always observed.



66.4.5. Credit risk early warning and risk provisions

The portfolio is reviewed regularly for objective indications of impairments of customer exposures. Assessments of impairment are performed in the course of the annual rating/review process or on an ad hoc basis. Exposures with elevated credit risk or anomalies as part of an “early warning” are also monitored monthly at the monthly portfolio monitoring meeting. To that end, Kommunalkredit uses specific early warning indicators for each segment, which identify exposures based on qualitative and quantitative features subject to increased monitoring frequency.

As of the reporting date of 31. December 2025 the exposure on the Watchlist amounted to EUR 204.6 million (31/12/2024: EUR 135.5 million).

There was an exposure in the amount of EUR 375.0 million (31/12/2024: EUR 129.0 million) in default.

Credit Risk (CR) continuously updates the list of counterparties with increased credit risk and submits monthly reports to the Credit Committee meeting, which then decides on the measures to be taken.

Impairments to be recognized for defaulting loans are determined by Risk Management, subject to approval by the Credit Committee.

66.4.6. Counterparty default risk from derivatives and securities transactions

Legally binding Netting Agreements for derivatives exist with all active counterparties of Kommunalkredit (close-out netting) in the form of Credit Support Agreements or Collateral Annexes to Master Agreements providing for daily collateral margining in compliance with the bilateral collateralization requirements set out in the European Market Infrastructure Regulation (EMIR). Derivative contracts in the cover pool are excluded from this. However, also here Master Agreements and Netting Arrangements with standard market conditions exist for these (one-way collateralization by the counterparty, rating trigger).

Early Warning Signals / Triggers					
Quantitative Triggers			Qualitative Triggers		
Enterprises / Utilities ¹					
Internal rating deterioration	Covenant breach	Country risk downgrade	Management reports	Press & industry reports	External rating report
30 days past due	Reporting delay > 3 months	Falling electricity prices	Ad hoc publicity	Individual analysis	
Project Financing (Specialized Lending)					
Internal rating deterioration	Covenant breach	Country risk downgrade	Management reports	Industry reports	
30 days past due	Reporting delay > 3 months	Lock-up ratio breach Falling electricity prices	Exercise of PIK interest option	Individual analysis	
Public Sector, Sovereign & Supranational Organisations					
Internal rating deterioration	Country risk downgrade		External rating report	Press & industry reports	
30 days past due	Credit spread ²		Ad hoc publicity	Individual analysis	
Financial Institutions					
Internal rating deterioration	Country risk downgrade		External rating report	Press & industry reports	
30 days past due	Credit spread ²		Ad hoc publicity	Individual analysis	

1 Incl. enterprises with significant public support.

2 If available/publicly listed.

Counterparty default risk positions are limited through volume-based counterparty and credit concentration limits on the one hand, and through the economic credit risk in the credit VaR calculation of the risk-bearing capacity calculation on the other.

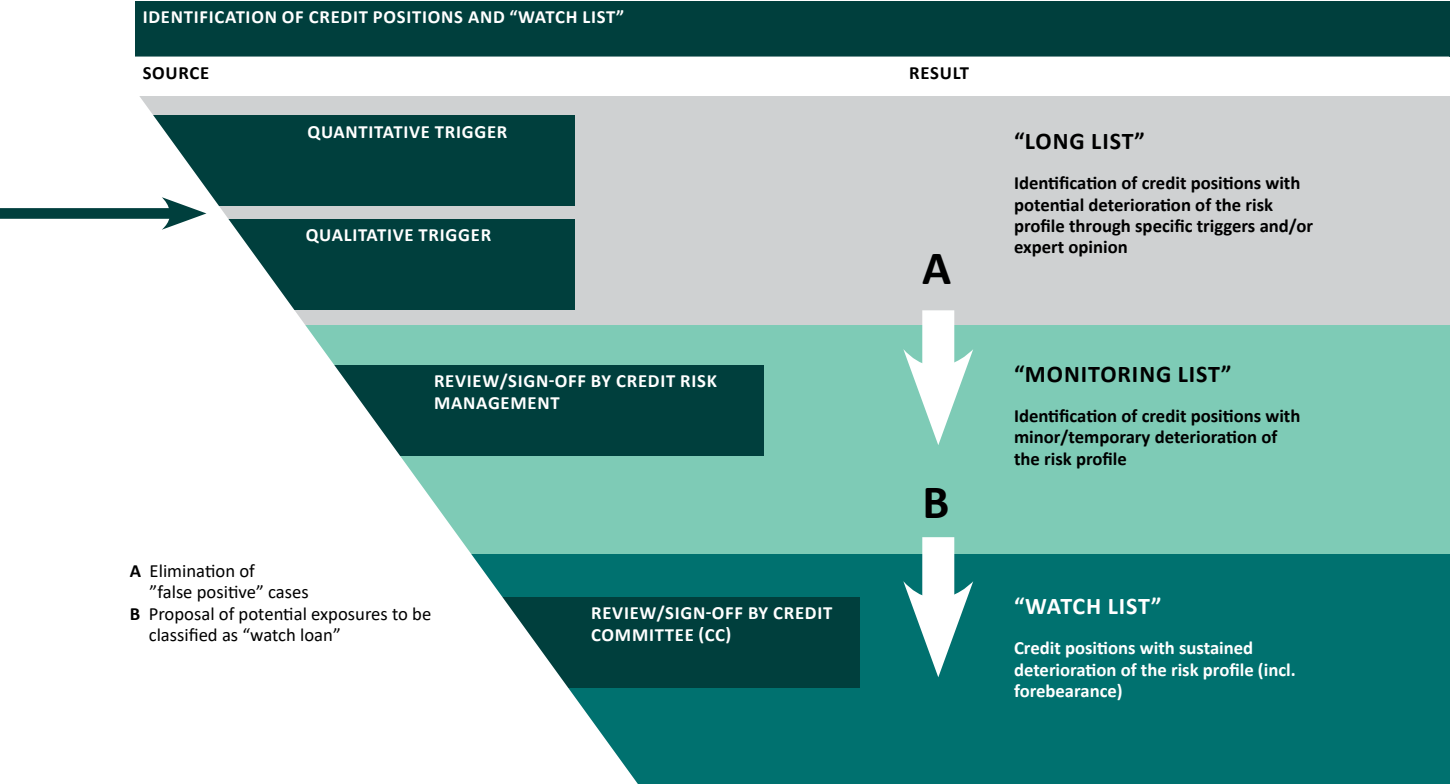
The exposure of the counterparty default risk of derivatives, which is taken into account in credit risk, is defined as the residual risk of the current replacement cost, considering CSAs and Netting Agreements, plus an “add-on” for potential changes in the market value during the “residual period of risk” between the default of the counterparty and the closing out/replacement of the derivative transaction.

