FY 2020 Credit Update

BAWAG Group

COMPANY PROFILE

One of Austria's leading banking groups with **2.3 million customers across DACH/NL region**

2020 results: €284m net profit, 10.2% RoTCE, CIR 44.3% and CET1 ratio (post dividend) 14.0% … against backdrop of global pandemic and prudent and conservative provisioning

Focused on developed markets … DACH/NL region, Western Europe and the United States

Organic & inorganic growth in DACH/NL region and developed markets

Delivering simple, transparent and reliable financial products and services that meet our customer's needs across multiple brands and channels

Developing more towards a Retail & SME franchise … targeting mid-term 80% profit contribution from Retail & SME versus 67% in 2019

CAPITAL MANAGEMENT

Focused on organic and inorganic growth

Dividend policy of 50% payout ratio of net profits

Committed to returning excess capital to shareholders

TARGETS

	RoTCE	CIR
2021	>13%	<41%
MID-TERM *Based on normalized environment*	>15%	<40%

OUR STRATEGY

Growing in our **core markets**

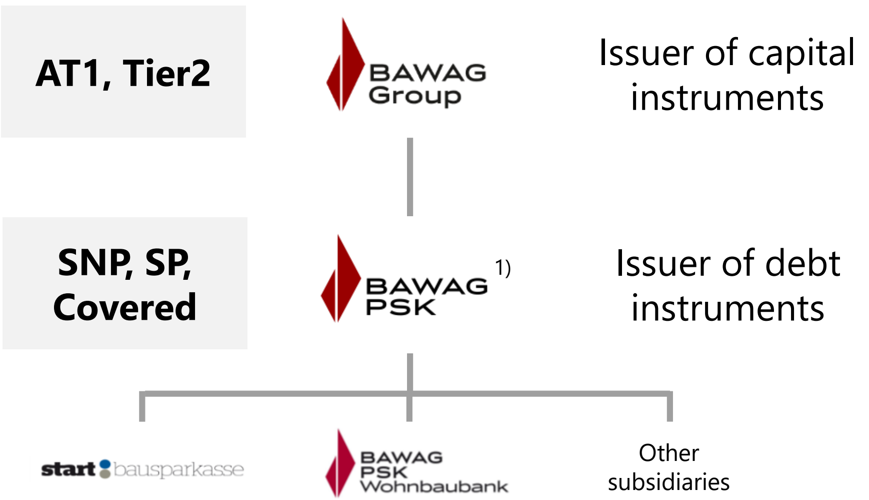
Focus on **Customer Centricity**

Efficiency and **operational excellence**

Safe and secure

BAWAG Group

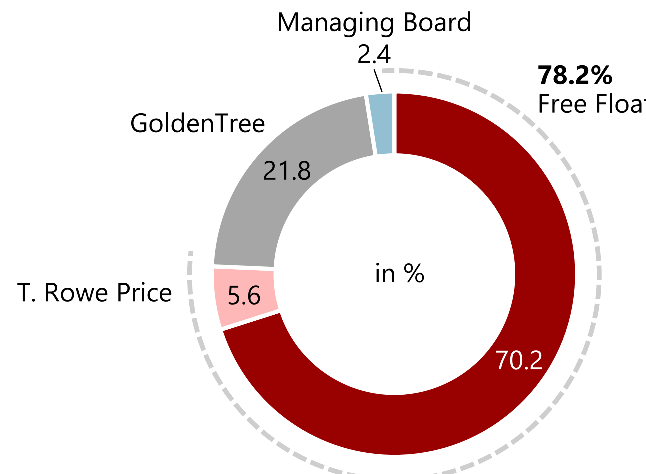
Company structure and issuing entities



		Moody's
BAWAG P.S.K.	Issuer Rating	A2 (stable)
	Covered bonds	Aaa
	Senior preferred	A2
	Senior non-preferred	Baa2
BAWAG Group	Tier 2	Baa2
	Additional Tier 1	Ba1

On 30 October 2020, Fitch has withdrawn the rating (A-, stable outlook) for commercial reasons
1) BAWAG P.S.K., easybank and Südwestbank are the main brands for banking operations of BAWAG P.S.K.

Shareholder structure of BAWAG Group AG



- Public listing on the Vienna Stock Exchange
- Granular and well diversified investor base with ~80% free float

Based on number of shares of the most recent major holdings notifications

Financial performance

Key highlights

P&L | € millions	2020	vPY	Q4 '20	vPY	vPQ
Core revenues	1,171	1%	298	1%	-
Operating income	1,172	(5%)	302	(4%)	4%
Operating expenses	(520)	(2%)	(145)	8%	15%
Pre-provision profit	**653**	**(8%)**	**158**	**(13%)**	**(4%)**
Regulatory charges	(59)	40%	(6)	91%	(57%)
Risk costs	(225)	224%	(45)	81%	(9%)
Profit before tax	**370**	**(39%)**	**107**	**(30%)**	**6%**
Net profit	**284**	**(38%)**	**83**	**(29%)**	**5%**

Ratios	2020	vPY	Q4 '20	vPY	vPQ
RoCE	8.5%	(5.0pts)	9.7%	(3.7pts)	0.4pts
RoTCE	10.2%	(5.9pts)	11.5%	(4.5pts)	0.4pts
CIR	44.3%	1.6pts	47.9%	5.3pts	4.7pts
Risk cost ratio	0.56%	0.38pts	0.44%	0.17pts	(0.05pts)

Balance Sheet & Capital | € millions	Q4 '20	Q3 '20	vPQ	vPY
Total assets	53,128	51,238	4%	16%
Interest-bearing assets	40,410	40,274	-	10%
Customer loans	32,004	31,545	1%	5%
Customer deposits	32,415	30,433	7%	7%
Common Equity	3,423	3,435	-	4%
Tangible Common Equity	2,871	2,882	-	5%
CET1 Capital	2,819	2,832	-	4%
Risk-weighted assets	20,100	20,246	(1%)	(1%)
CET1 Ratio (post dividend)	**14.0%**	**14.0%**	**-**	**0.7pts**

Per share data	Q4 '20	vPY	vPQ	2020	vPY
Earnings (€)	0.93	(22%)	4%	3.19	(32%)
Book value (€)	38.93	4%	-	38.93	4%
Tangible book value (€)	32.65	5%	-	32.65	5%

