

THERE FROM THE BEGINNING.

Kommunalkredit Austria AG | Extended Company Presentation | March 2024

Kommunalkredit at a glance

- **Specialist for infrastructure and energy** as well as **public finance** | **Europe** focused | founded 1958 | privately owned since 2015 | > 400 employees in Vienna and Frankfurt
- Strong **Sustainability** focus: **Accelerate the green transition** | **Improve people's lives**
- Track record of outstanding **growth** & operating leverage, delivering **strong returns** whilst maintaining a **fortress capital** and funding position
- Total assets EUR 5.9bn | RWA EUR 2.9bn | **Total income EUR 230m** (2022: EUR 165m) | Operating result EUR 134m (2022: EUR 85m)
- **RoE after tax 25.0%** | **CIR 36.7%** | **CET1 ratio* 17.9%** | IFRS equity EUR 577m
- **Low risk** and diversified portfolio (Ø portfolio rating A-) | highly resilient
- **LCR 542%** | **NSFR 135%** | Liquidity position EUR 1.75bn
- **Comprehensive product range:** from financial advisory services to structuring, arranging and providing debt and subordinated debt, as well as asset management via the Fidelio KA Infrastructure debt fund platform
- Subsidiary Kommunalkredit Public Consulting (KPC): **leading expertise** in environmental funding management since 1993, as well as consulting and policy advice

Ratings

S&P CB:
A+ →

S&P
BBB →

Fitch
BBB- ↗

DBRS
BBB ↗

ISS ESG
„Prime“

* Bank stand-alone

Note: Data as of 31/12/2023 unless otherwise stated

Infrastructure & Energy (I&E)



Energy &
Environment



Communication
& Digitalisation



Natural
Resources



Social
Infrastructure



Transport

Public Finance



Federal States /
Municipalities



Public Sector
Enterprises

Overview

01 **Executive Summary**

02 **Strategy & Business Model**

03 **Financial Performance**

04 **Funding & Liquidity**

05 **Risk Profile**

06 **Appendix**

Our vision:

We will become the most agile & nimble infrastructure bank in Europe, helping to create a better world.

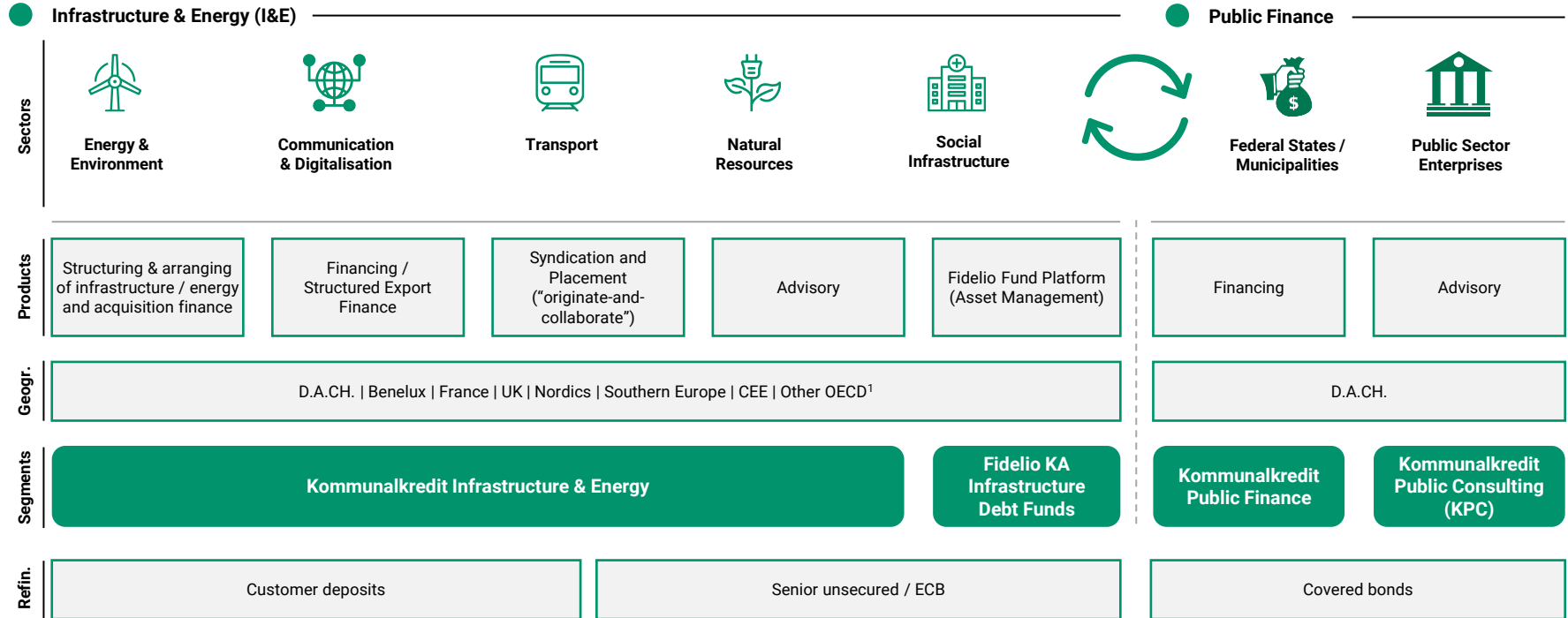
Our mission:

We are always first when it comes to delivering outstanding results with speed & precision. We never stand still. We take “always first” as an obligation to get better every day.



Kommalkredit's business model at a glance

KA is a one-of-a-kind, fast-growing provider of infrastructure financing solutions with a unique full-service product spectrum



¹ No Russia / CIS

We provide tangible benefit to the community

Impact on society

- We help to **create a better world** by **enabling the development of sustainable infrastructure** that **improves the quality of people's lives**. Not just for ourselves, but also **for the coming generations**
- We see **infrastructure investments** as a **powerful tool** for responding to social needs and fundamentally **increasing the general wellbeing of communities**
- We provide **tangible benefits to the population** at large:
 - Economic dynamism
 - Urban development and renewal
 - Strengthening rural areas
 - Job creation
 - Social cohesion
 - Climate protection measures
- We focus on providing a secure, stable and sustainable yield to our investors
- We are the partner of choice for a long-term commitment

Selected examples of KA's positive impact



Energy

We enable around **5.2m homes** to use renewable energy each year.



EV Charging

We develop the refuelling infrastructure for electromobility with around **28,000 charging stations**.



Waste Management

We contribute to eliminating **4.1m tonnes** of waste each year.



Care Homes

We create accommodation for more than **8,900 elderly & disabled people**.



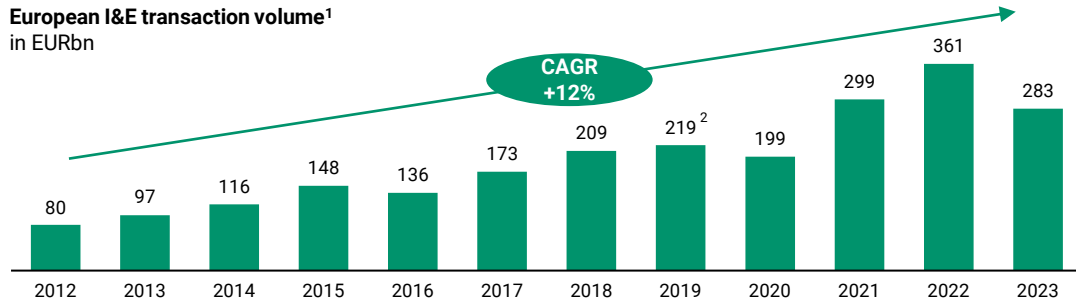
Schools

We contribute to the education of around **4,100 students**.

Long-term growing I&E market fuelled by key macro trends

Continued growth & demand in the European I&E market

European I&E transaction volume¹
in EURbn



Focus sectors of Kommunkredit



Energy & Environment

- Renewable energy
- Water supply & treatment
- Energy supply & distribution
- Energy transition



Communication & Digitalisation

- Broadband / fibre optic
- Data centers
- Telecom utilities



Transport

- Roads
- Bridges
- Tunnels
- Ports
- Railroads



Natural Resources

- Hydrogen
- LNG terminals
- Pipelines
- Resource storage



Social Infrastructure

- Nurseries
- Schools
- Universities
- Hospitals
- Nursing homes
- Administrative buildings

Structural factors



EU Green Deal



National climate targets



Reconfiguration of EU energy mix



Shifting demographics



Response to COVID-19 pandemic



Change of working & learning patterns

Infrastructure is a highly resilient asset class, largely independent of economic cycles and with structurally low default risk

¹ Infralogic (for 2012 – 2014) | Inframation & Sparkspread Database (for 2015 – 2023)

² Excluding two large individual M&A transactions with a combined volume of EUR 48bn

Success factors for sustainable and profitable growth

KOMMUNAL
KREDIT

Highlights 2023 (IFRS)

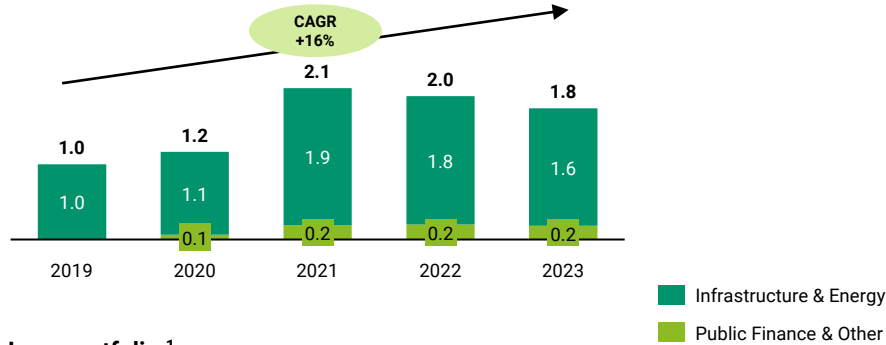
Continued strong performance regardless of global challenges

- Net interest income at EUR 192.4m (+53% yoy)
- Operating result at EUR 134.3m (+58% yoy)
- High level of efficiency | Cost-Income-Ratio at 36.7%
- 25.0% RoE after tax | excellent profitability
- High asset quality | Ø portfolio rating at A-
- Strong capitalisation | Tier 1 ratio at 20.0%*

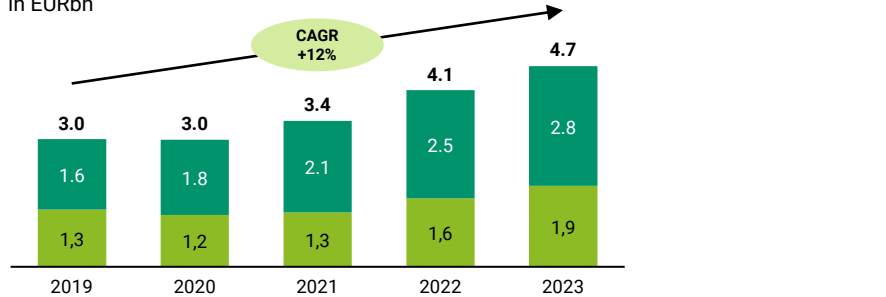
* Bank stand-alone

Sustainable growth of new business and loan portfolio

New business in EURbn



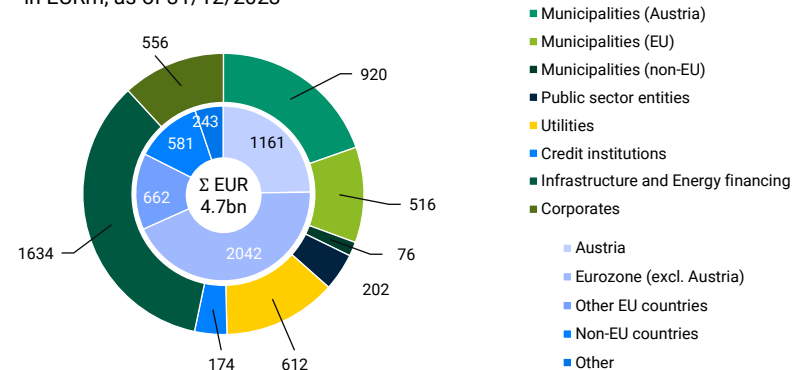
Loan portfolio ¹ in EURbn



Highlights

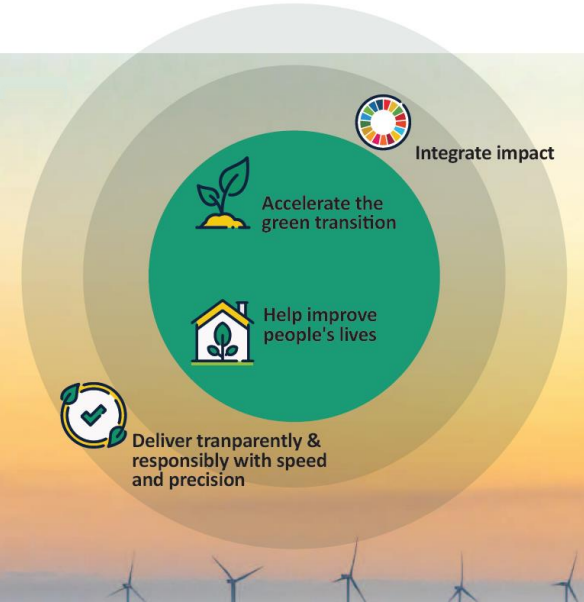
- **Sustainable growth** of loan portfolio (CAGR 2019-23 +12%)
- +15% growth of loan portfolio in 2023
- Infrastructure & Energy (I&E) business **resilient** to various economic cycles and even ongoing pandemic and war
- Long-term growing demand to fund **energy transition, digitalisation, zero-emission mobility, elderly care and public health**

Loan portfolio by region/borrowers ¹ in EURm, as of 31/12/2023



¹ including project bonds (2023: EUR 146m) and disbursement obligations (2023: EUR 924m)

Sustainability Strategy – strongly anchored in business



Core focus areas

Accelerate the green transition

We enable and strive to accelerate decarbonisation, with the core of our financing activities focusing directly on renewable energy, hydrogen and other technologies that are essential for the green transition.

Help improve people's lives

A significant part of our activities across Infrastructure & Energy and Public Finance fund social infrastructure and connectivity.

2025 Commitments

- **≥40%** of new I&E business supporting the **green transition**
- **≤10%** of new I&E business going towards **new green solutions**

- **≥30%** of new I&E business going towards **social infrastructure and/or digitalisation & communication**

I&E new business 2023 in EURm / %

Accelerate the
green transition
54%
EUR 880m

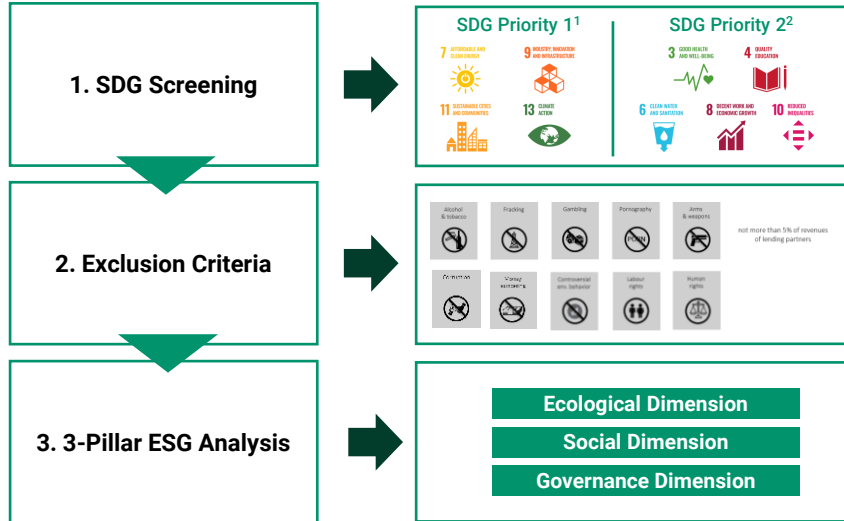
New green
solutions
3%
EUR 44m

Help improve
people's lives
24%
EUR 382m

Note: selected projects contributing to both focus areas

ESG assessment – fundamental part of the credit approval process since 2012

Sustainability Check (3-Step evaluation process)



- KA demands **every investment** or financing project to **contribute to at least one of the UN Sustainable Development Goals (SDGs)**
- ESG criteria** are important parameters for KA to preserve its **reputational & economical risk** position
- Accordingly, we have **strict exclusion criteria**
- 27 qualitative criteria** defined to evaluate projects within each of the **three ESG dimensions**
- Additionally, analysis regarding **sustainable finance classifications (green, social)**
- Technical expertise of KPC** supporting KA in assessments

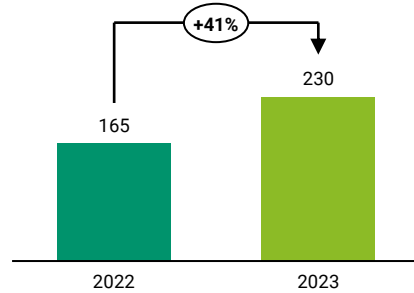
¹ Very important for KA and stakeholders

² Very important either for KA or stakeholders

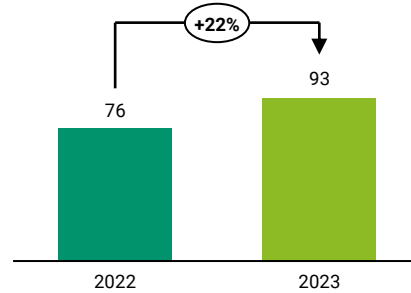
Note: More detailed information available in the Integrated Annual Report 2023 on page 42

