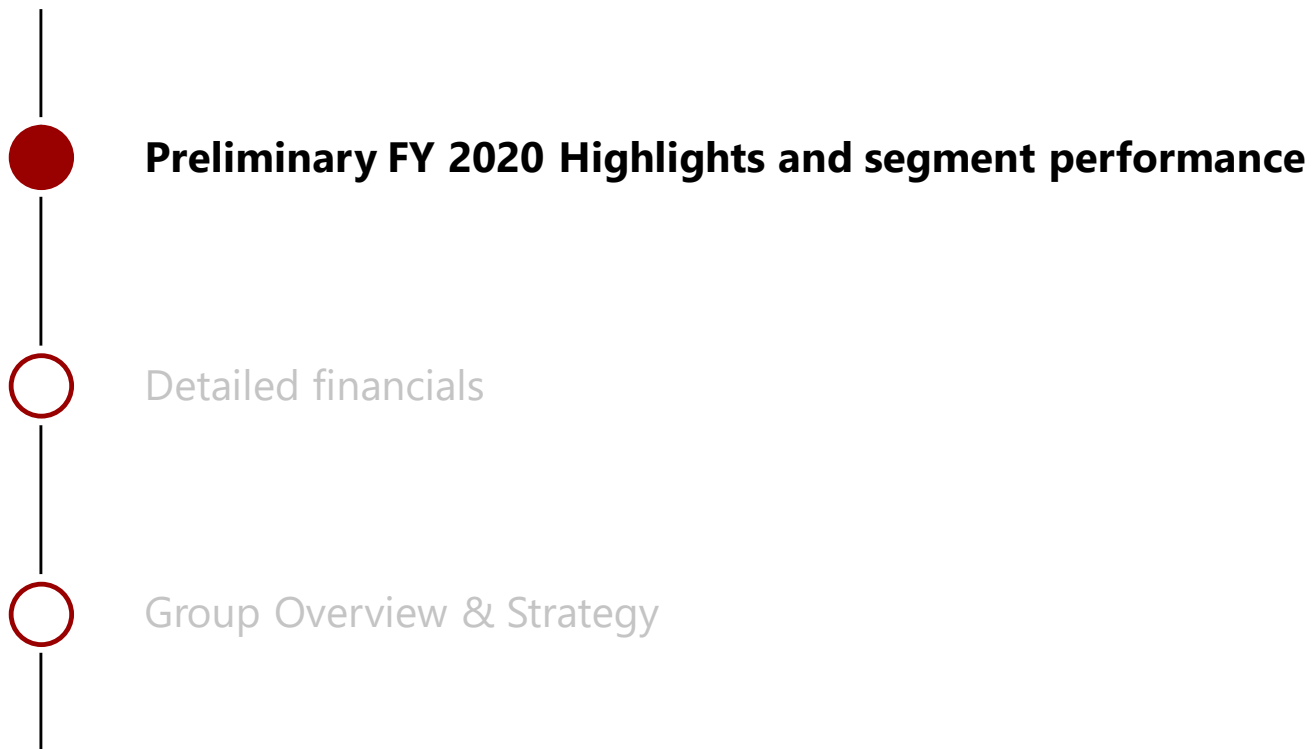


Preliminary FY 2020 Earnings

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09 February 2021



Highlights FY 2020

EARNINGS

- **Net Profit of €284m, EPS of €3.19, and RoTCE 10.2%**
- Pre-provision profit of €653m and CIR 44.3% ... includes ~€22m restructuring charge in Q4 '20
- Risk cost of €225m, of which ~€100m ECL reserves and management overlays
- Conservative provisioning with no ECL releases, while payment holidays currently under 1%

BALANCE SHEET & CAPITAL

- Customer loans +5% and interest-bearing assets +10% in 2020
- **CET1 ratio (post dividend) of 14.0% ... generated 180bps of gross capital thru earnings**
- **Deducted €460m for earmarked dividend payments in 2021 ... total DPS €5.17**
- Additional excess capital of €360m (180bps) vs CET1 ratio target of 12.25%

OUTLOOK

- Dividends of €460m in 2021 ... €40m down payment in Q1 '21, in line with ECB recommendation, and remaining €420m in Q4 '21 subject to shareholder and regulatory approvals
- **Target 2021: RoTCE > 13% and CIR < 41%**
- Medium-term targets: RoTCE > 15% and CIR < 40%