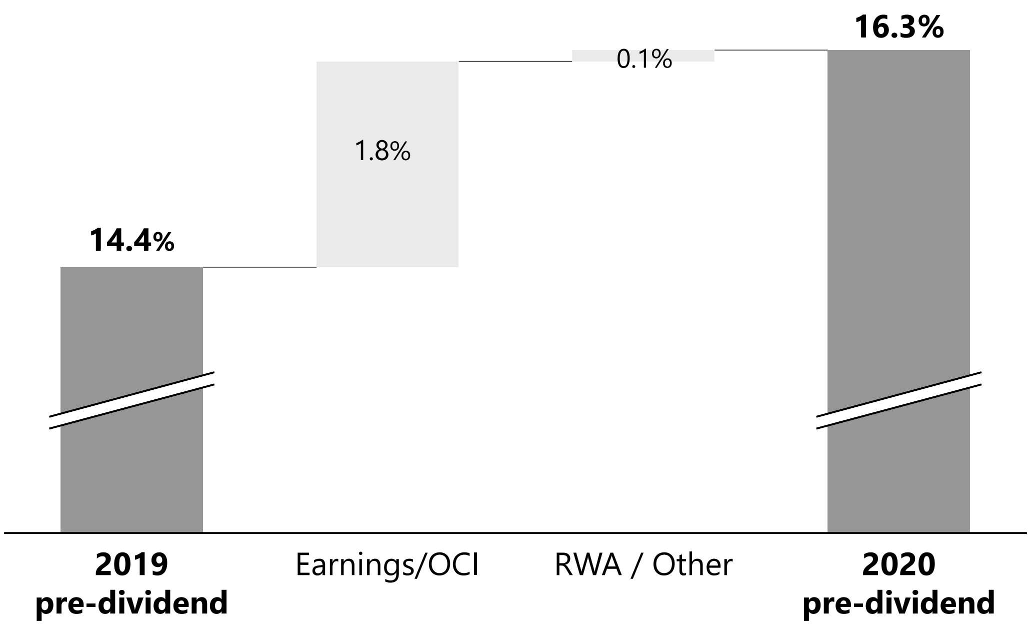
Note: "Post dividend" reflects 2019 and 2020 dividends (€460m) as per dividend policy and special dividend, equals €5.17 per share outstanding

Capital development … CET1 ratio (FL)

Solid capital generation despite macroeconomic downturn

~+180bps

(2020 gross capital generation through earnings)



Q4 '20 CET1 ratio excluding dividend at 16.3% … post dividend of €460m at 14.0%

CET1 ratio target unchanged @12.25% … ~310bps, or ~€620m, above minimum requirement of 9.13%

Main capital actions 2020:

– Issued €175 million AT1 and €200m T2 in Q3 '20 to fill the P2R bucket and created €4b additional RWA capacity

– "City of Linz" worst case scenario fully addressed thru prudential filter; net impact of (~60bps) to CET1 ratio in 2020

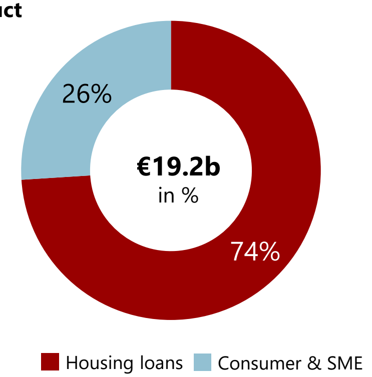
Customer businesses €33.2 billion

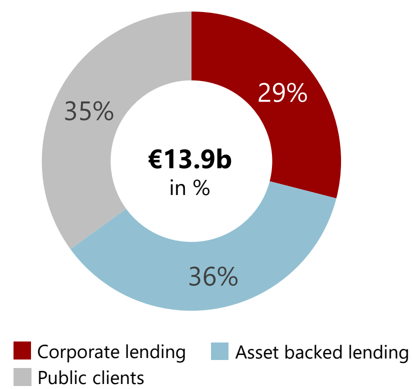
As of December 2020

RETAIL & SME

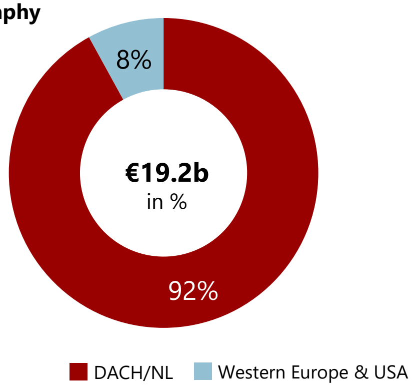
CORPORATES & PUBLIC

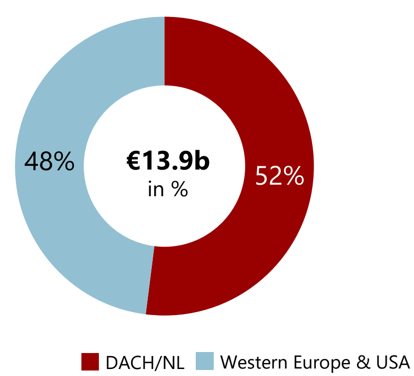
By product





By geography





CUSTOMER BUSINESSES

€33.2 billion of which ...

~79%

Secured or public sector lending

~75%

Lending in DACH/NL

~25%

Western Europe & USA

Retail & SME

Financial performance

€ millions	2020	2019	vPY	Q4 '20	vPQ
Core revenues	882.7	868.3	2%	219.4	-
Net interest income	664.1	626.0	6%	164.4	(1%)
Net commission income	218.6	242.2	(10%)	54.9	1%
Operating income	892.9	870.8	3%	222.7	-
Operating expenses	(360.8)	(372.9)	(3%)	(90.4)	-
Pre-provision profit	**532.2**	**497.9**	**7%**	**132.2**	**-**
Regulatory charges	(31.4)	(27.0)	16%	(4.6)	360%
Risk costs	(126.3)	(76.3)	66%	(21.4)	(21%)
Profit before tax	**374.4**	**394.6**	**(5%)**	**106.3**	**2%**
Net profit	**280.8**	**295.9**	**(5%)**	**79.7**	**2%**

Customer development

€ millions	2020	2019	vPY	Q4 '20	vPQ
Housing loans	14.331	13.068	10%	14.331	2%
Consumer and SME	4.915	5.087	(3%)	4.915	(2%)
Total assets	**19.246**	18.155	**6%**	19.246	**1%**
Total assets (average)	**18.612**	17.381	**7%**	19.163	**2%**
Risk-weighted assets	**8.029**	8.623	**(7%)**	8.029	**(3%)**
Customer deposits	**25.837**	24.848	**4%**	25.837	**5%**
Customer deposits (average)	**24.379**	23.742	**3%**	24.805	**1%**

Ratios

in %	2020	2019	vPY	Q4 '20	vPQ
RoCE	18.9%	20.1%	(1.2pts)	21.5%	0.3pts
RoTCE	22.4%	23.5%	(1.1pts)	25.3%	0.2pts
CIR	40.4%	42.8%	(2.4pts)	40.6%	-
NPL ratio	1.9%	1.9%	-	1.9%	-
Risk cost ratio	0.68%	0.44%	0.24pts	0.44%	(0.13pts)

FY '20 Pre-tax profit of €374m, down (5%) vPY due to higher risk costs ... net asset growth +6% vPY driven by housing loans

Pre-provision profit of €532m in 2020, up +7% vPY ... NII up +6% and costs down (3%); offset by (10%) decline in fee income resulting from COVID-19 triggered lower transaction business

Risk costs of €(126)m in 2020, up 66% vPY ... prudent and conservative provisioning taken ... Current payment holidays of 0.6% as of Feb 5 with 91% paying ratio on expired deferrals with average of 6 months