2023 – continued delivery on growth & profitability

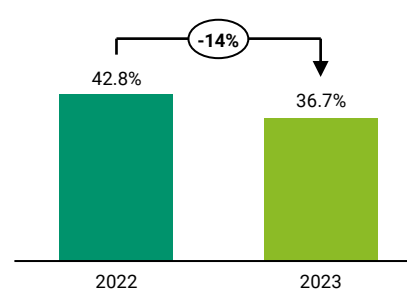
Total income in EURm



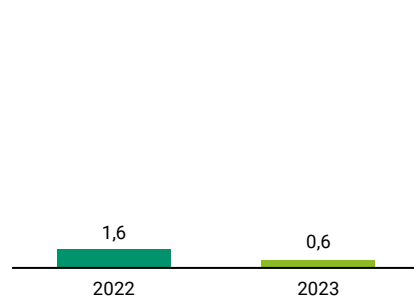
Total expenses (before levies) in EURm



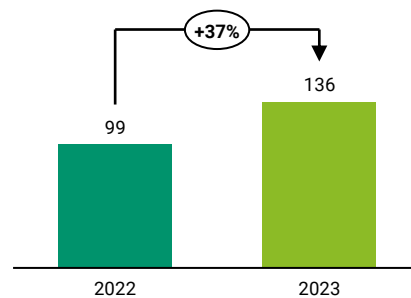
Cost-income ratio¹ in %



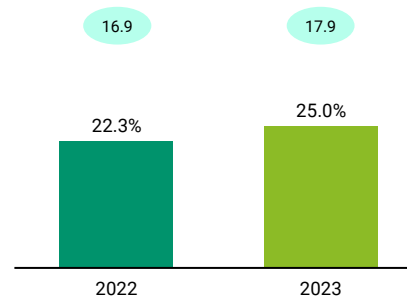
Risk costs in EURm



Result before tax in EURm



Return on equity after tax² in %



CET1 ratio stand-alone

Key drivers



Further business growth



Cost discipline



Continuously low risk costs



Efficient capital utilisation

¹ Result from subsidiary KPC (cost plus model) netted in CIR calculation to provide fair view on efficiency

² Calculated as result after tax / common equity tier 1 capital (Group) as of beginning of the relevant year

Strong capital position

Disciplined capital management approach supporting continuous capital strength

Capital management



Disciplined capital allocation

Focus on margin over volume



Strategic flexibility

Able to seize opportunities when they arise



Organic capital build

Enabling organic growth (significant retained earnings)

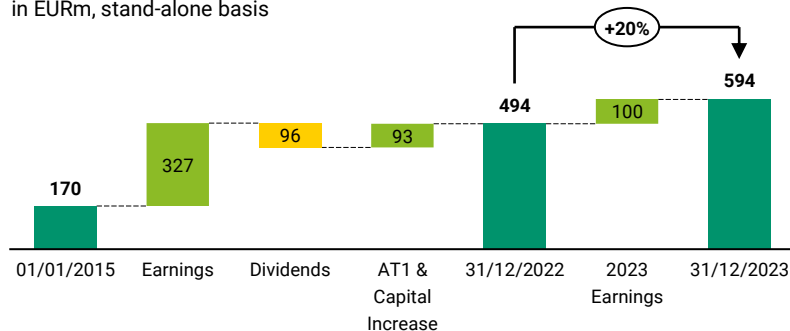


Capital strength as strategic pillar

Significantly above capital requirements (KA has no MREL requirement)

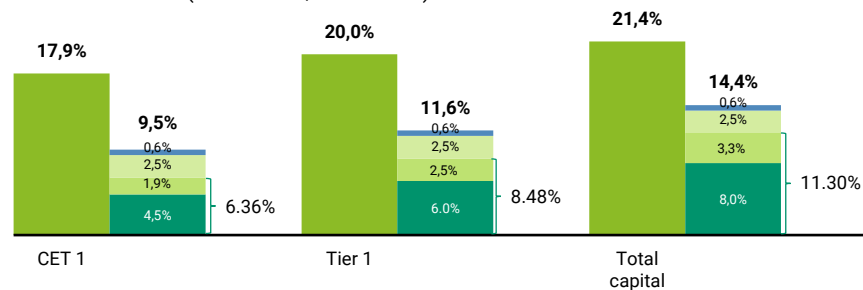
Tier 1 capital development (Local GAAP)

in EURm, stand-alone basis



Capital ratio & regulatory requirements

As of 31/12/2023 (stand-alone, local GAAP)



■ Countercyclical Capital Buffer Req. ■ Combined Buffer Req. ■ Pillar 2 Req. ■ Pillar 1 Req.

Funding strategy with foresight to implement business growth

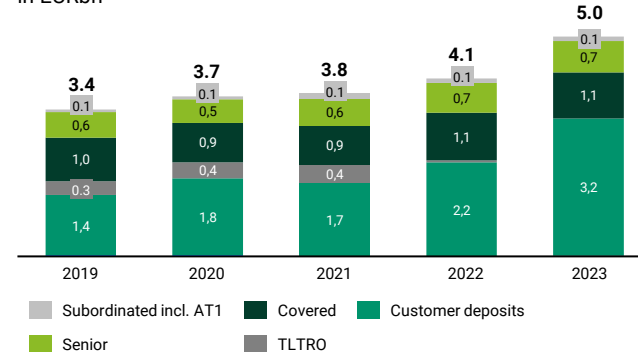
Sustainable growth trajectory

- Infrastructure & Energy **market growth supported** by macro trends (e.g. energy transition and reconfiguration of European energy supplies, digitalisation)
- Sustainable growth in business volume** supported by further strengthened capitalisation
- Growing emphasis on **ESG, advisory**, asset management and structuring activities

Strong funding & liquidity

- KA's funding strategy focuses on a **sound diversification** between capital market instruments (covered and senior) (37%) and customer deposits (63%)
- Diversified deposit base with **high share of term deposits (93%)**
- Strong liquidity situation** with liquidity ratios well above regulatory requirements
 - 542% Liquidity Coverage Ratio (LCR)
 - 135% Net Stable Funding Ratio (NSFR)

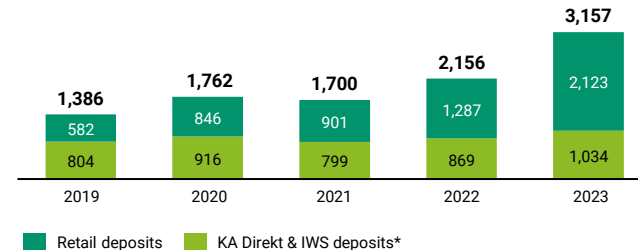
Funding structure in EURbn



542%
LCR

135%
NSFR

Customer deposits in EURm



EUR ~1.75bn liquidity position

Note: Data as of 31/12/2023 unless otherwise stated

* KA Direkt: wholesale deposits from municipalities and public sector companies | IWS deposits are direct business with corporate/institutional customers

Low risk profile and high asset quality

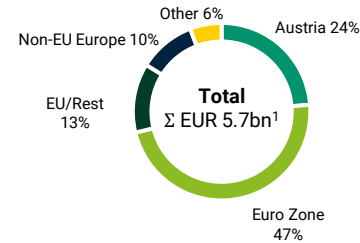
Well managed risk

- **Low risk profile** due to strong characteristics of infrastructure sector
- **Diversified loan book** across regions and sectors and public sector finance exposures to Austrian municipalities secured by excellent credit quality
- **Very low risk costs** since the bank's privatisation in 2015

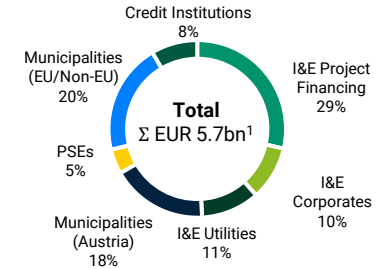
High asset quality

- **Well-diversified portfolio** across borrowers and regions with continued high asset quality (Ø Rating A-)
- 38% of total exposure rated AAA/AA (12/2022: 36%)
- 66% investment grade (IG) (12/2022: 68%)
- Long-term portfolio resilience demonstrated amid recent global challenges

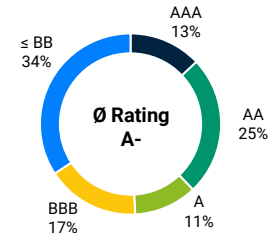
Total Portfolio by Region
in %, as of 31/12/2023



Total Portfolio by Borrower
in %, as of 31/12/2023



Total Portfolio by Rating
in %, as of 31/12/2023



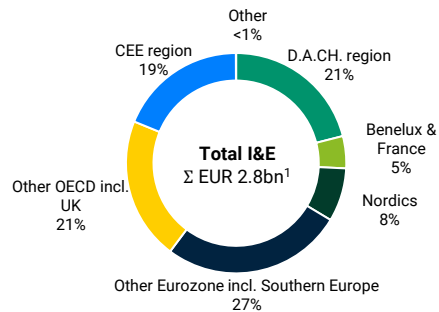
Impeccable track record – very low risk costs since 2015

¹ Including undrawn lines
Note: Data as of 31/12/2023 unless otherwise stated

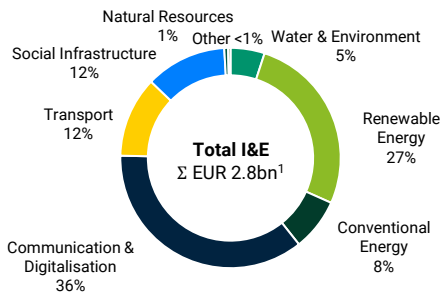
Infrastructure & Energy portfolio – diversified, stable, high-quality

Portfolio reflects range of KA's product offering | clear focus on senior exposures in Western European/Eurozone countries

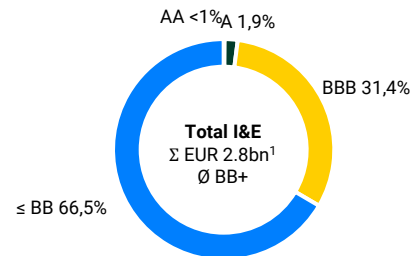
Portfolio by geography in %



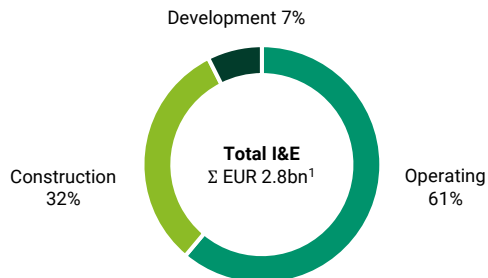
Portfolio by sector in %



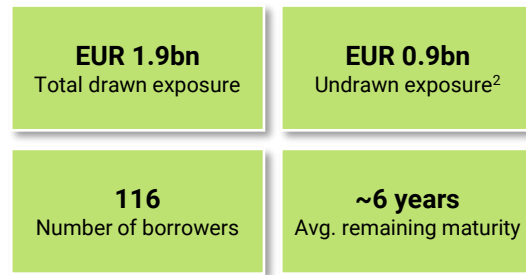
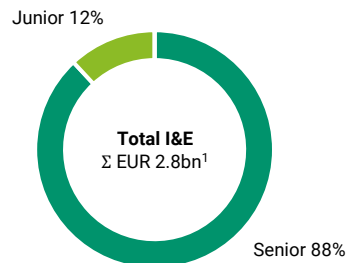
Portfolio by rating in %



Portfolio by status of project in %



Portfolio by seniority in %



¹ Including undrawn lines

² Mainly relating to exposures to be disbursed with construction progress, or acquisition facilities, in both cases typically subject to strict conditions.

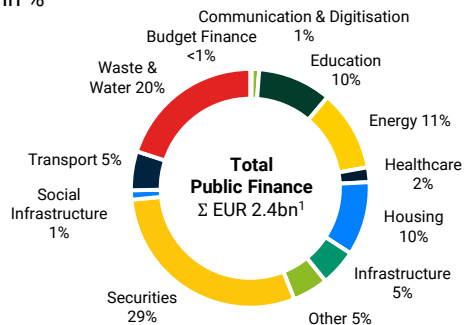
Note: Data as of 31/12/2023 unless otherwise stated; figures are rounded and may not add up

Public finance portfolio – low risk, highly liquid, Eurozone-focused

Portfolio primarily comprises low-risk financing to local authorities (municipalities) or public sector entities (PSEs)

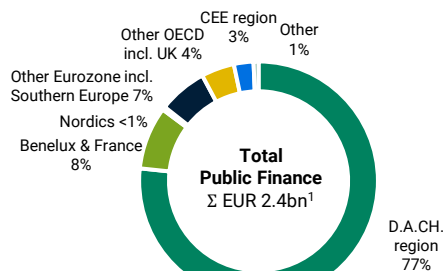
Portfolio by sector

in %



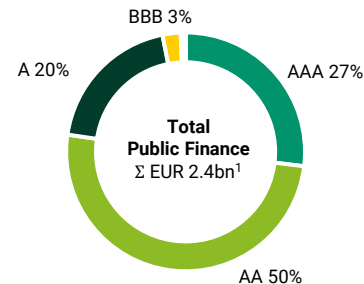
Portfolio by region

in %



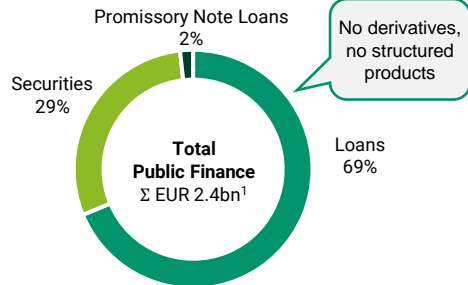
Portfolio by rating

in %



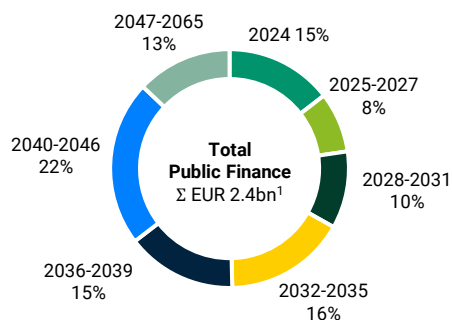
Portfolio by type of product

in %



Portfolio by maturity

in %



EUR 2.0bn Total drawn exposure	EUR 0.4bn Undrawn exposure
~1,000 Number of borrowers	~13 years Avg. remaining maturity

¹ Including undrawn lines
Note: Data as of 31/12/2023 unless otherwise stated; figures are rounded and may not add up

Ratings

COVERED BOND RATING

ISSUER RATING

ESG RATING*

S&P Global
Ratings

- **High credit quality** portfolio of predominantly Austrian and German public sector assets

A+
Stable Outlook

S&P Global
Ratings

- **High earnings and well-managed** business model
- **Strong capital generation capacity**
- Robust asset quality, underpinned by **low credit-risk costs**

BBB / A-2
Stable Outlook

FitchRatings

- Well-established franchise, **strong track record** and experienced management team
- **Strong asset quality**, sound liquidity, adequate risk/return profiles, lean cost base and above-average **profitability**

BBB- / F3
Positive Outlook

MORNINGSTAR | **DBRS**

- **Strong results and resilient** business model
- Further **strengthened franchise**
- Continuous increase in operating profitability, stable liquidity, **strong capitalisation and high asset quality**

BBB / R-2 (high)
Positive Trend

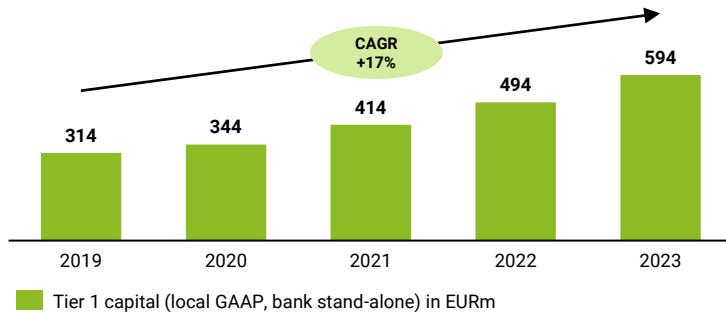
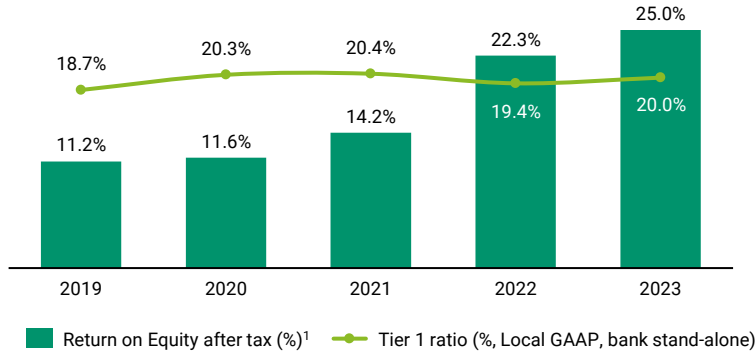


- On February 8, 2023, ISS ESG awarded a "C"-Rating and the **"Prime Status"** for Kommunalkredit
- **Transparency level "very high"** assigned

C
"Prime Status"

* KA has also an ESG risk rating from Morningstar Sustainalytics. Details can be found at <https://www.kommunalkredit.at/en/who-we-are/sustainability> or in the integrated annual report 2023

