

Proposals for Resolutions on the Agenda Items

Agenda item 1: Presentation of the approved annual financial statements together with the management report, the consolidated corporate governance report, the consolidated financial statements together with the consolidated management report, the proposal for a resolution on the appropriation of profit and the report of the Supervisory Board for the financial year 2020

No resolution is required on this agenda item.

Agenda item 2: Resolution on the appropriation of profit

The Management Board and the Supervisory Board propose that the General Meeting adopts the following resolution:

"The profit available for distribution recognized in the annual financial statements of BAWAG Group AG as of 31 December 2020 in the amount of EUR 3,298,832,955.87 shall be appropriated in accordance with the Management Board's proposal as follows: Each share which is entitled to a dividend on the record date (7 October 2021) shall receive a dividend in the amount of EUR 4.7218, adding up to a maximum of EUR 419,562,000. The remaining amount shall be carried forward to new account.

The dividend shall be paid out on 8 October 2021, ex dividend day will be 6 October 2021. This resolution is subject to the conditions precedent, that

- (i) *until 30 September 2021, end of day, the European Central Bank*
 - a. *does not publish a recommendation, pursuant to which the 'Recommendation of the European Central Bank of 15 December 2020 on dividend distributions during the COVID-19 pandemic and repealing Recommendation ECB/2020/35 (ECB/2020/62, 2020/C 437/01) is extended beyond 30 September 2021; and*
 - b. *does not publish any other recommendation or adopt any decision which would preclude BAWAG Group AG to distribute dividends in line with this resolution; and*
- (ii) *at the time of the fulfilment of the condition precedent under item (i), no other legal prohibition applies to pay out the dividend in line with this resolution.*

If any of these conditions precedents is not fulfilled, the entire profit available for distribution recognized in the annual financial statements of BAWAG Group AG as of 31 December 2020 shall be carried forward to new account."

Explanatory Notes: On 27 July 2020, the European Central Bank ("ECB") recommended to credit institutions that until 1 January 2021 no dividends shall be paid out and no irrevocable commitment to pay out dividends shall be undertaken for the financial years 2019 and 2020 (*Recommendation of the ECB of 27 July 2020 on dividend distributions during the COVID-19 pandemic ECB/2020/35 [2020/C 251/01]*).

On 15 December 2020, the ECB published another recommendation (*Recommendation of the ECB of 15 December 2020 on dividend distributions during the COVID-19 pandemic and repealing Recommendation ECB/2020/35*

ECB/2020/62 [2020/C 437/01]) pursuant to which until 30 September 2021 significant credit institutions shall exercise extreme prudence when deciding on or paying out dividends or performing share buy-backs aimed at remunerating shareholders. The ECB generally considered that it would not be prudent to make distributions of more than 15% of the accumulated profit for the financial years 2019 and 2020 or more than 20 basis points in terms of the Common Equity Tier 1 ratio, whichever is lower.

BAWAG Group AG has repeatedly communicated that it intends to distribute dividends in the aggregate amount of EUR 460 million in 2021. This corresponds to the earmarked profits in the amount of EUR 372 million for the financial years 2019 and 2020. Additionally, a special dividend of EUR 88 million for 2020 is suggested, so as to keep the absolute dividend payment amount of EUR 230 million consistent between 2019 and 2020. To that end, BAWAG's Management Board has convened an extraordinary meeting on 3 March 2021 and, together with the Supervisory Board, suggested distributing a dividend in the amount of EUR 0.4551 per share which is entitled to a dividend, adding up to dividends of EUR 40,438,000, corresponding to the maximum amount which BAWAG Group AG was allowed to distribute.

Now, following the announcement of the ECB not to extend beyond 30 September 2021 its recommendation that banks limit dividends (*Recommendation of the ECB of 23 July 2021 repealing Recommendation ECB/2020/62 [ECB/2021/31]*), the Management Board and the Supervisory Board suggest the distribution of the remaining EUR 420 million. The resolution is subject to conditions precedents to particularly account for the limits set forth by the ECB which formally remain applicable until the end of 30 September 2021.

