

Publication pursuant to Sections 65a and 64(1)(18) and (19) of the Austrian Banking Act (BWG): *(corporate governance, remuneration, financial information)*

To ensure compliance with the obligations pursuant to Section 65a BWG, Kathrein Privatbank Aktiengesellschaft (hereinafter referred to as “Kathrein Privatbank”) provides public access to basic information regarding the specific internal measures taken by the bank to comply with the corporate governance provisions as well as the policies regarding remuneration:

As the requirements set out in Sections 29(1) and 39c(1) are not in place, the provisions of Section 29 BWG (Nomination Committee) and 39c (Remuneration Committee) are not applicable to Kathrein Privatbank.

1. Information regarding application of the provisions relating to the assessment of the suitability of managing directors, members of the supervisory board, and key function holders

The personal requirements under Section 5(1)(6) to (9a) BWG apply to managing directors; the requirements under Section 28a(3) BWG apply to supervisory board chairpersons; and those under Section 28a(5)(1) to (5) BWG apply to all members of the supervisory boards of credit institutions.

In addition to general requirements (absence of grounds for exclusion), the Act sets forth personal requirements for members of the management and supervisory boards of credit institutions. These requirements include but are not limited to personal integrity, honesty, and professional aptitude, as well as the experience and sufficient time availability required to exercise the management or supervisory function (fit and proper criteria).

Section 5(1)(9a) and Section 28a(5)(5) BWG limit the number of seats for managing directors and supervisory board members of credit institutions “of significant importance”; these are currently not applicable to Kathrein Privatbank, as Kathrein Privatbank is not a credit institution of “significant importance” as defined in these provisions.

Furthermore, the guidelines issued by the European Banking Authority (EBA) (most recently EBA/GL/2021/06) on the assessment of the suitability of members of the management body and key function holders specify criteria and procedures that credit institutions must observe when assessing the suitability of members of the management body in management and supervisory functions. The Financial Market Authority has published a circular regarding the suitability assessment for managing directors, supervisory board members, and key function holders (Fit & Proper – Rundschreiben).

Because the credit institutions must observe fit and proper criteria both individually and at a group level (Section 30 BWG), RBI, as the parent credit institution of the RBI group of credit institutions, has issued a corresponding RBI Fit & Proper Group Guideline, which specifies

minimum standards for the members of the RBI credit institution group (RBI-Kreditinstitutsgruppe) subject to the fit and proper criteria.

In compliance with these provisions, fit and proper guidelines are applicable at Kathrein Privatbank, under which a process is established for conducting suitability assessments of members of the Management Board and the Supervisory Board as well as key function holders, and which define the responsibilities and criteria for assessing suitability and personal integrity.

Accordingly, prior to each appointment or reappointment of a member of the Management Board or Supervisory Board or a holder of a key function, the professional suitability and personal integrity of such persons will be assessed and documented on the basis of the statutory requirements. Furthermore, a process has been established for conducting periodic internal suitability assessments of the members of the Management Board and Supervisory Board and of the key function holders.

Kathrein Privatbank has outsourced the duties of the “Fit & Proper Office” to Raiffeisen Bank International AG to assist with the suitability assessments. Raiffeisen Bank International AG is responsible for preparing the decision of the body responsible for the suitability assessment and for ensuring that the suitability assessments are documented centrally at the time of the initial appointment and in the course of regular evaluation.

The information and documents to be submitted by the person to be appointed as a member of the Management Board or Supervisory Board or as a key function holder – such as a curriculum vitae, an excerpt from the criminal record, information on the time available, and on potential conflicts of interest – are used to assess suitability.

A positive overall assessment (fit and proper) is issued if the candidate’s professional suitability and personal integrity fulfill the defined criteria and legal requirements. The collective suitability of the management and Supervisory Board is also included in the assessment.

To the extent required for regulatory purposes, the European Central Bank is notified of the appointment of members of the Management Board and of the Supervisory Board as well as appointments of key function holders (e.g. head of internal audit, risk and compliance), accompanied by the documents as requested.

2 Information regarding application of the provisions relating to the principles of the remuneration policy and practices

The remuneration guidelines issued by RBI in its capacity as the parent credit institution (Group Remuneration Guidelines) serve as the basis for applying the provisions of Section 39b BWG (including the Annex to Section 39b BWG) regarding remuneration policy and practice.

Employees who hold control functions operate independently from the business units they monitor, possess sufficient authority, and are compensated based on the achievement of the objectives associated with their duties, irrespective of the performance of the business units they oversee.

In particular, the criteria for determining the remuneration include the position, the assumption of management duties, professional and personal qualifications, and (relevant) professional experience. Remuneration is calculated on the basis of internal and external market comparisons.

In accordance with the statutory remuneration policies, these comparisons specifically include detailed rules regarding the overall remuneration policy (including the determination of fixed and variable remuneration components, special rules for employees with control functions, and the structure and performance measurement of the “bonus pool”), special rules for the remuneration of risk-bearing personnel as defined in Section 39b BWG (in particular with respect to the eligibility and payment of variable remuneration and its provision), as well as specifications for selecting risk-bearing personnel and for the process of identifying and resolving cases of malus and clawback. The policy ensures that Kathrein Privatbank’s remuneration policy is consistent with sound and effective risk management and does not encourage the assumption of risks beyond the level tolerated by Kathrein Privatbank.

The general remuneration policies of Kathrein Privatbank are determined by the Kathrein Supervisory Board in compliance with RBI Group guidelines and legal requirements (“Remuneration Policy”). The Remuneration Policy serves as the basis for determining the fixed and variable remuneration components. The Remuneration Policy stipulates the requirements that must be met in order for variable remuneration to be granted and paid out. Individuals considered to be risk-bearing personnel are identified for each fiscal year as specified in the Remuneration Policy. The variable remuneration for risk-bearing personnel awarded for a financial year is generally not paid out in full; instead, a portion is deferred or granted in the form of financial instruments (subject to a suitable deferral policy) in accordance with the provisions of the BWG, with the option of neutralizing individual policies in the case of only partially affected risk-bearing personnel at Kathrein. The eligibility and payment of the variable remuneration of risk-bearing personnel, including the deferred portion, may only be effected if such eligibility and payment are viable in view of the overall financial situation and justified based on the performance of the business unit and the individual concerned. In the absence of this, a reduction or even a complete elimination is provided for on the basis of the Remuneration Policy and the relevant malus and clawback agreements.

Kathrein Privatbank ensures that its remuneration policy takes sustainability risks into account to an appropriate extent. Accordingly, the Remuneration Policy gives due consideration to ensuring that investment advice and portfolio management encourage sound and effective risk management with respect to sustainability risks, while the remuneration structure does not encourage excessive risk-taking with respect to sustainability risks and is linked to risk-adjusted performance.

3. Financial information pursuant to Section 64(1)(18) and (19) of the Austrian Banking Act (BWG) according to the annual financial statements as per 31.12.2021

Kathrein Privatbank Aktiengesellschaft with registered office in 1010 Vienna, Austria (no other branches) is licensed for the provision of banking transactions in accordance with §1 para. 1 BWG

Net interest income	EUR	7.068.302,51
Operating income	EUR	24.602.998,40
Number of employees on a full-time basis		102,85
Annual result before taxes	EUR	2.274.871,55
Taxes on income	EUR	280.816,26
Public aid received	EUR	0,00
Total return on capital		0,1%

As per 30.06.2022