

Disclosure pursuant to section 65a
of the Austrian Banking Act (BWG)

12 / 2019

DISCLOSURE PURSUANT TO SECTION 65A OF THE AUSTRIAN BANKING ACT

1. Information on compliance with section 5 (1) 6 to 9a and section 28a (5) 1 to 5 of the Austrian Banking Act (Fit & Proper)

In order to comply with section 5 (1) 6 to 9a and section 28a (5) 1 to 5 of the Austrian Banking Act, as well as with the current EBA-Guideline on the assessment of the suitability of members of the management body and key function holders and the respective circular letter of the Austrian Financial Market Authority, Bank Winter has issued an internal Fit & Proper Policy. This policy defines the strategy for selecting members of the supervisory board, the management board and key function holders. Additionally, professional, personal and temporal suitability criteria, required documents for the records and provisions for occurrence-based evaluations are defined in this policy.

The compliance with section 5 (1) 6 to 9a and section 28a (5) 1 to 5 of the Austrian Banking Act as well as with the internal Fit & Proper Policy has been verified and documented by the Fit & Proper Office. Members of the supervisory board, the management board and key function holders are evaluated pursuant to the Fit & Proper Policy at the beginning of their business activities as well as occurrence-based. The reevaluation of the suitability assessment of the members of the Board of Management and the Supervisory Board is conducted every 2 years.

2. Information on compliance with section 29 of the Austrian Banking Act (Nominations Committee)

Bank Winter & Co. AG is no significant credit institution pursuant to section 5 para 4 Austrian Banking Act and has therefore not set up a nominations committee.

3. Information on compliance with sections 39b and c of the Austrian Banking Act and the annex to section 39b of the Austrian Banking Act (remuneration policy)

The legal requirements regarding the remuneration policy and practice are implemented in an internal guideline and adapted to the size, internal organization as well as to the type, volume and complexity of the business and the category of employees, type and amount of their remuneration and the impact of their activities on the risk profile.

Bank Winter & Co. AG, as superordinate financial institution, is responsible for the compliance with the remuneration principles of the entire banking-group. The supervisory board of Bank Winter & Co. AG is responsible for the approval of the remuneration principles, their regular verification and implementation. The remuneration principles are annually assessed and adapted, if appropriate. The principles are based on the applicable legal regulations, in particular on section 39 b Austrian Banking Act including its annex and the respective guidelines of the Austrian Financial Market Authority.

Performance related compensations are based on the evaluation of the performance of the individual employee, of the employee's department and of the entire bank. The evaluation of the individual performance takes financial as well as non-financial criteria into consideration. The evaluation is concluded based on a multiannual context. The entire variable compensation has no effect on the ability of Bank Winter & Co. AG to increase its capital adequacy.

Bank Winter & Co. AG is no significant credit institution pursuant to section 5 para 4 Austrian Banking Act and has therefore not set up a remuneration committee.

4. Further information

Section 64 (1) 18 Austrian Banking Act is not applicable to Bank Winter, due to the non-existence of branches.

The return on assets according to section 64 (1) 19 Austrian Banking Act is published in the notes to the respective annual financial statements of Bank Winter & Co. AG.