Continued executing various operational and strategic initiatives ... initiatives taken to drive greater growth and efficiency across Retail & SME franchise

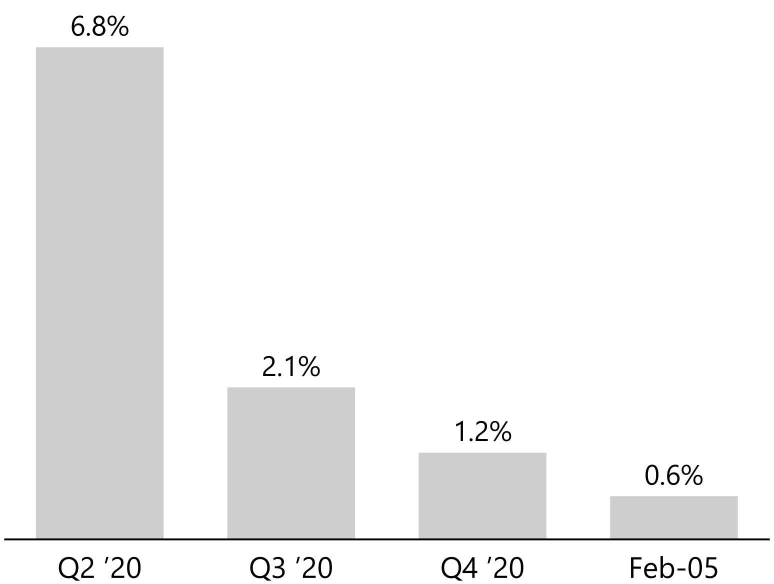
Retail & SME

Portfolio overview of €19.2b of customer loans and leases

Payment deferral overview

	Assets Q4 '20 (€b)	NPL ratio		Reserve development		Reserve ratio		Payment holiday		paying ratio (expired deferrals)	average time on payments (expired deferrals, in months)
		YE '19	YE '20	YE '19	YE '20	YE '19	YE '20	31.12.2020	05.02.2021		
Housing Loans	14.3	1.8%	1.5%	76	93	0.88%	0.65%	1.0%	0.5%	91%	6
Consumer & SME	4.9	1.9%	2.8%	100	188	2.39%	3.79%	1.7%	0.9%	90%	6
Total Retail & SME	**19.2**	**1.9%**	**1.9%**	**176**	**281**	**0.96%**	**1.46%**	**1.2%**	**0.6%**	**91%**	**6**

Payment Holidays Trend Development



Key developments

Highly collateralized Retail & SME business (85%) … primarily mortgages

Consumer & SME lending primarily personal loans to primary banking customers (~80%)

Total reserve build of €105m (+60%) vs YE '19 and increase in reserve ratio from 96bps to 146bps vs YE '19 (+50bps)

91% of expired payment deferrals are current (paying again) with average payment period of 6 months

In Austria, public moratorium expired with 31 January 2021 … Overall, very positive customer behavior, but we will remain prudent and cautious

Corporates & Public

Financial performance

€ millions	2020	2019	vPY	Q4 '20	vPQ
Core revenues	275.1	292.1	(6%)	69.0	1%
Net interest income	236.1	249.1	(5%)	59.0	(1%)
Net commission income	38.9	43.0	(10%)	10.0	8%
Operating income	276.9	292.3	(5%)	70.1	4%
Operating expenses	(80.4)	(100.1)	(20%)	(19.1)	(3%)
Pre-provision profit	**196.5**	**192.2**	**2%**	**51.0**	**6%**
Regulatory charges	(9.3)	(10.0)	(7%)	(0.9)	(10%)
Risk costs	(80.1)	7.6	n.m.	(19.1)	(9%)
Profit before tax	**107.1**	**189.8**	**(44%)**	**31.1**	**19%**
Net profit	**80.3**	**142.4**	**(44%)**	**23.3**	**19%**

Ratios

in %	2020	2019	vPY	Q4 '20	vPQ
RoCE	7.5%	11.7%	(4.2pts)	8.6%	1.3pts
RoTCE	9.3%	14.4%	(5.1pts)	10.6%	1.6pts
CIR	29.0%	34.2%	(5.2pts)	27.2%	(1.8pts)
NPL ratio	1.2%	1.0%	0.2pts	1.2%	0.1pts
Risk cost ratio	0.58%	(0.05%)	0.63pts	0.54%	(0.07pts)

Customer development

€ millions	2020	2019	vPY	Q4 '20	vPQ
Corporate lending	4.060	5.188	(22%)	4.060	(5%)
Asset backed lending	4.954	4.602	8%	4.954	(1%)
Public clients	4.899	3.351	46%	4.899	13%
Total assets	**13.913**	13.141	**6%**	13.913	**2%**
Total assets (average)	**13.587**	14.009	**(3%)**	13.813	**2%**
Risk-weighted assets	**7.431**	7.932	**(6%)**	7.431	**-**
Customer deposits	**5.902**	5.019	**18%**	5.902	**14%**
Customer deposits (average)	**5.328**	5.656	**(6%)**	5.613	**1%**

FY '20 Pre-tax profit €107m, down (44%) vPY due to higher risk costs … net assets up 6% vPY driven by short-term public sector lending

Pre-provision profit €197m in 2020, up +2% vPY … Operating income down (5%) offset by cost reductions (20%)

Risk costs of €(80)m in 2020, of which €49m specific reserves … primarily related to residual O&G exposures that have been written-off

Maintaining disciplined and conservative underwriting … will remain patient and continue to focus on risk-adjusted returns

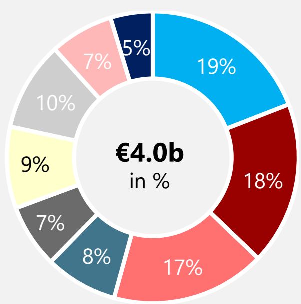
Corporates & Public

Portfolio overview of €13.9 billion of customer loans … whereof €4.9b in public sector

Payment Deferral overview

	Assets Q4 '20 (€b)	NPL ratio		Reserve development		Reserve ratio		Payment holiday		paying ratio (expired deferrals)	average time on payments (expired deferrals, in months)
		YE '19	YE '20	YE '19	YE '20	YE '19	YE '20	31.12.2020	05.02.2021		
Total Corporates and Public	**13.9**	**1.0%**	**1.2%**	**77**	**115**	**0.58%**	**0.82%**	**0.2%**	**0.1%**		
Corporate & Asset Backed Lending	9.0	1.4%	1.8%	76	114	0.78%	1.27%	0.4%	0.2%	100%	6

CORPORATE LENDING … €4.0b



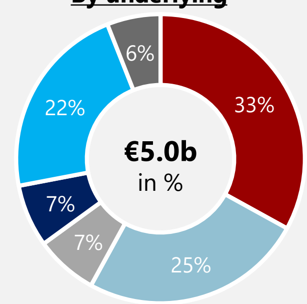
Cyclical sectors	Net book value (€m)			NPL
	YE '19	YE '20	Jan '21	YE '20
Shipping	40	22	0	0
Oil & Gas	29	0	0	0
Hotels	15	13	13	0
Retailer	29	9	9	0
Total	**114**	**44**	**22**	**0**

