

Corporate governance report

RBI attaches great importance to responsible and transparent business management in order to deepen and maintain understanding and trust with its various stakeholders, in particular capital market participants. Hence, RBI is committed to complying with the Austrian Corporate Governance Codex (ACGC, or "the Codex") as amended in July 2012. The ACGC is publicly available from the website of the Austrian Working Group for Corporate Governance (www.corporate-governance.at) and from the RBI website (www.rbiinternational.com → Investor Relations → Corporate Governance).

Transparency is central to corporate governance and thus of particular importance to RBI. This corporate governance report is structured following the legal guidelines of Section 243b of the Austrian Commercial Code (UGB) and is based on the structure set forth in Appendix 2 of the ACGC.

The ACGC is organized into rules L, C and R. L Rules (Legal Requirements) are based on compulsory legal requirements. C Rules (Comply or Explain) should be observed; any deviation must be explained and justified in order to ensure conduct that complies with the Codex. R Rules (Recommendations) have the characteristics of recommendations; non-compliance does not need to be reported or justified.

RBI deviates from the below C Rule, but conducts itself in accordance with the Codex through the following explanation and justification:

C Rule 45: a non-competition clause for members of the Supervisory Board

RBI is a company of the Austrian Raiffeisen Banking Group (RBG), which is also a majority shareholder through its central institution, RZB. Some members of the Supervisory Board therefore also hold executive roles in RBG banks. In addition to that, a number of members of the Supervisory Board hold executive roles with other banks and financial services institutions. Consequently, know-how and experience specific to the industry are applied in exercising the control function of the Supervisory Board, to the benefit of the company.

In regards to R Rule 62 of the ACGC, the company commissioned – as it has done in previous years – an external evaluation by the research company, Univ.Prof.DDr. Waldemar Jud Corporate Governance Forschung CGF GmbH. The report on this external evaluation is public and available at www.rbiinternational.com → Investor Relations → Corporate Governance → External Evaluation of the CG Codex.

Composition of the Management Board

In the 2013 financial year, the Management Board consisted of the following members:

Management Board member	Year of birth	Original appointment	End of term
Karl Sevelda Chairman ¹	1950	22 September 2010 ²	30 June 2017 ³
Johann Strobl Deputy Chairman ⁴	1959	22 September 2010 ²	30 June 2017 ³
Aris Bogdaneris Member	1963	1 October 2004	31 December 2015
Klemens Breuer Member	1967	16 April 2012	31 December 2015
Martin Grill Member	1959	3 January 2005	30 June 2017 ³
Peter Lennkh Member	1963	1 October 2004	31 December 2015
Herbert Stepic Chairman	1946	14 June 2001	7 June 2013

¹ Karl Sevelda was Deputy Chairman until 7 June 2013 and has been Chairman of the Management Board since 7 June 2013.

² Effective as of 10 October 2010.

³ The contract was extended by the Supervisory Board until 30 June 2017, as of 7 June 2013.

⁴ Johann Strobl was a member until 7 June 2013, and has been Deputy Chairman of the Management Board since 7 June 2013.

Members of the Management Board held seats on the supervisory board or comparable functions in the following domestic and foreign companies that are not included in the consolidated financial statements:

- Karl Sevelda Oesterreichische Kontrollbank AG (supervisory board member since 8 October 2013)
BENE AG (supervisory board member until 18 April 2013)
- Johann Strobl Raiffeisen-Leasing Management GmbH (supervisory board member)
- Aris Bogdaneris Visa Worldwide Pte. Limited (advisory council)
- Klemens Breuer FMS Wertmanagement AöR (supervisory board member since 6 January 2014)
- Peter Lennkh Raiffeisen-Leasing Management GmbH (supervisory board member since 3 December 2013)
- Herbert Stepic OMV AG (supervisory board member)
Oesterreichische Kontrollbank AG (supervisory board member until 8 October 2013)

Composition of the Supervisory Board

During the 2013 financial year, the Supervisory Board comprised of:

