



Human Resources

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1 Introduction

Significance for BAWAG Group

Our employees are the key to implementing our strategy and building the BAWAG Group of tomorrow. Technology has not only changed customer behavior, but also the way we work together. In addition to traditional banking expertise, the skills and abilities of financial institution employees have had to and will continue to improve in order to adapt to these changes.

Attracting, developing and retaining highly qualified employees is a key factor in the success of the BAWAG Group. We also see our responsibility in creating a working environment in which employees are given room for their development. Therefore, promoting the professional and personal development and advancement of employees through an appreciative and career-enhancing work environment as well as through programs tailored to target groups and individual development measures is particularly important.

We see employee health, employee safety, diversity and equal opportunities as further important pillars of successful HR management. As a family-friendly company, we implement concrete measures for our employees.

Opportunities

Actually, putting diversity and equal opportunity into practice has a positive impact on business processes and thus on the Group's corporate success. In BAWAG Group, people from 45 nations, from all age groups, who are engaged in careers, with different sexual orientations, with limitations and different beliefs work together every day.

Training and development measures and long-term human resources management increase the attractiveness of BAWAG Group as an employer and boost employee satisfaction.

Risks

Neglecting the above aspects can reduce the attractiveness of BAWAG Group among active and potential employees and thus increase fluctuation. Reputational damage can make it more difficult to recruit new, qualified employees. A lack of motivation, for example due to unequal treatment of employees, could have a negative impact on work processes and procedures. This can also influence our customer offerings. Failure to employ measures to preclude or mitigate health risks arising from everyday work among our employees could lead to physical and mental stress and illness among our employees.

Due diligence processes and (ongoing) measures

Structured feedback processes, the targeted dissemination of leadership skills and a wide range of training opportunities are designed to ensure that our employees are supported in their personal and professional development. In this way, we want to ensure that employees perceive their working environment as motivating and appreciative.

By offering a wide range of training courses, we aim to ensure that employees have the knowledge they need to successfully manage their day-to-day work in times of increasing

digitalization and changes to their working environment, and are able to put it to effective use.

After training and development programs, participants have the opportunity to provide feedback to Human Resources on the course and design of the program using a standardized format. This is to ensure that opportunities for improvement in the programs are identified and implemented where necessary.

The clear commitment to equal opportunity and diversity, the offerings designed to promote a good work-life balance and the implementation of the Women's Advancement Plan are designed to ensure that we support employees with different personalities and in different life situations in their career paths and that no inequalities are created.

The workplace health promotion offerings and measures are intended to prevent potential mental and physical stress in the workplace or to counteract it at an early stage.

2 Recruiting

In 2020, BAWAG Group's recruiting tool for Austria was replaced by a workflow tool. The newly revised recruiting policy defines the key principles and rules of the internal and external recruiting process and is aligned with the strategic and cost-related corporate objectives.

The main advantages of this new solution are:

- a fast, intuitive and professional process for applicants;
- improved service by Human Resources in finding the best employees;
- a paperless and thus environmentally conscious recruiting process;
- Strengthening the employer brand as an innovative and modern company;
- simple single-sign-on;
- Appointments are automatically entered in the Outlook calendars;
- Availability via app.

The BAWAG Group stands for equal opportunities and diverse teams. The recruiters are sensitized to this topic. In addition, a special workshop on the topic of "unconscious bias" was held this year by an expert from Diversity Think Tank Austria. As multipliers, our recruiters passed on this knowledge to the managers of BAWAG Group Austria in the introductory workshops on the new recruiting tool. By the end of 2020, 88 hiring managers had been trained on this topic in this way.

BAWAG Group generally promotes open-ended employment relationships. Leasing personnel are only taken on in exceptional cases. With new employees, we conclude a fixed-term employment relationship of six months, with the first month as a probationary month.

