

To the ECB President

Subject: New post-employment activity – Ethics Committee Opinion

Dear Madame President,

The ECB Ethics Committee has assessed a request for an opinion received¹ from Mr Klaus Kumpfmüller, alternate member of the ECB Supervisory Board and Executive Board member of the Österreichische Finanzmarktaufsicht (FMA), concerning his intention to engage in a gainful occupational activity as CEO of HYPO Oberösterreich (Oberösterreichische Landesbank AG), a less-significant Austrian credit institution and on the cooling-off period that would be applicable to him as a result of his (past) responsibilities for the ECB Supervisory Board.

The Ethics Committee notes that the Single Code² stipulates that alternate members to the Supervisory Board may engage in a gainful occupational activity with a less significant credit institution after the expiry of a period of six months from the end of their duties and responsibilities as alternates. The Ethics Committee takes note that Mr Kumpfmüller has relinquished his duties and taken leave on 13 January 2020 with access to sensitive SSM supervisory information being withdrawn with effect of 14 January 2020, both at the level of the ECB and at the level of the FMA.

In line with the Single Code, the Ethics Committee also considered whether there are circumstances that would require an extension of the cooling-off period. In this regard, the Ethics Committee took into account the future professional role, i.e. that Mr Kumpfmüller would become a CEO of a credit institution, which is the highest-ranking executive position in a bank having also representative functions. At the same time, however, Mr Kumpfmüller will join a less significant credit institution which is not directly supervised by the ECB and, as a consequence, in the supervision of which he was not involved in his function as Supervisory Board alternate. Against that backdrop, the Ethics Committee does not see a case – from an ECB perspective and related responsibilities only – for extending the cooling-off period beyond six months from the date as of which Mr Kumpfmüller relinquished his duties.

The Ethics Committee wishes to emphasise that the above assessment applies exclusively to Mr Kumpfmüller's role as alternate member of the Supervisory Board and is without prejudice to the application of potentially stricter national rules which he may be subject to by virtue of his functions at the

¹ In line with Articles 17.2 and 17.3 of the Code Conduct for High-level ECB Officials (Single Code).

² Article 17.2 (a) of the Single Code.

FMA, namely in view of his involvement in the supervision of the less significant credit institution in question.

The Ethics Committee moreover notes that in line with the Single Code³, an appropriate level of compensation should be paid to Mr Kumpfmüller by his NCA from the end of his term with the FMA until the end of his cooling-off period.

Finally and for the sake of completeness, the Ethics Committee deems it important to remind Mr Kumpfmüller of his professional secrecy obligations applying beyond his term as alternate member of the ECB Supervisory Board⁴ and of his duty to notify any potential new occupational activity for a period of one year from the end of his term.

With best regards,

Chair of the ECB Ethics Committee (Patrick Honohan)

Cc: Mr. A Enria, Chairman of the Supervisory Board

³ Articles 17.2 and 17.3 of the Single Code.

⁴ In line with Article 339 of the Treaty on the Functioning of the European Union, Article 37 of the Statute of the European System of Central Banks and of the European Central Bank, Article 27 (1) of Council Regulation (EU) No 1024/2013 conferring specific tasks on the European Central Bank concerning policies relating to the prudential supervision of credit institutions, Article 4 of the Single Code and Article 54 of the Directive 2013/36/EU on access to the activity of credit institutions and the prudential supervision of credit institutions and investment firms.