Financial performance

Key highlights

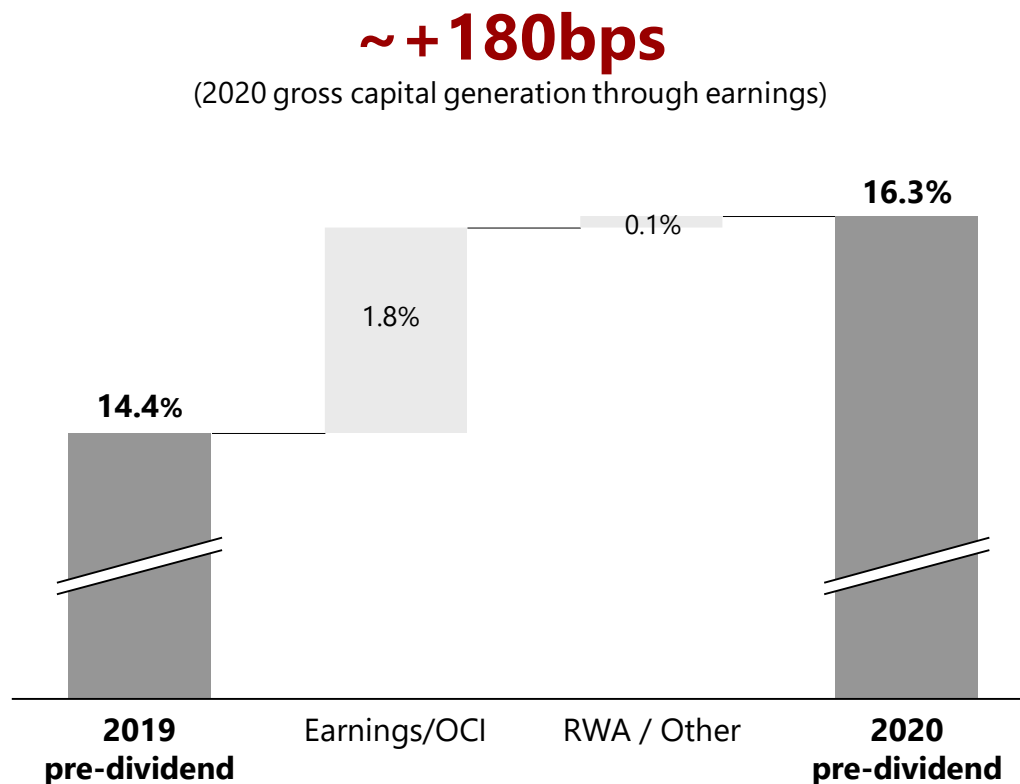


P&L € millions	2020	vPY	Q4 '20	vPY	vPQ	Balance Sheet & Capital € millions	Q4 '20	Q3 '20	vPQ	vPY	
Core revenues	1,171	1%	298	1%	-	Total assets	53,128	51,238	4%	16%	
Operating income	1,172	(5%)	302	(4%)	4%	Interest-bearing assets	40,410	40,274	-	10%	
Operating expenses	(520)	(2%)	(145)	8%	15%	Customer loans	32,004	31,545	1%	5%	
Pre-provision profit	653	(8%)	158	(13%)	(4%)	Customer deposits	32,415	30,433	7%	7%	
Regulatory charges	(59)	40%	(6)	91%	(57%)	Common Equity	3,423	3,435	-	4%	
Risk costs	(225)	224%	(45)	81%	(9%)	Tangible Common Equity	2,871	2,882	-	5%	
Profit before tax	370	(39%)	107	(30%)	6%	CET1 Capital	2,819	2,832	-	4%	
Net profit	284	(38%)	83	(29%)	5%	Risk-weighted assets	20,100	20,246	(1%)	(1%)	
						CET1 Ratio (post dividend)	14.0%	14.0%	-	0.7pts	
Ratios	2020	vPY	Q4 '20	vPY	vPQ	Per share data	Q4 '20	vPY	vPQ	2020	vPY
RoCE	8.5%	(5.0pts)	9.7%	(3.7pts)	0.4pts	Earnings (€)	0.93	(22%)	4%	3.19	(32%)
RoTCE	10.2%	(5.9pts)	11.5%	(4.5pts)	0.4pts	Book value (€)	38.93	4%	-	38.93	4%
CIR	44.3%	1.6pts	47.9%	5.3pts	4.7pts	Tangible book value (€)	32.65	5%	-	32.65	5%
Risk cost ratio	0.56%	0.38pts	0.44%	0.17pts	(0.05pts)						

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



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

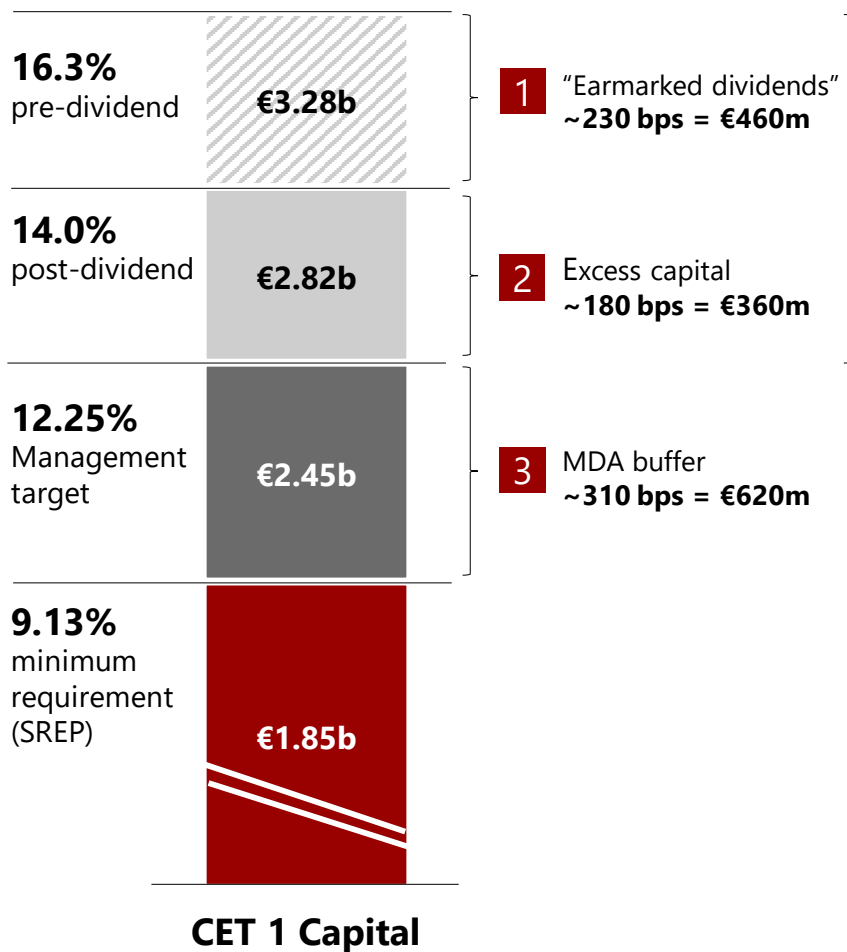
CET1 ratio target unchanged @12.25% ...
~310bps, or ~€620m, above minimum
requirement of 9.13%

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

Capital distribution update

Consistent average annual capital generation through earnings **+220bps** since 2017



~410 bps = €820m Total Excess capital

- 1 Dividends of **€460m** deducted from CET1 capital ... **€5.17** per share
 (a) **€230m** for 2019
 (b) **€230m** for 2020 (€142m based on 50% pay-out + €88m special dividend)
- 2 In addition **€360m** excess capital versus CET1 target 12.25% ... earmarked for organic growth, M&A and/or share buybacks
- 3 CET1 target 12.25% represents **+312bps** (~€620m) buffer to SREP 9.13%

Timing for dividend distribution

- €40m (€0.45 DPS) will be proposed to extraordinary general meeting in Q1 '21
- €420m (€4.72 DPS) to be paid out in Q4 '21 (subject to shareholder and regulatory approvals)

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%

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)