Delivering sustainable growth with strong capitalisation



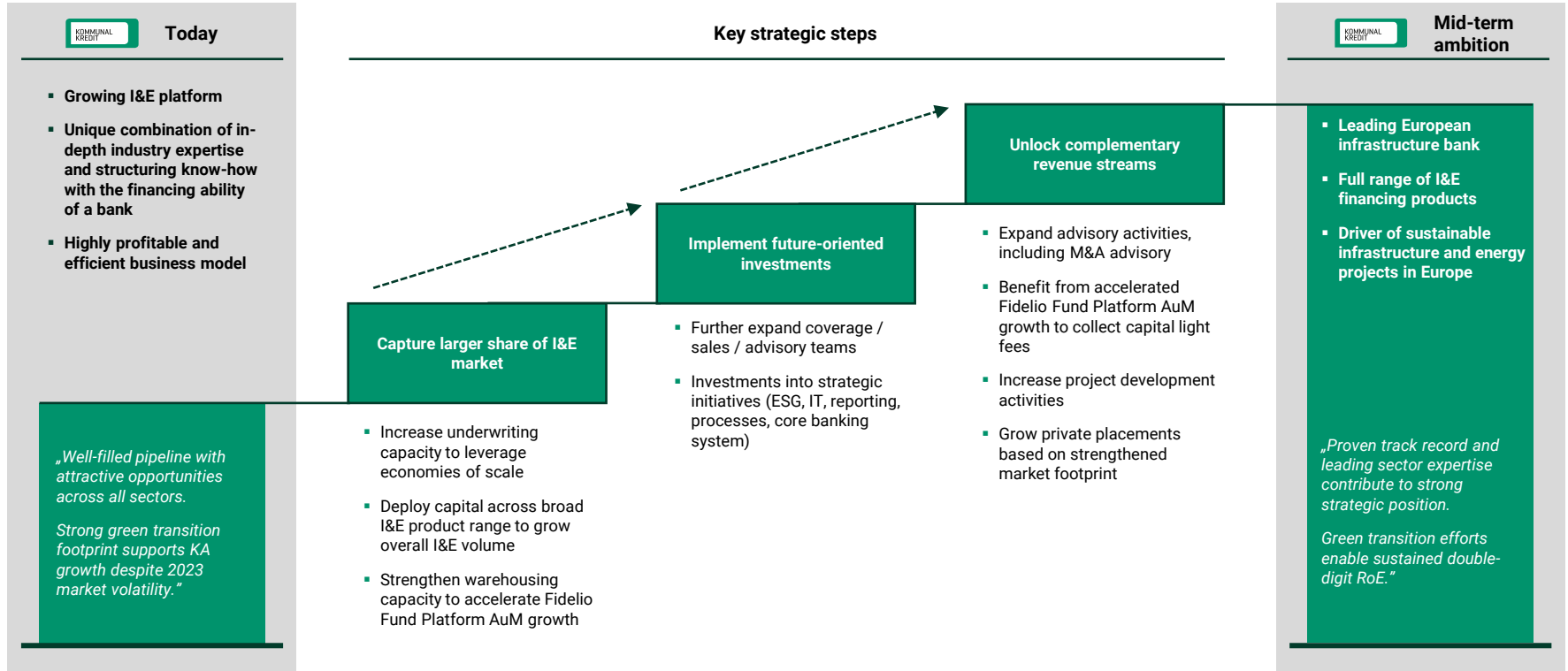
- **Key rating drivers further improved** since investment grade ratings² awarded
- Continuous improvement of profitability reaching **outstanding RoE after tax of 25.0% in 2023 while keeping capitalisation very strong**
- Diversification and increase of revenues with **complementary I&E products and services** (e.g. asset management, advisory, structured export finance, private placements)
- **Expanding the capital base** with retained earnings and capital increases
- **Impeccable risk track record** – very low risk costs since 2015 | diversified portfolio with continued high asset quality
- **KA business is highly resilient and profitable** through various economic cycles/crisis – no material negative impacts from Russia/Ukraine war or macro environment (inflation, interest rates, supply chain)
- Key **growth** trends addressed with focus on **sustainable infrastructure**

¹ Consolidated profit for the year after tax / common equity tier 1 capital (Group) as of 1/1 of the respective year

² S&P: BBB- since 02/2021 und BBB since 03/2024; Fitch: BBB- since 03/2021; DBRS: BBB since 10/2020

Note: Data as of 31/12/2023 unless otherwise stated

Kommunalkredit's strategic growth trajectory



Guidance 2024

- Total balance sheet growth: up to 10% yoy
- New business volume: EUR ~2bn
- EUR 100m capital increase*
- CET1 ratio: >15%
- Average portfolio rating: \geq BBB+

Medium-term ambition

- High retained earnings
- Strong capitalisation | CET1 ratio: >15%
- Maintain high quality asset portfolio
- New business focus on sustainable infrastructure | >40% green transition | >30% improve people's lives
- Improvement of rating

* Depending on closing of share purchase by Altor
Note: Guidance as of February 2024

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Strategic Objectives

Focus | Growth | Shareholder support



1. What is our goal?

Partner of choice for infrastructure investments:

- **Driving innovation and energy transition forward**
- Applying our financing expertise as a link between sustainability & profitability
- Moving the market environment towards a greater contribution to ESG



2. How will we achieve this goal?

Concentration on our core business:

- Consistent **customer focus**
- **Operational efficiency**
Future-oriented investments
- Unlock complementary revenue streams
- Stronger focus on national and international climate targets



3. Where do we improve in our core business?

Looking forward and acting decisively:

- Growing the strong commission business
- **Expanding the product range** and market presence
- Combination of bank balance sheet and asset management platform
- Targeted expansion of project development activities



4. What do we need to achieve this?

Improve our market position:

- Continue to **strengthen our capital base**
- Divert capital flows to sustainable/green infrastructure projects
- Drive digitalisation forward
- Support and integrate the best talent
- Increase underwriting capacity
- Fortress balance sheet



5. Why is this attractive to our shareholders?

Create value:

- Tick all relevant valuation drivers
- High-velocity, low-risk balance sheet
- Continuous CAGR * **outperformance** (Loans | Revenues | Results)
- **Double-digit return on equity**
- Excellent dividend yield and attractive distribution rate

* CAGR = Compound Annual Growth Rate

Unique Selling Proposition

INVESTMENT BANKING EVOLVED

- Combination of investment banking DNA with strong drive to improve the quality of people's lives
- We stand for reliability, handshake quality, lasting relationships and strategic partnerships
- Interdisciplinary deal teams to achieve outperformance as central value

EXCEPTIONAL TRACK RECORD & CLIENT FOCUS

- Unique combination: in-depth industry expertise and structuring know-how with the financing ability of a bank
- Strong origination and distribution expertise with deep global client relationship resulting in access to solid captive asset and large investor base

LEAN ORGANISATION

- Agile, efficient organisation with clear focus on value generation
- Culture characterised by taking ownership, accountability and the urge to outperform



ACHIEVING SUSTAINED OUTPERFORMANCE

- Attractive returns with low volatility based on I&E senior debt focus
- **Natural sustainability angle of I&E investments | supporting energy transition**
- Delivering double-digit RoE while maintaining resilient capitalisation
- Stable cash yield from dividends



Wide, complementary product spectrum



Nimble and experienced



Tailormade solutions and repeat client relationships



Selective & optimised risk/reward trade-off



Originate-and-collaborate approach

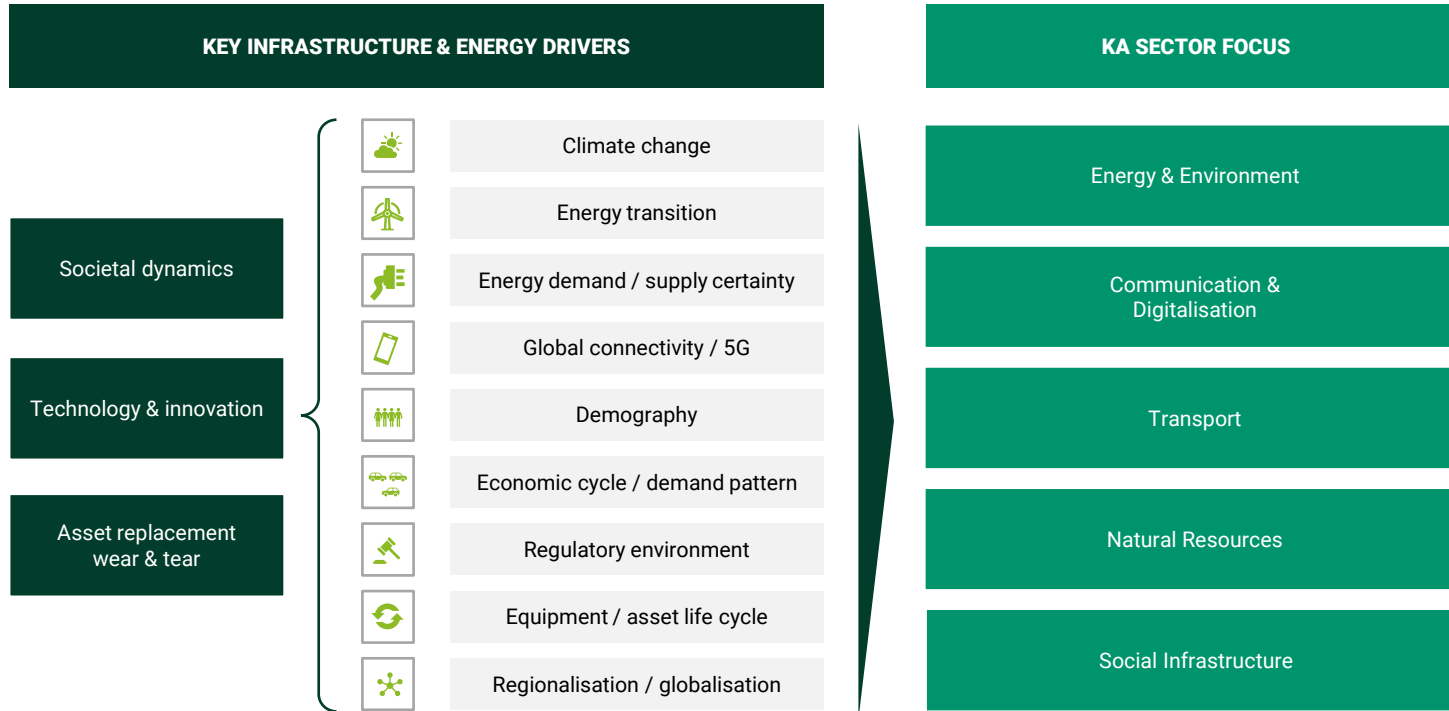


Fidelio



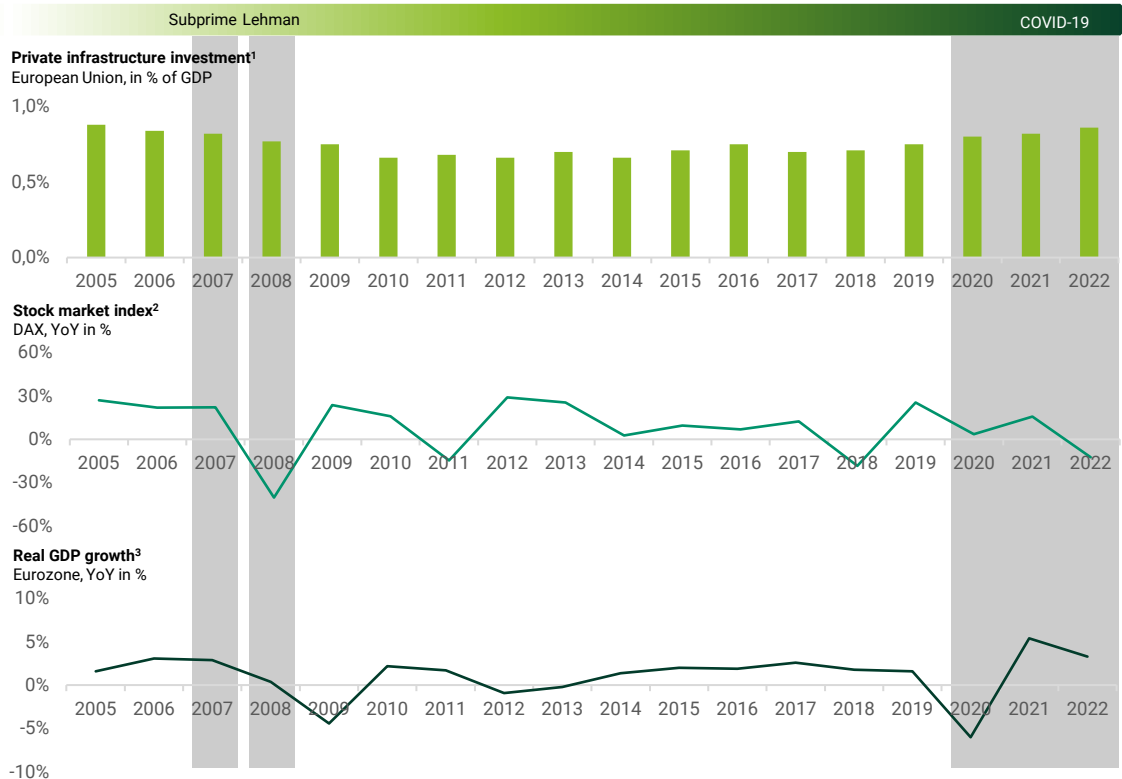
Investing in Infrastructure & Energy | Key Drivers

Infrastructure investments are driven by long-term structural, global trends which KA's business focus directly addresses



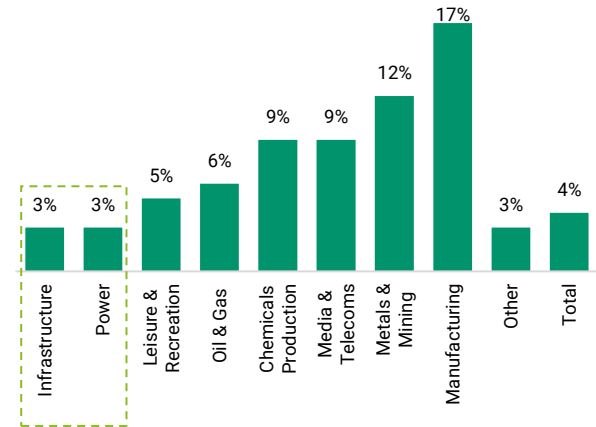
I&E is structurally resilient across cycles

Infrastructure investments are largely uncorrelated with the economic cycle



- ✓ **Highly resilient (essential services; long-term asset cycle)**
- ✓ **Supportive fiscal policy crisis response**
- ✓ **Low default rates/high recovery rates**

Moody's long-term study: default rates by industry⁴



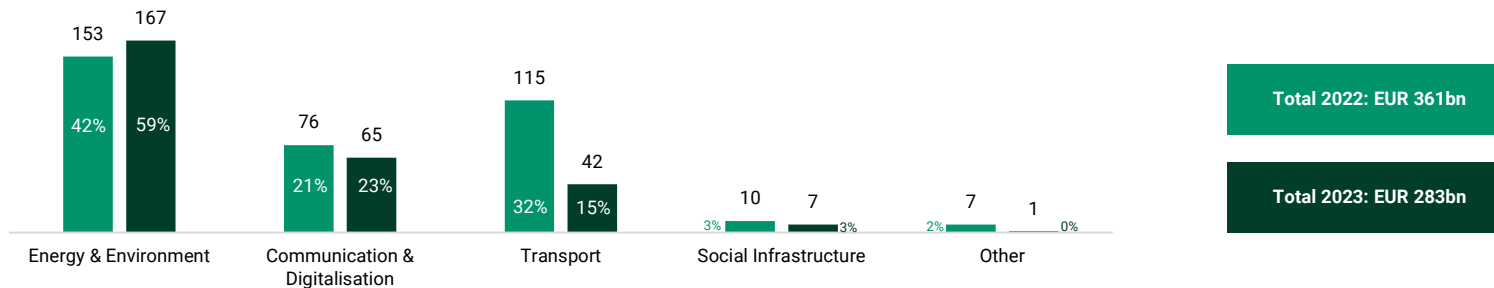
Sources: ¹ EIB Investment Reports - Infrastructure finance in the European Union (% GDP), corporate sector only (<https://www.eib.org/en/publications/online/all/investment-report-2023-2024>); ² KA-Research, based on Börse Frankfurt (<https://www.boerse-frankfurt.de/index/dax/charts>); ³ OeNB (<https://www.oenb.at/isawebstat/stabfrage/createReport?lang=EN&original=false&report=7.8>); ⁴ Moody's Default and Recovery Rates for PF Bank Loans, 1983-2021.

KA's sector mix is focused on the most attractive opportunities

I&E transaction volume per sector

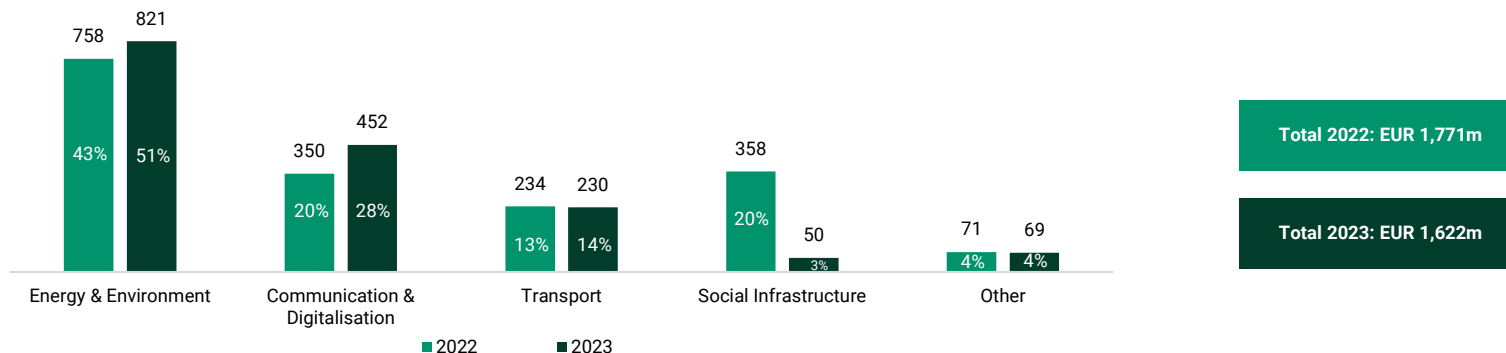
Europe*

in EURbn / in % of total I&E market



Kommunalkredit

in EURm / in % of total I&E new business

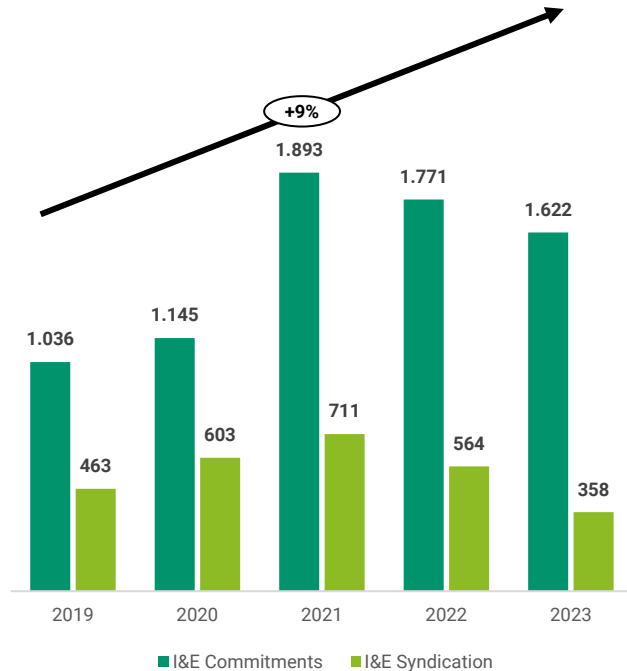


* Source: Infraction & Sparksread Database and Infraclog

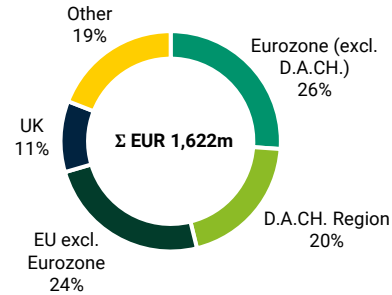
Sustainable and strong growth record of I&E business