The counterparty default risk from derivatives is calculated as a credit valuation adjustment (CVA) according to IFRS 13. The methodology for the calculation of the CVA is described in Note 12. The risk of CVA fluctuations (CVA risk) is determined by means of a VaR-based approach.

Securities business is cleared mainly on the basis of “delivery against payment” via Euroclear and/or Clearstream.

66.4.7. Investment risk

Given the nature of the participations held, the investment risk is of minor importance. The carrying amount of investments in associates (at equity) was 31. December 2025 EUR 3.9 million (31/12/2024: EUR 2.9 million). The carrying amount of investments, which are reported under assets at fair value through other comprehensive income, amounted to EUR 1.2 million (31/12/2024: EUR 1.1 million).



66.5. Liquidity risk management

The task of liquidity risk management at Kommunalkredit is to identify, analyze and manage the liquidity risk position of the bank with the aim of guaranteeing cost-effective, adequate liquidity cover at all times. The strategic framework of liquidity risk management is defined by the ILAAP, which forms an integral part of the more comprehensive ICAAP. To that end, the bank has implemented extensive policies, working directives and methods such as liquidity risk strategy, ICS framework, and funding and/or contingency plans.

66.5.1. Analysis of the liquidity position [element 1]

The following table shows the maturities of contractual, non-discounted cash flows of financial liabilities. The figures for interest swaps, cross-currency swaps and currency swaps are shown in gross terms, meaning that only the cash outflows for the derivative in question are shown. The nominal amount of interest-rate swaps as of the reporting date 31. December 2025 EUR 5.4 billion (31/12/2024: EUR 5.1 billion). Besides principal repayments, the cash flows also comprise interest payments. For liabilities with variable cash

Central elements of liquidity risk management include the following:



flows, future cash flows are determined on the basis of forward rates.

As a matter of principle, the amounts are allocated on the basis of their contractual rather than expected residual maturity. This means that demand deposits and cash collateral received from collateral margining for derivatives are shown as repayable on demand. If the date of repayment is at the lender's discretion,

the amount is allocated to the maturity range with the earliest possible redemption. If the date of repayment is at the discretion of Kommunalkredit, a conservative view is applied. Payments that have been pledged but not yet called, as well as (any) guarantee lines granted, are also shown with the earliest possible call date. Kommunalkredit does not engage in any trading activities.

Cash flows as of 31/12/2025 (and 2024)

CASH FLOWS AS OF 31/12/2025 (and 2024) in EUR m Liabilities	Liabilities at amortized cost		Derivatives designated as hedging instruments		Trading*	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Up to one month	335.4	403.1	2.2	2.6	231.3	67.9
More than one month up to three months	334.9	308.5	15.0	16.9	300.3	40.2
More than three months up to one year	1,225.7	1,199.4	28.8	30.8	59.3	5.1
More than one year up to five years	3,662.1	3,391.1	116.3	119.8	12.1	10.9
More than five years	2,022.2	1,785.8	64.5	134.7	-	1.0
Total	7,580.2	7,087.9	226.8	304.9	603.0	125.2

* The derivatives are not formally embedded in a micro hedge as defined in IFRS, but serve for risk management at portfolio level.

66.5.2. Reporting to the Executive Board and the Supervisory Board [element 2]

An operational projection of liquidity calculation for a period of one year and a time-to-wall stress scenario is prepared weekly. In addition, operational and strategic liquidity issues are discussed in the monthly ALCO. The liquidity risk is also monitored in the monthly RMC and reported to the Supervisory Board at quarterly meetings.

66.5.3. Liquidity contingency plan [element 3]

Kommunalkredit's liquidity emergency plan specifies the tasks and the composition of emergency units to be set up in a crisis, the internal and external communication channels and, if necessary, the measures to be taken. The emergency plan permits efficient liquidity management in a market environment in crisis and is activated by clearly defined events and/or early warning indicators. In the event of an emergency, responsibility for liquidity management is assumed by the emergency unit, which then decides on the specific measures to be taken.

66.5.4. Management of the operational and structural liquidity risk [elements 4-8]

For the purposes of short-term liquidity steering (<1 year), the management uses short- and medium-term liquidity scenarios. These scenarios include not only contractually determined cash flows but also expected cash flows from new issues, the termination of existing business, cash outflows from new transactions, cash inflows from syndication agreements, retail demand deposits, repurchase prolongations and liquidity demand for cash collateral received (under Credit Support Agreements/ISDA Agreements). The resulting liquidity gaps are available daily in the short-term liquidity scenario.