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%

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

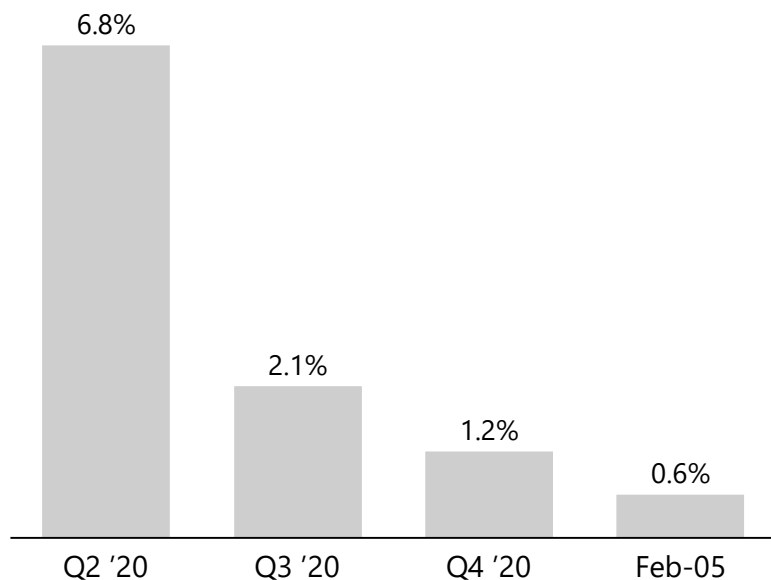
Retail & SME

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

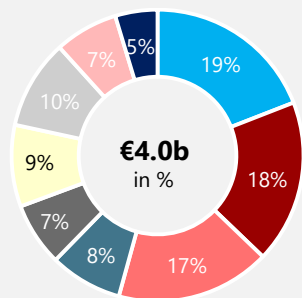
Corporates & Public

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



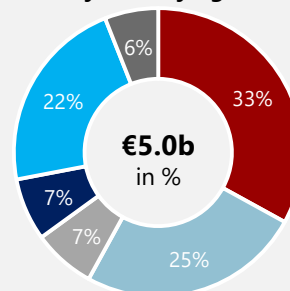
Cyclical sectors	Net book value (€m)			NPL YE '20
	YE '19	YE '20	Jan '21	
Shipping	40	22	0	0
Oil & Gas	29	0	0	0
Hotels	15	13	13	0
Retailer	29	9	9	0
Total	114	44	22	0

- Services
- Healthcare
- Food & Beverage
- Pharmaceuticals
- Lender Financing
- B-2-C
- Engineering & B-2-B
- Telecommunication
- Other

- 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

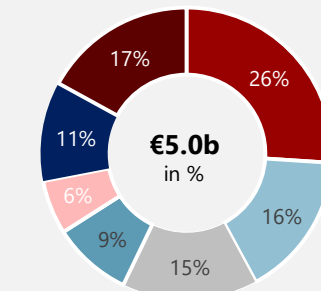


- Residential
- Office
- Mixed
- Shopping / Retail
- Industrial / Logistics
- Other

Underwriting overview

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

By geography



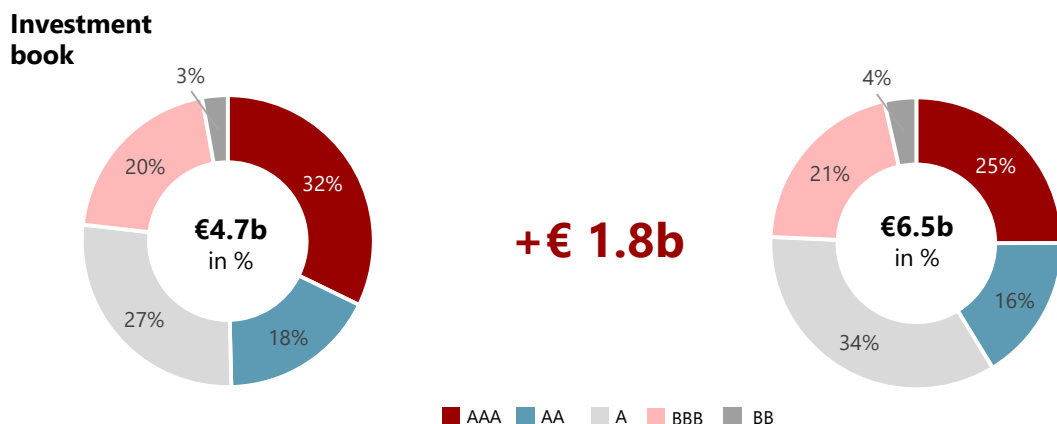
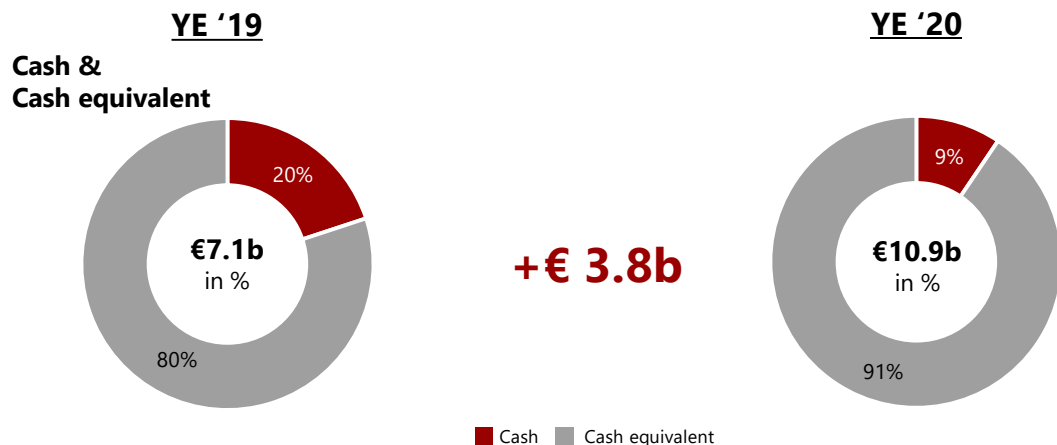
- Ireland
- Spain
- Austria
- Nordics
- Germany
- Other