Supervisory Board member	Year of birth	Original appointment	End of term
Walter Rothensteiner Chairman	1953	11 May 2001	Annual General Meeting 2016
Erwin Hameseder First Deputy Chairman	1956	8 July 2010 ¹	Annual General Meeting 2015
Heinrich Schaller Second Deputy Chairman	1959	20 June 2012	Annual General Meeting 2017
Markus Mair Third Deputy Chairman	1964	8 July 2010 ¹	Annual General Meeting 2015
Klaus Buchleitner	1964	26 June 2013	Annual General Meeting 2015
Stewart D. Gager	1940	24 January 2005	Annual General Meeting 2014
Kurt Geiger	1946	9 June 2009	Annual General Meeting 2014
Günther Reibersdorfer	1954	20 June 2012	Annual General Meeting 2017
Johannes Schuster	1970	8 July 2010 ¹	Annual General Meeting 2015
Christian Teufl	1952	8 July 2010 ¹	Annual General Meeting 2015
Martin Prater ²	1953	10 October 2010	Until further notice
Rudolf Kortenhof ²	1961	10 October 2010	Until further notice
Peter Anzeletti-Reikl ²	1965	10 October 2010	Until further notice
Susanne Unger ²	1961	18 January 2012	Until further notice
Helge Rechberger ²	1967	10 October 2010	Until further notice
Friedrich Sommer	1948	8 July 2010 ¹	26 June 2013

¹ Effective as of 10 October 2010.

² Delegated by the Works Council.

Independence of the Supervisory Board

In accordance with C Rule 53 of the ACGC, the RBI Supervisory Board prescribed the following criteria for the independence of the members of the company's Supervisory Board:

- The Supervisory Board member shall not have been a member of the management board, or a senior executive of the company or one of its subsidiaries, in the past five years.
- The Supervisory Board member shall not have, or have had in the previous year, any significant business relationships with the company or a subsidiary of the company. This also applies to business relationships with companies in which the Supervisory Board member has a significant financial interest, albeit not with regard to carrying out executive functions within the company. The approval of individual transactions by the Supervisory Board according to L Rule 48 of the ACGC does not automatically lead to a qualification of 'not independent'.
- Company circumstances and the mere exercise of the function of a board member or leading employee by a Supervisory Board member does not, as a rule, lead to the company concerned being regarded as a "company in which a Supervisory Board member has a significant financial interest," to the extent that circumstances do not support the presumption that the Supervisory Board member derives a direct personal advantage from doing business with the company.
- The Supervisory Board member shall not have been an auditor of the company, nor shareholder or employee of the auditing company in the previous three years.
- The Supervisory Board member shall not be a member of the management board of another company in which a management board member of the company is a member of the Supervisory Board.
- The Supervisory Board member shall not be part of the Supervisory Board for longer than 15 years. This does not apply to Supervisory Board members who are shareholders with business interests in the company, or who represent the interests of such shareholders.
- The Supervisory Board member shall not be a close family relation (direct descendant, spouse, partner, father, mother, uncle, aunt, brother, sister, nephew, niece) of a member of the Management Board or of persons who fill one of the positions described in the preceding points.

In accordance with the criteria listed above for the independence of Supervisory Board members, all RBI Supervisory Board members are considered independent.

Stewart D. Gager and Kurt Geiger, as members of the Supervisory Board are neither shareholders, with a shareholding of greater than 10 per cent, nor do they represent the interests of such shareholders. They are therefore "free float representatives" according to C Rule 54 of the ACGC.

Members of the Supervisory Board had the following additional Supervisory Board mandates or comparable functions in domestic and foreign companies listed on the stock exchange:

- Walter Rothensteiner UNIQA Insurance Group AG (chairman)
- Erwin Hameseder AGRANA Beteiligungs-AG, STRABAG SE, UNIQA Insurance Group AG, Südzucker AG, Flughafen Wien AG (chairman)
- Heinrich Schaller voestalpine AG, AMAG Austria Metall AG
- Johannes Schuster UNIQA Insurance Group AG
- Günther Reibersdorfer UNIQA Insurance Group AG
- Klaus Buchleitner BayWa AG
- Christian Teufl VK Mühlen AG
- Kurt Geiger Demir Bank OJSC

Members of the committees

The rules of procedure of the Supervisory Board govern its organization and allocate particular tasks to the Working, Audit, Remuneration and Personnel Committees. These committees are comprised of the following members:

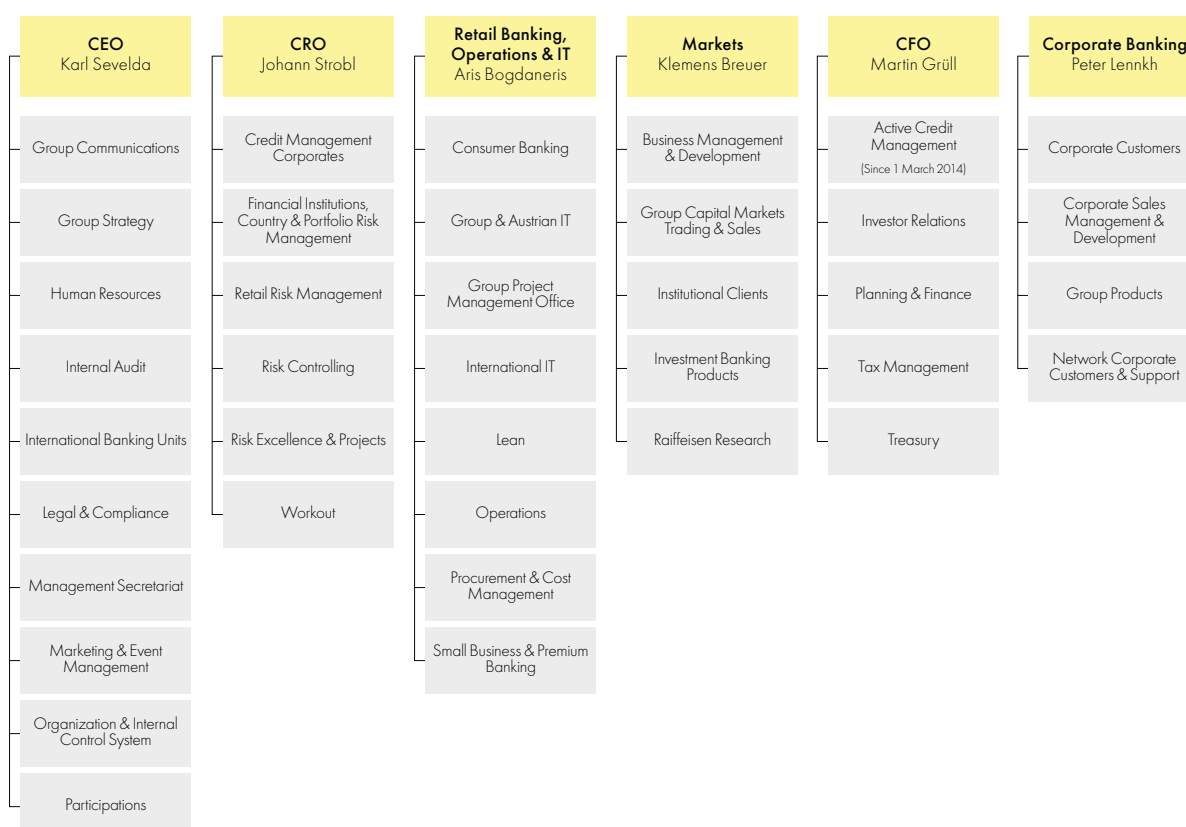
Supervisory Board member	Working Committee	Audit Committee	Personnel Committee	Remuneration Committee
Walter Rothensteiner	Chairman	Chairman	Chairman	Chairman
Erwin Hameseder	First Deputy Chairman	First Deputy Chairman	First Deputy Chairman	First Deputy Chairman
Heinrich Schaller	Second Deputy Chairman	Second Deputy Chairman	Second Deputy Chairman	Second Deputy Chairman
Markus Mair	Third Deputy Chairman	Third Deputy Chairman	Third Deputy Chairman	Third Deputy Chairman
Johannes Schuster	Member	Member	Member	Member
Martin Prater	Member	Member	-	Member
Rudolf Kortenhof	Member	Member	-	Member
Peter Anzeletti-Reikl	Member	Member	-	Member

Functions of the Management Board and the Supervisory Board

Allocation of duties and procedures/functions of the Management Board

The RBI Management Board leads the company according to clearly defined goals, strategies and guidelines on its own authority, with a focus on future-oriented business management and in line with modern business principles. In doing so, the Management Board pursues the good of the company at all times and considers the interests of shareholders and employees.

The Management Board's fields of activity have been defined by the Supervisory Board, without prejudice to the general responsibility of the Management Board, as follows (as at 1 January 2014):



After acceptance of the resignation offer of Herbert Stepic, Karl Sevelda assumed responsibility for the former's area of operation as well as for the areas of Participations and International Banking Units from Peter Lennkh, who in turn assumed responsibility for the areas of Corporate Customers, Corporate Sales Management & Development, Group Products and Network Corporate Customers & Support from Karl Sevelda.