Scalable Originate-and-Collaborate business model

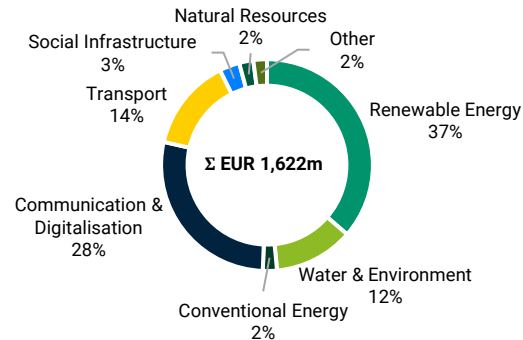
I&E new business volume in EURm



I&E commitments 2023 by geography¹



I&E commitments 2023 by sector



- **Strong diversification** in product lines, geographic regions and sectors resulting in well-balanced portfolio
- **Structured Export Finance** business expanded with several transactions in 2023
- **Fidelio and syndications** contribute to a liquid balance sheet and tight risk management
- 54% contributed to the “green transition” and 24% to the “improve people’s lives” **sustainability** strategy focus areas
- Expanding balance sheet light business
- Focus on balancing out new business growth | solid CET 1 | excellent RoE

¹ECA-covered part of structured export finance transactions are assigned to ECA agency countries

Dedicated originate-and-collaborate approach

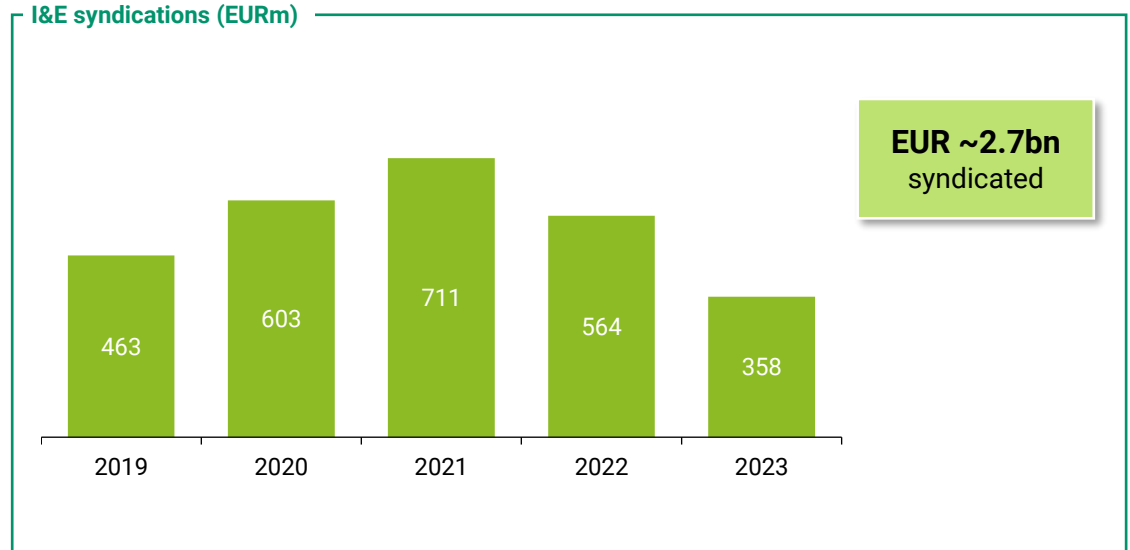
Strong loan distribution capabilities, enabling a flexible approach to underwriting and high balance sheet velocity

● Syndication approach

- ✓ Long-term collaboration partners
- ✓ Market sounding before origination
- ✓ Strict deadlines, tight management

Strategic benefits

- ✓ Leveraging KA origination capabilities
- ✓ Increasing underwriting capacity
- ✓ Testifying market conformity of deals
- ✓ Realisation of arrangement and syndication fees
- ✓ Effective risk mitigation

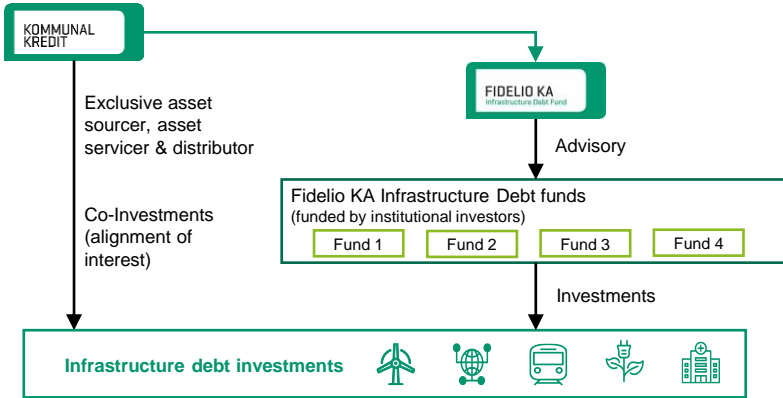


● Partners

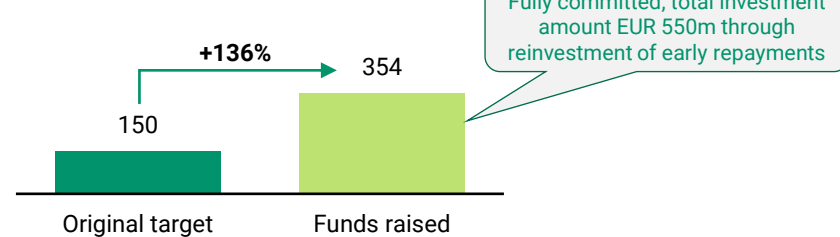


Fidelio KA fund platform

Fidelio structure



Successful fundraising¹ | Fund I



¹ Fundraising period Q3/2018 – Q1/2020.

Strategic benefits for Kommunalkredit

- ✓ Increased underwriting capacity without additional risk
- ✓ Larger transactions, better access to primary markets and **better client relationships**
- ✓ **Additional distribution channel**
- ✓ **Diversification along the value chain**
- ✓ **Asset Servicing** drives **economies of scale**

Investment Opportunities | Funds II - IV

- **Europe 2 (SFDR Art. 8)** with focus on ESG compliant core infrastructure
- **Renewables Development** participating in early-stage projects
- **Green Transition** with optimized risk/reward profile

Fidelio KA fund platform (cont.)

VALUE PROPOSITION

- Direct access to an attractively priced pipeline of assets originated & structured by KA
- Fast and transparent conversion of subscribed capital into profitable investments
- Alignment of interest through KA co-lending over the life of each project
- Rigorous, independent & regulated investment process
- Risk & portfolio management including a Solvency II compliant reporting & valuation process
- Experienced international team with outstanding industry expertise and track record

REASONS TO INVEST

- Stable valuation in a highly volatile market
- Infrastructure debt benefit from rising interest rates while offering inflation protection
- Low observed correlations with other asset classes, e. g. private equity
- Infrastructure loss history far below corporate loss history
(Moody's study: "Default and Recovery Rates for Project Finance Bank Loans, 1983-2020")
- Performed well in spite of Covid-19 crisis and the war in Ukraine

FUND STRATEGY

"Fidelio KA Infrastructure seeks to provide institutional investors with steady, long-term yield from a portfolio of private infrastructure and energy debt investments.

The reason for success of Fidelio is its exclusive symbiosis with KA, managed and administered by an expert independent Alternative Investment Fund Manager (AIFM) in Luxembourg."

CURRENT PORTFOLIO SUB-FUND I

Interest type* (Interest rate floors are established in most projects)



Region*



Sector*



Debt type*



SUB-FUND I (ISIN: LU 1848860901; CLOSED)

Fund Volume	EUR 354m (at final close)	Countries	Europe, OECD only
Currency	EUR	Duration	10 years + ext. option
Fund type	LUX. SICAV-RAIF SCA	# of investors	6 Institutionals
Margin	Average gross margin >3%		
Rating**	Investment grade (BBB-)		

SUB-FUND II (ISIN: LU 2363960290; SEED CLOSE 09/08/2022)

Target Size	EUR 500m	Countries	Europe, OECD only
Currency	EUR	Duration	10 years + ext. option
Fund type	LUX. SICAV-RAIF SCA	# of investors	6-8 Institutionals
Margin target	Average gross margin >3.5%		
Target rating**	Investment grade (BBB-)		

* Data as of 31/12/2023

** Indicative initial internal rating, for information purposes only, based on S&P methodology

Public Finance – 2nd pillar of KA's business model

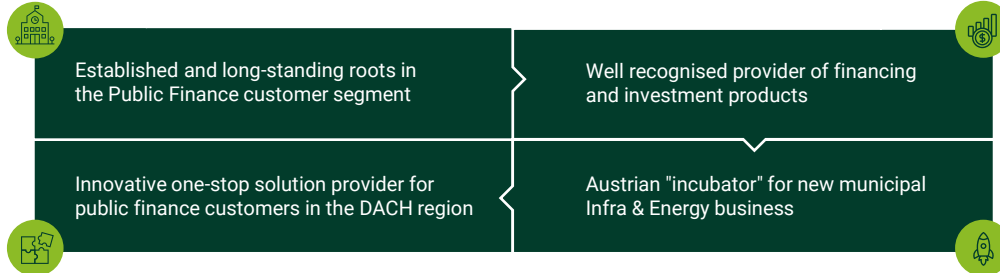
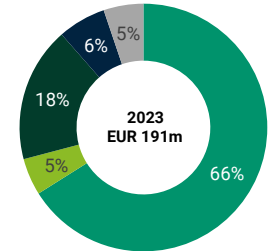


Established Network

- KA has excellent and long-standing customer relationships in Austria and neighbouring countries, both on the financing and the investment side
- With investments in essential infrastructure that is used directly by citizens, municipalities and their public institutions, we create and protect jobs and help to keep the economy going
- Selection of financing opportunities (purpose, term, volume) in the public finance space
- Refinancing on the capital market via covered bonds
- Client-centric digital online platform for public finance customers

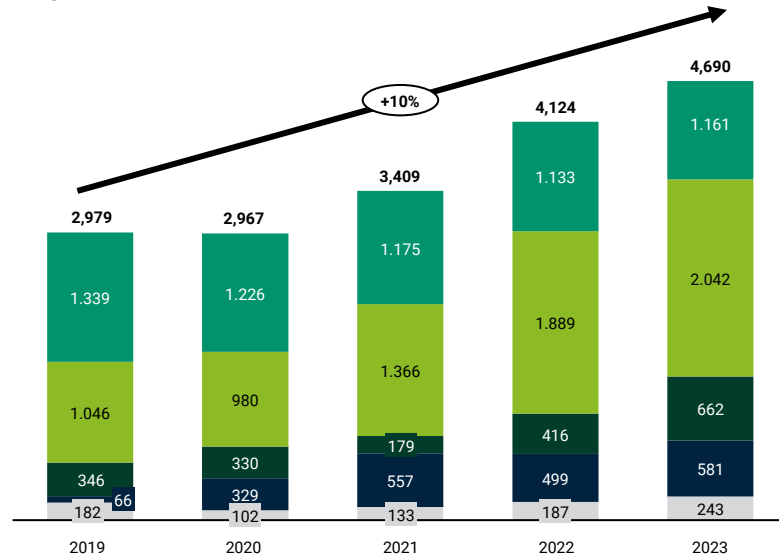
New Business 2023

- Social Infrastructure
- Energy & Environment
- Transport
- Communication & Digitalisation
- Other



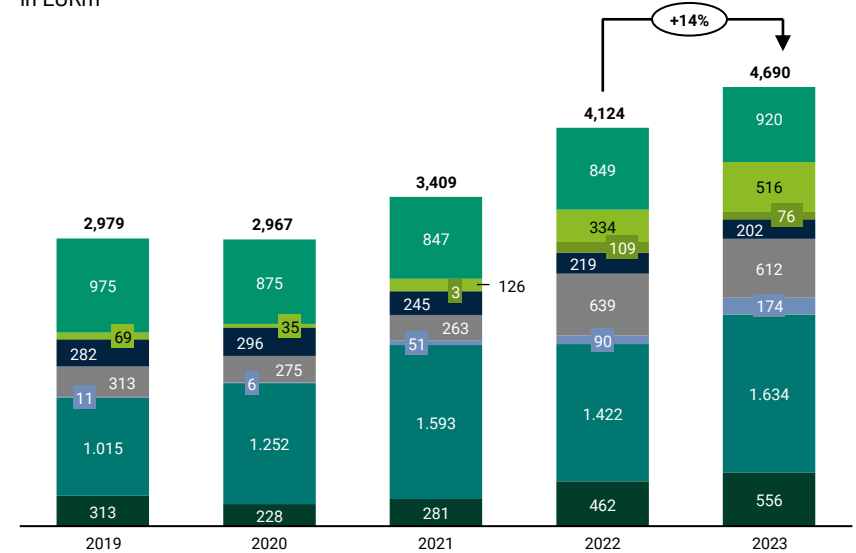
Sustainable growth of the well-diversified loan portfolio

Loan portfolio by region ¹
in EURm



- Austria
- Eurozone (excl. Austria)
- Other EU countries
- Non-EU countries
- Other

Loan portfolio by borrowers ¹
in EURm



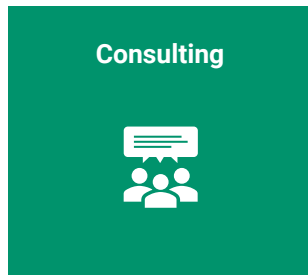
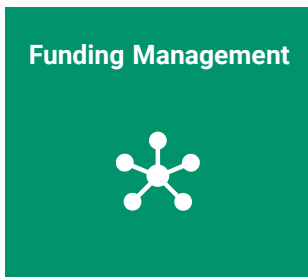
- Municipalities (Austria)
- Municipalities (EU)
- Municipalities (non-EU)
- Public sector entities
- Infrastructure and Energy financing
- Corporates
- Utilities
- Credit institutions

¹ including project bonds and disbursement obligations

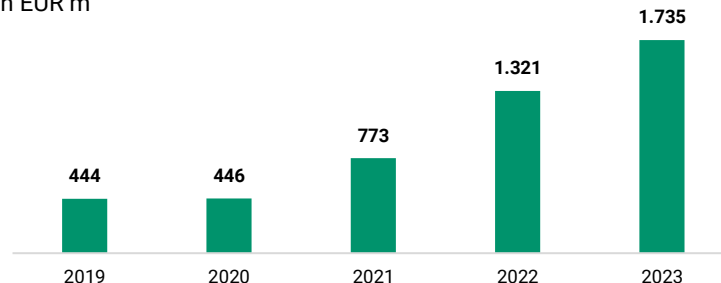
Kommalkredit Public Consulting (KPC) – market leader in funding management

Leading expertise in environmental funding management since 1993, as well as consulting and policy advice, with further growth opportunities

KPC services and competencies



Funding (subsidy volume) in EUR m



Serving high profile clients



KPC KPIs & expertise

<p>158 FTEs (2023) 633,403 Projects assessed (2023)</p>	<p>Dedicated specialists for each focus area</p>	<p>Incremental advisory as attractive growth opportunity</p>
<p>Experts for Climate, Environment & Energy projects and ESG</p>	<p>Experts for Water & Waste and Biodiversity projects</p>	<p>Experts for management of funding programs</p>





Benefits to KA


- ✓ High brand value
- ✓ Technical expertise

Sustainability as long-standing, integral part of the business

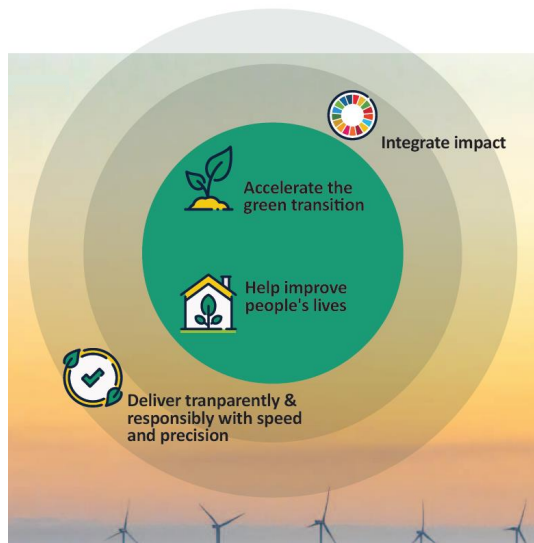
Contributing to achieving climate targets and building a sustainable economy by the very nature of sustainable infrastructure & public finance lending

<p>Our ESG mission</p>	<p>“We enable the development of sustainable infrastructure to accelerate the green transition, and help improve people’s lives”</p>	<p>We are guided by:</p>	
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<p>Impact</p>	 <p>Waste Mgmt. We contribute to eliminating 4.1m tonnes of waste each year.</p>	 <p>Care Homes We create accommodation for more than 8,900 elderly & disabled people.</p>	 <p>Schools We contribute to the education of around 4,100 students.</p>	 <p>Energy We enable around 5.2m homes to use renewable energy each year.</p>	 <p>EV Charging We develop the refuelling infrastructure for electromobility with around 28,000 charging stations.</p>
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<p>History</p>	 <ul style="list-style-type: none"> <li data-bbox="260 737 454 922"> <p>1992 First Austrian issuer of an environmental bond</p> <li data-bbox="463 737 647 922"> <p>1997 ISO 14001 certified</p> <li data-bbox="656 737 840 922"> <p>2004 First sustainability report</p> <li data-bbox="850 737 1033 922"> <p>2012 ESG assessment in credit process integrated</p> <li data-bbox="1043 737 1226 922"> <p>2017 First Austrian social covered bond</p> <li data-bbox="1236 737 1420 922"> <p>2021 UN Global Compact joined</p> <li data-bbox="1429 737 1613 944"> <p>2022 Sustainability strategy updated with strong commitments</p> <li data-bbox="1622 737 1845 1053"> <p>2023 UN Principles for Responsible Banking joined Partnership for Carbon Accounting Financials (PCAF) joined</p>
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Sustainability Strategy – strongly anchored in business



Core focus areas

Accelerate the green transition

We enable and strive to accelerate decarbonisation, with the core of our financing activities focusing directly on renewable energy, hydrogen and other technologies that are essential for the green transition.