The following table shows the expected liquidity gaps after the measures planned, the free liquidity reserve, and the net liquidity position resulting from the liquidity gap and the liquidity reserve:

Liquidity as of 31/12/2025 (and 2024):

LIQUIDITY in EUR m	Expected liquidity gap		Available liquidity		Liquidity position	
	31/12/2025	31/12/2024	31/12/2025	31/12/2024	31/12/2025	31/12/2024
Up to one month	664.6	953.1	502.3	352.0	1,166.9	1,305.1
More than one month up to three months	105.3	648.3	10.8	17.2	116.1	665.5
More than three months up to one year	305.4	-738.9	72.9	87.7	378.3	-651.2
Total	1,075.4	862.6	585.9	456.8	1,661.2	1,319.4

For the purposes of managing the structural liquidity risk position (≥ 1 year), Kommunalkredit analyzes the expected capital flows over the entire term of all on- and off-balance sheet transactions. Overhangs from capital inflows and outflows are monitored by maturity range and at the cumulative level and provide the basis for strategic liquidity management.

66.6. Market risk management

Market risks refer to potential risk exposures to balance sheet and off-balance sheet positions arising from market price movements with an adverse impact on the bank. The bank-specific market risks mainly include interest rate risk, currency exchange risk, credit spread risk, basis spread risk and option price risk.

66.6.1. Interest rate risk

When it comes to the measurement, management and limitation of interest rate risks from positions not held in the trading book, Kommunalkredit generally distinguishes between the period-oriented repricing risk and the net present value (NPV)-oriented interest rate risk.

For the purpose of efficiently managing the interest rate risk and net interest income, Kommunalkredit uses an analysis and simulation tool (interest rate gap structure by currency, interest rate VaR, sensitivity analyses, simulation trades), which enables the forecast and targeted management of the bank's overall interest rate risk from positions not held in the trading book, the P&L sensitivity of the fair value portfolios according to IFRS and net interest income for the period. To calculate the interest rate VaR, an internal model based on historical interest rate movements is applied.

Kommunalkredit's portfolio mainly comprises positions with clearly defined interest rate and capital commitment. As a rule, non-linear risks are completely hedged and quantified in a scenario analysis; open positions are strictly limited and monitored. Retail deposits include positions without clearly defined interest rate and capital commitment (deposits repayable on demand). The interest rate period of sight deposits is modeled as a function of the pricing strategy.

For interest rate risk measurement by the RMC, the gap structures are analyzed and the price sensitivity of the overall position as well as the impact of interest rate changes on the net interest income of the period (repricing risk) are quantified for different scenarios. The repricing risk is measured for the currencies EUR, USD, CHF, GBP and JPY.

For risk management purposes, Kommunalkredit differentiates between the following sub-portfolios:

- less-than-twelve-months interest-rate position (short-term ALM)
- more-than-twelve-months interest-rate position (long-term ALM)
- equity investment portfolio ("equity book")
- IFRS fair value position
- IFRS OCI value position

An analysis and steering tool is used for the management of short-term, less-than-twelve-months interest risk positions which permits the efficient management of the repricing risk by currency.

The annual net interest income effect from Kommunalkredit's repricing risk as of 31. December 2025 in the event of a parallel rise of short-term interest by +100 basis points to EUR -0.8 million (31/12/2024: EUR +1.0 million). As of 31. December 2025 the NPV risk of interest rate changes in the banking book and of the IFRS interest rate risk position impacting on P&L in the event of a parallel shift by +30 basis points amounts to EUR +1.4 million and EUR 0.0 million, respectively. (31/12/2024: EUR +3.7 million and EUR -0.4 million). That of the IFRS interest rate risk position with an impact on OCI stands at EUR -3.6 million (31/12/2024: EUR -4.3 million).

66.6.2. Currency exchange risk

The currency exchange risk is the risk of losses in foreign currency positions caused by an unfavorable change in the exchange rate, the open FX position being the difference between the sum total of asset positions and the sum total of liability positions, including foreign currency derivatives, in a given currency. To measure the risk, a VaR of the open foreign currency position, according to the Austrian Commercial Code (UGB), is determined daily based on a variance/co-variance approach with a holding period of one trading day and a confidence interval of 99%, using exponentially weighted historical volatilities and correlations. Except for small residual positions, the open FX position according to the Austrian Commercial Code (UGB) is closed daily. The FX VaR as of 31. December 2025 was EUR 158.2 thousand (31/12/2024: EUR 1.0 thousand).

66.6.3. Credit spread risk

The credit spread risk is the risk of losses in value due to market-related changes in credit spreads, although there is no deterioration in the rating of the issuing group. Credit spreads refer to the risk premiums allocated by the market, an issuer or an issuing group which are priced-in when determining the market value of a financial instrument.

As of 31. December 2025 the credit spread risk in the event of credit spreads widening by +20 basis points was -1.9 million (31/12/2024: EUR -3.3 million) in the IFRS P&L position and EUR -15.4 million (31/12/2024: EUR -16.3 million) in the IFRS-OCI position.

66.6.4. Basis spread risk

The basis spread risk is the risk resulting from a change in basis spread, which is factored into the variable interest rate conditions for non-standard reference interest rates and payment frequencies. Except for residual risks in the individual currencies, the basis spread risk relevant under IFRS is hedged. The basis spread risk in the event of basis spreads widening by one basis point was EUR +0.0 million as of 31. December 2025 (as of 31/12/2024: EUR +0.0 million).