– Disciplined and conservative underwriting over the years focused on risk-adjusted returns and not chasing volume growth

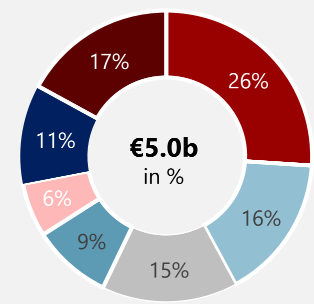
– Proactively managing higher-risk cyclical exposures … De-minimis remaining exposure of €22m (down by ~81% vs YE '19)

ASSET BACKED LENDING … €5.0b

By underlying



By geography



Underwriting overview

Historically disciplined underwriting:

- Senior secured
- Day 1 LTC/V < 65%
- Interest Coverage Ratio (ICR >2.0x)

Commentary

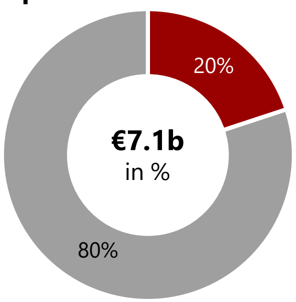
- Solid portfolio performance … Positive customer responses and actions to date
- As of YE '20, direct exposure to Hotel/Retail of ~8%, of which ~16% NPL and conservatively reserved
- Hotel/Retail with over 39% avg. pay down, ~6 months interest reserve

Investment book and Cash

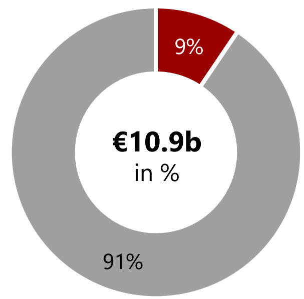
Deployed excess cash into high-quality securities in 2020

YE '19 | **YE '20**

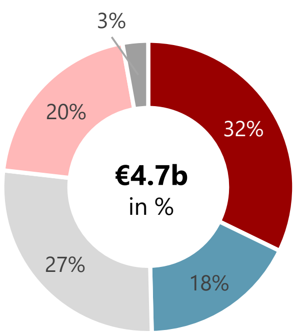
Cash & Cash equivalent



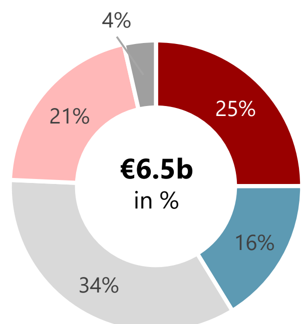
+€ 3.8b



Investment book



+€ 1.8b



As of YE '20, cash and cash equivalents (mainly money at central banks) at €10.9b … TLTRO III of €5.8b in Q2 '20

Investment book primarily serves as liquidity book of the Bank

Focus on low credit risk, high liquidity, shorter duration and solid diversification in terms of geography and issuers:

- No non-performing assets
- 96% portfolio investment grade, with 75% A or higher
- Weighted average life of 4.1 years
- ~400 positions, average size ~€16m

P&L & key ratios

P&L | € millions	**Q4 '20**	**vPY**	**vPQ**	**2020**	**vPY**
Net interest income	233.8	4%	-	916.3	4%
Net commission income	64.3	(8%)	2%	254.8	(10%)
Core revenues	**298.1**	**1%**	**-**	**1,171.1**	**1%**
Other revenues	4.2	(79%)	(157%)	1.2	(98%)
Operating income	**302.3**	**(4%)**	**4%**	**1,172.3**	**(5%)**
Operating expenses	**(144.7)**	**8%**	**15%**	**(519.7)**	**(2%)**
Pre-provision profit	**157.6**	**(13%)**	**(4%)**	**652.6**	**(8%)**
Regulatory charges	(6.1)	91%	(57%)	(59.2)	40%
Risk costs	(45.3)	81%	(9%)	(224.6)	224%
Profit before tax	**107.3**	**(30%)**	**6%**	**369.9**	**(39%)**
Income taxes	(24.5)	(34%)	10%	(85.4)	(41%)
Net profit	**83.0**	**(29%)**	**5%**	**284.2**	**(38%)**

Key ratios	**Q4 '20**	**vPY**	**vPQ**	**2020**	**vPY**
Return on Common Equity	9.7%	(3.7pts)	0.4pts	8.5%	(5.0pts)
Return on Tangible Common Equity	11.5%	(4.5pts)	0.4pts	10.2%	(5.9pts)
Net interest margin	2.28%	(0.08pts)	(0.03pts)	2.29%	(0.01pts)
Cost-income ratio	47.9%	5.3pts	4.7pts	44.3%	1.6pts
Risk cost ratio	0.44%	0.17pts	(0.05pts)	0.56%	0.38pts
Earnings per share (in €)	0.93	(22%)	4%	3.19	(32%)
Tangible book value per share (in €)	32.65	5%	(0%)	32.65	5%

Net interest income stable vPQ but +4% vPY due to higher interest-bearing assets in prior quarters

NCI +2% vPQ and (8%) vPY … slight recovery despite lockdown starting in November

Risk costs of €(45)m in Q4 '20 … remaining cautious and conservative with no ECL reserve releases

Balance sheet

Growing overall balance sheet thru increased interest-bearing assets

Balance sheet | € billions	**2020**	**2019**	**vPY**	**vPQ**
Customer loans	32.0	30.5	5%	1%
Securities and bonds	7.5	5.4	41%	(3%)
Credit institutions and cash	10.9	7.1	53%	17%
Other assets	2.7	2.7	(1%)	1%
Total assets	**53.1**	**45.7**	**16%**	**4%**
thereof Average interest-bearing assets	39.9	38.2	5%	1%
Customer deposits	32.4	30.4	7%	7%
Own issues	6.5	5.4	19%	(1%)
Credit institutions	7.5	3.1	144%	-
Other liabilities	2.4	2.9	(19%)	(6%)
Common equity	3.4	3.3	4%	-
Dividend accrual	0.5	0.2	97%	38%
AT1 capital	0.5	0.3	59%	-
Total liabilities & equity	**53.1**	**45.7**	**16%**	**4%**

Capital & RWA | € billions	**2020**	**2019**	**vPY**	**vPQ**
Common equity	3.4	3.3	4%	-
Tangible common equity	2.9	2.7	5%	-
CET1 capital	2.8	2.7	4%	-
Risk-weighted assets	20.1	20.4	(1%)	(1%)
CET1 ratio (post dividend)	14.0%	13.3%	0.7pts	-
Leverage ratio	6.1%	6.5%	(0.4pts)	(0.3pts)
Liquidity Coverage Ratio	231%	146%	85pts	41pts

Growing average interest-bearing assets (+5%) vPY thru mix of growth in customer loans and securities