3 Employee development at headquarters

3.1 Programs for new employees

3.1.1 "Come & Learn" internship

BAWAG Group offers students interesting and varied insight into professional life in six-month internships. The interns can further develop the knowledge they have acquired during their studies. They actively work on bank-specific projects and tasks and not only gain valuable practical experience in various specialist areas, but also learn about the bank's processes. Internships at BAWAG Group are ideal entry-level opportunities for a successful career in the company later on.

3.1.2 "Start & Move" trainee program

The Start & Move trainee program is targeted at university graduates. As part of the one-year program, trainees gain a comprehensive insight into the company, work on bank-related projects, and can build up an initial internal network. In addition, they receive in-depth training in their business area and can continuously expand their skills through workshops on interpersonal skills.

Of the total of 15 participants in 2020, eight were women.

A new trainee program started in BAWAG Group in September 2020.

3.2 Programs for existing employees

When selecting program participants and specific training opportunities for employees, attention is paid to a balanced ratio of women and men.

3.2.1 Talent Program

To promote managers and experts, BAWAG Group offers the one-year talent program forTalents. The focus is on expanding social, professional and methodological skills. Participants are supported in their professional and personal development and can expand their network within the Bank. This program is open to talents identified as part of the BAWAG Group talent process. Human Resources takes diversity aspects into account when selecting the specific group of participants, including gender equality. Twelve women and nine men benefited from this program in 2020.

3.2.2 Data Analyst Academy

A new training academy for data analysts was launched in September 2020, targeting new employees with a technical university background. This program provides graduates with in-depth external and internal hands-on training (e.g., banking know-how, technical and programming skills) with the possibility of job rotations in several areas and active work on use cases. Of the seven participants, two were women.

3.2.3 Risk Center of Excellence Program

A new risk-related program supported talented specialists and high potentials in their development in 2020. Accompanied by a mentor, the five participants, two of whom were women, were prepared for future management or project tasks at BAWAG Group.

The program included job rotations, an internal knowledge academy, regular meetings with senior management, and responsibility for a major risk project.

3.3 Program for managers

The six-month LEAD Program for young executives serves to enable new managers to develop their leadership style in key areas. Participation includes a potential analysis of one's own communication behavior, one-on-one meetings with external coaches, mentoring sessions, and exchanges with sparring partners at the bank. The focus is on overcoming leadership challenges. This program is open to all newly appointed managers (team leaders, group leaders, department heads). Of the total of 18 participants in 2020, nine were women.

Experienced managers and management teams are supported through individual (management) coaching, leadership training for managers and team workshops to meet specific needs. The focus is on individual coaching and team sessions with support from Human Resources and external trainers.

3.4 Succession planning

BAWAG Group is proud to be an organization that makes promotions based on merit. Employees' potential, career progression and the corresponding promotion opportunities are determined based on talent, ambition and performance. The results of these assessments are discussed in talent reviews between Human Resources and senior management. Career opportunities and career paths are defined in line with strategic succession planning.

A Group-wide leadership goal for the senior leadership team was introduced in 2019 and adopted in 2020 that makes leadership development, succession planning, talent development and talent improvement a top priority.

Since 2019, a so-called Extended Board has been in place to provide senior managers with a broader platform for strategic discussions and know-how transfer with the Managing Board. The Managing Board appointed selected divisional managers from this as deputies in 2020.

4 Employee development in sales

4.1 Apprentices

Giving young people goals and prospects for the future is very important to BAWAG Group. The bank has therefore been training apprentices for years and has already received several awards, including the State Award for the Best Training Companies – Fit for Future certificate.

With its banking apprenticeship program, the bank offers high-quality training designed to enable apprentices to hit the ground running after completing their apprenticeship with sound training in advisory services and sales. With a well-structured training plan, school attendance and support from the branches, the apprentices are optimally prepared for their later professional life. As of September 2020, 20 first-year apprentices have again started at BAWAG P.S.K. in seven provinces – 12 of them young women.

4.2 Future Leaders

The leadership role is a permanent development process. Accordingly, training for retail managers at BAWAG P.S.K. includes a diverse range of elements with a clear focus on managing the branch, target attainment responsibility and employee development.