66.7. Operational risk

Kommunalkredit defines operational risk as the possibility of losses occurring due to the inadequacy or failure of internal procedures (processes), people and systems or as a result of external events. The legal risk as well as the ICT risk and model risk are part of operational risk. External events classified as pure credit risk, market risk, liquidity risk or other types of risk with no operational background are not covered by this definition. The aim of Operational Risk Management (ORM) is to reduce the probability of occurrence of operational risks and their potential to adversely impact the bank. Operational risk management is located in Risk Controlling (RCON) with operational support from Compliance (CO) as a special division for dedicated risk issues. The operational risk correspondents (ORC) for the divisions, appointed in consultation with them, act as points of contact, establishing the link to operational risk management and supporting the ORM process.

An operational event database for “operational losses” as well as risk and control self-assessments are the key instruments available for the management of operational risks. The database represents a retrospective view, that is, realized gains/losses above a relevance threshold from operational events in the past are recorded there with the involvement of the line managers in charge. In addition, “near misses” are recorded, i.e. those operational events that have not led to any damage by chance or the damage

66.6.5. Option price risk

The option price risk for Kommunalkredit is the risk of changes in the market values of open option positions. To measure the option price risk, a scenario matrix is used to determine interest rate shifts (-/+30bp), volatility shifts (-/+30%) and combined shifts. The option price risk in the banking book calculated on the basis of the scenario matrix amounted to EUR -0.0 million as of 31. December 2025 (31/12/2024: EUR 0.0 million based on a -/+30bp interest rate shift). The open option price risk in the banking book results exclusively from unilateral call rights of Kommunalkredit for own issues (i.e. Kommunalkredit has the right to call). As of 31. December 2025 there were no P&L-relevant option price risks.

is below the relevance threshold of the event database, but still involve a potential risk. In contrast, risk and control self-assessments represent a prospective, future-oriented view. Potential risks are identified and subjected to an expert assessment in terms of their severity.

At Kommunalkredit, the assessments are performed as coached self-assessments; that is, individual risks are assessed and evaluated by the divisions concerned under the guidance of the Operational Risk Management. The entries made in the operational event database serve as input and provide feedback for the re-assessment of risks. High-risk topics are discussed, analyzed and evaluated at divisional level with the responsible division heads and top risks are presented on an internal OpRisk risk map. To mitigate these risks, additional measures are to be defined and a tailored plan of action prepared. The OpRisk risk maps for the divisions are condensed, in an overall view of the relevant risks, into an OpRisk risk map for the bank as a whole.

Headed by the Credit Risk Officer (CRO), a consultation takes place with significant internal stakeholders every six months regarding operational risks within the Risk Management Committees (RMC). The Executive Board and the senior management are informed about operational risks at the monthly RMC meetings.

1

Risk identification at process group level

2

Risk assessment at process group level

3

Risk consolidation at divisional level

4

Detailed analysis of the top risks at divisional level

5

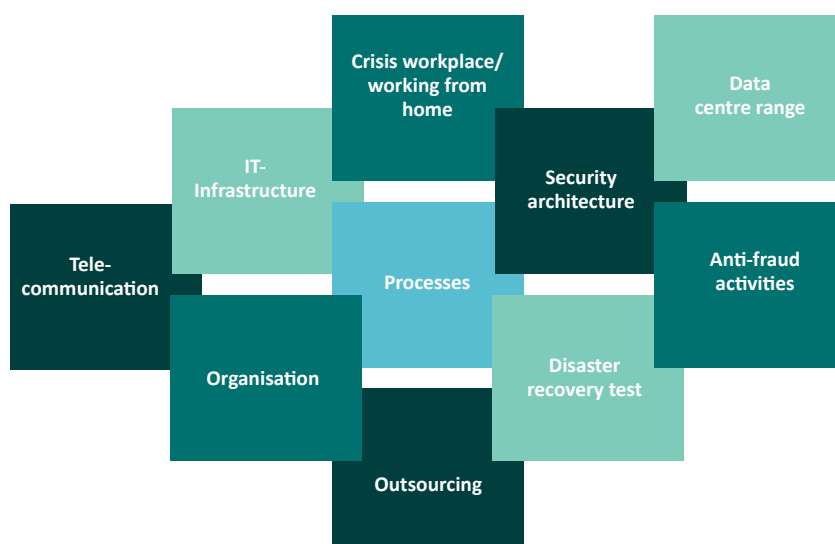
Consolidation of cross-divisional risks at company level

6

Detailed analysis of the top risks at company level

7

Options for risk management



Kommunalkredit uses the new standardised approach under CRR III to quantify its total capital requirements. The total capital held on this basis significantly exceeds the actual losses suffered in the past.

66.8. Business Continuity Management

The established business continuity management (BCM) system ensures the adequate, comprehensive and efficient management of business continuity. In the course of implementing the Digital Operational Resilience Act (DORA), the BCM was also supplemented by the extended requirements. Continuity management includes the elaboration and the management of continuity and recovery plans as well as the allocation of resources to manage any business interruptions effectively, and keeping interruption times at a minimum.

The annual resource assessment was performed, and the resources required in the event of a crisis were established. The annual business impact analysis (BIA), performed within the framework of the resource assessment, served to assess business processes and information and communication technology (ICT) services for their criticality, and to verify the time to full restoration of services. The emergency plans were revised at the same time. As part of the comprehensive BCM tests, the largest single test was a complete fail-over switchover of the georedundant central data centre infrastructure.

66.9. Policy management

All Kommunalkredit operating procedures (policies, work instructions, manuals, works agreements) are stored in a policy overview on the intranet and can be accessed by all employees. The formal minimum requirements that policies/work instructions have to meet are defined, as are the responsibilities for updating, approving and distributing policies and work instructions.