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

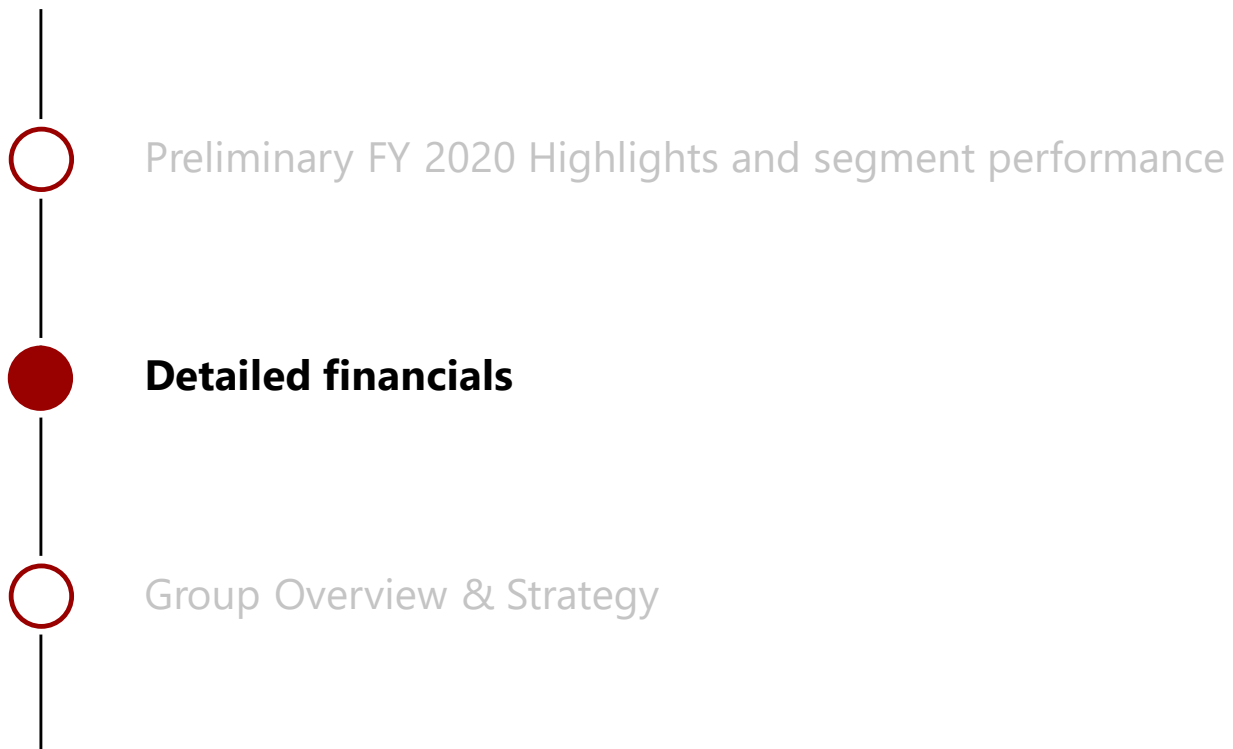


As of YE '20, cash and cash equivalents (mainly money at central banks) at €10.9b ... TLTRO III of €5.8b in Q2 '20

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	Key ratios	Q4 '20	vPY	vPQ	2020	vPY
Net interest income	233.8	4%	-	916.3	4%	Return on Common Equity	9.7%	(3.7pts)	0.4pts	8.5%	(5.0pts)
Net commission income	64.3	(8%)	2%	254.8	(10%)	Return on Tangible Common Equity	11.5%	(4.5pts)	0.4pts	10.2%	(5.9pts)
Core revenues	298.1	1%	-	1,171.1	1%	Net interest margin	2.28%	(0.08pts)	(0.03pts)	2.29%	(0.01pts)
Other revenues	4.2	(79%)	(157%)	1.2	(98%)	Cost-income ratio	47.9%	5.3pts	4.7pts	44.3%	1.6pts
Operating income	302.3	(4%)	4%	1,172.3	(5%)	Risk cost ratio	0.44%	0.17pts	(0.05pts)	0.56%	0.38pts
Operating expenses	(144.7)	8%	15%	(519.7)	(2%)	Earnings per share (in €)	0.93	(22%)	4%	3.19	(32%)
Pre-provision profit	157.6	(13%)	(4%)	652.6	(8%)	Tangible book value per share (in €)	32.65	5%	(0%)	32.65	5%
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%)						

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%
<i>thereof Average interest-bearing assets</i>	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

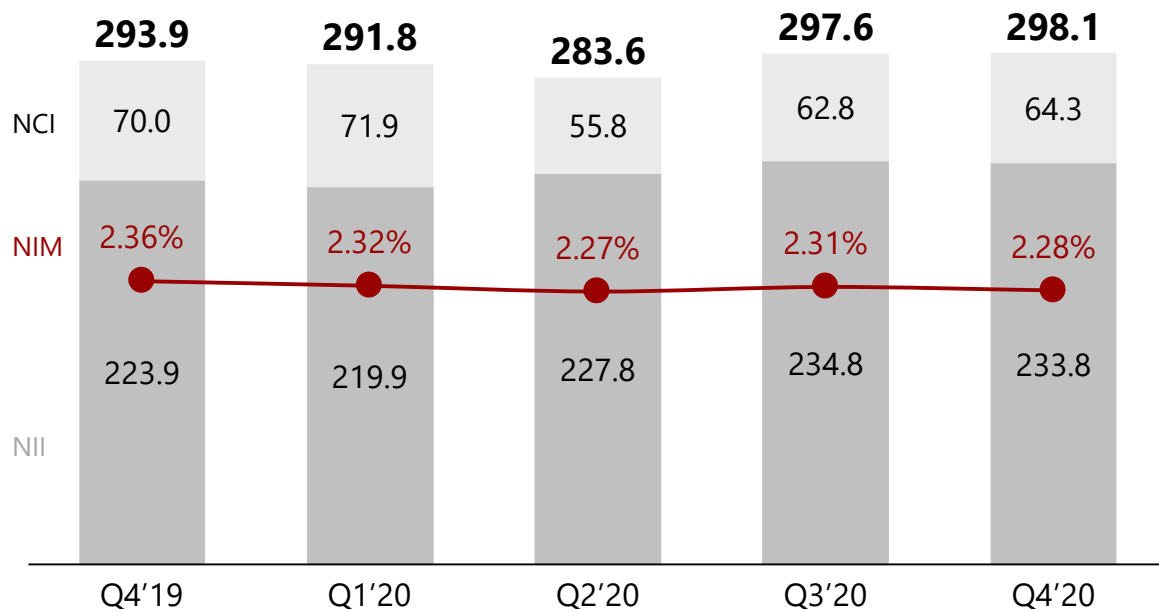
Risk weighted assets slight decrease vPY reflecting change in asset mix

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

Quarter	Q4'19	Q1'20	Q2'20	Q3'20	Q4'20
Customer loans	30.5	31.1	31.4	31.5	32.0
Average interest-bearing assets	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