The Leader's Basics course is offered for talented sales staff and is a leadership skill building program aimed at filling future management positions from within the company. This ensures the development of future managers and facilitates the rapid and targeted internal filling of management positions.

Talents with leadership potential in sales are proposed for this course every year. If they are then nominated by sales management, they go through an assessment center and complete a potential analysis. This makes it possible to push the development of the participants in a tailored manner.

As part of the course, the talents build leadership capabilities, learn to use sales management tools and recognize connections and contexts. The main focus is on practical skill transfer, accompanied by the direct managers. The course concludes with a final examination before a board.

4.3 New entrants to management functions

The cornerstone of the training is the so-called Sales Camp. In the first 13 months, it offers a structured, professional development plan. Depending on previous experience, the modules are either mandatory or optional. Depending on management experience and in consultation with the regional director, the new manager also has the option of completing the Leader's Basics junior management course.

What else can a new manager expect in the first six months:

- an analysis of potential: the results are analyzed in a feedback meeting. The aim is to define and subsequently implement concrete development measures
- practice days at a different branch with a buddy system
- intensive training in the internal control system with a quiz

4.4 Management development

Various influencing factors have to be taken into account in order to provide existing managers with optimum training. On the one hand, there are different role profiles in sales, differentiated requirements and the strategic orientation of branch sales. On the other hand, input from the results of potential analyses, current performance and sales surveys must be taken into account.

The aim is to offer sales managers in BAWAG Group a diverse and tailored range of personal development, leadership and specialist topics to give them the tools they need to lead their teams to success.

On the one hand, topics for leadership and personality development are offered as elective modules. When selecting the topics, the wishes and suggestions of the sales managers and trends in the banking industry were taken into account. Each manager is responsible for finding the optimum training measure to be well equipped for day-to-day management.

On the other hand, we offer the Leader's Premium course for experienced managers. This course promotes collegial learning, offers the opportunity to expand one's own network and to reflect on one's own leadership behavior. In the four modules, special emphasis is placed on a balanced mix of different learning methods.

4.5 Personality analyses for managers

In order to tailor the further development of managers to the individual in addition to the standard programs on offer, managers in sales receive personal profiles from two personality analyses that complement each other well.

TMA (Talent and Motivation Analysis) is an online-based tool for analyzing people's talents and motives. The TMA measures talents and competencies relevant to the work context.

PCM (Process Communication Model) is an online-based analysis that describes human personality and communication. This profile helps to better understand communication, motivation and stress.

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5 Trainings for employees

5.1 Trainings for all employees

Training is available to active BAWAG Group employees in Austria regardless of whether they work full or part time. BAWAG Group uses leased staff only in exceptional cases. The mandatory training and self-learning programs are tailored to the leased employees' area of activity¹⁾.

The newly revised onboarding pages on the bank's intranet serve as support for new employees during their first days at BAWAG Group.

In the first few weeks, employees get to know the bank through mandatory self-learning programs (see the Ethics and integrity section) and individual training sessions in their teams.

With the increasing importance of sustainability issues, BAWAG Group decided this year to train its employees on this topic. The training sessions were coordinated with the ESG officers. The ESG officers from the areas of communications and sales, investor relations, risk, governance, human resources and diversity management direct corresponding projects and processes as a decentralized body.

1) There were no leasing personnel in 2020.

As a first step, risk officers held a special workshop on ESG risk management with an external expert. In particular, ESG risks, instruments and methods as well as related challenges were discussed in the workshop.

In a second step, all employees received an overview of sustainability topics in a mandatory self-learning program. The program summarizes the topic of sustainable action for BAWAG Group and highlights the bank's current initiatives on this topic. Around 92% successfully completed the self-learning program.

In a third step, all employees in the Retail and Business Customers division, employees who offer securities advice, employees in the Corporate Banking division and employees in the Risk division will be given in-depth training on the topics of sustainable business and ESG and their application in day-to-day business in a mandatory self-learning program by the end of February 2021. By the end of the year, more than 50% had already successfully completed the program.