66.10. Sustainability risks

Sustainability risks form an integral part of the risk strategies and risk categories of Kommunalkredit. The inclusion of sustainability factors in the concepts, management and measurement methods of the credit, market, liquidity, syndication and operational risks is evaluated and expanded on an ongoing basis.

Kommunalkredit primarily finances the public sector in Austria and projects in the areas of renewable energy, telecommunications and social infrastructure in Europe. ESG risks in the portfolio are therefore assessed as low overall on the basis of the analyses carried out. Any risks are taken into account in the process of loan origination and are appropriately reflected in the planning assumptions for borrowers and the established ratings.

To assess whether investments in infrastructure and energy projects meet the sustainability requirements set by Kommunalkredit, an internally developed “ESG/Sustainability Check”, which is a three-stage process, has been applied for many years.

Sector limits in the areas of infrastructure and energy are used to systematically limit risk within the meaning of with the bank's strategic orientation. In addition to the sector limit, the share of exposures in categories 4 and 5 in the infrastructure and energy portfolio is also limited. These limits form an integral part of the monthly risk reporting to the Executive Board.

Moreover, when deriving the liquidity buffer, ESG risks are included as a distinct component, with the customer and maturity structure of the liabilities, among other factors, analysed for this purpose. Furthermore, threats to the bank's in-house infrastructure posed by climate and environmental events are evaluated as part of information security risk management and OpRisk management. ESG-related risks and issues are marked individually in the OpRisk event database and were included in the risk & control self assessments of Kommunalkredit.

67. STRUCTURED UNITS

The Kommunalkredit Group has holdings in Fidelio KA Infrastructure Debt Fund Europe 1, a non-consolidated structured entity in the form of a closed investment fund.

The fund offers institutional investors diversified access to the bank's infrastructure pipeline in the field of European infrastructure and energy financing.

Kommunalkredit exerts influence on the fund in its role as general partner, asset sourcer and asset servicer. As asset sourcer, Kommunalkredit is entitled to propose investments for the fund within the framework of the investment guidelines. An independent investment advisor and an externally appointed, independent investment fund manager subsequently review and make a decision regarding the proposal. Kommunalkredit is under no obligation to take back the assets transferred to the fund (for example, in the case of non-performance). To support the successful market launch of the first fund, Kommunalkredit subscribed shares in the fund itself upon its launch. As of 31. December 2025 the stake held by Kommunalkredit amounted to an insignificant 8.5 % (31/12/2024: 8.5 %). Furthermore, in 2025 income from distribution and fees of EUR 327.9 thousand (1/1-31/12/2024: EUR 886.7 thousand) was booked. The shares in the structured unit are recognized as financial instruments in the category "Assets at fair value through profit or loss".

As at 31. December 2025 the shares in the structured unit are shown in the consolidated statement of financial position as follows:

CARRYING AMOUNTS in EUR thousand	31/12/2025	31/12/2024
Assets at fair value through profit or loss	20,455.6	21,168.9
NOMINAL in EUR thousand	31/12/2025	31/12/2024
Nominal value of shares held by Kommunalkredit	20,953.6	21,921.7

The maximum amount in relation to potential losses on the shares in the structured unit amounts to 31. December 2025 EUR 20,455.6 thousand (31/12/2024: EUR 21,168.9 thousand).

This represents the current share held by Kommunalkredit in the net asset value (NAV) of the investment fund.

68. LEGAL RISKS

There are currently no legal proceedings pending that could have a material impact on the most accurate possible picture of the financial position and results of operations of Kommunalkredit Austria AG. However, Kommunalkredit Austria AG has made appropriate provisions for legal proceedings, taking into account legal risk assessments.

69. OTHER OBLIGATIONS

Other obligations

Pursuant to § 2 (3) of the Austrian Deposit Guarantee and Depositor Indemnification Act, Kommunalkredit is obliged to undertake proportional safeguarding of deposits within the framework of the deposit guarantee regime of Einlagensicherung AUSTRIA Ges.m.b.H., Vienna.

70. DATE OF RELEASE FOR PUBLICATION

These consolidated financial statements as well as the separate annual financial statements of Kommunalkredit were signed by the Executive Board on 17 February 2026. Both the Supervisory Board (26 February 2026) and the Annual Shareholders' Meeting (26 February 2026) can make amendments to the separate annual financial statements, which in turn can have an impact on these consolidated financial statements.

71. EMPLOYEE DISCLOSURES

The Kommunalkredit Group had from 1 January to 31. December 2025 on average 458 employees (1/1-31/12/2024: 395) including the Executive Board; of them 282 (1/1-31/12/2024: 237) were working in banking operations and 177 (1/1-31/12/2024: 158) were working for KPC. Part-time employees are weighted according to the extent of employment.

As of the reporting date 31. December 2025 the Kommunalkredit Group had 455 employees (31/12/2024: 410) including the Executive Board; of them 288 (31/12/2024: 254) were working in banking operations and 167 (31/12/2024: 155) were working for KPC.

72. RELATED PARTY DISCLOSURES

Ownership structure / transactions with owners

NAME OF THE COMPANY	Relationship with Kommunalkredit	Registered office	
Satere Beteiligungsverwaltungs GmbH	Controlling parent	Vienna, Austria, Comp.Reg. no 428981f	99,80% in Kommunalkredit

Satere Beteiligungsverwaltung GmbH (Satere) owns 99.8% of Kommunalkredit Austria AG, with a stake of 0.2% held by the Association of Austrian Municipalities. Satere is indirectly owned by funds and investment companies managed by Altor Fund Manager AB (80.2%), as well as by minority investors. Other receivables include EUR 28.7 thousand (31/12/2024: EUR 218.8 thousand) to Green Opera Finance Invest AB.

