

MIFID II product governance - Professional investors and ECPs only target market

Solely for the purposes of each manufacturer's product approval process, the target market assessment in respect of the Notes has led to the conclusion that: (i) the target market for the Notes is eligible counterparties and professional clients only, each as defined in Directive 2014/65/EU (as amended, **MIFID 11**); and (ii) all channels for distribution of the Notes to eligible counterparties and professional clients are appropriate. Any person subsequently offering, selling or recommending the Notes (a **distributor**) should take into consideration the manufacturers' target market assessment; however, a distributor subject to MIFID II is responsible for undertaking its own target market assessment in respect of the Notes (by either adopting or refining the manufacturers' target market assessment) and determining appropriate distribution channels.

In connection with Section 3098 of the Securities and Futures Act (Chapter 289) of Singapore (the SFA) and the Securities and Futures (Capital Markets Products) Regulations 2018 of Singapore (the CMP Regulations 2018), the Issuer has determined, and hereby notifies all relevant persons (as defined in Section 309A(1) of the SFA), that the Notes are prescribed capital markets products (as defined in the CMP Regulations 2018) and are Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendation on Investment Products).

KommuneKredit

Issue of AUD 40,000,000 Fixed Rate Notes due 1 October 2032 (the "Notes")

under the EUR 30,000,000,000 Euro Medium Term Note Programme

This document constitutes the Final Terms relating to the issue of Notes described herein. Terms used herein shall be deemed to be defined as such for the purposes of the Conditions set forth in the Information Memorandum dated 27 March 2020 (the **Information Memorandum**). These Final Terms must be read in conjunction with such Information Memorandum.

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| 1. | Issuer: | KommuneKredit |
| 2. | (i) Series Number: | 1202157775 |
| | (ii) Tranche Number: | 1 |
| 3. | Specified Currency or Currencies: | Australian Dollars (" AUD ") |
| 4. | Aggregate Nominal Amount: | |
| | (i) Series: | AUD 40,000,000 |
| | (ii) Tranche: | AUD 40,000,000 |
| 5. | Issue Price: | 100.00 per cent. of the Aggregate Nominal Amount |
| 6. | (i) Specified Denominations: | AUD 1,000,000 |
| | (ii) Calculation Amount: | AUD 1,000,000 |
| 7. | (i) Issue Date: | 2 October 2020 |

(ii) Interest Commencement Date:	2 October 2020
8. Maturity Date:	1 October 2032, subject to adjustment for payment purpose only in accordance with the Following Business Day Convention
9. Interest Basis:	1.336 per cent. per annum Fixed Rate (further particulars specified below).
10. Redemption/Payment Basis:	Redemption at par, payable on the Maturity Date in AUD
11. Change of Interest or Redemption/Payment Basis:	Not Applicable
12. Put/Call Options:	Not Applicable
13. Status of Notes:	Senior
14. Listing:	None
15. Method of distribution:	Non-syndicated

PROVISIONS RELATING TO INTEREST (IF ANY) PAYABLE

16. Fixed Rate Note Provisions	Applicable
(i) Rate of Interest:	1.336 per cent. per annum payable semi-annually in arrear.
(ii) Interest Payment Dates:	1 April and 1 October in each year commencing 1 April 2021 up to and including the Maturity Date, subject to adjustment for payment purpose only in accordance with the Business Day Convention specified in item 16(iii) below.
(iii) Business Day Convention:	Following Business Day Convention.
(iv) Additional Business Centre(s):	Sydney and TARGET2
(v) Fixed Coupon Amount(s):	AUD 6,680 per Calculation Amount
(vi) Broken Amount(s):	AUD 6,642.89 per Calculation Amount, payable on the Interest Payment Date falling on 1 April 2021
(vii) Day Count Fraction:	30/360, unadjusted.
(viii) Determination Date(s):	Not Applicable.
(ix) Other terms relating to the method of calculating interest for Fixed Rate Notes:	Not Applicable

17.	Floating Rate Note Provisions	Not Applicable
18.	Zero Coupon Note Provisions	Not Applicable
19.	Index-Linked Interest Note Provisions	Not Applicable
20.	Dual Currency Note Provisions	Not Applicable
21.	Equity-Linked Interest Note Provisions	Not Applicable
22.	Commodity-Linked Interest Note Provisions	Not Applicable

PROVISIONS RELATING TO REDEMPTION

23.	Issuer Call	Not Applicable
24.	Investor Put	Not Applicable
25.	Final Redemption Amount:	Par.
26.	Equity-Linked Redemption Note Provisions:	Not Applicable
27.	Commodity-Linked Redemption Note Provisions:	Not Applicable
28.	Early Redemption Amount(s) payable on redemption for taxation reasons or on event of default and/or the method of calculating the same (if required or if different from that set out in the Conditions):	As set out in the Conditions. Early Redemption Amount shall be payable in AUD as determined by the Calculation Agent.

GENERAL PROVISIONS APPLICABLE TO THE NOTES

29.	Form of Notes:	Bearer Notes Temporary Global Note exchangeable for a Permanent Global Note which is exchangeable for Definitive Notes in the limited circumstances specified in the Permanent Global Note.
30.	New Global Note:	No
31.	Additional Financial Centre(s) or other special provisions relating to Payment Dates:	Sydney and TARGET2
32.	Talons for future Coupons or Receipts to be attached to Definitive Notes (and dates on which such Talons mature):	No
33.	Details relating to Partly Paid Notes: amount of each payment comprising the	Not Applicable

Issue Price and date on which each payment is to be made and consequences (if any) of failure to pay including any right of the Issuer to forfeit the Notes and interest due on late payment:

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| 34. | Details relating to Instalment Notes: amount of each instalment, date on which each payment is to be made: | Not Applicable |
| 35. | Redenomination, renominatisation and reconventioning provisions: | Not Applicable |
| 36. | Consolidation provisions: | Not Applicable |
| 37. | Other terms or special conditions: | <i>Use of Proceeds</i>
The net proceeds of the issue of the Notes will be used per KommuneKredit's Green Bond Framework.

This Framework will be available on the Issuer's website:
www.kommunekredit.com/Investor-Info/Green-Bonds/Framework .

The Managers make no assurances as to: (i) whether the Notes will meet investor criteria and expectations with regard to environmental impact and sustainability performance for any investors; (ii) whether the use of the net proceeds will be used for Eligible Projects; or (iii) the characteristics of the Eligible Projects, including their environmental and sustainability criteria. |

DISTRIBUTION

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| 38. | (i) If syndicated, names of Managers: | Not Applicable |
| | (ii) Stabilising Manager (if any): | Not Applicable |
| 39. | If non-syndicated, name of Dealer: | BNP Paribas |
| 40. | Additional selling restrictions: | Not Applicable |

OPERATIONAL INFORMATION

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| 41. | ISIN Code: | XS2240514336 |
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| 42. | Common Code: | 224051433 |
| 43. | Any clearing system(s) other than Euroclear and Clearstream, Luxembourg and the relevant identification number(s): | Not Applicable |
| 44. | Delivery: | Delivery against payment |
| 45. | Additional Paying Agent(s) (if any): | Not Applicable |
| 46. | Intended to be held in a manner which would allow Eurosystem eligibility: | No |

RESPONSIBILITY

The Issuer accepts responsibility for the information contained in these Final Terms.

Signed on behalf of the Issuer:

Duly authorised