Agenda item 3: Resolution on granting discharge to the members of the Management Board with regard to the financial year 2020

The Management Board and the Supervisory Board propose that the General Meeting adopts the following resolution:

"All members of the Management Board of BAWAG Group AG incumbent in the financial year 2020 are granted discharge for their activity in the financial year 2020."

Agenda item 4: Resolution on granting discharge to the members of the Supervisory Board with regard to the financial year 2020

The Management Board and the Supervisory Board propose that the General Meeting adopts the following resolution:

"All members of the Supervisory Board of BAWAG Group AG incumbent in the financial year 2020 are granted discharge for their activity in the financial year 2020."

Agenda item 5: Appointment of the auditor and the group auditor for audit of the annual financial statements and the consolidated financial statements for the financial year 2022

The Supervisory Board proposes that the General Meeting adopts the following resolution:

"KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft will be appointed auditor of the annual financial statements and the management report as well as the consolidated financial statements and the consolidated management report for the financial year 2022."

Explanatory Notes: The auditor for the current financial year 2021, which is also KPMG Austria GmbH Wirtschaftsprüfungs- und Steuerberatungsgesellschaft, was appointed in the annual general meeting held on 30 October 2020.

Agenda item 6: Approval of the Remuneration Report 2020

The Management Board and the Supervisory Board propose that the General Meeting adopts the following resolution:

"The Remuneration Report for the financial year 2020 concerning the Management Board and the Supervisory Board shall be approved."

Explanatory Notes: The remuneration report for the financial year 2020 was drawn up in accordance with the relevant provisions and resolved on by both Management Board and Supervisory Board.

Agenda item 7: Amendment of the Articles of Association in Section 9

The Management Board and the Supervisory Board propose that the General Meeting adopts the following resolution:

"The Company's Articles of Association shall be amended in Section 9.1 Para (1) and shall read as follows:

*"The Supervisory Board shall consist of at least three and a maximum of six members elected by the General Meeting and/or delegated by shareholders according to section 88 AktG (owner representatives) as well as the staff representatives delegated by the works council in accordance with the Works Constitution Act, as amended ("**ArbVG**"). The shareholder GoldenTree Holdco Lux 2 S.à r.l., registered with the Luxembourg Trade and Companies Register (Registre de Commerce et des Sociétés) under No. B176469, shall have the right to delegate one of the members of the Supervisory Board as long as GoldenTree Holdco Lux 2 S.à r.l. holds a direct participation in the Company of at least one share. The total number of members delegated pursuant to section 88 AktG must not exceed one third of the total number of members elected by the General Meeting and/or delegated by shareholders according to section 88 AktG (owner representatives).'"*

Explanatory Notes: According to the recommendation of the Supervisory Board's Nomination and Remuneration Committee, the Company's Supervisory Board shall be increased to six capital representatives, which requires an amendment of the Articles of Association.

Agenda item 8: Elections to the Supervisory Board

The Supervisory Board proposes that the General Meeting adopts the following resolutions:

1. *"The number of capital representatives on the Supervisory Board shall be increased from currently four to six persons."*
2. *"Ms Gerrit Schneider, born on 24 August 1973, is appointed as a member of the Supervisory Board of BAWAG Group AG with effect from the registration of the amendment to the Articles of Association pursuant to agenda item 7 in the commercial register, until the end of the Annual General Meeting which resolves on the discharge for the financial year 2024."*