In the current year, Kommunalkredit closed the framework contracts for the fiduciary management of loans with Trinity Investments Designated Activity Company (Trinity) and a related party of Trinity. Kommunalkredit had no rights or obligations relating to the underlying loan transactions, which means that the criteria for recognition in the statement of financial position did not apply.

Through the fiduciary management of these transactions, 2025 fee and commission income in the amount of EUR 299.4 thousand (1/1-31/12/2024: EUR 804.1 thousand) was generated; 31. December 2025 no open bal-

ances are reported under "Other assets" (31/12/2024: EUR 182.8 thousand).

Tax group

With effect from 2016, a tax group pursuant to § 9 of the Austrian Corporate Income Tax Act (KStG) was formed, with Satere as the group parent. Group members include 31. December 2025 Kommunalkredit, die Kommunalkredit Public Consulting GmbH, KA Florestan GmbH and KA Florestan Hydrogen GmbH.

Transactions with key management personnel

Key management personnel are people with direct or indirect authority and responsibility for the planning, management and supervision of activities at Kommunalkredit. Kommunalkredit considers the members of the Executive Board and the Supervisory Boards to be key management personnel.

The following table shows the total remuneration earned by members of the Executive Board and the Supervisory Board:

TOTAL REMUNERATION in EUR thousand	31/12/2025	31/12/2024
Active Executive Board members	3,532.8	5,305.9
Active Supervisory Board members	389.0	838.2
Total	3,921.9	6,144.1

The amounts reported under total remuneration of active Executive Board members consist of amounts falling due on a short-term basis. Additionally, long-term benefits of EUR 6,671.1 thousand (2024: EUR 9,068.2 thousand) as specified in the remuneration manual (deferrals of variable remuneration) pursuant to § 39b of the Austrian Banking Act exist.

In the financial year 2025 no payments were made to a pension fund for active Executive Board members as in the previous year.

As of 31. December 2025 as in the previous year, there were no outstanding loans/advances owed to members of the Executive Board or to members of the Supervisory Board, and there were no liabilities with Kommunalkredit for them either.

As of 31 December 2024, a company attributable to the sphere of influence of a former member of the Management Board of Kommunalkredit and a close relative held a 25.1% stake in Fidelio KA Beteiligung GmbH. This stake was taken over by Kommunalkredit in March 2025, and it now holds all shares in Fidelio KA Beteiligung GmbH. Fidelio KA Beteiligung GmbH was established for the purpose of acquiring and holding participating interests, among others in the fields of business of alternative investment funds, asset management and advisory; it holds participating interests in Fidelio KA Investment Advisory GmbH and Fidelio KA Infrastructure Opportunities Fund GB S. à r. l.

Expenses for severance pay and pensions

Expenses for severance pay and pensions include pension and severance payments, changes in provisions for severance pay and

pensions, statutory contributions to a staff pension plan and payments into a pension fund:

EXPENSES FOR SEVERANCE PAY AND PENSIONS in EUR thousand	31/12/2025	31/12/2024
Executive Board members and senior employee	557.6	386.5
Other employees	1,225.0	1,186.2
Total	1,782.6	1,572.8
<i>of which recognized in equity (change in provisions due to actuarial gains/losses)</i>	-235.3	-323.3
<i>of which recognized in general administrative expenses</i>	2,017.9	1,896.0

73. DISCLOSURE PURSUANT TO PART 8 CRR

In accordance with the requirements of Part 8 CRR, material qualitative and quantitative information relating to the bank is published in a separate disclosure report which can be accessed on the Kommunalkredit website (www.kommunalkredit.at) under "Investor Relations / Financial Information & Reports".

74. DISCLOSURES RELATING TO THE BOARDS OF THE BANK

Members of the Executive Board

Jacques Ripoll

Chief Executive Officer
from 01/09/2025

Sebastian Firlinger

Member of the Executive Board,
Chief Executive Officer (ad interim)
until 31/08/2025

Nima Motazed

Member of the Executive Board

John Weiland

Member of the Executive Board

Members of the Supervisory Board

Hans Larsson

Chairman of the Supervisory Board,
Non-Executive Director Traton Financial
Services

Paal Weberg

Deputy Chairman of the
Supervisory Board, Co-Managing
Partner Altor Equity Partners

Andreas Haindl

Independent Management Consultant

Anne Jaeger

Group Chief Compliance-Abteilung
Zurich Insurance Group
from 27/02/2025

Herman Korsgaard

Partner Altor Equity Partners

Henrik Matsen

Partner Henry Costa Partners

Kurt Svoboda

CRO | CFO UNIQA Insurance Group AG

Oliver Fincke

Nominated by the Works Council

Claudia Slauer

Nominated by the Works Council

Gerald Unterrainer

Nominated by the Works Council

State Representative

Philip Schweizer

State Representative, Federal
Ministry of Finance

Marion Stiasny

Deputy State Representative,
Federal Ministry of Finance

Vienna, 17 February 2026



Jacques Ripoll

Chief Executive Officer



Sebastian Firlinger

Member of the Executive Board



Nima Motazed

Member of the Executive Board



John Weiland

Member of the Executive Board

Auditor's Report

REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS

Audit Opinion

We have audited the consolidated financial statements of

**Kommunalkredit Austria AG,
Vienna, Austria,**

and its subsidiaries ("the Group"), which comprise the consolidated statement of financial position as at December 31, 2025, and the consolidated income statement and consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows for the year then ended and the Notes to the consolidated financial statements.