Outlook for 2021

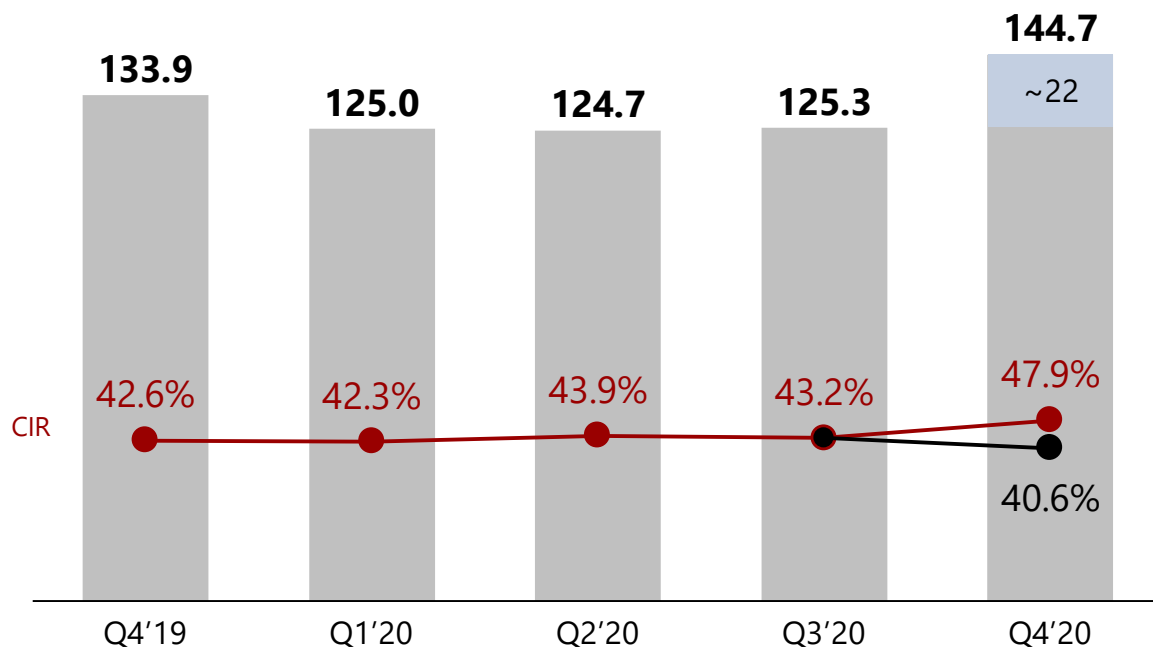
- Expect core revenues growing ~2% in 2021
- Anticipate subdued activity during H1 '21 followed by a normalized environment in H2 '21

P&L details – operating expenses

Core costs lower versus prior year ... Q4 '20 includes restructuring costs

€ millions

■ Core operating expenses
■ Restructuring charges



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

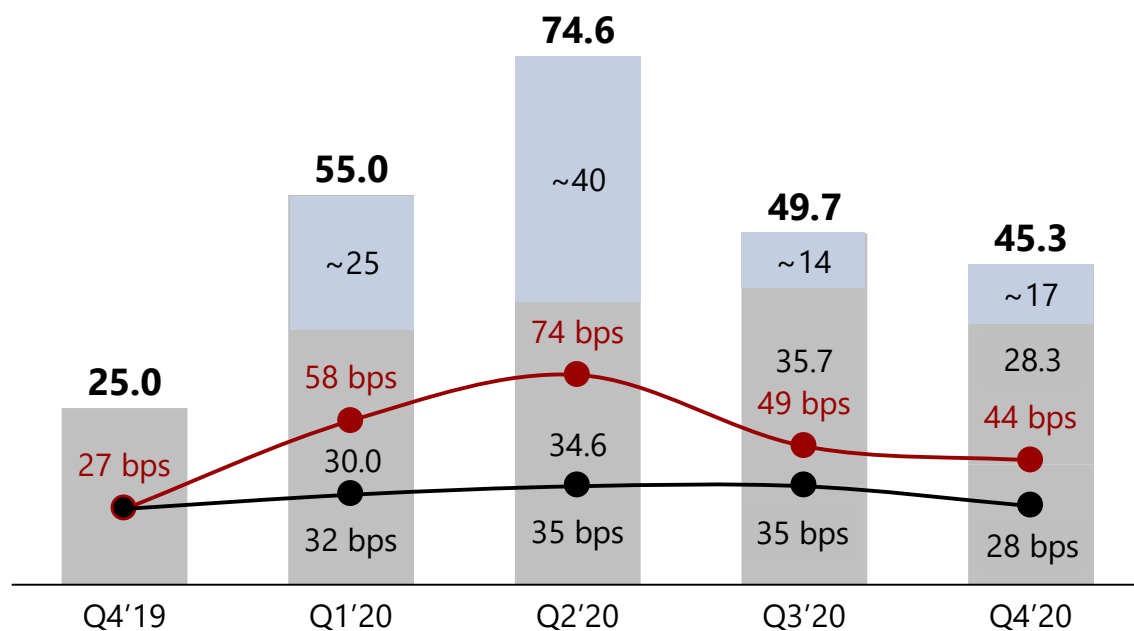
- Operating expenses expected below €485m in 2021 ... target cost-income ratio below 41%
- Mid-term cost-income ratio target below 40%

P&L details – risk costs

Strong underlying asset quality

€ millions

- Risk costs / average interest-bearing assets
- General reserve including macro-forecast, ECL and overlays
- Risk costs / average interest-bearing assets (w/o general reserve)