Help improve people's lives

A significant part of our activities across Infrastructure & Energy and Public Finance fund social infrastructure and connectivity.

Key enablers

Integrate impact

We consider sustainability factors across all types of infrastructure. As an organisation, we are dedicated to the UN Sustainable Development Goals (SDG), the UN Global Compact, the UN Principles for Responsible Banking, Partnership for Carbon Accounting Financials (PCAF), the Paris Agreement, and the European Green Deal.

Deliver transparently & responsibly with speed and precision

We continuously improve our ESG disclosures and ensure that we carry out our business responsibly, with high integrity.

SDG Priority 1*



SDG Priority 2**



* Very important for KA and stakeholders

** Very important either for KA or stakeholders

2025 Sustainability Commitments

Core focus areas



Accelerate the green transition



Help improve people's lives

- **At least 40%** of new infrastructure financing supporting the **green transition**
- **Up to 10%** of annual new infrastructure financing going towards **innovative projects** to scale **new green solutions**
- **At least 30%** of new infrastructure financing going towards **social infrastructure and/or digitalisation & communication**

Key enablers



Integrate impact

- At least 95% of KA employees to be trained on sustainable development
- KA-designed SDG impact curriculum to be used to train banking employees



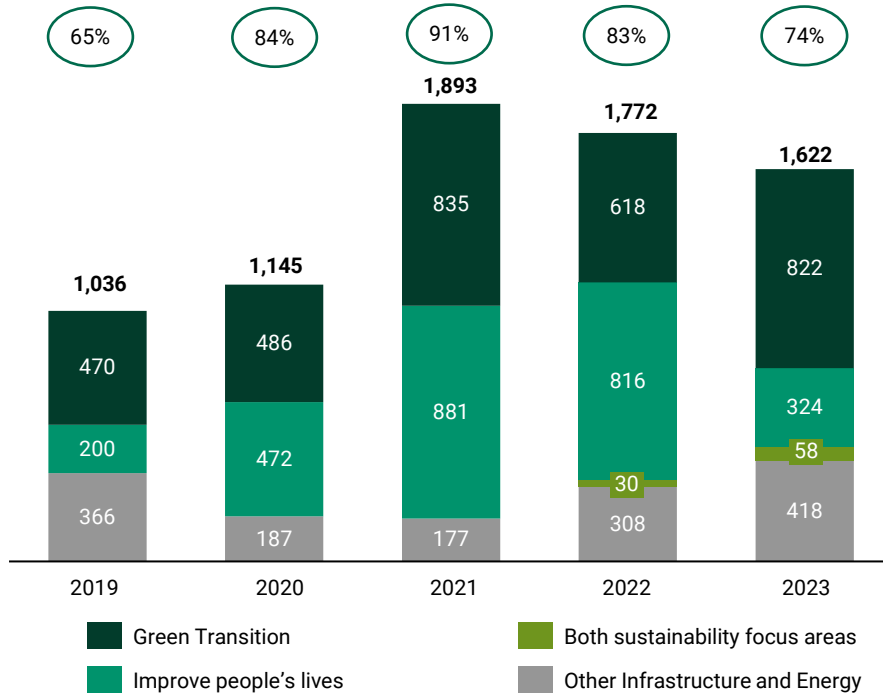
Deliver transparently & responsibly with speed and precision

- KA Environmental Sustainability Ratio defined
- Greenhouse gas emissions of financing projects to be measured by 2024 according to PCAF¹; net-zero target to be set by 2025
- At least 30% of managers to be female by 2025
- Eliminate gender pay gap within same job bands by 2025

¹ Partnership for Carbon Accounting Finance

Majority of I&E commitments contribute to our sustainability core focus areas

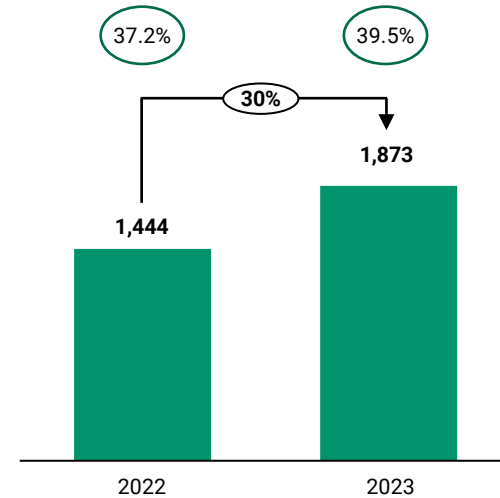
Development of I&E commitments | Sustainable infrastructure*
in EURm



Ⓢ Proportion of new I&E business volume attributable to sustainability focus areas

* Projects are categorized on basis of KA Sustainable Finance classifications

KA Environmental Sustainability Ratio und Volumen
in EURm



Ⓢ KA Environmental Sustainability Ratio in %

■ KA ESR classified volume in EURm

Note: KA Environmental Sustainability Ratio (KA ESR) comprises commitments that are classified as green or social via Sustainable Funding framework or framework for other sustainable activities

Kommunalkredit as catalyst to implement **new green solutions** with high impact

H2 Green Steel – investment in hydrogen driven steel plant | Sweden | 2023



- Kommunalkredit is participating in the financing of the construction of the world's first steel mill, which will produce green steel from hydrogen
- Fully integrated, digitalised and cycle-oriented plant with capacity of **2.5m tons green steel p.a.**
- Saving ca. 95% of CO2 emissions compared to conventional steel production | Project will make a **significant contribution to European climate protection targets**
- Total investment volume ca. EUR 6.5bn
- Scheduled to go into operation in 2025

Sunprime – financing of a photovoltaics roll-out | Italy | 2022



- Kommunalkredit acted as sole mandated lead arranger, structuring bank and exclusive bookrunner in this transaction
- EUR ~150m (total volume of the transaction) is being invested in the portfolio comprising more than 280 photovoltaics systems in Italy
- Largest mixed financing of roof-mounted and ground-mounted PV agreed in Italy to date
- Sunprime to expand capacity to around 500 MW by the end of 2024
- **Innovative approach** involves using mainly **existing resources, such as industrial sites or roof renovation measures**

Green hydrogen – investment in electrolysis plant | Austria | 2021



- Co-development, construction and operation of Austria's largest electrolyser, a 10 MW Proton Exchange Membrane (PEM) electrolyser to produce **1,500 tons of green hydrogen p.a.**
- Partner and offtaker is OMV | use green H₂ in its refinery processes | 15,000 t of CO₂ avoided
- Total investment volume ca. EUR 25m | KA share 50%
- Project status: Construction at OMV refinery site started and COD planned for H2/23

Share of new green solution in total new I&E business in 2023: ~3%

Kommunalkredit's Sustainable Funding Framework

Strong alignment between Sustainable Funding Framework and Kommunalkredit's sustainability



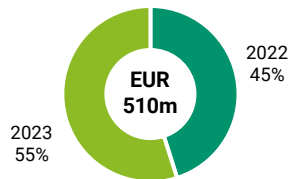
Part A: Issuer		Part B: Framework		
Business Model	<ul style="list-style-type: none"> Five sectors Originate and collaborate approach 	Use of proceeds	<ul style="list-style-type: none"> Renewable energy Energy efficiency Clean transport Pollution prevention & control Sustainable water and wastewater management 	
Sustainability Strategy & 2025 Commitments	<ul style="list-style-type: none"> Min 40% of new origination to support the green transition Up to 10% of new origination to support innovative projects Min 30% of new origination to support digitalization and/or social infrastructure 		<ul style="list-style-type: none"> Access to essential services: Education Access to essential services: Healthcare Affordable basic infrastructure: Fiber optic networks and broadband service Affordable housing: Social housing Affordable basic infrastructure: Public transport and transportation infrastructure 	
Sustainability Governance	<ul style="list-style-type: none"> Sustainability officer Sustainability board Sustainability team 		Evaluation & selection	<ul style="list-style-type: none"> Eligible assets will be pre-assessed as part of the origination process, which includes an EU-Taxonomy assessment Robust management of ESG risks (Sustainability check, additional exclusions specific to the Framework) Selection of the eligible assets will be finalised by KA's Sustainable Funding Committee
Sustainability Integration	<ul style="list-style-type: none"> Sustainability check <ul style="list-style-type: none"> Exclusion criteria SDG screening Sustainability review EU-Taxonomy assessment ESG Risk assessment 		Management of proceeds	<ul style="list-style-type: none"> Portfolio approach – eligible asset portfolio to at least cover the outstanding bond nominal within 18 months of issuance Portfolio may revolve, any syndicated and/or redeeming assets need to be substituted with new eligible assets
		Reporting	<ul style="list-style-type: none"> Allocation & impact reports published annually from the first issuance Reporting to be aligned with ICMA's "Harmonised Framework for Impact Reporting" on a best-efforts basis 	
		External Review	<ul style="list-style-type: none"> Second party opinion (SPO) provided by ISS ESG, confirming the Framework's alignment with ICMA's GBP, SBP and SBG External verification of allocation reporting will be provided by an independent third party 	

Please find the [Sustainable Funding Framework](#) and the [SPO document](#) at www.kommunalkredit.at

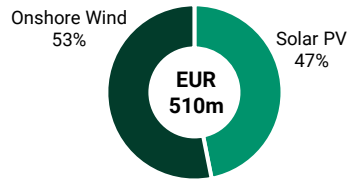
Eligible Green Asset Portfolio

Identified Renewable Energy assets to support potential green funding transactions

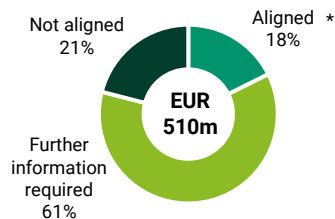
Origination year



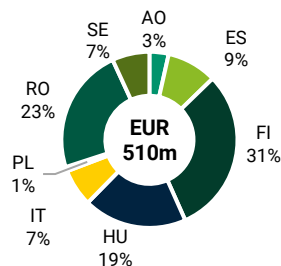
Use of proceeds



EU Taxonomy



Geography



- Preliminary identified portfolio of eligible green assets as defined in the Sustainable Funding Framework amounts at **EUR 510m** and consists of 15 Renewable Energy projects, specifically:
 - **Solar PV**
 - **Onshore wind power**
- The selected portfolio comprises loans originated from the beginning of 2022 and only newer assets may be included in the pool going forward
- EU taxonomy assessment of all assets is currently underway and the methodology is evolving. The procedures for EU taxonomy assessment were reviewed by ISS ESG and the outcomes are described in the SPO
- Sustainable Funding Framework foresees a portfolio approach for the issuance of green, social and sustainability bonds, namely the portfolio may evolve to include other projects and secure multiple transactions

* Assessment of alignment with DNSH climate change adaptation criteria is not fully aligned, as noted in the ISS ESG SPO (page 20)

Note: EU taxonomy assessment is carried out according to the best-effort principle and based on customer information as customers are non-NFRD customers

Second Party Opinion (SPO) ISS ESG

- Pre-Issuance: Second Party Opinion (SPO) ISS ESG, confirming the Framework’s alignment with the ICMA GBP, SBP and SBG
- SPO also contains an assessment regarding the alignment of the selection criteria with the EU Taxonomy Climate Delegated Act (June 2021)
 - The nominated project categories **solar PV (4.1 Electricity generation using solar photovoltaic technology)** and **wind power (4.3. Electricity generation from wind power)**, were assessed against the entirety of the Technical Screening Criteria, including the Substantial Contribution and Do No Significant Harm (DNSH) criteria, as well as the Minimum Social Safeguards (MSS). ISS ESG considered the two categories to be:
 - **Aligned** with the Climate Change Mitigation Criteria
 - **Aligned** with the Do No Significant Harm Criteria, except for climate change adaptation
 - **Aligned** with the Minimum Social Safeguards requirements
 - For other green use of proceeds categories that overlap with the economic activities in the EU Taxonomy, Kommunalkredit will apply procedures and processes to align its portfolio with the EU Taxonomy Technical Screening Criteria, including the Do No Significant Harm Criteria, and the Minimum Social Safeguards where possible
- Kommunalkredit will report on the EU Taxonomy alignment of its portfolio as part of its allocation reporting post issuances
- Post-issuance: Kommunalkredit intends to request external verification from an independent third party on the allocation of the net proceeds on an annual basis until full allocation, or in the event of material changes



Powered by
ISS ESG

SECOND PARTY OPINION (SPO)

Sustainability Quality of the Issuer and Sustainable Funding Framework

Kommunalkredit Austria AG

8 March 2023

VERIFICATION PARAMETERS

Type(s) of instruments contemplated	<ul style="list-style-type: none"> ▪ Green, Social and Sustainability Debt Instruments
Relevant standards	<ul style="list-style-type: none"> ▪ Green Bond Principles and Social Bond Principles, as administered by the ICMA (as of June 2021 with June 2022 Appendix 1) ▪ Sustainability Bond Guidelines, as administered by the ICMA (as of June 2021)
Scope of verification	<ul style="list-style-type: none"> ▪ Kommunalkredit’s Sustainable Funding Framework (as of March 3, 2023) ▪ Kommunalkredit’s Selection Criteria (as of March 3, 2023)
Lifecycle	<ul style="list-style-type: none"> ▪ Pre-issuance verification
Validity	<ul style="list-style-type: none"> ▪ Valid as long as the cited Framework remains unchanged

Sustainability performance of KA recognised by external stakeholders

Awards & ESG Ratings*



- On February 8, 2023, ISS ESG awarded a "C"-Rating and the "Prime Status" for Kommunalkredit



* KA has also an ESG risk rating from Morningstar Sustainalytics. Details can be found at <https://www.kommunalkredit.at/en/who-we-are/sustainability> or in the integrated annual report 2023

Overview

01 **Executive Summary**

02 **Strategy & Business Model**

03 **Financial Performance**

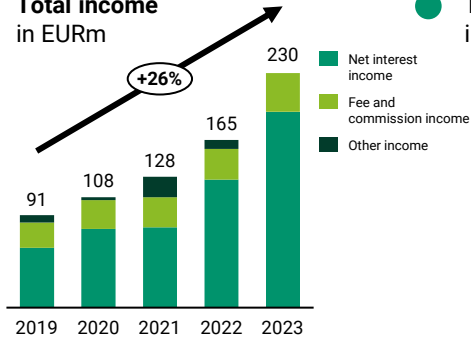
04 **Funding & Liquidity**

05 **Risk Profile**

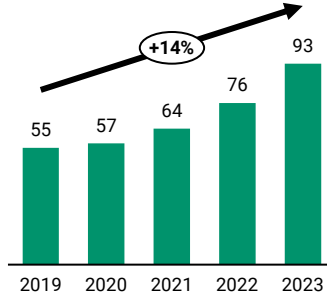
06 **Appendix**

Track record of delivering income growth with strict cost discipline leading to double digit returns on strong CET1 ratio

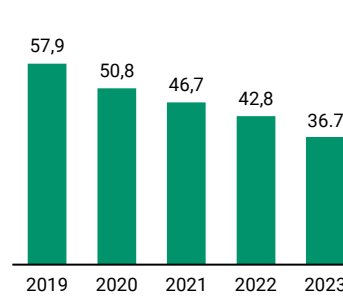
Total income in EURm



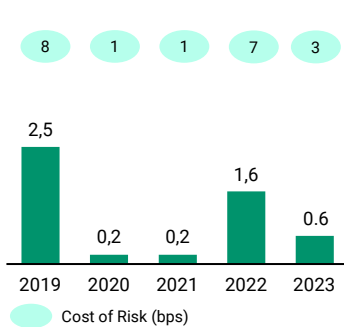
Total expenses (before levies) in EURm



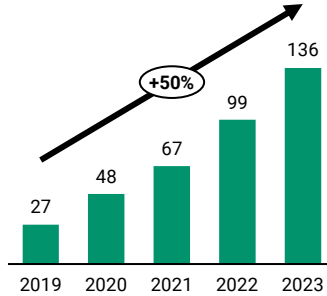
Cost-income ratio¹ in %



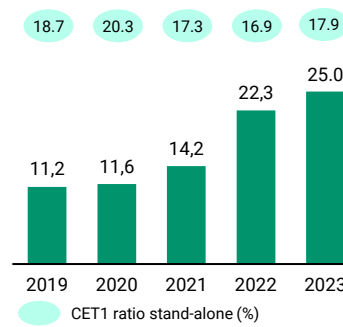
Risk costs² in EURm



Result before tax in EURm



Return on equity after tax³ in %



Key drivers



Focus on margin instead of volume



Cost discipline



Risk discipline



Capital allocation discipline

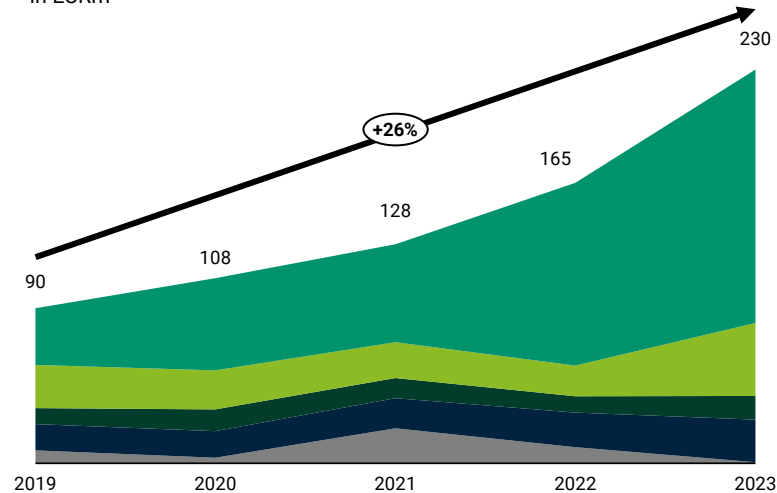
¹ Result from subsidiary KPC (cost plus model) netted in CIR calculation to provide fair view on efficiency