In our opinion, the consolidated financial statements comply with the legal requirements and present fairly, in all material respects, the consolidated financial position of the Group as at December 31, 2025, and its consolidated financial performance and consolidated cash flows for the year then ended in accordance with the IFRS Accounting Standards issued by the International Accounting Standards Board (IASB) as adopted by the EU, and the additional requirements pursuant to Section 245a UGB (Austrian Commercial Code) as well as Section 59a BWG (Austrian Banking Act).

Basis for our Opinion

We conducted our audit in accordance with the Regulation (EU) No. 537/2014 ("EU-Regulation") and Austrian Standards on Auditing. These standards require the audit to be conducted in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the "Auditor's Responsibilities" section of our report. We are independent of the audited Group in accordance with Austrian company law and professional regulations, and we have fulfilled our other responsibilities under those relevant ethical requirements. We believe that the audit evidence we have obtained up to the date of the auditor's report is sufficient and appropriate to provide a basis for our audit opinion on this date.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, however, we do not provide a separate opinion thereon.

Valuation of loans and advances to customers accounted at amortized cost

The Management Board describes the procedure for recognizing loan loss provisions in the notes to the consolidated financial statements section 9 "Risk provisions".

Risk for the Consolidated Financial Statements

The loans and advances to customers amount to EUR 2.6bn and are mainly comprised of the segments "Project Finance", "Utilities", "Corporate" and "Public Finance".

The bank evaluates in the context of credit risk management whether default events exist, and specific loan loss provisions (Stage 3) need to be recognized. This includes an assessment whether customers are able to fully meet their contractual liabilities.

The calculation of the loan loss provisions for defaulted customers – if any – is based on an analysis of the estimated future recoveries. This analysis reflects the assessment of the economic situation and development of the individual customer and the valuation of collateral. If there is sufficient certainty that the outstanding loan is no longer recoverable, a write-off is made in the amount of the irrecoverable amount.

For all non-defaulted loans and advances to customers a loan loss provision for expected credit losses ("ECL") is recognized. The loan loss provision is generally based on the 12-month-ECL (Stage 1). In case of a significant increase in the credit risk (Stage 2), the ECL is calculated on a lifetime basis.

The calculation of ECLs is dependent on assumptions and estimates, which include rating-based probabilities of default and loss given default that are derived from current and forward-looking information.

The risk to the financial statements arises from the fact that the stage transfers and the determination of the loan loss provisions are based on assumptions and estimates. This may lead to a margin of discretion and estimation uncertainties regarding to the amount of the loan loss provisions.

Our Response

We have performed the following audit procedures with the involvement of our Financial Risk Management and IT specialists in respect to the valuation of loans and advances to customers:

- We have analyzed the existing documentation of the processes of monitoring and risk provisioning for loans and advances to customers and assessed whether these processes are suitable to identify stage transfers including impairment triggers and to adequately reflect the valuation of loans and advances to customers. Moreover, we have tested key controls with regard to their design and implementation, among other things, by inspecting the IT systems, and tested their effectiveness in samples.
- We have examined whether there were any indicators of default on a sample basis of different loan portfolios. The selection of the sample was performed risk-oriented with special regard to ratings, regionality and customer segment.
- In the case of defaults on individually significant loans, the assumptions made by the bank were analyzed with regard to conclusiveness, consistency and the timing and amount of the assumed recoveries on a sample basis.
- For loans that were (partially) written off, we assessed whether the amount of the write-off was determined in a supportable manner, properly approved, and appropriately recorded, and whether the classification as uncollectible was appropriate.
- For all loans, for which the loan loss provision was calculated based on ECL (Stage 1 and 2), we analyzed the bank's documentation of methodology for consistency with the requirements of IFRS 9. Furthermore, based on internal model validations, we have checked the models and the parameters used to determine whether they are suitable for calculating the loan loss provisions in an appropriate amount. In addition, we analyzed the selection and assessment of forward-looking information and scenarios and their consideration in the used parameters.

Valuation of loans and advances to customers accounted at fair value

The Management Board explains the procedure for the calculation of the fair value including financial instruments in the notes to the consolidated financial statements section 12 "Fair value calculation".

Risk for the Consolidated Financial Statements

The loans and advances to customers valued at fair value are shown at the balance sheet positions "Assets at fair value through profit or loss" and "Assets recognized at fair value through other Comprehensive Income" and an amount of EUR 2.5bn.

The risk for the financial statements is that the valuation of fair values of the loans and advances using valuation parameters that are not observable on the market (Level 3-category), such as credit spreads is subject to discretion due to the strong dependence on valuation models and parameter estimates.

Our Response

We have performed the following audit procedures regarding the fair value valuation with the involvement of our valuation specialists:

- We have assessed the classification process and whether it is suitable to ensure an appropriate classification according to the provisions of IFRS. In this regard we also tested key controls with regard to design and implementation by inspecting the control documentation and tested their effectiveness on a sample basis.
- We have further analyzed the processes related to the determination of fair values of loans and assessed whether they are appropriate to determine the fair values appropriately. We also tested key controls with regard to their design and implementation, by inspecting the control documentation, and tested their effectiveness on a sample basis.
- We have examined whether there were any indicators of default on a sample basis of different loan portfolios. The selection of the sample was performed risk-oriented with special regard to ratings, regionality and customer segment.
- On the basis of test cases, we examined loans and advances to customers from different portfolios recognized at fair value to determine whether the calculation parameters and assumptions used in the valuation were appropriately determined and documented in a comprehensible manner. Furthermore, we checked for these test cases whether the calculation of the fair value was mathematically correct.

Other Information

Management is responsible for other information. Other information is all information provided in the annual report, other than the consolidated financial statements, the group management report and the auditor's report.

Our opinion on the consolidated financial statements does not cover other information and we do not provide any kind of assurance thereon.