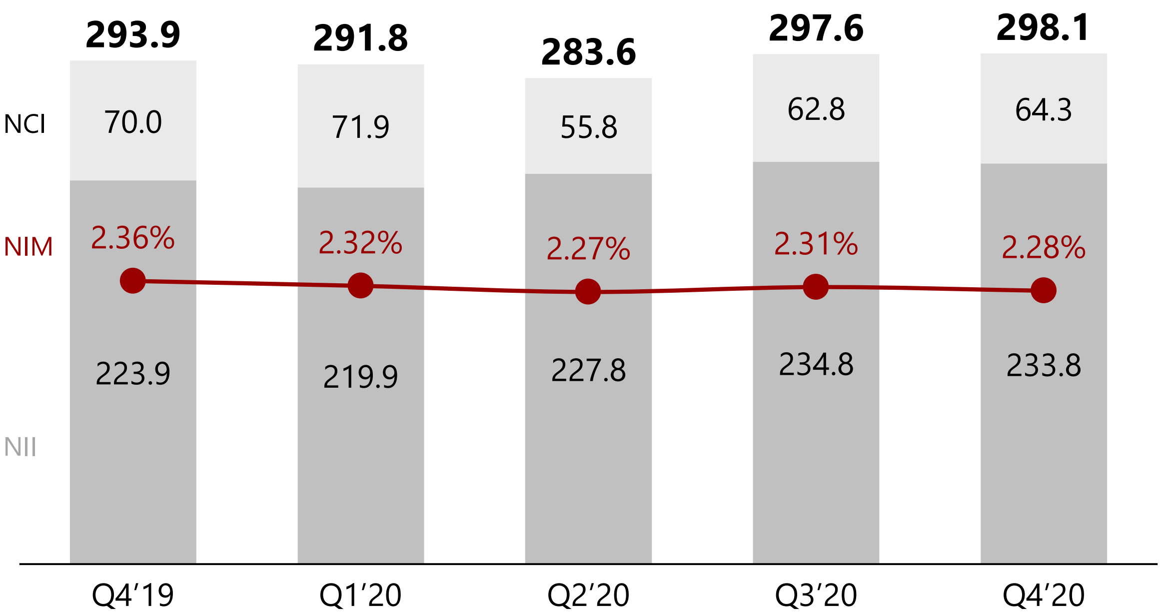
Risk weighted assets slight decrease vPY reflecting change in asset mix

Tangible Common Equity +5% vPY and CET1 ratio 14.0% (+70bps) post deduction of € 460m earmarked dividend

P&L details – core revenues

Solid core revenues in Q4 ’20 … NCI still impacted by COVID-19 effects

€ millions



Customer loans | Average interest-bearing assets | € billions

30.5	31.1	31.4	31.5	32.0
37.6	38.1	40.4	40.4	40.9

Net interest income (NII) stable vPQ … net interest margin (NIM) at 2.28% in Q4 ’20

- Positive annual trend resulting from increasing average interest-bearing assets
- Changing asset mix over time (more secured vs. unsecured lending) impacting overall NIM

Net commission income (NCI) up 2% vPQ

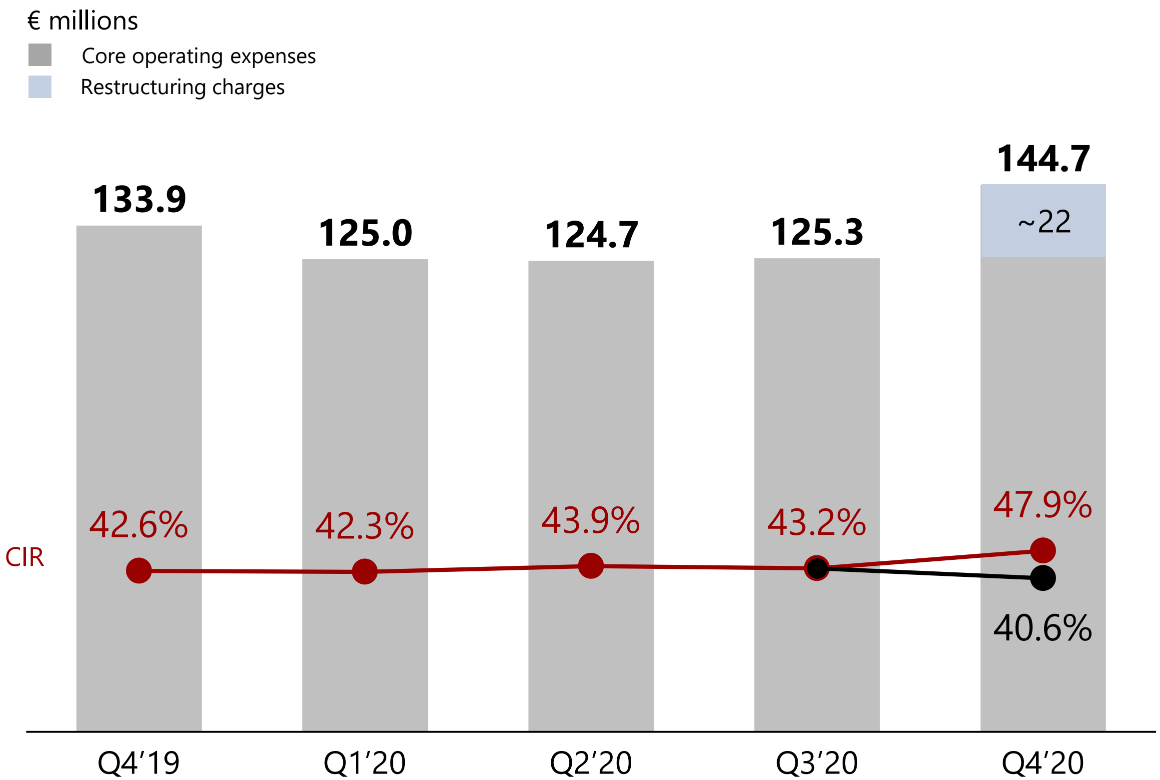
- Slight recovery in Q4 ’20 … lockdown in Q4 ’20 shorter than in Q2 ’20
- Still subdued activity in selected business areas compared to previous year … down 8% vPY

<u>Outlook for 2021</u>

- Expect core revenues growing ~2% in 2021
- Anticipate subdued activity during H1 ’21 followed by a normalized environment in H2 ’21

P&L details – operating expenses

Core costs lower versus prior year … Q4 ’20 includes restructuring costs



Cost-income ratio at 47.9% in Q4 ’20 … FY 44.3% and 42.5% when excluding restructuring charges

FY ’20 core operating expenses down 6% vPY as a result of ongoing efficiency measures

- Booked ~€22m restructuring in Q4 ’20 to accelerate new efficiency and productivity measures

Adapting to post COVID-19 world

- Planting the seeds for greater scale, greater digital engagement, and continued rollout of simplification initiatives across the Group

