

Rules of Procedure for the Supervisory Board of

IMMOFINANZ AG

in the version dated 1 June 2017

§ 1

Responsibilities of the Supervisory Board

- (1) The Supervisory Board monitors the business-related activities of the Executive Board and provides support for the management of the Company, above all in connection with decisions of fundamental importance.
- (2) The Supervisory Board works closely with the Executive Board for the benefit of the Company. The Executive Board is responsible for providing information to the Supervisory Board and is actively supported by the Supervisory Board in this process.

§ 2

Membership in and Chair of the Supervisory Board

- (1) In order to ensure the independent advising and monitoring of the Executive Board, the Supervisory Board may not include more than two former members of the Executive Board or key managers.
- (2) The Supervisory Board elects a chairman and one or two vice-chairmen (presidium) each year in a meeting which immediately follows the annual general meeting and for which no special invitation is required. A substitute election must be held without delay when the chairman or vice-chairmen resign from their functions. If no one receives an absolute majority in this election, a run-off will be held between the two persons who received the most votes in the first round of voting. A Supervisory Board member who served as a member of the Company's Executive Board during the past two years can not be elected chairman.
- (3) The Supervisory Board members are familiar with and abide by the relevant legal regulations, in particular the Issuer Compliance Directive, the Stock Exchange Act and the Market Misuse Directive. The Company has agreed to comply with the provisions of the Austrian Corporate Governance Code. Every Supervisory Board member will inform the chairman of the Supervisory Board and the Executive Board of any failure to comply with the provisions of this set of rules.
- (4) The members of the Supervisory Board are required to treat as confidential all trade and business secrets of the Company – also after the end of their term of office. Furthermore, they may not make unauthorised use of any knowledge of confidential issues gained during their activities on the Supervisory Board.

§ 3

Conflicts of Interest and Proprietary Transactions

- (1) The members of the Supervisory Board may not hold more than eight functions on the supervisory boards of listed companies, whereby a chair counts double. A Supervisory Board member who serves on the management board of a listed company may not hold more than four seats on the supervisory boards (a chair counts double) of stock corporations outside the group.
- (2) The members of the Supervisory Board are obliged to protect the interests of the Company. Their decisions may not reflect their own interests or the interests of closely related persons or companies which conflict with the interests of the Company and may not exploit business opportunities to which the Company is entitled.
- (3) The Supervisory Board members may not accept positions on the corporate bodies of other companies which compete with the IMMOFINANZ Group.
- (4) The Supervisory Board members must immediately disclose conflicts of interest to the chairman of the Supervisory Board. If the chairman is involved in a conflict of interest, he must disclose this immediately to a vice-chairman.
- (5) In the event of material conflicts of interest which are not temporary, the involved member of the Supervisory Board is instructed to resign in agreement with the other Supervisory Board members.

§ 4

Relationship with the Executive Board

- (1) The Supervisory Board appoints and dismisses the members of the Executive Board. It can designate one member of the Executive Board as chairman or speaker of the Executive Board. As regards appointments to the Executive Board, the Supervisory Board must define a qualification profile which reflects the Company's business orientation and position and select the Executive Board members on the basis of a defined appointment procedure. Consideration must also be given to succession planning.
- (2) The Supervisory Board defines the rules of procedure for the Executive Board and determines the allocation of responsibilities. The rules of procedure for the Executive Board must include a catalogue of transactions and measures which require its approval and, for the cases prescribed by law, establish monetary limits for certain transactions and measures which require its approval.
- (3) The chairman of the Supervisory Board maintains regular contact with the chairman or speaker of the Executive Board and discusses the Company's strategy, business development and risk management with him. If a chairman or speaker has not been designated, these discussions will take place with all members of the Executive Board.

§ 5

Meetings and Resolutions

- (1) The meetings of the Supervisory Board are convened by the chairman, by a vice-chairman if the chairman is prevented from doing so, or by the Executive Board on order of the chairman or vice-chairman, whereby the relevant notification must be sent to the Supervisory Board members, if possible, at least one week prior to the meeting by mail, telefax or email at the last known address. A meeting is to be convened when considered necessary by the chairman or a vice-chairman or when required by the Executive Board or a member of the Supervisory Board on reasoned request. At least one meeting is to be scheduled during each quarter of the financial year. The involved auditor will also attend the meetings which deal with the approval and/or preparation of the annual or consolidated financial statements and with the audit of the annual and consolidated financial statements. The agenda and documents for the Supervisory Board meetings must, as a rule, be available at least one week before the respective meeting.
- (2) The Supervisory Board is considered to have a quorum when at least three members, including the chairman or a vice-chairman, are present. The chairman or, if he is unable to attend, a vice-chairman, will chair the meeting and determine the form of voting.
- (3) Resolutions will be passed with a simple majority of the votes cast, except in cases where a higher majority is required by law or the articles of association. In the event of a tie – also for elections – the decisive vote will be cast by the person chairing the meeting.
- (4) A Supervisory Board member can ask another member in writing to represent him at a single meeting. The represented Supervisory Board member is not to be counted in determining whether there is a quorum for the meeting. The right to chair the meeting can not be transferred.
- (5) Minutes must be recorded over the consultations and resolutions of the Supervisory Board; these minutes must be signed by the person who chaired the meeting.
- (6) Resolutions can also be taken in writing, via telefax, telephone or another comparable form when no member of the Supervisory Board expressly objects to this procedure. The majorities specified under Paragraph (3) apply to written voting. Representation as defined in Paragraph (4) is not permitted for written voting.