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

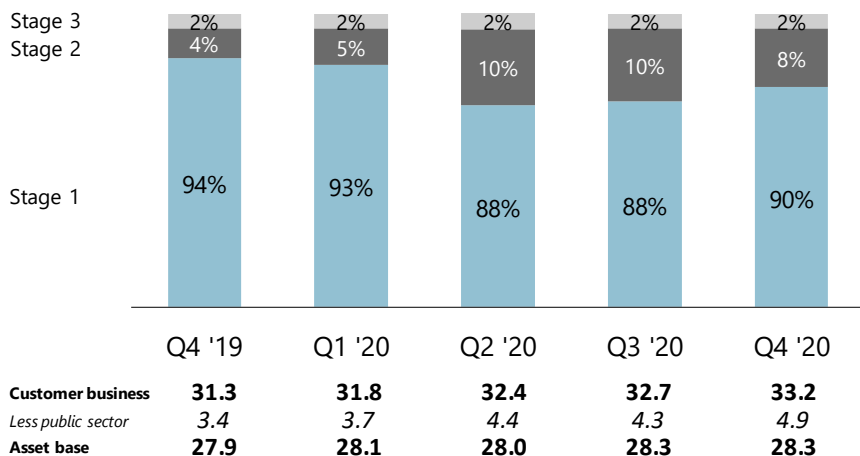
Outlook for 2021

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

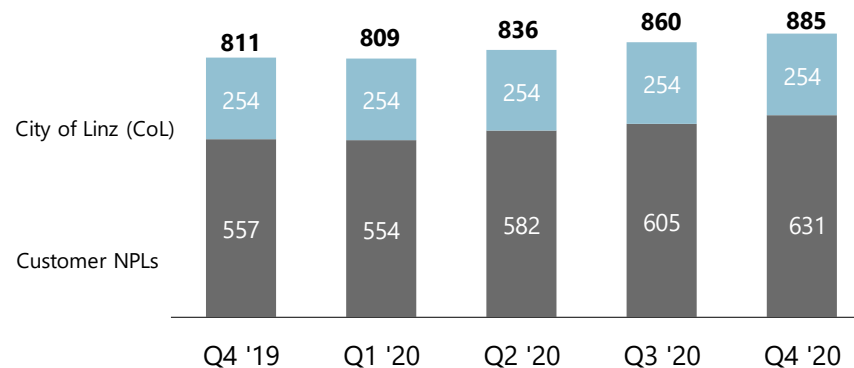
Details on reserves

Continuing to remain prudent despite improved economic forecast

IFRS 9 Migration- Customer Segment Assets



Non-performing stage 3 loans, in €m



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

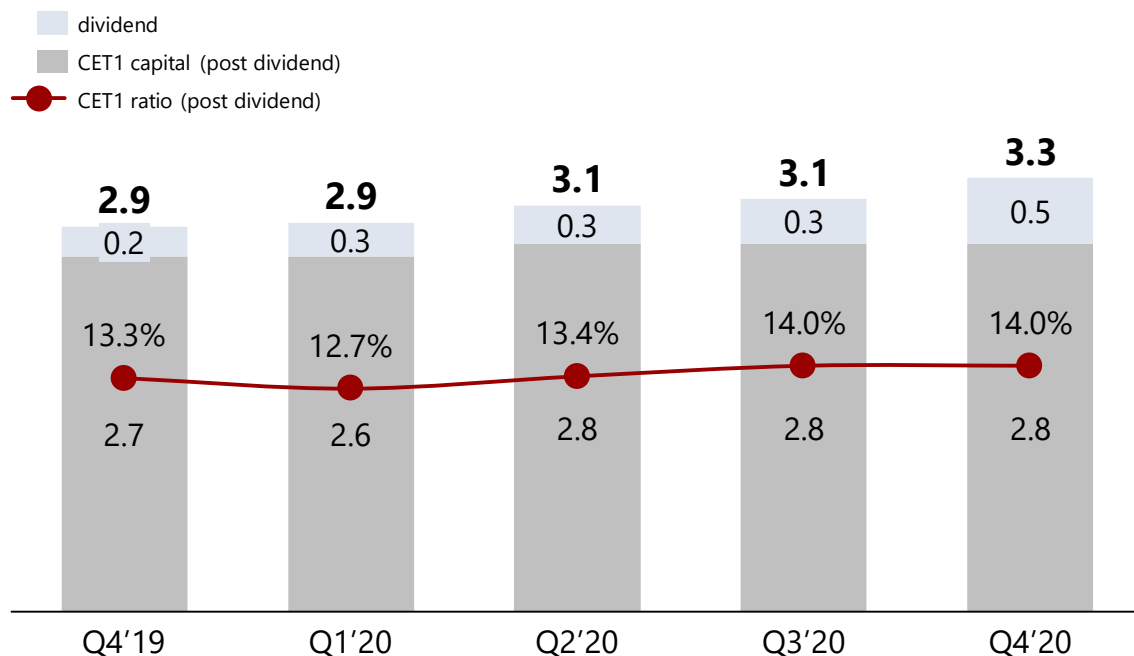
Regulatory Capital

Strong capital position

€ billions



CET1 Capital and ratios



RWA € billions	Tier 1 ratio ¹⁾	Total capital ratio ¹⁾	Leverage ratio ¹⁾
20.4	20.9	20.8	20.2
14.7%	14.1%	14.8%	16.3%
17.0%	16.3%	17.0%	19.6%
6.5%	6.3%	5.9%	6.4%

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%

OUTLOOK 2021

Core revenues
FY '20: €1,171m

~2% growth

Other income
FY '20: €1m

€0m expected

Operating expenses:
FY '20: €520m

Below €485m

Regulatory charges
FY '20: €59m

~€60m expected

Risk costs
FY '20: €225m

> 40% reduction

Developments in 2021

Core revenues

- We anticipate subdued activity during H1 '21 given continued lockdowns, followed by a normalized environment in H2 '21

Operating expenses

- Booked ~€22m restructuring charges in 2020 ... ongoing efficiency measures reducing core operating expenses >3%

Regulatory charges

- Commerzialbank fraud in 2020 increased annual deposit insurance payments by €12m per year ... no recoveries expected in 2021

Risk Costs

- Booked ~€100m ECL reserves, of which €38m management overlay, based on most severe macro forecast for 2020 of -12.6% GDP
- Total cyclical corporate exposures ~€22m (down 81% vs YE '19)
- De-minimis active payment holidays ... Retail & SME at 0.6% with 91% paying ratio and 6-month average pay period of expired deferrals

TARGETS

2021

Return on tangible
common equity (RoTCE)

>13%

Cost-income ratio

<41%

MEDIUM-TERM TARGETS

Based on normalized environment

Return on tangible
common equity (RoTCE)