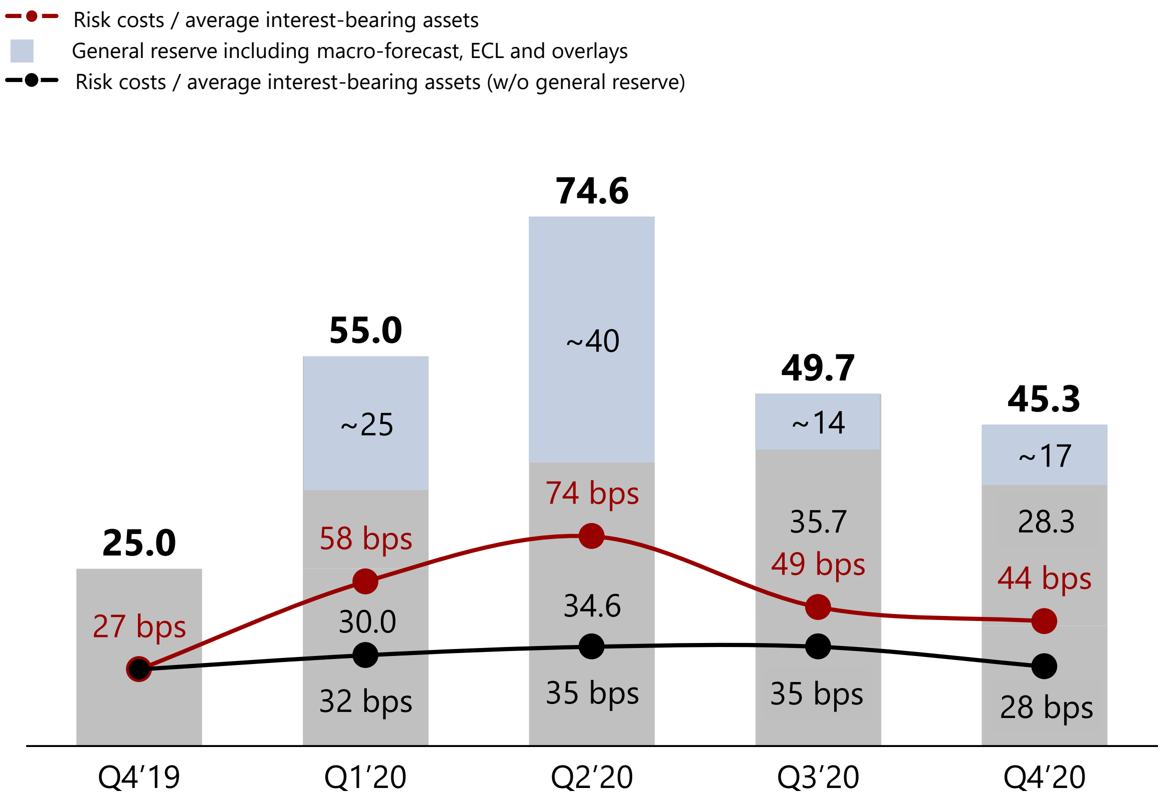
Outlook for 2021

- Operating expenses expected below €485m in 2021 … target cost-income ratio below 41%
- Mid-term cost-income ratio target below 40%

P&L details – risk costs

Strong underlying asset quality

€ millions



NPL ratio (as reported and excluding CoL)

1.7%	1.6%	1.5%	1.5%	1.5%
1.1%	1.1%	1.0%	1.1%	1.1%

Q4 '20 risk costs €45m … risk cost ratio at 44bps

- €19m specific reserves in our Corporates business to address cyclical exposures
- Normal risk cost run-rate in Retail & SME ~€16m

Maintain safe & secure balance sheet through disciplined and proactive risk management

- Booked ~€100m ECL reserves, of which €38m management overlay, based on most severe macro forecast for 2020 of -12.6% GDP
- Focused on developed markets … ~75% DACH/NL region and ~25% Western Europe / United States
- Conservative underwriting with a focus on secured lending … 79% of customer loans is secured or public sector lending

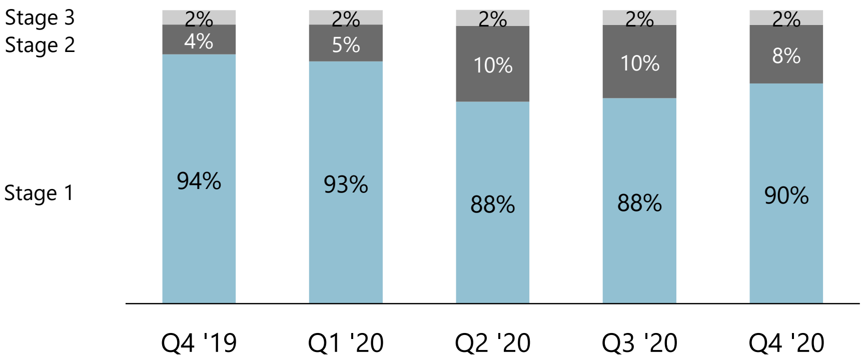
Outlook for 2021

- Expected >40% reduction vs. 2020 based on current macroeconomic assumptions

Details on reserves

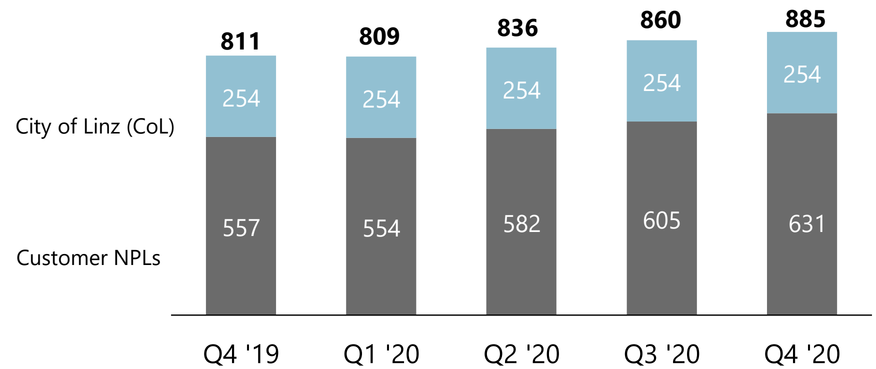
Continuing to remain prudent despite improved economic forecast

IFRS 9 Migration- Customer Segment Assets



	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20
Customer business	**31.3**	**31.8**	**32.4**	**32.7**	**33.2**
Less public sector	*3.4*	*3.7*	*4.4*	*4.3*	*4.9*
Asset base	**27.9**	**28.1**	**28.0**	**28.3**	**28.3**

Non-performing stage 3 loans, in €m



	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20
NPL ratio excl. CoL (%)	1.1%	1.1%	1.0%	1.1%	1.1%
NPL cash coverage excl. CoL	37%	39%	39%	43%	46%
NPL ratio (%)	1.7%	1.6%	1.5%	1.5%	1.5%
NPL cash coverage	32%	33%	36%	45%	62%

ECLs (Stage 1&2) and SPECIFIC RESERVES (Stage 3)

	Q4 '19	Q1 '20	Q2 '20	Q3 '20	Q4 '20	vYE %
Stage 1	39	59	67	70	67	69%
Stage 2	17	22	56	58	64	264%
Stage 3	205	218	226	262	271	33%
Total Reserves	**262**	**299**	**349**	**390**	**402**	**54%**