§ 6

Committees

- (1) The Supervisory Board can create committees from among its members, unless this is already required by law, in consideration of the specific circumstances of the Company and the number of Supervisory Board members. The duties and powers of the committees as well as any rules of procedure are to be determined by the Supervisory Board; the committees can also be authorised to take decisions. However, the full Supervisory Board is free to deal with issues assigned to the committees.
- (2) The committees must have at least three members elected by the annual general meeting (shareholder representatives), whereby the majority of the committee members (shareholder representatives) must meet the independent criteria defined by the Austrian Corporate

Governance Code. The full Supervisory Board is responsible for appointing the committee members (shareholder representatives).

- (3) Every committee chairman is to report regularly to the Supervisory Board on the work of his committee. The report by the Supervisory Board to the annual general meeting must also address the work of the committees. The members of the committees must be disclosed in the Corporate Governance Report.
- (4) The rules applicable to the full Supervisory Board, in particular Paragraph 5 of these Rules of Procedure, apply analogously to the Supervisory Board committees unless otherwise defined by the Company's articles of association, these Rules of Procedure or the rules of procedure of the respective committee.

§ 7

Audit Committee

- (1) The Audit Committee created by the Supervisory Board is responsible (i) for monitoring the accounting process and the work of the auditor of the annual and consolidated financial statements and (ii) for reviewing and preparing the approval of the annual and consolidated financial statements, the recommendation for the use of profit and the (group) management report.
- (2) The responsibilities of the Audit Committee include the following:
 - Monitoring the accounting process and making recommendations or suggestions to ensure the reliability of this process;
 - Monitoring the effectiveness of the internal control, audit and risk management systems;
 - Monitoring the audit of the annual and consolidated financial statements, including the findings and conclusions published in the reports issued by the auditors' regulatory authority;
 - Evaluating and monitoring the independence of the auditor of the annual and consolidated financial statements, in particular with regard to additional services provided to the Company and the Group;
 - Reporting on the results of the audit to the Supervisory Board and explaining how the audit contributed to the reliability of financial reporting as well as explaining the role of the Audit Committee in this process;
 - Review of the annual financial statements, consolidated financial statements, recommendation for the use of profit, the management reports for the Company and the Group, the (consolidated) corporate governance report and preparations for the approval of the annual financial statements as well as reporting on the results of the audit to the Supervisory Board;
 - Selection of the auditor for the annual and consolidated financial statements with regard to the appropriateness of the fee and in consideration of the limitations defined by the relevant Austrian regulations for auditors (length of service, tender, cooling-off-period) as well as making a recommendation to the Supervisory Board for the appointment of the auditor.

- (3) The committee chairman and vice-chairman can be designated by the full Supervisory Board. If this is not the case, the committee may fill these functions.
- (4) The members of the Audit Committee, in total, must be familiar with the sector in which the Company operates. The members of the Audit Committee must include at least one financial expert who is familiar with the demands on the Company and who has practical experience in finance and accounting and in reporting. The chairman of the Audit Committee or the financial expert may not have served during the past three years as a member of the Executive Board, or a key manager, or an auditor of the Company, or may not have signed the audit opinion, or for any other reason may not be independent and free of prejudice.
- (5) The Audit Committee must hold at least two meetings during each financial year. The chairman must invite the auditor of the annual and consolidated financial statements to the Audit Committee meeting which deals with the preparations for approval of the annual and consolidated financial statements and the related audits, and to a further meeting which defines the procedures for the reciprocal communication between the auditor and the Audit Committee. The meetings for the preparation/review of the annual and consolidated financial statements and the second meeting must ensure that the exchange of information between the Audit Committee and the auditor can take place without the presence of the Executive Board.

§ 8

Strategy Committee

- (1) The Strategy Committee created by the Supervisory Board is responsible for the continuous review of the corporate strategy and advising for the Executive Board on its determination. The Strategy Committee takes into consideration the strategic development opportunities for the Company in accordance with the goal to achieve a long-term improvement in the competitive position of IMMOFINANZ and the creation of sustainable added value for shareholders. For this purpose, the Strategy Committee examines market developments, evaluates opportunities for future development and monitors the growth of IMMOFINANZ on the basis of investments, divestments and restructuring measures.
- (2) The Strategy Committee meets at least twice each year. The presidium of the Strategy Committee is always identical with the presidium of the Supervisory Board.
- (3) The Strategy Committee is authorised to approve acquisitions and sales with a volume of up to EUR 100 million as well as other investments ranging from EUR 5 million to EUR 50 million (also see the rules of procedure for the Executive Board, Paragraph 5 “Transactions requiring approval”). This committee is also authorised to take decisions in urgent cases when a decision by the full Supervisory Boards is not possible on a timely basis. Any such approvals must be reported at the next meeting of the Supervisory Board.

§ 9

Personnel and Nominating Committee

- (1) The Personnel and Nominating Committee created by the Supervisory Board makes recommendations to the Supervisory Board for appointments to vacant positions on the Executive Board and Supervisory Board and deals with issues related to succession planning. The Personnel and Nominating Committee is also involved with issues related to the remuneration of the Executive Board members and the content of their employment contracts. The Personnel and Nominating Committee must include at least one member who has knowledge of and experience in remuneration policy.
- (2) The Personnel and Nominating Committee meets at least twice each year. The presidium of the Personnel and Nominating Committee is always identical with the presidium of the Supervisory Board.
- (3) The presidium of the Personnel and Nominating Committee is authorised to sign the employment contracts with the members of the Executive Board on behalf of the Company

§ 10

General Information

If a member of the Supervisory Board does not personally attend more than half the meetings of the Supervisory Board in a financial year, this fact must be disclosed in Supervisory Board's report to the annual general meeting.