The Management Board manages the company's business in accordance with the law, the Articles of Association and the Management Board's rules of procedure. The Management Board's weekly meetings are convened and led by the chairman. The meetings ensure the mutual information gathering and decision-making in all matters that require the Board's approval. The internal regulations of the Supervisory Board and the Management Board contain information and reporting duties of the Management Board as well as a catalog of measures that require the approval of the Supervisory Board.

Decision-making authority and activities of the committees

The internal regulations of the Management Board and the Supervisory Board as well as its committees outline the business management measures that require the approval of the Supervisory Board or of the appropriate committee.

The Working Committee was responsible for all matters that were referred to it by the Supervisory Board in 2013. Thus, it was called on to approve those matters not reserved only for the Supervisory Board. In particular, these included the creation and alteration of subsidiaries as well as the acquisition of shares up to a certain book value, the execution of functions in the management bodies of other companies by members of the Management Board, or the appointment of persons to the management boards and supervisory bodies of banks within the Group. Furthermore, the Working Committee approved the assumption of operational banking risk above a certain level.

The Personnel Committee dealt with the remuneration of Management Board members as well as their employment contracts. In particular, it was responsible for approving bonus allocation and stock allocation to members of the Management Board through the Share Incentive Program.

The Audit Committee monitored the accounting process and the effectiveness of the company's internal control, audit and risk management systems. Its tasks included the supervision of the financial statements and the consolidated financial statements annual audit, as well as checking and supervising the independence of the Group's auditors, in particular with respect to additional work performed for the audited company. The Committee audited the annual financial statements, the management report, the consolidated financial statements and the Group management report, and was responsible for the preparation of its approval. It also audited the proposal for earnings appropriation and the Corporate Governance Report. The Audit Committee presented to the Supervisory Board a report on the results of its audits. The Committee was also responsible for preparing the recommendation of the Supervisory Board for the selection of the external auditor and bank auditor. Furthermore, the Audit Committee discussed the content of the management letter as well as the report on the effectiveness of the risk management system and the internal control system.

The Remuneration Committee's responsibilities included establishing guidelines for the company's general remuneration policies, and practices, in compliance with the Austrian Banking Act (BWG), as well as relevant sections of the Austrian Corporate Governance Codex. This included establishing guidelines for ensuring executives' participation in profits, revenues and pension benefits expressed within the meaning of the Austrian Stock Corporation Act, as well as approving the granting of options on shares in the company and a program for the preferential transfer of company shares, respectively. The Remuneration Committee supervised and regularly reviewed the remuneration policies, remuneration practices, and relevant incentive structures to ensure that all related risks were controlled, monitored, and limited in accordance with the BWG, as well as the company's capitalization and liquidity, whereby the long-term interests of shareholders, investors and employees of the company were taken into account. The Remuneration Committee directly reviewed the remuneration of executives responsible for risk management and compliance.

Number of meetings of the Supervisory Board and of the committees

In the period under review, the Supervisory Board held six meetings. In addition, the Management Board informed the Supervisory Board promptly and on a regular basis of all relevant matters of the company's performance, including the risk position and risk management of the company and key Group companies, in particular at important and special events.

The Working Committee held seven meetings in the 2013 financial year. The Audit Committee met twice, the Personnel Committee four times and the Remuneration Committee three times.

In addition, the Supervisory Board, the Working and the Remuneration Committees also passed circular resolutions.

Further information on the activities of the Supervisory Board can be found in the Report of the Supervisory Board.

Management Board and Supervisory Board remuneration disclosure

Management Board remuneration

The following total amounts were paid to the Management Board of RBI:

in € thousands	2013	2012
Fixed remuneration	5,477	5,752
Bonuses	2,947	2,153
Share-based payments	0	3,835
Other remuneration	1,013	2,048
Total	9,437	13,788

Fixed remuneration, as shown in the above table, includes salaries and benefits in kind. Performance-based components of the Management Board's remuneration basically consist of bonus payments and share-based remuneration under the Share Incentive Program (SIP). There was, however, no allocation of share-based payments in 2013, as no SIP tranche had been issued in 2010 due to the merger of Raiffeisen International with the principal business areas of Raiffeisen Zentralbank Österreich AG (RZB). Moreover, the maturity of the program was extended to five years in accordance with legal regulations. Therefore, the next SIP tranche will not mature before 2016.