>15%

Cost-income ratio

<40%

**Extraordinary
General Meeting**

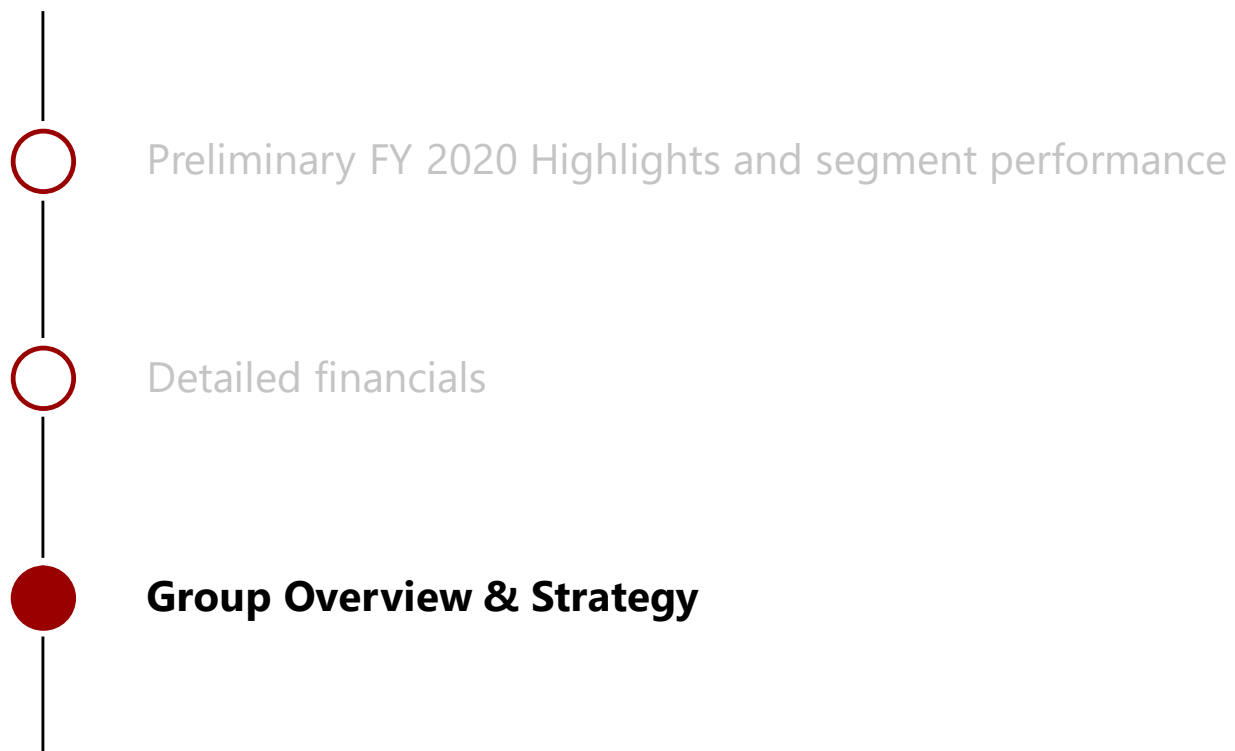
03 March '21

**Capital
Markets
Day**

September '21

**Annual General
Meeting**

H2 '21



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

2021	RoTCE	CIR
	>13%	<41%

MID-TERM <i>Based on normalized environment</i>	RoTCE	CIR
	>15%	<40%

OUR STRATEGY



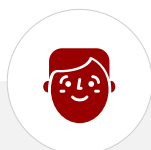
Strategy

4 pillars of our growth strategy



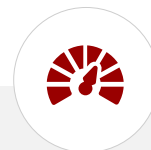
Growing in our core markets

- Our foundation is Austria with focus on DACH/NL region and developed markets
- Grow profitably into current account market share entitlement in Austria and address significant market opportunity in retail products across DACH/NL region
- Organic growth drivers ... Partnerships & platforms, enhancing digital engagement and growing share of wallet of 2.3 million customers
- Inorganic growth drivers ... pursuing earnings-accretive M&A meeting our Group RoTCE targets of at least 15%



Focus on Customer Centricity

- Build multi-channel and multi-brand franchise from branches-to-partners-to-platforms-to-digital products
- Physical network focused on high-touch and high-quality advisory
- Leverage technology to simplify processes and reduce complexity
- Enhance analytical capabilities to improve customer experience
- New partnerships and lending platforms to provide 24/7 customer access



Drive efficiency through operational excellence

- Our DNA is to focus on the things we control through “self-help” management
- Simplify, standardize, and automate products offerings across all channels
- Create simple end-to-end processes across the Bank
- Continuously optimize our processes, footprint, and technology infrastructure
- Embrace various forms of technological change and invest judiciously in technology



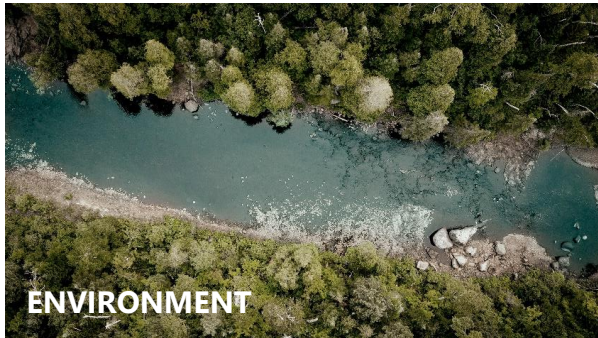
Maintaining a safe and secure risk profile

- Maintaining strong capital position, stable retail deposits and low risk profile
- Focus on mature, developed and sustainable markets
- Applying conservative and disciplined underwriting in markets we understand with focus on secured lending
- Maintain fortress balance sheet
- Proactively manage and mitigate non-financial risk

Committed to responsible, sustainable and profitable growth considering ESG

ESG embedded into our strategic roadmap

Committed to responsible, sustainable and profitable growth



- Reduce own Scope 1 and Scope 2 CO₂ 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

Bank transformation

Focusing on things we control and driving operational excellence

KEY METRICS

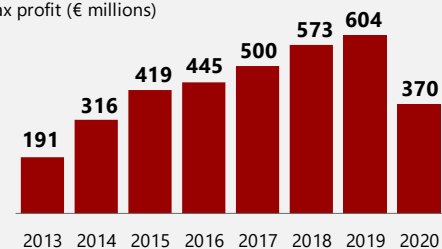
	2013	Private company				Public company			
		2014	2015	2016	2017	2018	2019	2020	
RoTCE	11%	15%	17%	18%	15%	15%	16%	10%	
C/I ratio	68%	54%	48%	46%	47%	44%	43%	44%	
CET1 (FL) post dividend	9.4%	12.2%	12.3%	13.6%	13.5%	14.5%	13.3%	14.0%	
NPL ratio	2.5%	2.0%	1.9%	1.7%	1.8%	1.7%	1.7%	1.5%	
Assets (€b)	36.6	34.9	35.7	39.7	46.1	44.7	45.7	53.1	

PILLARS OF OUR TRANSFORMATION

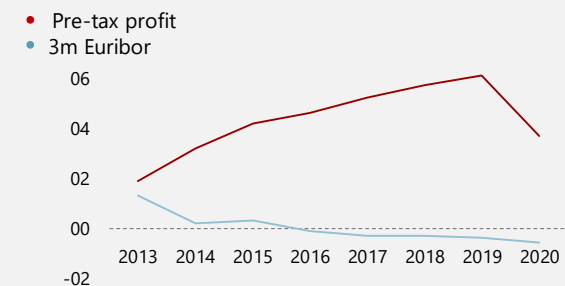
- ✓ Transformed business to address prolonged negative interest rate environment
- ✓ Structurally fixed cost base
- ✓ Focus on simple core products
- ✓ Focus on core markets ... exited CEE and non-core assets
- ✓ Discontinued trading activities
- ✓ Significantly increased profitability despite declining / negative rates
- ✓ More than doubled CET1 ratio
- ✓ Completed 9 acquisitions in DACH region since 2015

Increased profitability ...