² Risk costs in bps are calculated by net provisioning for impairment losses divided by average total loan portfolio (Management view)

³ Calculated as result after tax / common equity tier 1 capital (Group) as of beginning of the relevant year

Continued increase and diversification of income

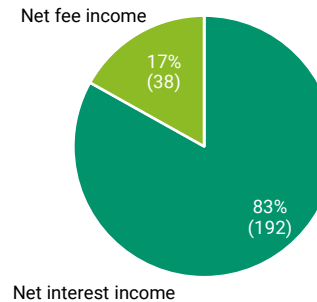
Total income development
in EURm



Highlights

- Significant increase of total income in 2023 (+39% yoy)
- Sustained long-term growth of income: 26% CAGR 2019-23
- Continued expansion of I&E interest and fee income
- Active portfolio management unlocks additional income on a regular basis

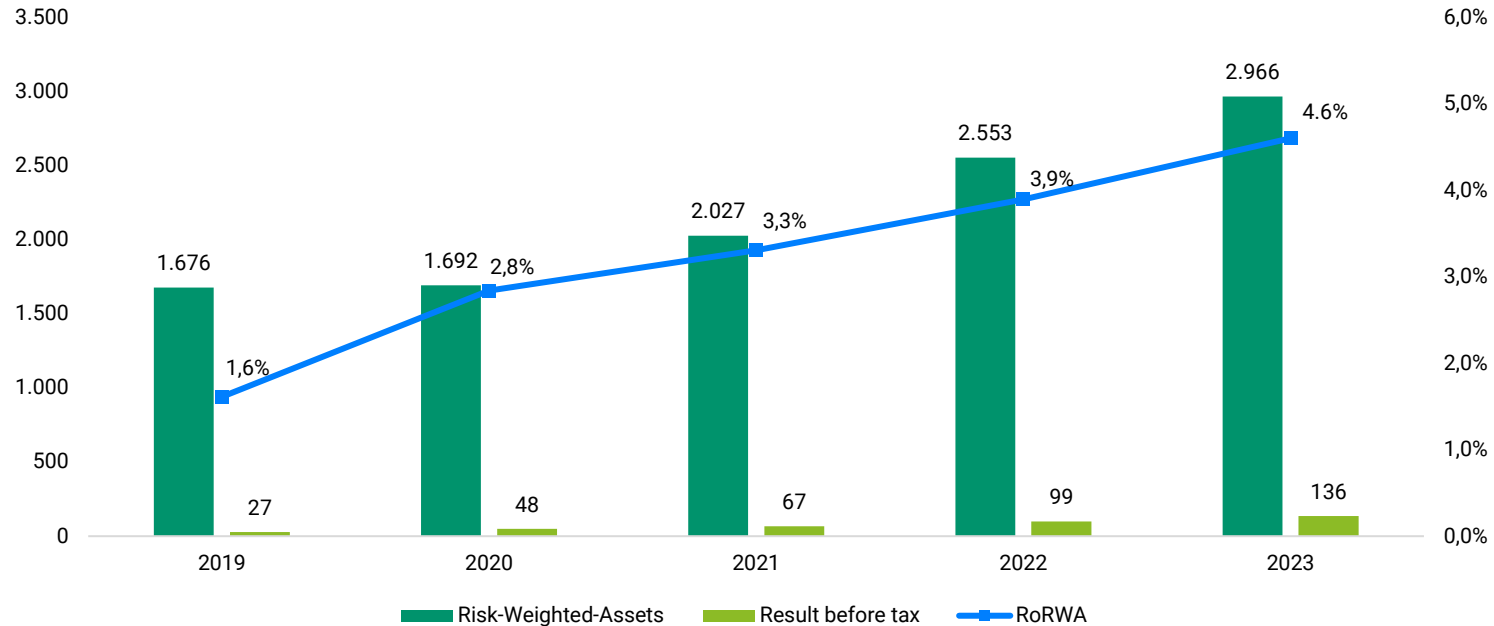
Income split 2023
in % (EUR m)



Efficient risk-return management

Efficient management allows strong growth in result before tax with only moderate increase in risk-weighted assets

Development of result before tax, risk-weighted assets and RoRWA¹ in EURm and %



¹ Calculated as Result before tax / Total Risk-Weighted-Assets as of end of the period

IFRS Performance (Management view) and selected key KPIs

IFRS P&L; consolidated (EURm)	2019	2020	2021	2022	2023
Net interest income	58.6	77.1	78.9	125.7	192.4
Net fee and commission income	24.9	28.5	29.4	29.9	38.5
Income from services	1.7	0.0	0.0	0.0	0.0
Administrative expenses	-54.6	-57.2	-63.6	-75.8	-93.1
Other operating result	0.8	0.1	15.0	8.4	1.5
Result from securities and investments ¹	0.2	0.4	2.0	0.1	0.0
Placement result ²	4.3	2.1	3.0	0.4	-2.0
Regulatory levies ³	-2.7	-3.6	-4.7	-3.6	-2.9
Operating result⁴	33.2	47.5	60.1	85.2	134.3
Net provisioning for impairment losses	-2.5	-0.2	-0.1	-1.5	-0.6
Valuation and disposal result ⁵	-3.4	0.7	7.1	15.7	2.0
Restructuring cost	0.0	0.0	0.0	0.0	0.0
Result before tax	27.3	48.0	67.1	99.3	135.7
Taxes on income	2.3	-11.6	-18.2	-21.1	-35.2
Result after tax	29.6	36.4	48.9	78.2	100.5
Total income⁶	90	108	128	165	230
Total expenses (incl. levies)⁷	-57	-61	-68	-79	-96

Key KPIs (% or EURm)	2019	2020	2021	2022	2023
Tier 1 ratio ⁸	18.7%	20.3%	20.4%	19.4%	20.0%
CET 1 ratio ⁸	18.7%	20.3%	17.3%	16.9%	17.9%
Total capital ratio ⁸	21.9%	23.2%	22.6%	21.1%	21.4%
Tier 1 capital ⁸	314	344	414	494	594
CET 1 capital ⁸	314	344	351	431	531
Total capital ⁸	367	393	458	539	635
Tier 1 ratio Group	18.4%	20.0%	18.7%	17.3%	18.3%
CET 1 ratio Group	18.4%	20.0%	17.0%	15.9%	17.1%
Total capital ratio Group	21.6%	22.9%	20.4%	18.7%	19.5%
Leverage ratio Group	8.1%	8.4%	8.7%	8.8%	7.5%
Risk-Weighted Assets ⁸	1,676	1,692	2,026	2,552	2,966
Total assets ⁸	3,803	4,109	4,230	4,610	5,834
Cost-income ratio ⁹	57.9%	50.8%	47.6%	42.8%	36.7%
Net interest margin ¹⁰	1.4%	1.7%	1.8%	2.8%	3.7%
Return on equity before tax	10.3%	15.3%	19.5%	28.3%	33.8%
Return on equity after tax	11.2%	11.6%	14.2%	22.3%	25.0%

¹ Result from securities and investments reflects income statement lines "income from associates" and "income from investments"

² Placement result reflects a management view result from the disposal of FVOCI assets and FVTPL assets

³ Regulatory levies contain charges for the bank resolution fund, deposit protection fund and stability tax

⁴ Operating result reflects management view on the result before "net provisioning for impairment losses", "Net result of asset valuation and realized gains and losses" and "Income taxes"

⁵ Valuation and disposal result contains the following positions according to note 48 of the group financial statements "gains and losses on financial assets and liabilities": a2) financial assets measured at AC, a4) gain (loss) from modifications, b) result from financial instruments FVTPL, c) remeasurement from fair value hedge, d) remeasurement from portfolio hedge, e) foreign currency valuation/other less the result from the disposal of FVTPL assets shown in the placement result

⁶ Total income consists of the line items net interest income, net fee and commission income, income from services, other operating result, result from securities and investments and placement result

⁷ Total expenses consist of administrative expenses and regulatory levies

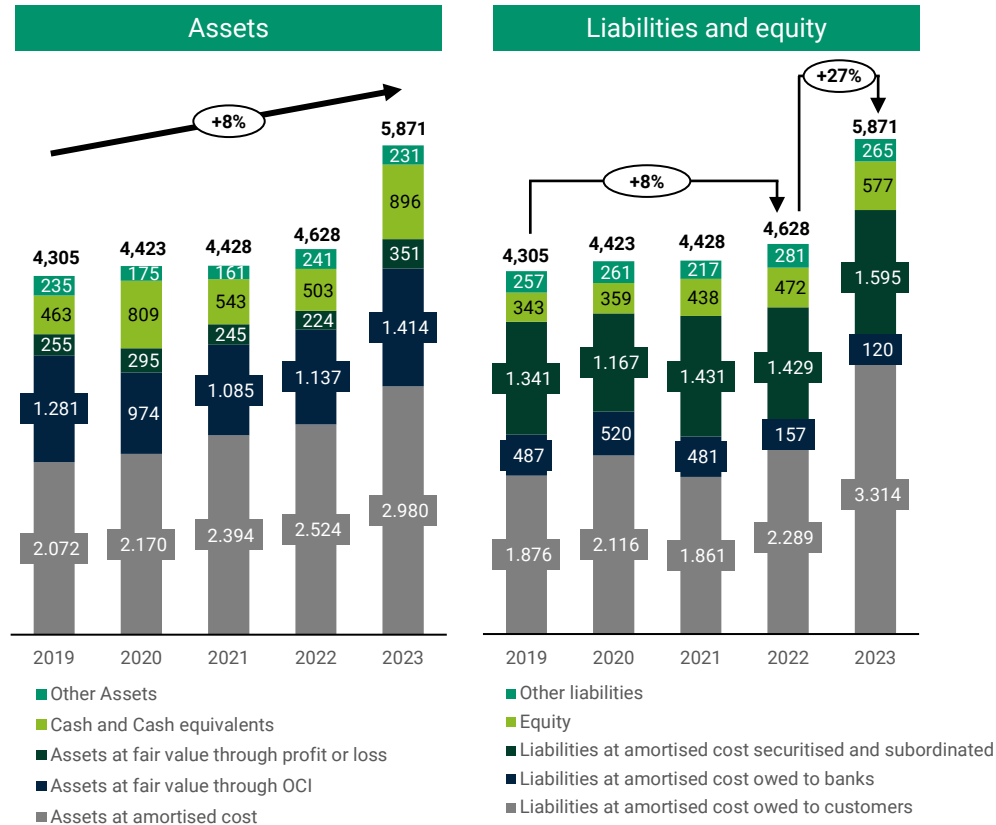
⁸ Local GAAP, bank stand-alone

⁹ Result from subsidiary KPC (cost plus model) netted in CIR calculation to provide fair view on efficiency

¹⁰ Net interest margin is calculated by net interest income divided by average total assets (Management view)

Consolidated statement of financial position

IFRS, in EURm



Overview

01 Executive Summary

02 Strategy & Business Model

03 Financial Performance

04 Funding & Liquidity

05 Risk Profile

06 Appendix

Stable, diversified funding base

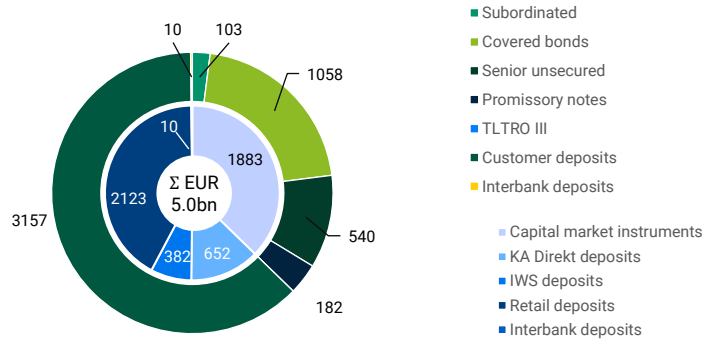
High stability and ample liquidity based on balanced funding mix

Funding mix

in EURm, as of 31/12/2023

542%
LCR

135%
NSFR



Funding strategy

- KA's funding strategy focuses on sound **diversification** between **capital market instruments** and **customer deposits** to maintain low dependency on single funding sources:
 - Strengthening of capital market funding and customer deposits
 - Focus on term-deposit extension
 - Maintaining strong liquidity position
- EUR 1.9bn** capital market instruments (2022: EUR 1.9bn) | 37%
- EUR 3.2bn** customer deposits (2022: EUR 2.2bn) | 63%

Total **liquidity position: EUR 1,752m**

- Available liquidity: EUR 888m (cash with OeNB)
- Liquidity reserve: EUR 864m (unencumbered HQLAs and ECB eligible credit claims)

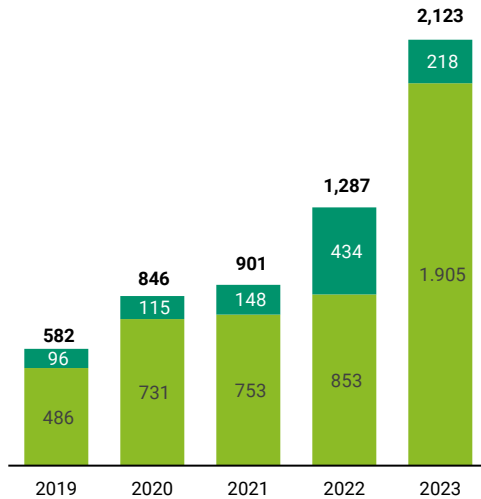
EUR 1.75bn liquidity position

Notes:

KA Direkt: wholesale deposits from municipalities and public sector companies
IWS deposits are direct business with corporate/institutional customers

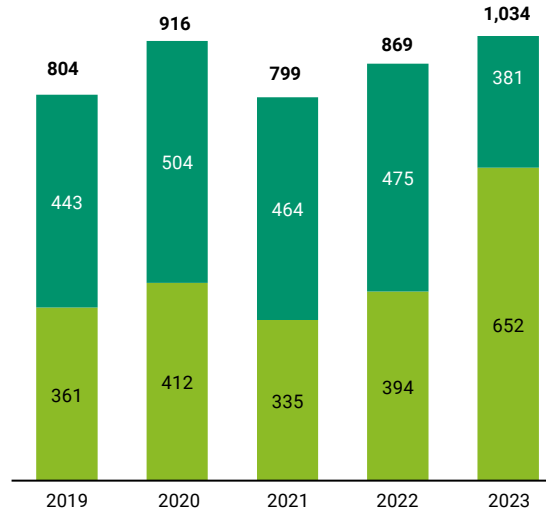
Development of deposit base

Retail deposits in EURm



■ Term deposits ■ Overnight deposits

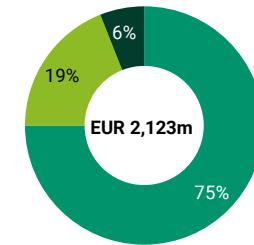
Wholesale deposits in EURm



■ Direct business with corporate/institutional customers
■ KA Direkt

- EUR 3.2bn deposit base as of 31/12/2023 (31/12/2022: EUR 2.2bn)
- Overall share of term deposits: 93%
- Retail deposits
 - 36,452 active private customers (31/12/2022: 22,351)
 - Share of term deposits at 90% (31/12/2022: 66%)
 - Average maturity of term deposits at 28 months (31/12/2022: 21 months)

Retail deposits by category 31/12/2023, in %



■ Sight and term deposits
■ Term deposits only
■ Sight deposits only

Established capital market franchise

Investment grade ratings

S&P Global
Ratings

BBB / A-2,
Stable Outlook (Issuer)

A+, Stable Outlook
(Covered)

FitchRatings

BBB- / F3, Positive Outlook (Issuer)

MORNINGSTAR | **DBRS**

BBB / R-2 (high), Positive Outlook (Issuer)

Selection of recent capital market issues

Public Sector Covered Bond

Q1/Q2 2022
2027
EUR 400m

Senior Preferred Private Placements

Q3 2023
2025
EUR 45m

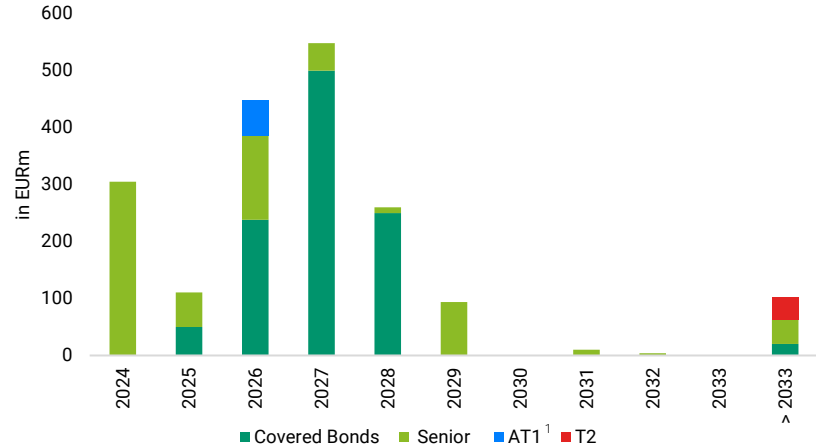
Senior Preferred Private Placements

Q3 2023
2026
EUR 20m

Covered Bond Private Placements

Q4 2023
2025
EUR 50m

KA's Capital market funding maturity profile



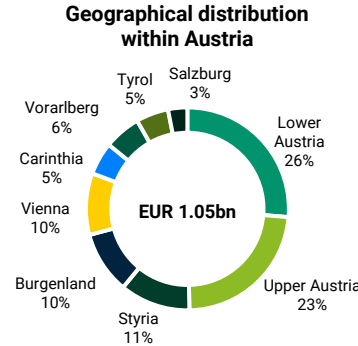
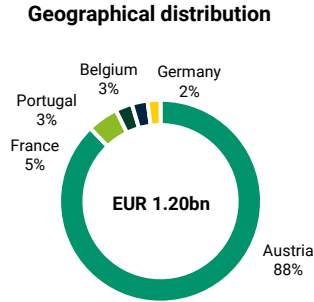
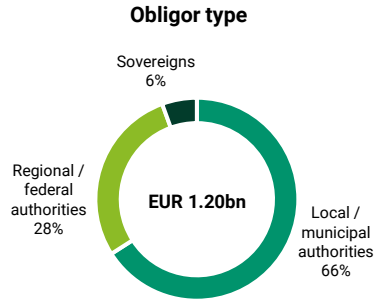
Well balanced, diversified maturity profile to avoid maturity concentrations