Key developments:

NPL ratio (excluding City of Linz) at 1.1%, with cash coverage of 46% (+9pts from YE '19)

Total reserves increased €140m vYE '19 (+54%), of which ECLs up €73m (+129%) and Stage 3 reserves up €67m (+33%)

Booked ~€100m ECL reserves, of which €38m management overlay, based on most severe macro forecast for 2020 of -12.6% GDP

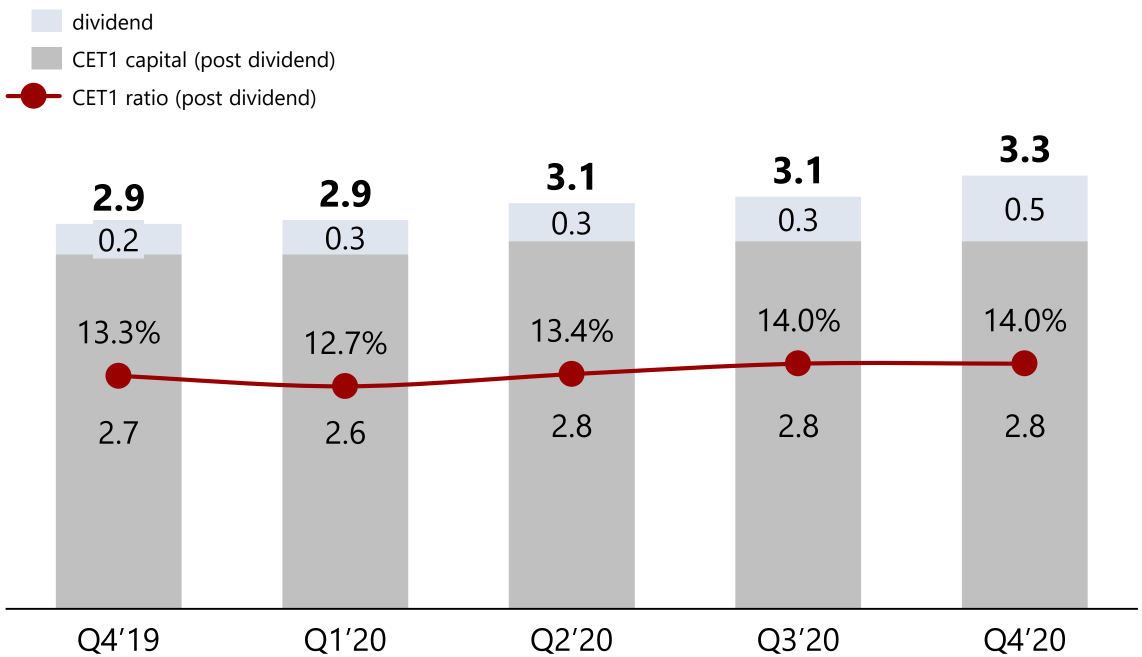
City of Linz receivable marked on balance sheet at 60% … Worst case scenario fully provisioned through capital prudential filter

Regulatory Capital

Strong capital position

€ billions

CET1 Capital and ratios



RWA | € billions | **Tier 1 ratio**[1] | **Total capital ratio**[1] | **Leverage ratio**[1]

	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20
RWA	20.4	20.9	20.8	20.2	20.1
Tier 1 ratio	14.7%	14.1%	14.8%	16.3%	16.4%
Total capital ratio	17.0%	16.3%	17.0%	19.6%	19.6%
Leverage ratio	6.5%	6.3%	5.9%	6.4%	6.1%

1) Post dividend accrual

Impact of capital measures:

- "City of Linz" worst case scenario fully addressed through prudential filter; net impact of (60bps) to CET1 ratio in 2020
- Software intangibles & SME factor: ~60bps positive impact to CET 1 ratio in 2020

Dividends:

- **€460m dividends earmarked** for distribution

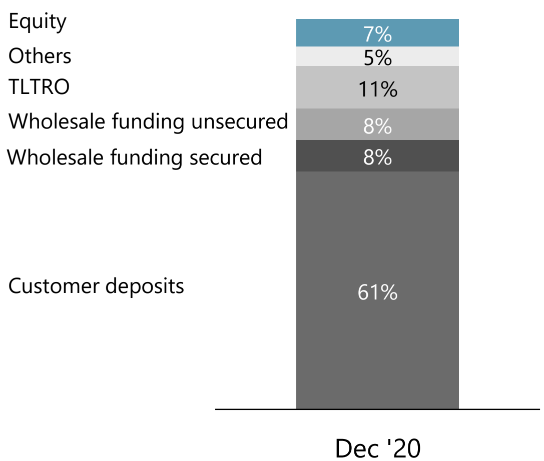
Capital development:

- Tier1 capital ratio increased to 16.4% and Total Capital ratio to 19.6% during 2020
- Target CET1 ratio of 12.25% is ~310bps above MDA trigger of 9.13%
- Current CET1 ratio (post dividend) ~500bps above MDA trigger of 9.13%

Funding & Liquidity

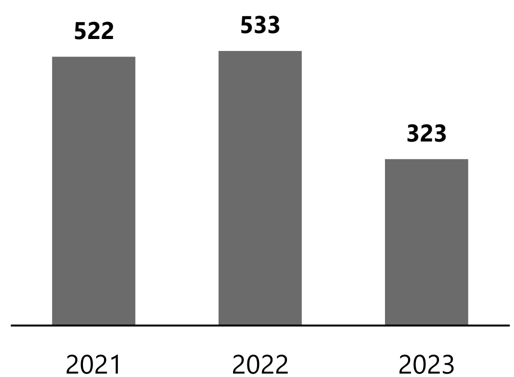
FUNDING

STRONG CUSTOMER DEPOSIT FUNDING …



… AND COMFORTABLE MATURITY PROFILE

€ millions notional



- Covered bonds important capital market funding source going forward … €1.75b executed in 2020
- Participated in TLTRO III in June '20 for €5.8b (full capacity) … expect upsizing by ~€0.6b in March '21
- P2R optimization executed … €175m AT1 and €200m Tier2 issued in Sep '20
- Additional ~€1.0b-1.5b senior instruments to replace maturities, meet MREL requirement and build buffer until year end 2023