3. *"Ms Tamara Kapeller, born on 29 March 1978, is appointed as a member of the Supervisory Board of BAWAG Group AG with effect from the registration of the amendment to the Articles of Association pursuant to agenda item 7 in the commercial register, until the end of the Annual General Meeting which resolves on the discharge for the financial year 2024."*
4. *"Mr Egbert Fleischer, born on 27 March 1957, is appointed as a member of the Supervisory Board of BAWAG Group AG with effect as of the end of this Annual General Meeting until the end of the Annual General Meeting which resolves on the discharge for the financial year 2024."*
5. *"Mr Kim Fennebresque, born on 20 March 1950, is appointed as a member of the Supervisory Board of BAWAG Group AG with effect as of the end of this Annual General Meeting until the end of the Annual General Meeting which resolves on the discharge for the financial year 2024."*
6. *"Mr Adam Rosmarin, born on 31 January 1963, is appointed as a member of the Supervisory Board of BAWAG Group AG with effect as of the end of this Annual General Meeting until the end of the Annual General Meeting which resolves on the discharge for the financial year 2024."*

Explanatory Notes: The Nomination and Remuneration Committee of the Supervisory Board recommended an increase of the Supervisory Board by two additional capital representatives to a total of six capital representatives and to elect two additional female members. The resolution proposals were made in compliance with the requirements of § 87 para 2a of the Stock Corporation Act (AktG) and the Corporate Governance Code.

Further, the current elected members of the Supervisory Board shall be re-elected for a four year's term until the end of the annual general meeting to be held in 2025 to ensure continuity of a successful team, after the members of the Management Board having extended their contracts through 2026 already last year.

The Nomination and Remuneration has evaluated the professional and personal qualifications of the members as well as the balanced composition of the Supervisory Board within the meaning of section 87 para 2a of the Stock Corporation Act (AktG) and has given due consideration to aspects of diversity of the Supervisory Board with regard to the representation of both genders, the age structure as well as the international and professional background of the nominees.

Currently, the Supervisory Board consists of four male capital representatives as well as one male and one female employee representative. After increasing the number of capital representatives to six (as proposed under agenda item 7 of this Annual General Meeting), section 86 para 7 of the Stock Corporation Act (AktG) will require at least 30 per cent of the members of the Supervisory Board to be female. Further, the Nomination and Remuneration Committee has set a female target quota of 33% at Supervisory Board level to be reached by 2027.

If the Annual General Meeting follows the proposal of the Supervisory Board and given that the works council has confirmed to delegate another female, the Supervisory Board will then consist of four women and five men, resulting in a 44.4% quota in terms of female representation at the Supervisory Board. Both, the legal requirements and the internal target would be thus exceeded.

Each proposed candidate has submitted a declaration pursuant to section 87 para 2 of the Stock Corporation Act (AktG), which is available on the Company's website together with a curriculum vitae. Each candidate has declared in particular that

1. all circumstances in connection with section 87 para 2 of the Stock Corporation Act (AktG) have been disclosed and that, in the assessment by the proposed candidates, there are no circumstances that could give rise to concerns of bias,

2. the proposed candidates have not been convicted of any criminal offence, in particular not of any offence that would doubt their professional reliability pursuant to section 87 para 2a sentence 3 of the Stock Corporation Act (AktG), and
3. there are no impediments to the appointment within the meaning of section 86 para 2 and 4 of the Stock Corporation Act (AktG).

Agenda item 9: Resolution to authorize the Management Board

- a. to acquire the Company's own shares pursuant to Section 65 Para 1 no 8 and Para 1a and 1b Austrian Stock Corporation Act (AktG) via the stock exchange, a public offer or over-the-counter, also with the exclusion of pro rata shareholder rights of re-purchase (reverse exclusion of subscription rights),**
- b. to decide on any other mode of transferring the Company's own shares pursuant to Section 65 Para 1b AktG, i.e. other than via the stock exchange or a public offer, while applying *mutatis mutandis* the rules on the exclusion of shareholder subscription rights,**
- c. to reduce the share capital by canceling these treasury shares with no further resolution of the General Meeting,**
- d. all of the above (a. through c.) whilst revoking the corresponding authorization in accordance with the resolution on item 9 of the agenda adopted by the General Meeting on 30 October 2020.**

The Management Board and the Supervisory Board propose that the General Meeting adopts the following resolutions:

"a. The Management Board shall be authorized for a period of 30 months from the date of today's resolution in accordance with Section 65 Para 1 no 8 and Para 1a and 1b AktG to acquire own shares of the Company.