The following topics were covered:

- EU legal framework (sustainable finance etc.)
- Sustainable investments/financing
- Market situation and demand
- Opportunities and customer benefits
- ESG criteria and
- ESG risks

With these measures, BAWAG Group is pursuing the goal of creating company-wide awareness of sustainability, promoting product innovations in the long term, and integrating ESG considerations into the bank's business processes.

In addition to the self-learning programs and training offered by BAWAG Group, employees also have the opportunity to develop their professional skills through external training and workshops. The specific requirements and prerequisites are determined in regular personal discussions with the direct supervisor.

The content and scope of training is tailored to the needs of our employees and the business requirements. For example, an individually designed coaching and training program for all agents was introduced in the Customer Service Center in 2020 to further develop their communication skills. BAWAG Group also supports specific training needs (e.g. CFA, MBA, external training) through additional study time, reimbursement of costs or annual membership coverage (e.g. CEFA, CRM, CIIA, CISSP, CISA).

In addition, since the beginning of 2020, the goodhabitz online learning library has been offering all employees training in personal and professional development with more than 80 courses that are methodologically diverse. A total of 595 participants had visited the new platform by the end of the year, completing 267 hours of studying time.

BAWAG Group in Austria supports employees in their professional reorientation through a work foundation in cooperation with WAFF. The work foundation helps employees plan their return to work, provides for financial security during this time and arranges training and further education as well as internships. If desired, the work foundation also provides support in the active search for a job.

5.2 Special training for headquarter employees

New employees start their banking career with a welcome day. This workshop provides initial insight into the bank and its strategy, followed by a second round covering the topics of risk management, information security and internal auditing.

In the follow-up for new employees, the Risk department with its units and their core tasks is presented to all new employees. The risk strategy and risk governance are explained and what role the topic of risk plays throughout the company. Another focus is a look at the Group Data Warehouse and the importance of data for the company.

In the presentation on information security, practical examples are used to sensitize new employees to the importance of this topic and share guidelines and advice on personal caution in daily work. Clear guidelines for action in the event of any suspicion help the new employees to act correctly.

The Internal Audit presentation discusses the tasks and role of Internal Audit in a bank. Among other things, new employees learn who they can contact in the event of suspicious cases.

Regular Risk & Finance Days keep employees from these areas up to date on current topics.

As of March 2020, most of the training and workshops were conducted online due to COVID-19. The new form of distance learning was very well received and enabled employees to participate.

5.3 Special training for sales staff

5.3.1 Sales Camp: training new sales employees

New employees start off their branch assignment with a welcome day, which has been changed to on-site at each branch due to COVID-19. The sales staff then start their basic training, the Sales Camp. The training is differentiated based on the roles of floor manager, customer manager and mobile advisor.

All new employees are supported and guided by their own supervisor. Employee development is documented using an employee appraisal sheet (which also depends on the role) at the so-called checkpoints.

5.3.2 Professional development in sales

After the Sales Camp, employees can continue their professional training in securities or housing loans. For both specializations, the training courses are structured similarly and consist of four modules:

- Preparation tasks
- Training
- Follow-up tasks
- Examination/certification

After the training, we offer employees the chance to take part in a practical workshop. This allows them to discuss their initial experiences, clarify any questions they may have and consolidate the knowledge they have gained.

We also employ a mentoring system for professional training. Every new employee is assigned an experienced mentor/buddy who accompanies them throughout their training.

Several self-learning programs and online and face-to-face training are available for all sales staff to keep their knowledge up to date while meeting the legal further training requirements.

5.3.3 Competencies and sales training

Special topics are also offered annually for the further development of competencies, customer orientation or sales techniques depending on the current strategy and focus. The training methods are varied and range from on-the-job training in the branches to online courses and classroom training over several days.