LIQUIDITY

Liquidity coverage ratio

231%

Liquidity buffer

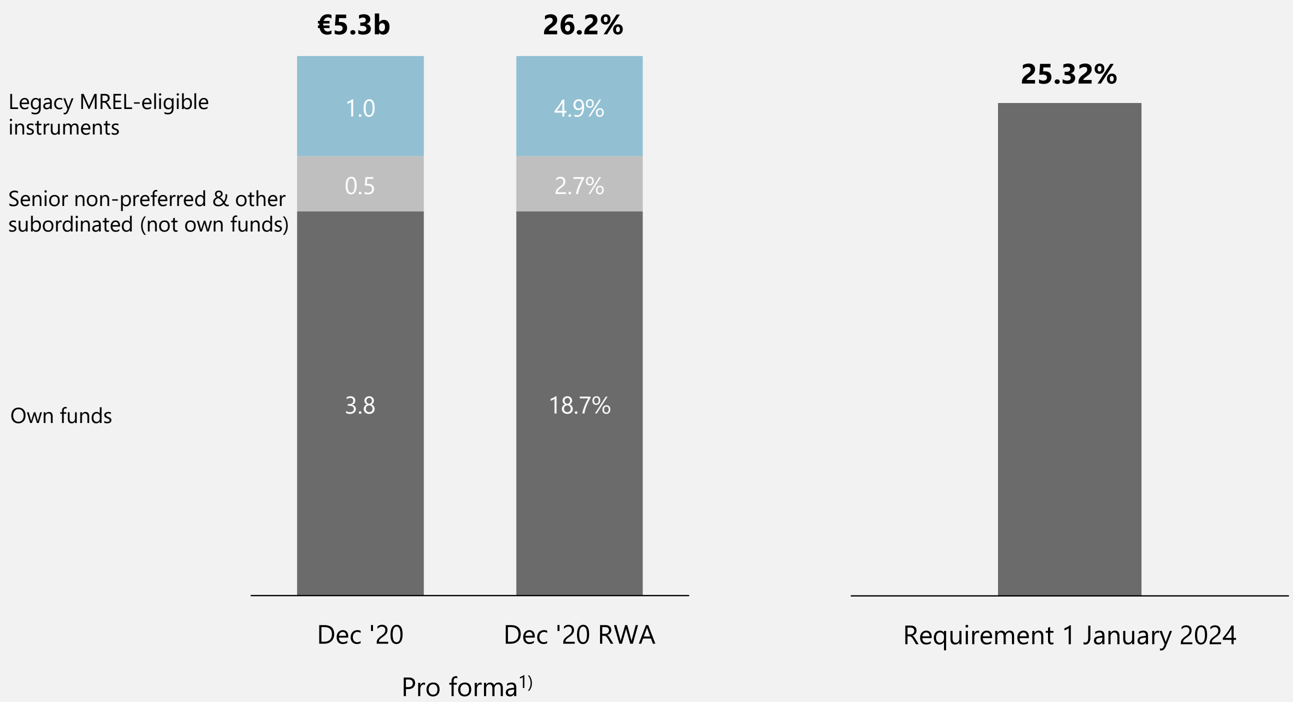
€10.3b

Liquidity buffer
Including other marketable securities

€13.7b

MREL

MREL-REQUIREMENT



1) Taking into account effects from merger with Südwestbank AG expected to be closed in Q1 2021

MREL-STRATEGY

New MREL decision received in Feb '21 fully reflecting CRR2/BRRD2 with final requirements from 1 January 2024:

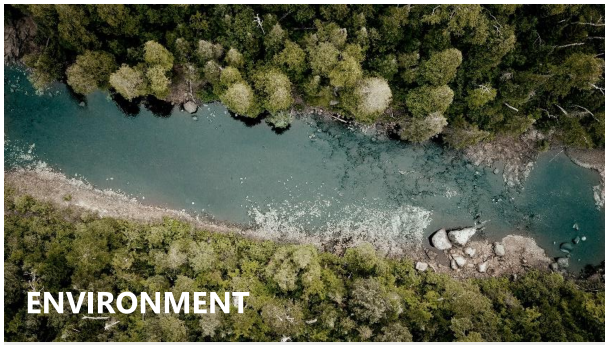
- Requirement applicable at BAWAG P.S.K. level (consolidated)
- MREL ratio as of Q4 2020 of 26.2% already in line with end state requirement of 25.32% of RWA
- Currently no subordination requirement
- Interim target lowered due to COVID-19 pandemic … 2022 interim target of c. 22% already met

Our MREL strategy with consideration of multi-year phase in:

- €500m SNP successfully issued in August 2019
- Additional ~€1.0b-1.5b senior instruments to replace maturities, meet MREL requirement and build buffer until year end 2023

ESG embedded into our strategic roadmap

Committed to responsible, sustainable and profitable growth



- Reduce own Scope 1 and Scope 2 CO_2 emissions mid-term
- Switch to 100% green electricity mid-term … already at 97% as of YE ’20
- Continuously increasing ESG-related products – both for environmental and social factors
- Introducing lending criteria and/or exclusion criteria for specific industries in 2021 … low or no volumes in customer book today
- Planning a green bond issuance in 2021 … subject to market conditions

- Empower our clients by continuously enhancing our services and digital/online functionalities for their financial well-being
- Empower our employees by offering broad-based career opportunities & focus on enhancing trainings and development programs
- Increase the number of women in management positions … offering targeted development programs
- Intensify collaboration with dedicated partners, bundling activities across the region and leveraging activities on a regional level for local communities

- Executive body of ESG-topics is the Non-Financial Risk & ESG Committee at Managing Board level
- Selective topics like Data Privacy & IT security are integrated in Supervisory Board Committees
- Establishing a clear governance to address climate risks … addressing supervisory expectations and regulations

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Annex – Definitions and abbreviations

After-tax earnings per share (EPS)
Net profit / weighted average number of shares outstanding (diluted)

B/S leverage
Total assets / IFRS equity

Common Equity Tier 1 capital (CET1)
including interim profit and deducts earmarked dividends

Common Equity Tier 1 ratio
Common Equity Tier 1 capital (CET1) / risk-weighted assets

Core revenues
The total of net interest income and net fee and commission income

Cost-income ratio
Operating expenses (OPEX) / operating income

Customer Loans
Loans to customers measured at amortized cost

Common equity
Equity attributable to the owners of the parent; excluding minorities, AT1 and deducted dividend accrual

FL … Fully-loaded

Leverage ratio
Tier 1 capital (including interim profit and dividend accruals) / total exposure (calculation according to CRR)

Net interest margin (NIM)
Net interest income (NII) / average interest-bearing assets

NPL cash coverage
Stage 3 including prudential filter / NPL exposure economic

NPL ratio
NPL exposure economic / exposure

Pre-tax earnings per share
Profit before tax / weighted average number of shares outstanding (diluted)

Return on common equity (RoCE)
Net profit / average IFRS common equity and deducted dividend accruals
average equity based on 1 January 2018 due to IFRS 9 implementation

Return on tangible common equity (RoTCE)
Net profit / average IFRS tangible common equity and deducted dividend accruals;
average equity based on 1 January 2018 due to IFRS 9 implementation

Risk cost ratio
Provisions and loan-loss provisions, impairment losses and operational risk (risk costs) / average interest-bearing assets

Tangible book value / share
IFRS tangible equity (excluding AT1 capital, deducted dividend accruals) / number of shares outstanding

Tangible common equity
Common equity reduced by the carrying amount of intangible assets

Total capital ratio
Total capital / risk-weighted assets

vPY … versus prior year period
vYE … versus year-end
vPQ … versus prior quarter period

Note: Tables in this presentation may contain rounding differences. Already published historic figures may vary due to adjustments.