The consideration to be paid per share when acquiring shares must not be lower than EUR 1.00 (= calculated proportion of the share capital) and must not be more than 50 percent above the volume weighted average price of the last 20 trading days preceding the respective purchase; in the event of a public offer, the reference date for the end of this period shall be the day on which the intention to launch a public offer has been announced (Section 5 Paras 2 and 3 Austrian Takeover Act ("ÜbG")). The Management Board is authorized to determine the repurchase conditions.

The Management Board may exercise this authorization within the statutory limits on the maximum number of own shares either once or on several occasions, provided that the percentage amount of the share capital of the Company relating to shares held by the Company on account of this authorization or otherwise does not exceed 10 percent of the share capital at any time. Repeated exercise of this authorization is permissible. Also, it may be exercised for one or several purposes by the Company, by a subsidiary (Section 189a no 7 of the Commercial Code) or by third parties acting on behalf of the Company.

The acquisition may take place at the discretion of the Management Board via the stock exchange or a public offer or, with the consent of the Supervisory Board, in any other legally permissible, appropriate manner, in particular, also under exclusion of the shareholders' pro-rata rights of re-purchase (reverse exclusion of subscription rights) and also by using equity capital derivatives. Trading in own shares is excluded as a purpose for purchase.

b. The Management Board is also authorized to transfer the acquired shares without an additional resolution by the General Meeting via the stock exchange or a public offer and to determine the terms of transfer.

Further, the Management Board is authorized for the period of five years from the date of today's resolution in accordance with Section 65 Para 1b AktG, to adopt a resolution, subject to the consent of the Supervisory Board, on the transfer of treasury shares using a different legally permitted method of transferring than via the stock exchange or a public offer and on an exclusion of pre-emption rights (subscription rights) of shareholders, and to

determine the terms and conditions of the transfer of shares. This authorization includes, in particular, but is not limited to, the transfer of own shares by using a different legally permitted method of transferring than via the stock exchange or a public offer for the following purposes:

- i. to the extent necessary to service debt instruments (including participation rights) with conversion or option rights or a conversion obligation issued by the Company or its subsidiaries (Section 189a no 7 Commercial Code) or yet to be issued;*
- ii. to transfer shares to employees, senior executives as well as members of the Management Board of the Company or its subsidiaries (Section 189a no 7 Commercial Code) for remuneration purposes;*
- iii. in order to be able to transfer the shares in exchange for non-cash-contributions, provided this is done for the purpose of (also indirectly) acquiring companies, parts of companies or participations in companies or other assets related to an acquisition project;*
- iv. to carry out a so-called "scrip dividend" in the course of which the shareholders of the Company are offered to contribute their dividend claim (in whole or in part) as a contribution in kind against the transfer of own shares;*
- v. in order to be able to transfer the shares in any way other than via the stock exchange or a public offer to all shareholders provided the exercise of the present authorization is objectively justified on the exercise date in accordance with the respective applicable legal requirements.*

c. In addition, the Management Board is authorized to cancel the own shares acquired in whole or in part without an additional resolution by the General Meeting with the consent of the Supervisory Board. The cancelation causes a capital reduction by the portion of the share capital that is attributable to the canceled shares.

All authorizations (Sections a.-c.) can be used once or on several occasions, in whole or in part, individually or jointly. The authorizations also include the use of treasury shares held by the Company, as well as shares in the Company acquired by subsidiaries or third parties for the account of the Company or a subsidiary pursuant to Section 66 AktG. In addition, the authorizations set forth in Sections b. and c. shall apply both to treasury shares already held by the Company on the day of this resolution and to treasury shares to be acquired in future.

d. The corresponding authorizations granted by the General Meeting held on 30 October 2020, agenda item 9, shall be revoked."

Explanatory Notes: Reference is made to the Management Board's report on the acquisition and the transfer of treasury shares of the Company pursuant to Section 65 Para 1b in conjunction with Section 170 Para 2 in conjunction with Section 153 Para 4 AktG.