At Südwestbank, employees have the opportunity to complete internal and external seminars on a variety of topics such as personality training, technical training, and specialist and sales seminars. Satisfaction with the respective training measure is evaluated after the sessions. Südwestbank attaches great importance to needs-oriented personnel development. The Personnel Development department plans measures for the personal and professional development of employees in close coordination with management and the department heads. In addition to internal bank opportunities for further training, there are also external courses and bachelor's and master's programs in which Südwestbank participates through targeted support measures.

6 Employee Experience

6.1 Flexible work

In most organizational units, there are variable working hours with defined function times. Individual time models can be agreed upon, including a daily reduced working time or an aggregate number of hours during a certain number of days per week.

The Group offers a variety of models and options for employees who wish to take time off from work or reduce their working hours due to personal commitments. These include:

- Educational leave for 2–12 months
- Part-time work for education for 4–24 months
- Sabbatical: a combination of a savings phase in which the employee receives only a portion of the usual monthly salary, and a time off phase
- Part-time reintegration: reintegration on a part-time basis after a long period of sick leave for an agreed period of 1–6 months, with the additional option of extending for three months.
- Family hospice leave for three months with extension options and special conditions for seriously ill children
- Caregiver leave for one week per year, a second week for the necessary care of a sick child under 12 years of age
- Nursing leave/part-time care leave for 1–3 months
- Flex-office – flexible working locations

Working in a flexible environment with hybrid teams will remain an important pillar of the culture in BAWAG Group in the future. The experience of the past few months has shown that working flexibly from different locations functions well for many areas and brings benefits for employees and the bank. The employee survey conducted in the summer

showed that the vast majority of our employees would like to continue using flexible working.

BAWAG Group has worked with the BAWAG P.S.K. Works Council to develop appropriate regulations and recommendations. In addition, we have created a flex-office guide for employees and managers.

In addition to the flex-office guide for employees and managers, a separate module on data privacy when working from home was included as part of the self-learning program on data privacy in order to train employees accordingly. The completion of this online training was mandatory for all employees in 2020.

In 2021, a compact, digital leadership training course was offered to our managers supporting them in leading virtual and hybrid teams and focusing on performance management and motivation of employees.

6.2 Balance between work and family

BAWAG Group works continuously to offer its employees a flexible and family-friendly working environment. As a responsible employer, it is important to BAWAG Group that the various phases of its employees' lives can be reconciled with their work, their families and their free time.

At the employee's request, BAWAG Group in Austria offers the option of remaining in marginal employment during maternity leave. This model is intended to make it easier for those on maternity leave to return to work. The Group also offers employees flexible working hours and part-time models after maternity leave. Depending on the management position, this option is also offered to executives. Human Resources supports them in agreeing individual part-time models, clearly defined structures and responsibilities.

6.2.1 Certification

In 2013, BAWAG P.S.K. committed itself to the compatibility of work and family as part of a structured auditing process and received certification as a family-friendly company, which is valid for three years. In the fall of 2020, BAWAG P.S.K. completed the auditing process again and successfully received the work and family audit certificate for the second time.

As a response to the COVID-19 crisis and the associated new forms of collaboration, the *berufundfamilie* audit also offered a certificate focusing on "Home Office / Mobile Working" which BAWAG P.S.K. applied for. The certificate was successfully awarded to us.

6.2.2 Dad month and special leave days

We are pleased to support fathers at BAWAG P.S.K. in taking parental leave or taking advantage of the so-called dad month. Since 2014, all fathers at BAWAG P.S.K. have also received two dad days. These are two special leave days immediately after the birth of their child in addition to the two special leave days to which they are entitled under the collective agreement. This gives fathers a total of an additional four days to spend with their family.

6.2.3 Company daycare center at central locations

BAWAG Group offers parents childcare places for their children at the company daycare center at two central locations in Vienna. Part-time employees, single parents and employees with special working time arrangements are given priority in the allocation of these places. The facility at headquarters has around 750 m² of spacious, bright group rooms and child-friendly sanitary facilities. The children receive fresh meals every day.