Measurement of bonuses is linked to the achievement of company goals related to profit after tax, return on risk-adjusted capital (RORAC) and cost/income ratio, as well as to annually consented personal goals. Payment of bonuses is deferred as set forth in the Austrian Banking Act (BWG) and implemented according to internal RBI regulations.

2010 bonus payments to three members of the Management Board, who had transferred from RZB to RBI, were still based on return on equity (ROE) criteria defined by RZB. In regards to contractual provisions applicable to these persons up until the end of 2010, bonus commitments were made, of which the final portion of € 643,500 was disbursed in 2013.

Management Board members' contracts specify a maximum bonus. Likewise, SIP includes a cap at three times the allocation value. A maximum limit is thus in place for all variable compensation components. Other remuneration consists of compensation for board-level functions in associated companies, payments to pension funds and pension liability insurance, as well as other insurance and benefits. The item also includes one-off retention bonuses for those members of the Management Board who previously worked for Raiffeisen International. These bonuses were awarded in the context of the merger of Raiffeisen International with the principal business areas of RZB.

The figures shown for the fixed and performance-based remuneration are, when compared to 2012, distorted by one-off effects. Patrick Butler continued to receive his remuneration up until 30 June 2013, in spite of his resignation from the Management Board. Herbert Stepic resigned from his post as Chairman of the Management Board but will nevertheless continue to receive his remuneration up until 30 June 2014 for his activity as consultant, and as member of the supervisory board in a number of network banks.

The Management Board's remuneration paid in 2013 is shown in detail as follows:

in € thousands	Fixed remuneration	Bonuses	Other	Total
Karl Sevelda	957	637	86	1,680
Johann Strobl	857	635	71	1,563
Aris Bogdaneris	807	371	182	1,360
Klemens Breuer	757	143	151	1,051
Martin Grill	757	362	177	1,296
Peter Lennkh	645	235	153	1,033
Herbert Stepic ¹	697	564	193	1,454
Total	5,477	2,947	1,013	9,437

¹ In addition to the amounts listed above, an amount of € 911 thousand in fixed remuneration, as well as € 2 thousand in other remuneration, were paid to Herbert Stepic in the period 8 June to 31 December 2013, on the basis of contractual agreements. Furthermore, as of 8 June, he received no more variable remuneration, or allotments from the SIP. Herbert Stepic returned an amount of € 2,000 thousand to the company from remuneration received for financial year 2012.

In addition to the amounts listed above, € 300 thousand in fixed remuneration, as well as € 10 thousand in other remuneration, were disbursed to Patrick Bulter as a Management Board member, following his resignation in 2012, due to contractual agreements in the period between 1 January 2013 and 30 June 2013.

Principles of remuneration policy and practices in accordance with Section 39 (2) in conjunction with Section 39b of the Austrian Banking Act (BWG)

In accordance with Section 39 (2) in conjunction with Section 39b of the Austrian Banking Act (BWG) including annexes (Austrian provisions for the implementation of Article 22 (2) in conjunction with Annex V Part 11 of Directive 2006/48/EC in the version enacted by Directive 2011/89/EU), RBI's Supervisory Board approved the "General Principles of the Remuneration Policy and Practice" in 2011. The Remuneration Committee is responsible for monitoring and implementation of these policies and practices. Remuneration of the Management Board and other "risk personnel" must comply with these principles. The principles also apply to bonus payments for 2011 and subsequent years.

Share incentive program

No tranche of the share incentive program matured in 2013 as no SIP tranche was issued in 2010 owing to the abovementioned merger. Moreover, the maturity of the programs was extended to five years in accordance with legal regulations, with the result that the next SIP tranche will not mature before 2016.

Under the SIP, new tranches have been issued each year - including 2011, 2012 and 2013. This means that on the reporting date, contingent shares for currently three tranches were allocated. As of 31 December 2013, the number of these contingent shares was 987,740 (of which 215,032 were attributable to the 2011 allocation, 406,040 to the 2012 allocation and 366,668 to the 2013 allocation). The number of contingently allocated shares originally announced changed due to various personnel alterations within Group units. It is aggregated in the following table:

SIP 2011, 2012 and 2013

Group of persons	Number of contingently allocated shares as of 31/12/2013	Minimum allocation of shares	Maximum allocation of shares
Members of the Management Board of RBI	331,706	99,512	497,559
Members of the Management Boards of bank subsidiaries and branches affiliated to RBI	422,217	126,665	633,325
Executives of RBI and other affiliated companies	233,817	70,145	350,726

No shares were repurchased for SIP in 2013.

