

## Amended rules of the Austrian Code of Corporate Governance

July 2012 (amendments underlined)<sup>1</sup>

**26a. The supervisory board shall ensure that the total remuneration of the members of the management board (salaries, shares in profits, expense reimbursements, insurance premiums, commissions, incentive-linked remuneration commitments and any other type of payments) are commensurate with the tasks and performance of each individual member of the management board, the situation of the company, the usual level of remuneration, and must also take measures to create incentives to promote behaviour supportive of the long-term development of the company. This shall apply accordingly to pension payments, survivor's pensions and similar income.**

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**27.** When concluding management board contracts, the following principles shall also be observed: The remuneration contains fixed and variable components. The variable remuneration components shall be linked, above all, to sustainable, long-term and multi-year performance criteria, shall also include non-financial criteria and shall not entice persons to take unreasonable risks. For the variable remuneration components, measurable performance criteria shall be fixed in advance as well as maximum limits for amounts or as percentage of the fixed remuneration components. Precautions shall be taken to ensure that the company can reclaim variable remuneration components if it becomes clear that these were paid out only on the basis of obviously false data.

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**29.** The number and distribution of the options granted, the exercise prices<sup>2</sup> and the respective estimated values at the time they are issued and upon exercise shall be reported in the annual report.

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The total remuneration of the management board for a business year must be reported in the notes to the financial statements<sup>3</sup>. **The Corporate Governance Report shall contain the total remuneration of each individual member of the management board (§ 239 para. 1 fig.4 lit. a Companies Act) and disclose the principles governing remuneration policy.**

**42.** The nomination committee or the entire supervisory board shall present proposals to the general meeting for appointments to the mandates on the supervisory board that have become vacant. L Rule 52 must be taken into account in this context.

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**52. When appointing the members of the supervisory board, the general meeting shall take due care to ensure the expertise and personal qualifications of the supervisory board members and a balanced composition with respect to the structure and the business of the company. Furthermore, reasonable attention is to be given to the aspect of diversity of the supervisory board with respect to the representation of both genders and the age structure, and in the case of exchange-listed companies, also with a view to the internationality of the members. The general meeting shall also pay attention that no member of the supervisory board is considered for appointment who has been convicted by law for a criminal act that would compromise his or her professional reliability as a supervisory board member.**

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**52a.** The number of members on the supervisory board (without employees' representatives) shall be ten at most. New members of a supervisory board must inform themselves adequately of the organization and activities of the company as well as of the tasks and responsibilities of the supervisory board

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<sup>1</sup> The English translation of the Austrian Corporate Governance Code serves only information purposes. The German text is the exclusively binding version.

<sup>2</sup> This is a brief version of the provisions of the Austrian Business Code, Art. 239 par 1 Figure 5. For precise details on the implementation, please refer to this provision.

<sup>3</sup> Unless an exemption exists pursuant to Art. 241 par. 4 Business Code.

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members.

**55. No person may be a member of the supervisory board of an exchange-listed company who has been a member of the management board of said company in the last two years, unless the appointment is the result of a proposal by shareholders that hold more than 25 percent of voting rights in the company. However, no more than one person is permitted to be a member of the supervisory board for whom the two-year period has not yet expired. A member of the supervisory board of an exchange-listed company who has been a member of the management board of said company in the past two years cannot be appointed as chairperson of the supervisory board.** L

**60. The company shall prepare a Corporate Governance Report that contains at least the following information:** L

- Designation of a Corporate Governance Code generally recognized in Austria or at the respective stock exchange;
- Information on where it is publicly available;
- in case it deviates from the Comply or Explain rules of the Code, an explanation of the items concerned and the reasons for the deviation;
- If the company decides not to adhere to a code, then the reason why;
- The composition and working procedure of the management board and of the supervisory board and its committees.
- the total remuneration of each individual member of the management board and the principles governing remuneration policy
- The measures taken to promote women to the management board, supervisory board and to top management positions.

## **Annex 2**

**1. Mandatory information disclosures in the Corporate Governance Report pursuant to Art. 243b Austrian Business Code:**

- Designation of a Corporate Governance Code generally recognized in Austria or at the respective stock exchange.
- Information on where it is publicly available.
- In case the company deviates from it, an explanation of the items and the reasons why.
- If the company decides not to adhere to a code, then the reason why.
- The composition and working procedure of the management board and of the supervisory board and its committees (see Item 2 below).
- the total remuneration of each individual member of the management board and the principles governing remuneration policy
- The measures taken to promote women to the management board, supervisory board and to top management positions.