6.2.4 Information event for expectant parents

All expectant mothers and fathers at BAWAG Group in Austria are invited to an information event held twice a year on the topic of maternity leave management and re-entry into the bank. In 2020, a total of ten employees participated in an online version of the event.

6.2.5 Welcome Back Event

Since 2009, Human Resources and the BAWAG P.S.K. Works Council have organized a welcome back event. All BAWAG Group employees in Austria who return from maternity leave after the date of the last welcome back event up to and including December 31 of the following year are invited to find out about innovations and developments in the Group. In 2020, 38 employees took part in the online information event.

6.3 Employees feedback and ideas

Employee feedback and ideas on current issues are important factors in improving employee satisfaction.

In July 2020, we conducted a survey on the topic of working from home among the employees of the Austrian BAWAG Group companies. The participation rate of over 78% showed the great interest and commitment of our employees. The survey revealed that our employees had many positive experiences working from home. Of all survey participants, 94% wanted to continue remote working, with the majority wanting to work from home for up to three days. Employees most appreciated the time saved by not having to commute, the increased flexibility and higher productivity.

In the fall, a second survey on the topic of remote working was conducted among managers in order to learn from the experiences and best practices of the individual units and to pass these on to all employees in the form of the flex-office guide.

There are plans to continue employee surveys on current topics as well as a broader survey on employee satisfaction in BAWAG Group.

BAWAG Group employees also have the opportunity to submit innovative ideas through a defined process. The ideas are evaluated by an assessment committee and subsequently awarded prizes. This is intended to promote the further development of products and processes by employees.

6.4 Communication platforms

Information is disseminated to employees via communication platforms. A newly designed SharePoint platform has been implemented to cover the additional information requirements in sales.

In the second half of 2020, Group-wide Managing Board town hall meetings were held online. All employees were invited to participate in this event. The live event was recorded via

Microsoft Teams and subsequently made available to all employees. Individual Managing Board members also use this form of online meeting to pass on updates and important information directly to the units under their responsibility.

Misunderstandings can occur when people work together. BAWAG Group promotes open dialog between managers and employees. Employees can address concerns or complaints directly to their supervisor. If a complaint cannot be resolved in this way, Human Resources is available to help.

Human Resources follows a structured procedure to investigate justified complaints and takes appropriate action when an employee grievance is substantiated:

- Reports may be addressed to the Head of Human Resources. Human Resources will obtain a written statement on the subject of the report from the employee submitting the report and the employee concerned within a reasonable period of time.
- The Head of Human Resources clarifies legal issues with Human Resources Legal or outside counsel as needed.
- In the event of a justified complaint, Human Resources and Human Resources Legal will decide on further action (e.g. training, warning, up to and including termination in serious cases).
- Complaints are always treated confidentially, or Human Resources obtains the prior consent of the reporting employee to pass on information.
- Employees may also contact the Works Council.

6.5 Performance Management - Employee Feedback Process

Beginning of 2021, BAWAG Group rolled out an annual employee appraisal process in Austria entities focusing on regular feedback for our employees. With this new process, we aim to strengthen the feedback culture of our Bank and to increase the motivation of our employees.

At the center of the feedback process are pre-defined, Bank-wide skills, developed by Human Resources together with the Managing Board, managers and experts of the Bank. The skills for employees and managers are based on the Bank's strategy and cover topics we consider essential for BAWAG Group. In support of the implementation process, Human Resources provides a guide for employees and managers with a detailed description of the set of skills, the applied assessment scale, and the documentation process. With this process, we also support the professional and personal development of employees. It is planned to roll out this process for the entire group.

6.6 Workplace health promotion

A cornerstone of workplace health promotion is the range of services offered by the company health offices:

- Examinations and assessments by a company physician
- Treatment of acute illnesses
- Vaccination campaigns
- First aid
- Free annual preventive medical checkup
- Company psychologist
- Healing masseuse at the health offices

BAWAG P.S.K. has also been offering its employees support and advice in the area of occupational psychology since 2010. This offer can be taken advantage of in the form of individual counseling sessions, among other things.