Regular capital market issuer in public as well as private placement format

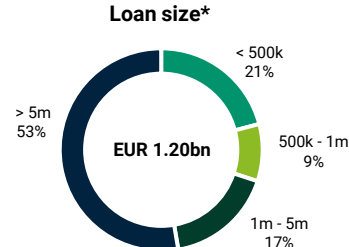
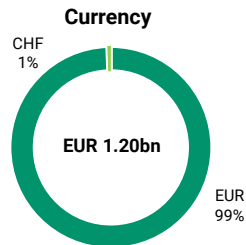
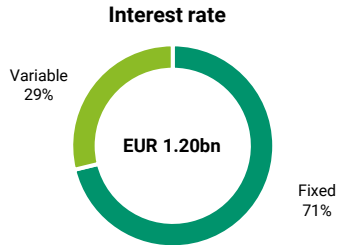
Covered Bonds – cover pool composition

As of 31/12/2023



- NPL Ratio: 0.0%
- Weighted average seasoning: 11.7 years
- Nominal over-collateralization: 13.1%
- Covered Bond LCR: Level 2a

Covered Bond Rating:
A+

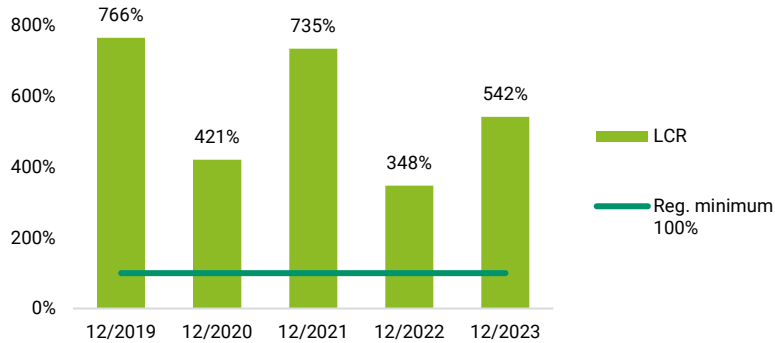


*) Federal state exposures drive up the obligor concentration in KA's cover pool. However, part of these loans represent federal state guaranteed mortgage loan portfolios, which are characterised by high granularity and benefit from the corresponding collateral security

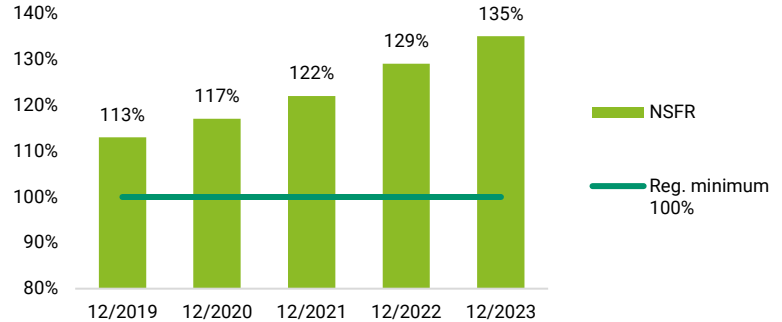
Strong Liquidity Ratios

Liquidity metrics clearly above regulatory minimum

Liquidity Coverage Ratio (LCR) in %

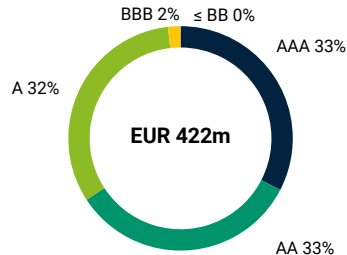


Net Stable Funding Ratio (NSFR) in %

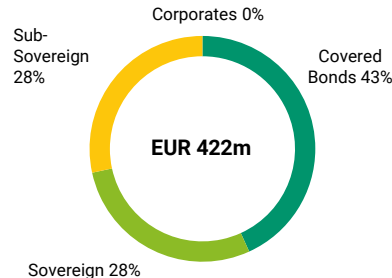


Liquidity Portfolio in %, as of 31/12/2023

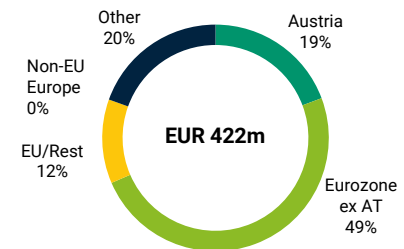
by Rating



by Asset Category



by Region



Overview

01 **Executive Summary**

02 **Strategy & Business Model**

03 **Financial Performance**

04 **Funding & Liquidity**

05 **Risk Profile**

06 **Appendix**

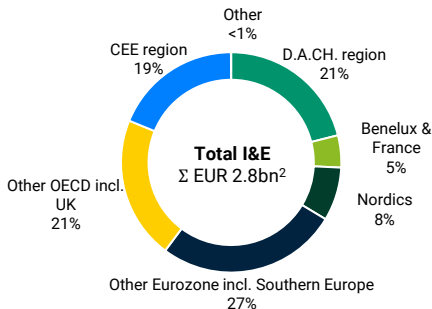
Sound diversification, low risk profile and rigorous risk management resulting in excellent risk track record

LOW RISK PROFILE – RISK MANAGEMENT HIGHLIGHTS

- Well-diversified portfolio across borrowers and regions with **average portfolio rating of A-**
- Thorough risk management process ensuring **tight underwriting criteria** (incl. ESG criteria), risk-based pricing and close portfolio monitoring
- Additional support from **structurally low default risk** in I&E and restrictive financial covenants¹
- Focus on the DACH region and the EU**; no exposure to Ukraine, no material exposure to Russia
- Only selective exposures to non-European countries and only with ECA backing (>95% of exposures guaranteed)
- Low-risk financing** to local authorities and public sector entities, predominantly in Austria
- Impeccable track record – **very low risk costs since 2015**

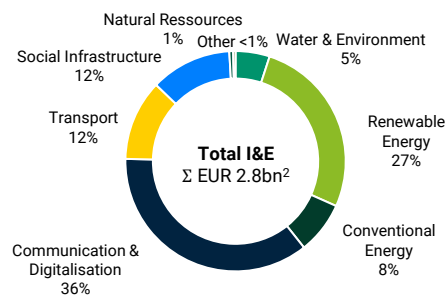
I&E PORTFOLIO BY GEOGRAPHY

in %, 31/12/2023



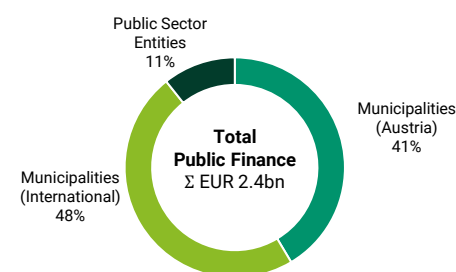
I&E PORTFOLIO BY SECTOR

in %, 31/12/2023



PUBLIC FINANCE PORTFOLIO

in %, 31/12/2023



¹ e.g. Min. Debt Service Cover Ratios, Min. Loan Life Cover Ratios, Max. Leverage, Min. Interest Cover Ratios, Min. Equity % at drawdown

² Including undrawn lines

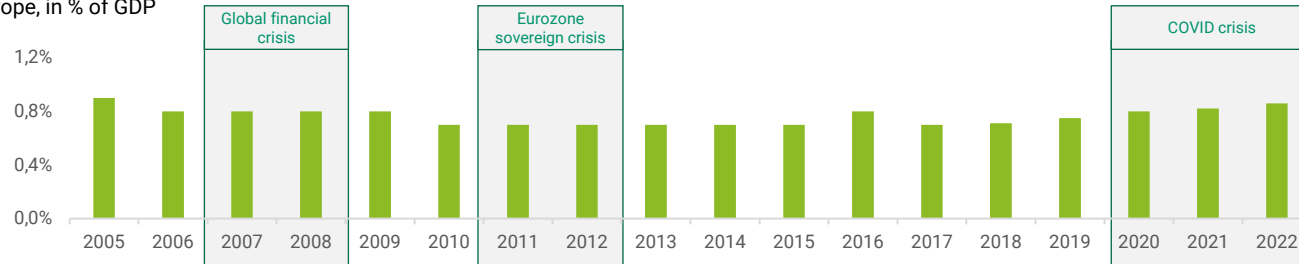
Note: Data as of 31/12/2023 unless otherwise stated

Infrastructure is a highly resilient asset class, largely independent of economic cycles and with structurally low default risk

● Infrastructure investments are largely uncorrelated with economic cycles¹

Private Infrastructure Investment¹

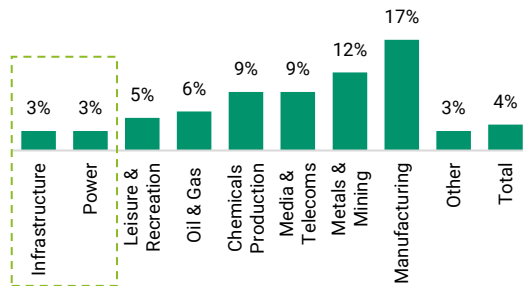
Europe, in % of GDP



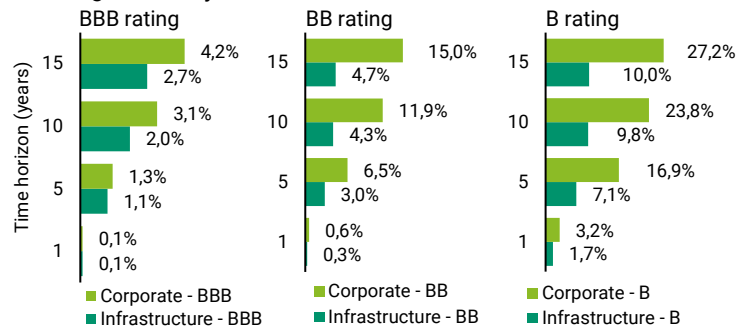
- Infrastructure investments are highly resilient to economic cycles, given the essential nature of services they support and their long-term asset cycle
- During recessions, public infrastructure spending is typically additionally boosted (economic support programmes)

● Structurally low default rates

Moody's long-term study: default rates by industry²



S&P long-term study: cumulative default rates³



- Infrastructure has shown the lowest default rates across sectors, and significantly lower default rates compared to equally rated corporate debt
- Average ultimate recovery rates at 79.5% (Basel) and 76.9% (Moody's). 62% of cases reach a ultimate recovery rate of 100% - no economic loss

¹ EIB Investment Reports - Infrastructure finance in the European Union (% GDP), corporate sector only (<https://www.eib.org/en/publications/online/all/investment-report-2023-2024>)

² Moody's Default and Recovery Rates for Project Finance Bank Loans, 1983-2021

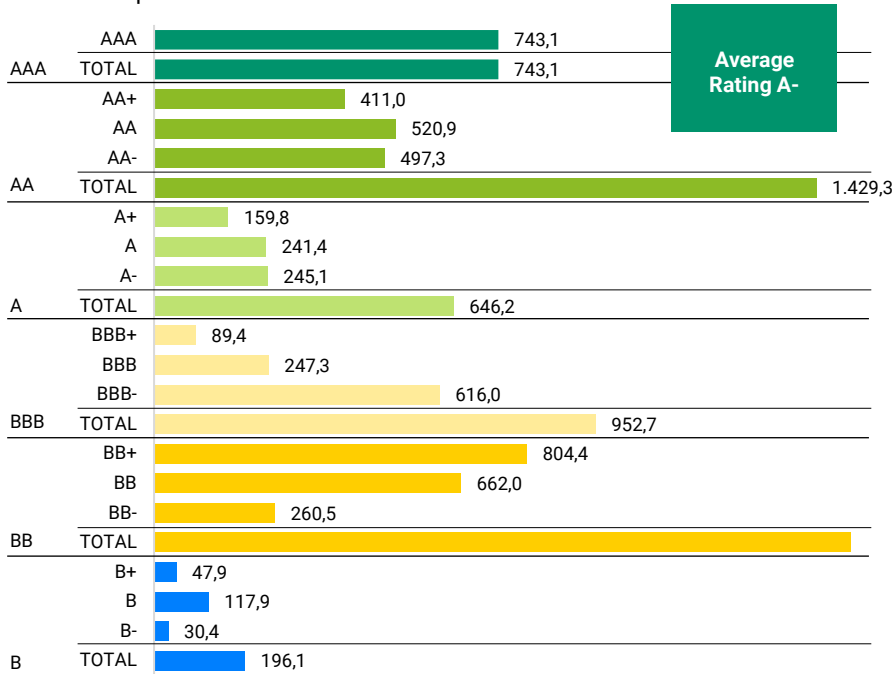
³ S&P: Default, Transition, and Recovery: 2022 Annual Infrastructure Default and Rating Transition Study (<https://www.spglobal.com/ratings/en/research/articles/231115-default-transition-and-recovery-2022-annual-infrastructure-default-and-rating-transition-study-12852228#:~:text=There%20were%20no%20G%20defaults,2022%20from%201.7%25%20in%202021>)

Strict risk management as backbone of KA's success

Well diversified portfolio with A- average rating

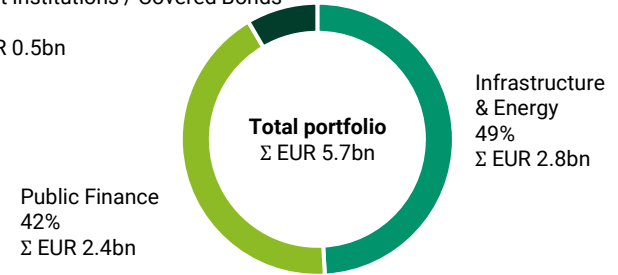
Rating distribution¹ – as of 31/12/2023

Total exposure in EURm



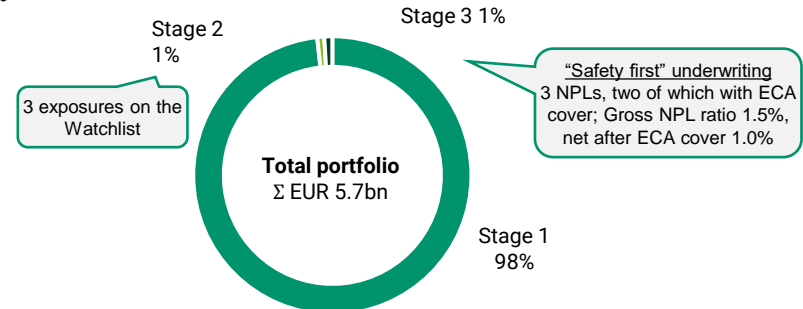
Total portfolio composition² – as of 31/12/2023

in %
Credit Institutions / Covered Bonds
9%
Σ EUR 0.5bn



Portfolio by IFRS stage² – as of 31/12/2023

in %



¹ Excluding EUR 37.0m exposure rated <B (net of ECA cover)

² Including undrawn lines

Overview

01 **Executive Summary**

02 **Strategy & Business Model**

03 **Financial Performance**

04 **Funding & Liquidity**

05 **Risk Profile**

06 **Appendix**

Executive Board

Significant experience



**Bernd
Fislage**

CEO

CAREER

- 2017: Kommunalkredit Austria AG
 - 2018 Chief Executive Officer
 - 2017 Member of Executive Board
- 1998-2015 Deutsche Bank AG
 - Global Head of Asset Finance & Leasing
 - Head of Structured Finance Germany
 - Member of Global SF Executive Committee
 - Member of CB & S Executive Committee Germany
- 1996-1998 NatWest Markets Plc.
- 1993-1996 BHF-Bank AG
- 1992 Dresdner Bank AG

Graduate of TU Darmstadt

RESPONSIBLE FOR

Banking, Markets, Corporate Services (HR | Legal | Communication | Strategy), Internal Audit



**Sebastian
Firlinger**

CFO/CRO

CAREER

- 2021: Kommunalkredit Austria AG
Member of Executive Board
- 2018-2020 Südwestbank AG
Member of Executive Board
- 2015-2018 BAWAG P.S.K.
- 2014-2015 Bain & Company
Germany Inc.
- 2009-2014 Hypo Alpe-Adria Bank
International AG
- 2007-2009 Accenture GmbH
- 2004-2007 Deloitte Audit
Wirtschaftsprüfungs GmbH

Graduate of WU Vienna and TU Vienna













RESPONSIBLE FOR

Risk Controlling, Credit Risk, Finance, IT & Transformation, Banking Operations, Compliance & Non-Financial Risk Management
















Track Record: Awards & Selected Reference Projects

Confirming the right track

AWARDS

	Highest Reputation as Sustainable Company 2024 — Kommunikredit Austria		Quality seal for popular employers 2022 — Kommunikredit Austria
	Best Specialised Bank 2023 Rank 1 — Kommunikredit Austria		Best ESG Infrastructure Finance Europe 2021 — Kommunikredit Austria
	IJGlobal Awards 2023 Europe Digital Infrastructure Deal of the Year — Deutsche GigaNetz		Best ESG Infrastructure Finance Europe 2020 — Kommunikredit Austria
	Most Sustainable Infrastructure Project Partner Central Europe 2022 — Kommunikredit Austria		German Renewables Award 2020 — Global Tech I
	Best Sustainable Infrastructure Investment Company 2022 — Kommunikredit Austria		Excellent Brand – Banking & Financial Services 2020 — KOMMUNALKREDIT INVEST
	PFI Awards 2022 Europe Fibre Deal of the Year — Deutsche Glasfaser		PFI Awards 2019 Europe Bond Deal of the Year — Brebemi Road Italy