Expenditure for severance payments and pensions

For the six members of the Management Board the same rules essentially apply as for employees, which provide for a basic contribution to a pension fund on the part of the company and an additional contribution when the employee makes his/her own contributions in the same amount. One member of the Management Board has a defined benefit pension plan. Additional individual pension benefits, which are financed by pension liability insurance, apply to four members of the Management Board.

In the event of function or contract termination, two members of the Management Board are entitled to severance payments in accordance with the Salaried Employees Act and the Banking Sector Tariff Agreement, two members in accordance with contractual agreements and three members in accordance with the Employee Benefit Act. In principle, the severance payment claims under the Salaried Employees Act or contractual agreements expire, with the exception of one Management Board member, if the employee terminates the employment relationship.

Furthermore, protection against occupational disability risk is provided by a pension fund and/or on the basis of an individual pension benefit, which is secured by pension liability insurance. Contracts for Management Board members are limited to the duration of their term in office or a maximum of five years. Regulations regarding severance payments in the case of early termination of Management Board activities are based on the principles stipulated by the Austrian Corporate Governance Codex, as well as on the stipulated maximum limits (a maximum of two years' total annual remuneration for early termination without serious cause, and in any case no longer than the remaining term. No remuneration is given for terminations for serious reasons caused by the Management Board member).

Supervisory Board remuneration

Supervisory Board remuneration was apportioned to individual Supervisory Board members as follows. Provided, are provisional amounts from the statement of financial position subject to the approval by the Annual General Meeting 2014. Attendance fees were not paid.

Supervisory Board member	in €
Walter Rothensteiner	70,000
Erwin Hameseder	60,000
Heinrich Schaller	60,000
Markus Mair	60,000
Klaus Buchleitner	25,000
Stewart D. Gager	50,000
Kurt Geiger	50,000
Günther Reibersdorfer	50,000
Johannes Schuster	50,000
Friedrich Sommer	25,000
Christian Teufl	50,000

D&O insurance

In the 2013 financial year, a D&O (directors and officers) financial loss and liability insurance was signed with UNIQA Sachversicherung AG for the Supervisory Board, the Management Board and key executives, the cost of which will be carried by the company.

Annual General Meeting

The Annual General Meeting for financial year 2012 was held on 26 June 2013 in Vienna. The Annual General Meeting for financial year 2013 will take place on 4 June 2014. The convening notice will be published in electronic form and in the Wiener Zeitung's official register a minimum of 28 days before the Annual General Meeting.

At the Annual General Meeting the shareholders, as owners of the company, can exercise their rights by voting. The fundamental principle of "one share one vote" applies. Accordingly, there are no restrictions on voting rights and all shareholders have equal rights. Every share confers one vote; registered shares have not been issued. Shareholders may exercise their voting rights themselves or by means of an authorized agent. RZB has not exercised its right to nominate up to one third of the Supervisory Board members to be elected by the Annual General Meeting, as per Articles of Association, with the result that the share structure complies with the principle of "one share one vote".

Report on measures taken by the company to promote women to the Management Board, the Supervisory Board and into executive positions (Section 80 of the Austrian Stock Corporation Act [AktG]) as laid down in Section 243b (2) 2 of the Austrian Commercial Code (UGB)

One of Raiffeisen's fundamental values has always been to offer equal opportunities for equal performance regardless of gender or other factors. This begins with the recruitment process, in which suitable measures are used to ensure that the same standards are always applied in staff selection. The relatively high proportion of 67 per cent of female employees at RBI underscores the efficacy of these activities.

The following table shows the total proportion of women in managerial positions (positions with staff responsibility) as well as classified by Management Board, tier 2 and tier 3 management levels. Changes can mostly be explained by fluctuations in total headcount (e.g. the integration of Polbank, reduction measures) as well as organizational adjustments (number of organizational units or hierarchical levels) in various Group units.