Evaluation of mental stress in the workplace





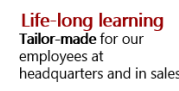

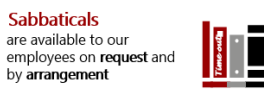





The prevention of work-related mental stress is carried out per subsidiary or division in the form of an online survey by the external occupational psychologist from the Occupational Health Service. Due to the lockdown in 2020, the spring evaluation took place in the fall, starting in the new branches.

6.7 Benefits

The benefits offered by BAWAG Group are available to all employees.

BAWAG P.S.K. Sportklub

BENEFITS AT BAWAG GROUP

 <p>Flexible work where bank operations allow, we offer flexibility in working hours and location</p>	 <p>Company daycare center for infants and preschoolers from 6.30 a.m. – 5.30 p.m.</p>	 <p>Company health office for employees in case of acute illness, health services (vaccinations) are also provided</p>	 <p>Fitness offerings Own sports club and discounts in many fitness studios</p>
 <p>Life-long learning Tailor-made for our employees at headquarters and in sales</p>	 <p>Women's mentoring programs Promote the professional development of our female employees</p>	 <p>Sabbaticals are available to our employees on request and by arrangement</p>	 <p>Events and gifts for our employees for special occasions</p>
 <p>Employee conditions for our employees for banking products (e.g. accounts, loans)</p>	 <p>Meal vouchers Benefits for all employees</p>	 <p>Employee discounts in many stores and service providers (e.g. OMT, Rewe, H&M, Therme Wien)</p>	 <p>Company pension plan in addition to the legally provided pension benefits</p>

The non-profit association BAWAG P.S.K. Sportklub was founded in 1978 with the purpose of promoting athletic activities among BAWAG P.S.K. employees and enabling them to engage in sports, games and other recreational opportunities. To this end, regular practice sessions, tournaments and (multi-day) excursions (e.g. ski weeks) are organized.

All employees of BAWAG P.S.K. and subsidiaries in Austria, retired employees and relatives of employees can become sports club members. Members of the BAWAG P.S.K. sports club and BAWAG P.S.K. employees receive discounted prices on sports offers.

In recent years, the sports program that originally focused heavily on employees in Vienna and the surrounding area has been increasingly extended to include employees in the provinces. This was done through larger events (such as the business run), as well as through the switch to online courses in the wake of the COVID-19 pandemic.

6.8 COVID-19-related measures to support employees

Since the outset of the COVID-19 pandemic, a dedicated taskforce has been coordinating BAWAG Group's measures to protect employees and serving as a central interface between employees, managers and decision-makers.

This working group, which is made up of members from different areas, regularly communicates appropriate updates and information on the intranet or directly to employees and managers.

When the COVID-19 measures came into force, BAWAG Group drew up a corresponding safety concept with a reduced number of employees in the open-plan offices and promptly communicated the requirements and provided disinfectants and two fabric masks per employee.

Plexiglas barriers were installed in the branches, security personnel ensured that not too many people were in the branches at the same time, and shift operation was introduced.

Due to the COVID-19-related additional workloads for single parents and full-time parents with children to care for, the individual services offered by the occupational psychologists were expanded. Personalized counseling from company physicians and advice on proper ergonomics at home were also increasingly offered and carried out online in coordination with Human Resources.

For rapid changeover to virtual working, video training on the use of Microsoft Teams was offered in addition to the appropriate provision of IT equipment, and planned classroom training was converted to online training where possible in terms of content.

COVID-19-related special leave for childcare: A three-week special childcare leave for children up to the age of 14 was offered to all employees in BAWAG Group in Austria. A three-step model was used in BAWAG Group to support implementation.

In December, BAWAG Group supported employees who wanted to participate in the mass tests conducted throughout Austria. Employees were given up to two hours during working hours to participate if needed.