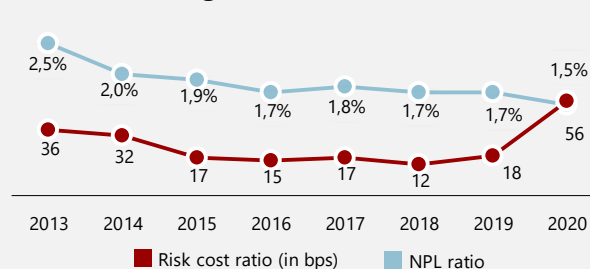
Pre-tax profit (€ millions)



... without relying on interest rates



... maintaining fortress balance sheet



Customer businesses €33.2 billion

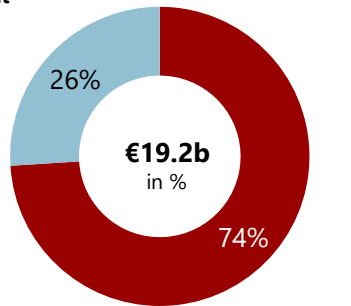
As of December 2020

RETAIL & SME

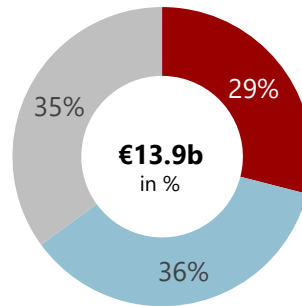
CORPORATES & PUBLIC

CUSTOMER BUSINESSES

By product

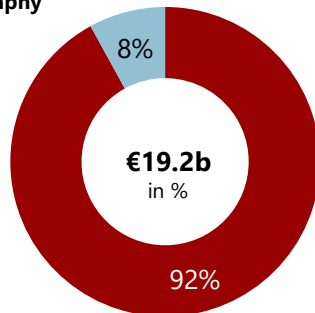


■ Housing loans ■ Consumer & SME

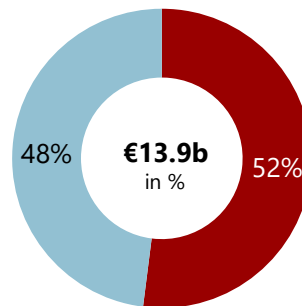


■ Corporate lending ■ Asset backed lending ■ Public clients

By geography



■ DACH/NL ■ Western Europe & USA



■ DACH/NL ■ Western Europe & USA

€33.2 billion of which ...



















~79%
Secured or public
sector lending

~75%
Lending in
DACH/NL

~25%
Western Europe &
USA

Proven M&A track record

Experienced with bolt-on acquisitions to build out customer franchise

	2019	 Health AG ³⁾	€0.1b assets, €1b factoring volume	3k customers
	2019	 Zahnärztekasse AG		
	2019	 BFL DIE IT-FINANZIERER	€0.6b assets	50k customers
	2018	 Deutscher Ring ²⁾ Bausparkasse AG	€0.5b assets	85k customers
	2017	 SÜDWESTBANK	€7.4b assets	100k customers
	2017	 PayLife SIX commercial card issuing business	1.7m cards	>500k customers
	2016	 start bausparkasse	€2b assets	500k customers
	2016	 IMMO-BANK	€1.6b assets	5k customers
	2015	 VB LEASING ¹⁾ LIKE IT. LEASE IT.	€0.7b assets	50k customers

Key M&A targets

- Continued focus on companies within the DACH/NL region and core Europe
- Assessing banks, specialty finance companies, performing loan portfolios, complimentary financial service companies and FinTechs
- Primary focus on core Retail & SME Banking (Mortgages, Consumer Lending, SME) and Specialty Finance (Leasing, Factoring)
- Primarily targeting companies requiring operational turnaround through simplification, standardization and technology enhancement
- Target wind-down / run-off opportunities to leverage restructuring advisory unit in both M&A and advisory capacity

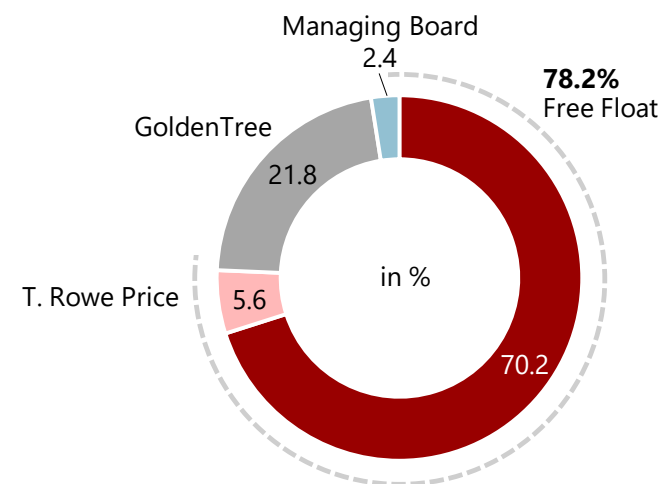
1) rebranded: easyleasing 2) rebranded: start:bausparkasse 3) rebranded: Health Coevo AG

Investor relations calendar

UPCOMING ROADSHOWS AND CONFERENCES

9 Feb	Digital one-on-one and group meetings
3 Mar	Extraordinary General Meeting (virtual; https://www.bawaggroup.com/agm)
Week of 8 Mar	Digital one-on-one and group meetings
8 Apr	Austrian Equity Days of Kepler Chevreux & Vienna Stock Exchange
12 Apr	Virtual RCB Conference
Week of 8 April	Digital one-on-one and group meetings after Q1 results
12 May	KBW European Financials Conference
12 May	UBS small/mid-cap conference
09 June	Goldman Sachs European Financials conference
16 Sep	Citi small/mid-cap conference
22 Sep	BAML conference
22 – 25 Nov	Citi Pan-Asia conference

SHAREHOLDER STRUCTURE



Number of shares: 89,142,237; Shares outstanding as of 9 Feb 2020: 88,855,047



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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