SELECTED REFERENCE PROJECTS

				
White Gold Broadband	Magna II Onshore Wind	Twister Waste	Triumph Ports	Conapto Data Centre
EUR 415m Project Finance MLA 2023, Germany	EUR 197m Project Finance MLA & Structuring Bank 2023, Finland	EUR 340m Corporate Finance MLA 2023, Italy	EUR 198m Project Finance MLA 2023, Portugal	SEK 400m Project Finance MLA 2023, Sweden
				
Bionic Biomethan & Biogas	Resolar II Solar PV	Gretchen Water & Environment	Cura Healthcare	Moon Broadband
EUR 240m Acquisition Finance MLA 2023, Germany	EUR 60m Development Finance MLA 2023, Spain, Italy	EUR 84m Corporate Finance MLA 2023, Germany	EUR 576m Corporate Finance Arranger 2023, UK	GBP 962m Project Finance Co-Arranger 2023, UK
				
Sunrise Energy & Power	H2 Green Steel Hydrogen/ Green Steel	Viveracqua Hydrobond 2022	Lynx Broadband	Hippocrates Social Infrastructure
EUR 2.6bn 660m Sole M&A Advisor Sole Financial Advisor 2023, Germany	EUR 4.2bn Project Finance Participant 2023, Sweden	EUR 149m Short Term Note STN Underwriter 2022, Italy	EUR 325m Project Finance MLA 2022, Germany	EUR 900m Corporate Finance Initial Arranger 2022, Italy

Sustainability Governance Structure

CEO

Sustainability Team (ST)

- Steering of Sustainability Board and coordinator/expert platform of KA Group
- Further development of sustainability framework and strategy
- Steering of strategy implementation
- Definition and monitoring of appropriate sustainability governance
- Lead sustainability reporting

Sustainability Board

(Chair: CEO; Deputy: CFO/CRO; Lead: ST)

- | | |
|----------------|-------------------------------------|
| Voting members | Participants |
| ▪ CEO | ▪ Relevant division representatives |
| ▪ CRO/CFO | |

- Activities acc. rules of procedure (Strategy, Governance incl. Disclosures, ESG Risk Mgmt. (strategic), Products)
- Periodic information to Supervisory Board

Sustainable Funding Committee

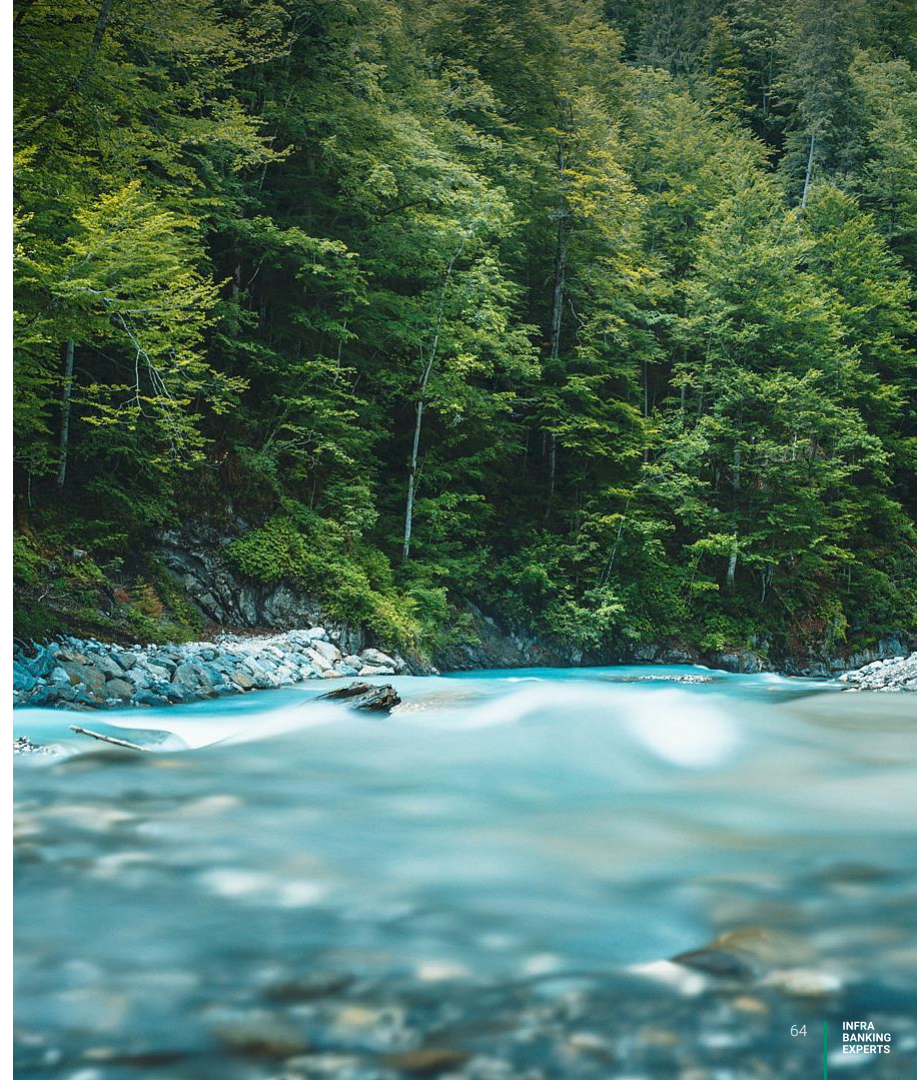
- Activities acc. to sustainable funding framework

Sustainability Platform at KA Group

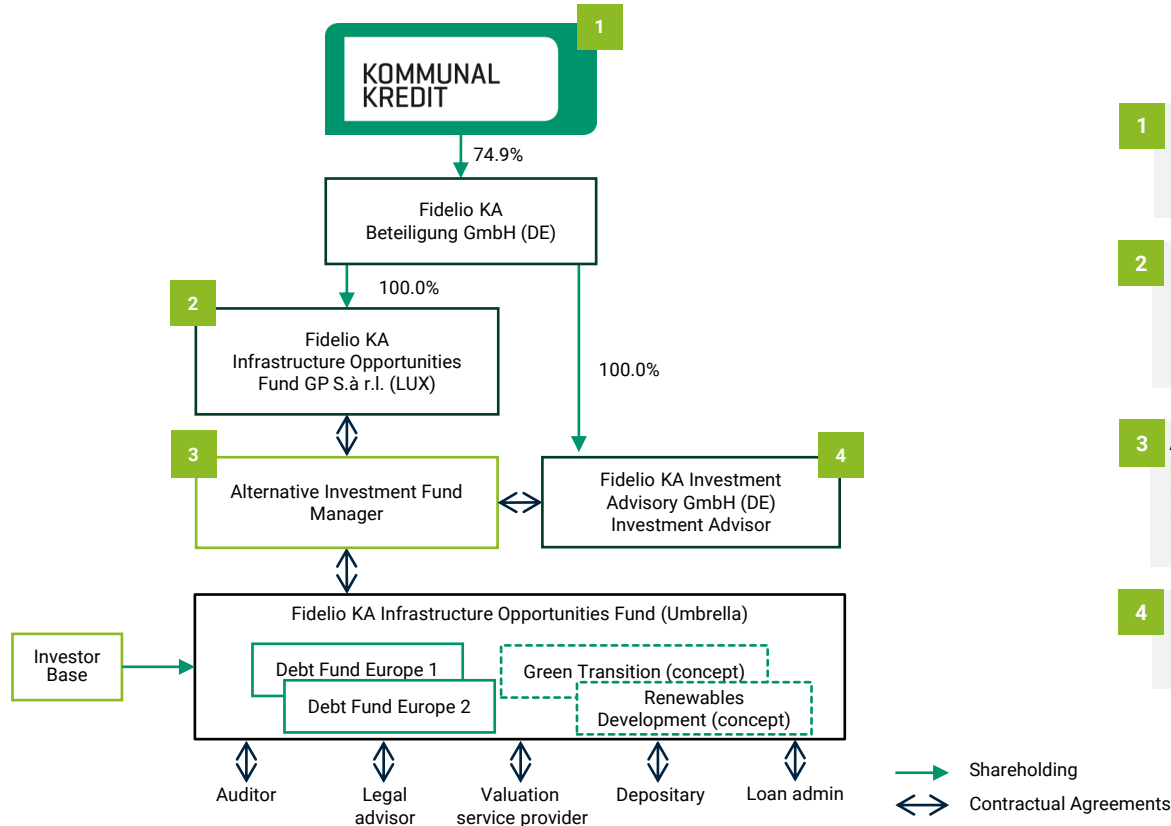
- Tackle operational issues related to ESG activities incl. continuous improvement
- Regular exchange with individuals from platform (coordinators/experts)
- Sustainability Coordinator(s) per relevant division

Sustainability/ESG projects or task forces

- Project teams for implementation of more complex issues (e.g. financed emission calc./PCAF)



Fidelio KA Infrastructure Debt Fund Platform



- 1** **Kommunalkredit Austria AG**
 - Asset sourcing
 - Asset servicing
 - Distribution

- 2** **Fidelio KA Infrastructure Opportunities Fund GP S.à r.l. as General Partner ("GP")**
 - Initiating fund inauguration
 - Appointment of AIFM
 - Mandating service providers

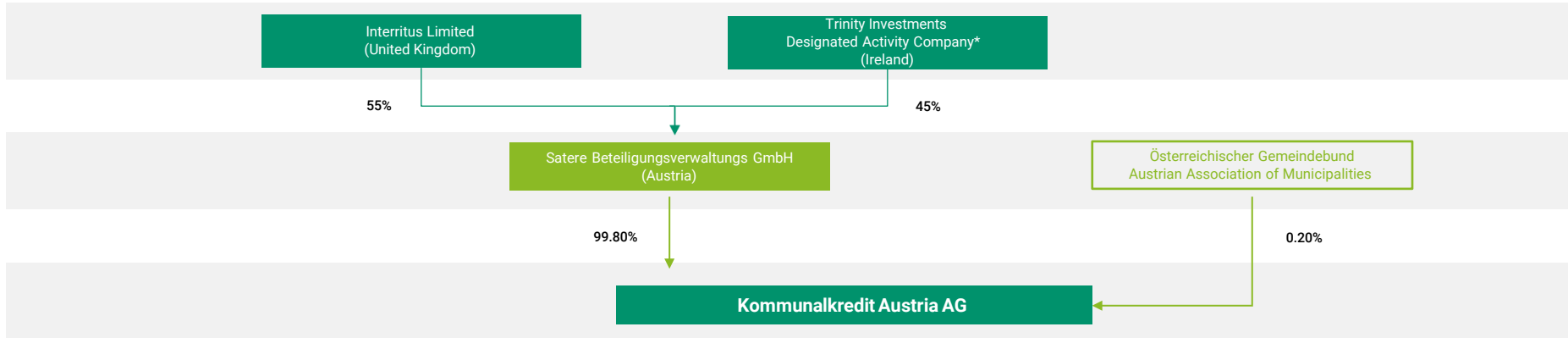
- 3** **Alternative Investment Fund Manager (AIFM)**
 - Portfolio management
 - Risk management
 - Fund administration
 - Investor reporting

- 4** **Fidelio KA Investment Advisory GmbH**
 - Investment advisor
 - Performance reporting and monitoring

Note: simplified illustration of setup

Corporate Governance – Kommunalkredit ownership structure

As of 31/12/2023



Additional information about KA shareholders:

- **Austrian Association of Municipalities** is the umbrella organization representing the interests of Austrian municipalities at the federal level. It represents 2,084 of the currently 2,095 Austrian municipalities.
- **Interritus** was founded in 2014 as an investment company by Patrick Bettscheider to invest his own investment assets as well as those of family offices, foundations and large U.S. foundations focused on long-term investments and active in the European financial services industry. Patrick Bettscheider is Chairman of the Supervisory Board of Kommunalkredit Austria AG, former founder and majority owner of MainFirst Bank AG, previously Head European Equities of Deutsche Bank AG and former member of the Executive Board of Julius Bär & Co. AG. Patrick Bettscheider is the Ultimate Beneficial Owner (UBO) of Kommunalkredit Austria AG as defined by the Austrian Economic Owners Register Act (WiEReG).
- **Trinity** is an Irish domiciled investment vehicle managed by Attestor Limited. Attestor is a London-based investment manager pursuing a fundamental value investment strategy with a particular focus on Europe. Attestor's investment philosophy focuses on long-term capital appreciation and manages assets primarily for foundations and family offices. Friedrich Andreae is Attestor's representative on the Supervisory Board of Kommunalkredit Austria AG.

The **strategy of Kommunalkredit Austria AG's owners is long-term oriented** in order to create sustainable added value for all stakeholders.

On 07/02/2023, Kommunalkredit announced that Altor will acquire an 80% majority stake in Kommunalkredit.

More details including the Corporate Governance Handbook of Kommunalkredit can be found at <https://www.kommunalkredit.at/en/who-we-are/governance>

KYC documents are available online at <https://www.kommunalkredit.at/en/kyc>.

* Investment Manager is **Attestor Limited**, an FCA authorised and regulated company based in the United Kingdom.

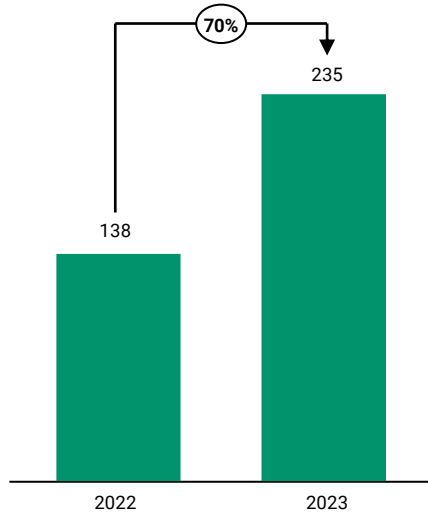
Selected capital market issues

As of 31/12/2023

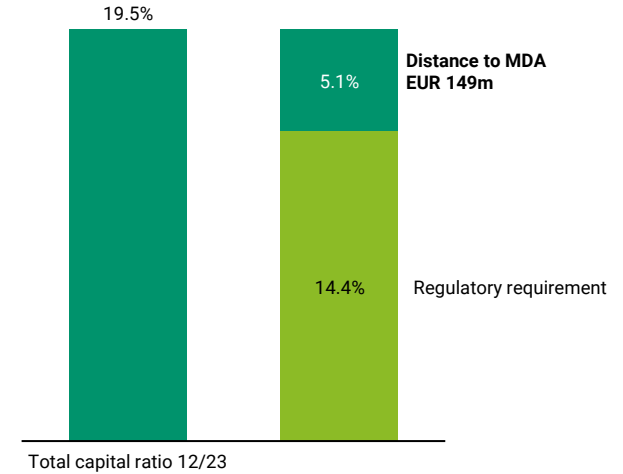
Rank	Currency	Nominal Amount (in Mio)	ISIN	Coupon (p.a.)	Value Date	Maturity Date	Initial Term (in years)
Covered	EUR	50	AT0000A37CU1	4.000%	10/10/2023	10/10/2025	2.0
Senior Preferred	EUR	20 (incl. increase)	AT0000A37363	6.508%	25/09/2023	25/09/2026	3.0
Senior Preferred	EUR	45	AT0000A37298	6.135%	15/09/2023	15/09/2025	2.0
Senior Preferred	EUR	15	AT0000A330M8	6.352%	13/03/2023	13/03/2026	3.0
Covered	EUR	400 (incl. increases)	AT0000A2VL52	0.750%	02/03/2022	02/03/2027	5.0

Available Distributable Items (ADIs) and Maximum Distributable Amount (MDA)

Development of the Available Distributable Items¹
In EURm, Group-level, local GAAP



Maximum Distributable Amount
31/12/2023, Group-level, local GAAP



¹ Non-restricted reserves and profit carried forward

Glossary

AT	Austria	FTE	Full Time Equivalent	OC	Over-Collateralization
AT1	Additional Tier 1	GAAP	Generally accepted accounting principles	OCI	Other Comprehensive Income
AuM	Assets under management	GDP	Gross domestic product	OECD	Organisation for Economic Cooperation and Development
bn	billion	HQLA	High-Quality Liquid Assets	OeNB	Austrian National Bank
bps	Basis points	HR	Human Resources	P1R	Pillar 1 requirement
C/I	Cost/income ratio	I&E	Infrastructure & Energy	P2R	Pillar 2 requirement
CAGR	Compound annual growth rate	IFRS	International Financial Reporting Standards	P&L	Profit and loss
CBR	Combined buffer requirement	ISIN	International Securities Identification Number	PCAF	Partnership for Carbon Accounting Financials
CEE	Central and Eastern Europe	ISO	International Organization for Standardization	RoE	Return on equity
CEO	Chief Executive Officer	IT	Information Technology	RoRWA	Return on Risk Weighted Assets
CET1	Common Equity Tier 1	IWS	Institutional Wholesale	SDG	Sustainable Development Goal
CFO	Chief Financial Officer	KA	Kommunalkredit Austria AG	SEF	Structured Export Finance
CIS	Commonwealth of Independent State	KPC	Kommunalkredit Public Consulting GmbH	SFDR	Sustainable Finance Disclosure Regulation
CRO	Chief Risk Officer	KPI	Key Performance Indicator	TLTRO	Targeted longer-term refinancing operations
D.A.CH.	Germany, Austria, Switzerland	MLA	Mandated Lead Arranger	T2	Tier 2 capital
DE	Germany	LCR	Liquidity coverage ratio	UK	United Kingdom
ECA	Export credit agency	LNG	Liquefied Natural Gas	UN	United Nations
ECB	European Central Bank	Lux	Luxembourg	WA	Weighted Average
ECL	Expected credit loss	m	Million	YoY	Year on year
ESG	Environmental, social, governance	M&A	Mergers & Acquisitions		
EUR	Euro	NPL	Non-performing loan		
EV	Electric Vehicle	NSFR	Net stable funding ratio		
FMA	Financial Markets Authority (Austria)				

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