At the end of the year, BAWAG Group paid out a special COVID-19 bonus of € 300 to all active employees in recognition of their special commitment during the challenging months of the COVID-19 measures. Employees in branch sales who had worked during the first lockdown already received a bonus in the summer.

COVID-19 also had an impact on the activities of the BAWAG P.S.K. Sportklub association, as sports activities were postponed or canceled due to the contact restrictions. Outdoor sessions were possible in part under the observance of distance rules (e.g. running meetings). Indoor workouts could be held by switching to online units (e.g. yoga, Pilates).

Since April 2021, BAWAG offers Covid-19 optional testing for its employees in our head quarter. Our branches receive regularly self-testing kits.

7 Promoting diversity and equal opportunities

An active equality policy and the promotion of diversity among employees are tantamount with being a modern employer and a customer-oriented company.

In BAWAG Group, people from 45 nations, from all age groups, who are in professional life, with different sexual orientations, with limitations and different faiths, work together every day. Diversity and equal opportunity for all employees are key success factors for the Group and are the responsibility of the management, implemented operationally by Human Resources and put into practice by all managers and employees of the company.

All BAWAG Group employees, whether full-time or part-time, are to be treated equally and fairly. BAWAG Group does not tolerate any discrimination based on age, gender, disability, sexual orientation, origin or religion. BAWAG Group also firmly rejects any form of bullying, sexual harassment, threats and violence.

7.1 Women's Advancement Plan

The Women's Advancement Plan, which has been in place since 2012, serves as a binding framework for promoting equality and ensuring equal opportunity for women and men in the company. The plan is based on four principles and concrete measures:

- Sensitization
- Equal career opportunities
- Financial equality
- Promoting a better work-life balance for women and men

7.2 Women's Initiative

The BAWAG P.S.K. Women's Initiative is a network of female experts and female managers from all areas of the bank supported by the Managing Board of BAWAG Group. The goal of the initiative is to promote equality for women in BAWAG Group in the form of achieving career goals in management or expert positions, monetary equality and the compatibility of family and career.

7.3 Women's Mentoring Program

The application process for the BAWAG Group Women's Mentoring Program will start for the seventh time in October 2020.

External and internal women's mentoring programs alternate annually.

The external women's mentoring program is aimed at female employees with longer management experience who would like to benefit from external top managers from the business world as mentees and broaden their horizons.

The internal women's mentoring program is suitable for all female colleagues who would like to develop themselves further, have already gained initial leadership experience or would like to move in this direction.

The goal of the Women's Mentoring Program is to give female employees the opportunity to deal intensively with the topic of women and careers, to have an in-depth personal exchange with their mentors and to build a network within the bank. In this program, top executives from BAWAG Group make themselves available to the female mentors to share their experience in joint discussions and to provide advice to the mentees. During the mentoring year, the mentees are offered professional and personality-building content in workshops, networking events and extensive further training as part of the BAWAG Group Business Academy. Participants have the opportunity to talk to internal experts on the

topics of finance, risk and retail, as well as to exchange ideas with members of the BAWAG Group's Managing Board in a very personal setting during business talks.

7.4 Women's Award

In December, the 8th BAWAG P.S.K. Women's Award was presented to Professor Elisabeth Puchhammer-Stöckl and Professor Judith Aberle, virologists at the Medical University of Vienna. The € 5,000 award recognizes outstanding achievements by women and special commitment to positioning women in society.

The female researchers, Professor Elisabeth Puchhammer-Stöckl and Professor Judith Aberle, stood out with their current commitment in the field of virology. In addition, the Center for Virology at the Medical University of Vienna has been pursuing gender equality through targeted measures for quite some time. Six out of eight professors are female – a ratio that is rare by international standards, which contributed to the selection by BAWAG P.S.K. Women's Initiative.

As part of the BAWAG P.S.K. Women's Award 2020, the BAWAG P.S.K. Women's Initiative supported the Caritas #wirtun project with a donation of € 10,000. The initiative's goal is to help women in acute crises. Shelter, care and counseling are provided for women living in quasi-homelessness or affected by poverty or violence.