In conjunction with our audit, it is our responsibility to read this other information and to assess whether, based on knowledge gained during our audit, it contains any material inconsistencies with the consolidated financial statements or any apparent material misstatement of fact.

If, on the basis of our work on the other information obtained, we conclude that there is a material misstatement of fact in other information, we must report that fact. We have nothing to report in this regard.

Responsibilities of Management and the Audit Committee for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with the IFRS Accounting Standards as adopted by the EU and the additional requirements pursuant to Section 245a UGB (Austrian Commercial Code) and Section 59a BWG and for such internal controls as management determines are necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

Management is also responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting, unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The audit committee is responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements taken as a whole, are free from material misstatements, whether due to fraud or error, and to issue an auditor's report that includes our audit opinion. Reasonable assurance represents a high level of assurance, but provides no guarantee that an audit conducted in accordance with the EU-Regulation and with Austrian Standards on Auditing (and therefore ISAs), will always detect a material misstatement, if any. Misstatements may result from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users based on the consolidated financial statements.

As part of an audit in accordance with the EU-Regulation and with Austrian Standards on Auditing, which require the application of ISA, we exercise professional judgment and maintain professional skepticism throughout the audit.

Moreover:

- We identify and assess the risks of material misstatement in the consolidated financial statements, whether due to fraud or error, we design and perform audit procedures responsive to those risks and obtain sufficient and appropriate audit evidence to serve as a basis for our audit opinion. The risk of not detecting material misstatements resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misleading representation or override of internal control.
- 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 Group's internal control.
- We evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- We conclude on the appropriateness of management's 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 Group'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 respective note in the consolidated financial statements. If such disclosures are not appropriate, we will modify our audit 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 Group to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the consolidated financial statements, including the notes, as well as whether the consolidated financial statements represent the underlying business transactions and events in a manner that achieves fair presentation.
- We plan and conduct the audit of the consolidated financial statements in order to obtain sufficient appropriate audit evidence on the financial information of the components within the Group, in order to form an audit opinion. We are responsible for directing, supervising and reviewing the audit activities carried out for the purposes of auditing the consolidated financial statements. We remain solely responsible for our audit opinion.
- We communicate with the audit committee regarding, amongst other matters, the planned scope and timing of our audit as well as significant findings, including any significant deficiencies in internal control that we identify during our audit.
- We communicate to the audit committee that we have complied with the relevant professional requirements in respect of our independence, that we will report any relationships and other events that could reasonably affect our independence and, where appropriate, the related safeguards.
- From the matters communicated with the audit committee, we determine those matters that were of most significance in the audit i.e. key audit matters. We describe these key audit matters in our auditor's report unless laws or other legal regulations preclude public disclosure about the matter or when, in rare cases, we determine that a matter should not be included in our auditor's report because the negative consequences of doing so would reasonably be expected to outweigh the public benefits of such communication.

Report on Other Legal Requirements

Group Management Report

In accordance with Austrian company law, the group management report is to be audited as to whether it is consistent with the consolidated financial statements and prepared in accordance with the applicable legal requirements.

Management is responsible for the preparation of the group management report in accordance with Austrian company law and other legal or regulatory requirements.

We have conducted our audit in accordance with generally accepted standards on the audit of group management reports.

Opinion

In our opinion, the group management report is consistent with the consolidated financial statements and has been prepared in accordance with legal requirements. The disclosures pursuant to Section 243a UGB (Austrian Commercial Code) are appropriate.

Statement

Based on our knowledge gained in the course of the audit of the consolidated financial statements and our understanding of the Group and its environment, we did not note any material misstatements in the group management report.

Additional Information in accordance with Article 10 EU-Regulation

We were elected as auditors at the Annual General Meeting on February 22, 2024 and were appointed by the supervisory board on April 4, 2024 to audit the consolidated financial statements of the Company for the financial year ending on December 31, 2025.

In addition, during the Annual General Meeting on February 27, 2025, we have been elected as auditors for the financial year ending 31 December 2026 and appointed by the supervisory board on March 12 2025.

We have been auditors of the Company since the financial statements at December 31, 2020.

We declare that our opinion expressed in the "Report on the Consolidated Financial Statements" section of our report is consistent with our additional report to the Audit Committee, in accordance with Article 11 EU-Regulation. We declare that we have not provided any prohibited non-audit services (Article 5 Paragraph 1 EU-Regulation) and that we have ensured our independence throughout the course of the audit.

Engagement Partner

The engagement partner is Mr. Bernhard Mechtler.

Vienna, 18 February 2026

KPMG Austria GmbH
Wirtschaftsprüfungs- und Steuerberatungsgesellschaft

signed by:
Bernhard Mechtler
Wirtschaftsprüfer
(Austrian Chartered Accountant)

The consolidated financial statements together with our auditor's opinion may only be published if the consolidated financial statements and the group management report are identical with the audited version attached to this report. Section 281 Paragraph 2 UGB (Austrian Commercial Code) applies.

Statement by the Legal Representatives

KOMMUNALKREDIT GROUP

Consolidated Financial Statements 2025

We hereby **confirm** to the best of our knowledge that the **consolidated financial statements** of the parent company, prepared in accordance with the relevant accounting standards, present a true and fair view of the assets, the financial position and the income of the Group, that the Management Report presents the development of business, the results and the position of the Group in such a way that it conveys a true and fair view of the assets, the financial position and the income of the Group, and that the Management Report describes the material risks and uncertainties to which the Group is exposed.

Vienna, 17 February 2026



Jacques Ripoll
Chief Executive Officer



Sebastian Firlinger
Member of the Executive Board



Nima Motazed
Member of the Executive Board



John Weiland
Member of the Executive Board