Year	Proportion of women of the total number of employees	Proportion of women of the total number of executives	Management Board	Tier 2 management	Tier 3 management
2013	67%	56%	16%	41%	50%
2012	67%	56%	15%	41%	52%
2011	68%	55%	20%	41%	49%

A corresponding framework has been established, within the company, and is being regularly refined to continue promoting the advancement of women, which seeks to particularly improve the balance of family and work. Other benefits include flexible working hours, part-time models and home office. These models are implemented in nearly all countries the Group is active in, and in accordance with the local statutory provisions. The measures are supplemented with further national initiatives, such as the company's kindergarten with employee-friendly operating hours at the Vienna site, and the "Mother Care" program at Raiffeisenbank Polska S.A. The program supports women from the first announcement of pregnancy until the child's first birthday.

The Management Board is aware of the need to continuously promote the existing initiatives as well as to maintain its openness to new initiatives in order to further increase the percentage of women in highly qualified positions as well as encouraging women to take advantage of these opportunities.

In order to build-on management skills, RBI offers targeted training and continuing education programs, which also proved popular among female employees. Approximately 40 per cent of participants in the Group-wide top-management program "Execute" were women. In 2013 female employees accounted for 33 per cent of participants in the restructured Advanced Leadership Training program for middle management.

Transparency

The company website, as well as websites of its network units, plays an important role for RBI with regard to open communication with shareholders, their representatives, customers, analysts, employees, and the interested public. For this reason, the website offers regularly updated information and services on the following topics: annual and interim reports, company presentations, telephone conference webcasts, ad-hoc releases, press releases, investor relations releases, share price information and stock data, information for debt investors, financial calendar with advanced notice of important dates, information on securities transactions of Management Board and Supervisory Board subject to reporting requirements (directors' dealings), RBI's Articles of Association, the Corporate Governance Report, analysts' research and recommendations, as well as ordering services for written information and registration for the automatic delivery of investor relations news by e-mail.

Conflicts of interest

Both the Management Board and the Supervisory Board of RBI are required to disclose any potential conflicts of interest.

Members of the Management Board must therefore disclose to the Supervisory Board any significant personal interests in transactions involving the company and Group companies, as well as any other conflicts of interest. They must also inform the other members of the Management Board. Members of the Management Board who occupy management positions within other companies must ensure a fair balance between the interests of the companies in question.

Members of the Supervisory Board must immediately report any potential conflicts of interest to the Chairman of the Supervisory Board. In the event that the Chairman himself should encounter a conflict of interest, he must report this immediately to the Deputy Chairman. Company agreements with members of the Supervisory Board that require members to perform a service for the company or for a subsidiary outside their duty on the Supervisory Board (Section 228(3) UGB) in exchange for not-insignificant compensation require the approval of the Supervisory Board. This also applies to agreements with companies in which a member of the Supervisory Board has a significant financial interest. Furthermore, related party transactions as defined by Section 28 of the Austrian Banking Act (BWG) require the approval of the Supervisory Board.

Accounting and audit of financial statements

RBI's consolidated financial statements are prepared in accordance with the International Financial Reporting Standards (IFRS) as applied in the EU. They also comply with the regulations of the Austrian Banking Act (BWG) in conjunction with the Austrian Commercial Code to the extent that these are applicable to the consolidated financial statements. The consolidated annual financial statements are published within the first four months of the financial year following the year under review. Interim reports are published no later than 57 days after the end of the respective period under review.

The Annual General Meeting selected KPMG Austria AG Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, Vienna as its external auditor and bank auditor for the 2013 financial year. KPMG Austria AG Wirtschaftsprüfungs- und Steuerberatungsgesellschaft has confirmed to RBI that it has the certification of a quality auditing system. It has also declared that there are no reasons for disqualification or prejudice. The Supervisory Board is informed of the result of the audit by a statutory report regarding the audit of the consolidated financial statements by the auditor, as well as by the report of the Audit Committee. Furthermore, the auditor assesses the efficiency of the company's risk management in accordance with the Austrian Corporate Governance Codex, based on the documents submitted to him and otherwise available. The resulting report is presented to the Chairman of the Supervisory Board, who is responsible for addressing the report in the Audit Committee and for reporting thereon in the Supervisory Board.

The Management Board


Karl Sevelda


Aris Bogdaneris


Martin Grill


Johann Strobl


Klemens Breuer


Peter Lenkh